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## Questions on Product

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

**A1:** Starbucks' main offering is called "Starbucks lifestyle." a sophisticated Community.

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

**A2: Actual Products:** Coffee, tea, sandwiches, sweets, supplies needed to prepare beverages, cosy store design, Starbucks logo.

**Augmented Products:** Free WIFI, music downloads available in-store, and Starbucks card.

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

**A3:** The two product categories offered by Starbucks are:

**1. Convenient Products:** Low effort required to purchase; frequently purchased.

**2. Staple Products:** Regular frequency of purchase.

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

**A4:**

- The India Estate Blend, a product created by Tata Coffee specifically for the country, has been released by Starbucks.
- In accordance with Tata Coffee, they have also introduced Indian Espresso Roast, which is sourced locally.
- Other Indian drinks like the Chai Tea Latte and food items like the Kathi Wrap have also been added by Starbucks.
- Additionally, the store's design was notable in a few locations as a local theme.

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

**A5:** Starbucks developed its healthy food offerings in response to customers' growing demand for leading healthier lifestyles. They went a step further by providing information about the calories and nutritional content of the drinks and other menu items.

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

**A6:** Starbucks has released a number of new coffee flavors and preparation methods because it is their top-selling item.

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

**A7:**

- Starbucks and Apple Inc. have joined to sell music as a component of the coffeehouse experience.
- Starbucks and Kraft Foods joined forces to sell Starbucks goods in the latter's grocery stores.
- Starbucks and Pepsi Co. formed a partnership to market Starbucks goods throughout Latin America.

### Questions on Price

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

**A1:** Caramel Praline Latte – Venti. This costs Rs.365.

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

**A2:** Café Americano – Short. This costs Rs.175.

**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 uses a premium pricing strategy because it has set its prices higher than its rivals in an effort to give customers the impression that their goods are of a better standard.

## Questions on Place

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

**A1:** A Starbucks location can be found in 22 different cities.

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

**A2:** As of April 2021, Starbucks has 219 locations spread over 24 Indian cities.

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

**A3:** Most popular tourist destinations in India typically have a Starbucks location to draw in foreign customers and increase sales.

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

**A4:** Starbucks has made an effort to reflect the local culture in the areas where their outlets are located.

For instance: Elements of Hyderabadi pearls were used in the design of the flagship store in Hyderabad.

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

**A5:** Starbucks and PepsiCo have an agreement for the marketing and distribution of products in numerous Latin American nations.

To introduce Starbucks goods in India, Starbucks and Tata Coffee also formed a 50/50 partnership.

## Questions on Promotion

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

**A1:** Starbucks gained attention primarily as a result of word-of-mouth advertising. The business also promotes its goods online, in print publications, and on television. Starbucks Rewards, a programme that offers freebies to customers after they spend a specific amount on company products, uses sales marketing. The importance of word-of-mouth marketing and advertising is clearly demonstrated in this area of Starbucks Corporation's marketing mix.

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

**A2:** In the marketing mix, word-of-mouth often focuses on offering the finest customer experience in order to persuade customers to spread favourable remarks about the company.

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

**A3:** The term "third place" in the context of Starbucks' marketing strategy refers to a location or a space other than an office or home. You can interact and be your most authentic selves here.

Customers at Starbucks are encouraged to visit for the coffee, stay for the warmth, and come back for the human connection.

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

**A4:** Starbucks operates around the tenet of human connections. They apply this idea to their electronic communications as well. Digital is Starbucks' "fourth place," behind homes, workplaces, and coffee shops. Building online communities through narrative and two-way communication on platforms like Facebook, Twitter, SMS, etc. helps them do this.