

Case Study 2 (Big Data Consultant in Complex Data)

Conversation between Complex Data and Home Universe

Complex Data [CD]: *So, it sounds like Home Universe has been using Data Churn for a while now. Is that correct?*

Home Universe [HU]: *That is correct. We have a few licenses that we bought 3–4 years ago, and our team has been using the tool to analyze data and generate insights.*

CD: *That's interesting to hear. What were the challenges faced your team in learning how to use Data Churn?*

HU: *It is a difficult tool to use, I must admit, but the team has learned how to make the most of it.*

CD: *Great job! Does it affect the training of new member? What strategies did your team use to train the members on using Data Churn effectively?*

HU: *It does not affect us much. We have trained a team of five people on using Data Churn effectively.*

CD: *Can you tell me more about how long it takes to train a new team member on Data Churn and what steps has your organization taken to mitigate the risk of losing one of the five trained team members?*

HU: *Not much. The requests will pile up only if one of the five members quits our organization. To address this, we are waiting for a new member to be trained on Data Churn.*

CD: *Are there any particular pain points that they encounter while working with the tool ?*

HU: *Yes, our team members certainly do not like using Data Churn and tend to quit within 12–18 months.*

CD: *How does the training time and cost for new team members using Data Churn compared to other similar tools in the market? How many team members you have trained in this year?*

HU: *It takes 4–6 weeks of training for a new team member to use Data Churn competently. So, that is at least 1.5 months of salary incurred as training cost. In addition to that, we make separate payments for the new team member to complete certain training projects, certifications and quizzes provided by Data Churn, which costs the same as a team member's monthly salary. So yes, our training costs are quite high. And so far in this year, we have trained six new members because of employee attrition.*

CD: Oh, I see. Could you please tell me more about the additional services that Data Churn offers, and how those compare to the costs of using their services versus training a new team member in-house? What are the options you choose to handle heavy workloads when you are short-handed?

HU: Data Churn offers services as well, wherein they provide us with one of their trained employees as an additional team member when one of our team members leaves and we are in the process of training a new one. But they charge really high rates for it, which is about three times what we pay our team members. So, we either use that option to handle heavy workloads when we are short-handed, or we provide existing trained team members with overtime pay.

CD: Okay, could you provide little more insights about employee attrition and what are the incentive plans you have for them for any extra work?

HD: Yes, our overtime pay rate is double the normal salary. But even with overtime pay, existing team members are not willing to do the extra work, which leads to further attrition.

CD: Got it. But when you employ contractors from Data Churn, who do not know your data as well as your team members, does that not affect the quality of the work? And if yes, then what steps have been taken to address this issue?

HU: Absolutely, data knowledge is key to our work. So, when we employ Data Churn contractors, the quality of their analysis and insights is not as good as what our team members would produce because the former do not have in-depth knowledge of our data. Because of this, our existing team members need to review their work, which leads to duplication of effort.

CD: What kind of escalations are you receiving? Could you please give some specific examples? How do you think that Data Churn is contributing to your team not functioning properly?

HU: Tell me about it! I keep getting escalations every other day from the heads of various departments that my team is not functioning optimally. I wish I could get some peace of mind at times. Data Churn is certainly not helping our case!

CD: Does it impacted the timely decisions? What are the specific instances where the lack of timely and quality insights provided by your team has impacted the decisions or actions of other departments?

HU: It definitely does. Our business is becoming increasingly data driven, and all the departments are highly reliant on us to provide on-time quality insights. Else, their decisions are delayed or sub-optimal. Just last week, the head of marketing was on my case on the phone, talking about how their marketing campaign was delayed by more than two weeks during the peak season because my team could not share insights on which stores were to be targeted for the campaign.

CD: It sounds like Data Churn is causing employee attrition, high training costs, high overtime costs, high contractor costs, low-quality output, duplication of effort and delays, thus affecting critical business decisions. Is that a fair summary?

HU: Looks like Data Churn is indeed a pain in the neck!

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Case Study-3

Questions on product:

Q1: What is Starbucks' core product?

A1: Core product of Starbucks' is Coffee beans and beverages.

Q2: What are Starbucks' actual and augmented products?

A2: **Actual products** of Starbucks' are hot and cold drinks, whole-bean coffee, coffee beverages, Frappuccino beverages, tea, baked goods, coffee-making equipment, collectibles (mugs, thermos, etc.), ice-cream, smoothies, sandwiches, pastries, snacks, and juices. However, few are seasonal or specific to the store locality.

Augmented products are free Wi-Fi, Prepaid Starbucks Card, loyalty programs, Starbucks Duetto Visa, comfortable ambiance, In-store music download, free electricity to charge the smartphones/laptops.

Q3: What are the various product categories that Starbucks offers?

A3: a) Coffee-based beverages

b) Tea

c) Pastries, cakes, and cookies

d) Sandwiches

e) Snacks

f) Low calorie and sugar-free products

g) Non-dairy milk offerings

h) Alcoholic drinks

i) Fruit juices, fruit beverages, and sodas

j) Energy drinks

k) Seasonal cups

l) Barrel-aged coffee, and Oleato coffee

m) Instant coffee and coffee capsules

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

A4: By offering Indian style product offerings such as Tandoori Paneer Roll, Chocolate Rossomalai Mousse, Malai Chom Tiramisu, Elaichi Mewa Croissant, Chicken Kathi Roll, Murg Tikka Panini, and 'India Spice Majesty Blend' one of the Eighteen different offerings of Tea brand 'Teavana' only for Indian market.

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

A5: By offering low-calorie and sugar-free products which uses skim milk, natural sweeteners, or company's sugar-free syrup, Non-dairy milk offerings such as soy milk, coconut milk, oat milk. However, company also stop using rBGH-treated cow's milk.

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

A6: 'Nitro Cold Brew coffee which is infused with nitrogen gas which creates smoothy and velvety texture. That creamy head of foam looks similar to draft beer. This coffee typically served chilled to keep this texture.

Q7: What are some partnerships that Starbucks has entered into, from the product perspective?

A7: a) With PepsiCo to distribute ready-to-drink Starbucks products.

b) Partnership with Nestle by offering Starbucks coffee pods to bring Starbucks coffee into homes and to offer non-dairy creamers at retail with Nestle SA.

c) Beyond Meat partnership to offer plant-based meat alternatives.

d) With 'Uber Eats' to bring its beverages to U.S. customers' doorsteps.

e) Kraft foods to sell Starbucks products in their grocery stores.

f) Partnership with Tata to open its outlets in India

g) Partnership with Swiggy, India for home delivery from Starbucks outlets.

Questions on price:

Q1: What is the most expensive coffee that the Starbucks in Connaught Place, New Delhi (CP) sells?

A1: 'Hazelnut Dutch Truffle Frappuccino' with Rs. 399/- is the most expensive at the Starbucks in Connaught Place, New Delhi (CP).

Q2: What is the least expensive coffee that Starbucks in Connaught Place, New Delhi (CP) sells?

A2: 'Caffe Americano' with Rs. 220/- is the least expensive coffee at the Starbucks in Connaught Place, New Delhi (CP).

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: Starbucks follow Premium pricing strategy. According to this high price points and price ranges for the superior quality or high-end products. In short 'premium price' for 'premium products. This strategy based on the consumers' behavioural tendency that high price means high value, high quality, and high status.

Questions on place

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

A1: There are total 26 cities in India that have at least one Starbucks store.

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

A2: There are total 306 Starbucks stores in India.

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

A3: Mumbai, Delhi, Bengaluru, Hyderabad, Chennai, Pune, Kolkata, Ahmedabad, Chandigarh, Jaipur, Surat, Indore, Lucknow, Kochi, Vadodara, Amritsar, Ludhiana, Noida, Gurugram, Ghaziabad, Faridabad, Mysuru, Siliguri, Nashik, Guwahati, Thiruvananthapuram.

All such cities are major urban cities with a large population, a high disposable income, a cosmopolitan culture, having shopping malls, airports, or a business hubs, and there could be a growing demand for coffee.

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

A4: During March, 2018, Starbucks announced to use of blockchain technology to connect coffee drinkers with the coffee farmers, roasters, baristas, and to explore coffee-growing regions around the world. This program was known as “bean to cup” program which used Microsoft Azure blockchain services. That tool known as Starbucks Digital Traceability tool which transforms each bag of coffee beans into a digital passport. There is a mobile App need to install and then by following few simple steps a person can experience the whole journey of his/her coffee.

Q5: What are some partnerships that Starbucks has entered, from the place perspective?

A5: a) Apple Inc. Partnership to collaborate on selling music as part of the “coffeehouse experience”.

b) Partnership with Tata global Beverages, India to expand its business in India.

c) Partnership with Pepsico and Nestle to distribute their products in various stores and retails.

d) Partnership with Uber Eats to bring their products to customer doorsteps.

e) Partnership with Kesko (2nd largest retailer in Finland) to open their stores next to K-Citymarket.

f) Did joint venture with Alsea and Colombia’s Grupo Nutresa to expand into Colombia.

g) Partnership with Royal Caribbean International to open a shop aboard the ‘Allure of the Seas’ (2nd largest ship in the world).

Questions on promotion

Q1: What is Starbucks’ primary means of promotion?

A1: Company focuses on high-quality customer experience as according to the Starbucks, managing a brand is like managing a relationship. Company works on to improve Brand Identity, revenue, market share and customer loyalty by offering exceptional customer services, and high-quality products.

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

A2: Company’s promotion strategy persuades consumers to buy the company’s tea and instant coffee products. For this purpose, they use Word-of-mouth marketing, which is the most significant part of the promotion strategy to spread positive reviews that promote coffeehouse business. To do

this, company created a strong social media presence use the platform like Twitter, Facebook, and Instagram to share brand story, promote new products, and to engage with the customers.

Do advertising via print media, digital media, and do partnerships with celebrities and influencers. Do sales promotions by giving Starbucks Rewards program to provide freebies for customers, to persuade them to buy more of the company's products. Whereas customers can redeem these points for free food and beverages.

Also work on public relations by helping organizations and communities to run various CSR activities related to Social and Environmental issues.

Q3: What does "Third Place" mean in the context of Starbucks' marketing strategy?

A3: Starbucks' "Third Place" means their physical stores. As the company is trying to build a place where their consumers come for the coffee, stay for warmth, and return for the human connections. Their focus is to provide a distinct community gathering place through their people, stores and by their offerings. Therefore, no two Starbucks store looks similar, and lot of local inspiration can be seen at their flagship store. Like this a person may spend some of his time at Starbucks' coffee stores and feel that as a "Third Place" after his/her home and office.

Q4: What does "Fourth Place" mean in the context of Starbucks' marketing strategy?

A4: Starbucks launched mobile order service, so the customer can pre-order a beverage so they no need to wait inside the store. They launched contactless deliveries. During pandemic they took their offline rituals online and sent notes, direct messages to their customers, calling out their names with their favourite beverages, wishing them on their special day. Therefore, in the context of Starbucks' marketing strategy "Fourth Place" means to make a connection with their consumers on social media and beyond.

Questions on people:

Q1: What are Starbucks' primary target customer segments?

A1: Initially Starbucks' target on young adults, affluent consumers who willing to pay a premium price for a premium product, coffee enthusiasts, who live in urban/metropolitan cities, having higher income and education level.

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

A2: Target customers are the customers who lives in urban, suburban, or metro cities, and ready to pay extra for premium products as this insist/appeal to those affluent and coffee enthusiast consumers to get high-quality and unique cafe experience.

Likewise, Starbucks' open its store mostly in high-traffic and visibility locations like shopping centres, airports, office buildings, and other busy urban areas to attract people by providing a comfortable and a convenient place for a break and or to socialize.

Q3: What are Starbucks employees called?

A3: Starbucks' employees are called 'Partners' as company belief that its employee are near the heart of the company and they share a common vision and goal.

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

A4: Starbucks did a partnership with Arizona State University (ASU) that allows its employees in their Junior and Senior years of college to complete four years of college at ASU's online program at very minimum price and they will cover 44% of their tuition fees. So they can advance their career within and outside the company.

Also did a tie-up with Lyra Health Inc. so all U.S. employees and their eligible family members could use up to 20 free mental health therapy or coaching sessions per year (face-to-face or video call).

Questions on physical evidence:

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

A1: Starbucks store layout are designed to create a unique and comfortable atmosphere that encourages customers to spend time and return or future visits. To create a cozy and welcoming atmosphere it is done by using warm lighting, wood finishes, ample seating areas, elements that reflects the brands' identity, by incorporate in regional designs, artworks, and materials.

By placing it ordering counter toward the middle or back off the storer to ensure that customers walk past the store's seating area which encourage them stay and enjoy their drinks in the store. So, the longer customer stay, the better the chances off their returning to the counter and purchase another product.

Use lighting to guide customers through the store which encourage an impulse buy.

Starbucks has a thin strip of counter between the customers and its coffee machines, which makes the ordering process feel more inviting.

To encourage customers to think about what they might purchase when they return Starbucks places advertising between the ordering counter and the counter where a customer picks up their coffee and pastries.

Q2: What is the Starbucks logo?

A2: Starbucks logo is an iconic circular shape with an image of green and a white mermaid or siren with long hair and a crown-like emblem on her forehead which is based on the 16th century Norse woodcut. Siren represents Starbucks' origin as a coffee company from Seattle, and a city with a rich maritime history and the connection with their customers. After some minor revisions over the years now Starbucks removed wordmark around the siren, enlarging the siren image and make it green.

Q3: Has the Starbucks logo evolved over time?

A3: Yes, it is since it was first introduced in 1971. Original logo has more detailed image of a brown mermaid with a split tail and an exposed chest, the company name was written in a serif font. Later in 1987 there were some updates of colour (green). Whereas in 1992 mermaid navel and breasts are not visible at all and only vestiges remain of the fish tails. Later in 2011 company removed Starbucks wordmark around the siren enlarging the siren image and making it green.

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

A4: Yes, it can be considered as Physical evidence in the 7ps framework, because physical evidence refers to tangible or an intangible element that customer can experienced when they interact with

store's services. This app allows the customer to order, track their orders, do a contactless payment, customize their drinks, earn stars and redeem rewards. By using this app, they can access additional services and enhance their overall experiences.

Questions on process:

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

A1: 'Lean' is the process improvement philosophy that Starbucks adopted to improve its productivity. It is a philosophy and a set of tools and techniques that aim to eliminate waste, optimize value, and improve quality and efficiency in any process. Lean was developed by Toyota to achieve customer satisfaction and operational excellence.

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

A2: Following measures are used to measure in-store productivity.

- a) Average order fulfilment duration (Starbucks coffeehouse productivity)
- b) Weight of coffee beans processed per time (roasting productivity)
- c) Average repair duration per equipment type (maintenance productivity)

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Case Study-4

5Ws + How Analysis of the Six Entities in WalStore's Operations

	Supplier	Warehouse Transporter	Warehouse	Warehouse-to- Store Transporter	Store	Customer
What?	<p>-----?</p> <p>What are the types of contracts they have?</p>	<p>-----?</p> <p>What is the role and responsibility they have?</p>	<p>-----?</p> <p>What inventory management system is used there?</p> <p style="text-align: center;">OR</p> <p>What is the capacity and size of them?</p>	<p>-----?</p> <p>What is the process for tracking and monitoring during goods transportation?</p> <p style="text-align: center;">OR</p> <p>What transportation methods are used?</p>	<p>What is the size of the buffer supply area?</p> <p>-----?</p> <p>What is the process for maintaining cleanliness and hygiene standards in the stores?</p>	<p>-----?</p> <p>What factors are considered in optimizing the layout of the stores to enhance customer experience and maximize efficiency?</p> <p style="text-align: center;">OR</p> <p>What are the demographics and shopping preferences of them?</p> <p>-----?</p> <p>What promotional strategies or offers are implemented to attract and retain customers?</p>

How?	<p>-----?</p> <p>How do they ensure timely production and delivery of goods?</p>	<p>-----?</p> <p>How do the transporters ensure efficient and timely movement of goods from suppliers?</p>	<p>-----?</p> <p>How are goods organized and stored there?</p>	<p>How are the schedules arrived at?</p>	<p>-----?</p> <p>How do the stores handle customer inquiries, complaints, and product returns?</p> <p>-----?</p> <p>How is the layout and organization of the stores designed to optimize customer flow and product accessibility?</p>	<p>How is the store layout optimized?</p>
Who?	<p>-----?</p> <p>Who are the existing suppliers?</p> <p>OR</p> <p>Who are the key stakeholders involved in the supplier selection and evaluation process?</p>	<p>Who are the transporters?</p>		<p>-----?</p> <p>Who are the warehouse-to-store transporters?</p> <p>OR</p> <p>Who is responsible for coordinating and managing the schedule transportation?</p>		<p>-----?</p> <p>Who is responsible for designing and implementing the store layout optimization strategies?</p> <p>OR</p> <p>Who are the target customers?</p>
When?		<p>-----?</p> <p>When do the transporters typically pick up goods from the suppliers and deliver them?</p>	<p>When do the warehouses receive goods from the transporters?</p>	<p>-----?</p> <p>When do they pick up the goods from the warehouses and deliver them to the store?</p>	<p>-----?</p> <p>When are the stores restocked with goods from the buffer supply to supermarket shelves ?</p>	<p>When do they visit the store?</p>

				<p>OR</p> <p>When and how often they communicate with the stores regarding delivery schedules and updates?</p>		
Where?	Where are the suppliers located?		<p>-----?</p> <p>Where are the warehouses located?</p>		<p>-----?</p> <p>Where are the promotional and display areas located within the stores?</p> <p>OR</p> <p>Where are the stores located in relation to customer base and target demographics?</p>	
Which?		Which prominent routes do the transporters use to navigate between the suppliers and the warehouses?	<p>-----?</p> <p>Which factor/s determine the allocation and distribution of goods to store?</p>	<p>-----?</p> <p>Which routes are typically taken for optimal and efficient delivery?</p> <p>OR</p> <p>Which factors influence them for prioritization and sequencing of deliveries to store?</p>		

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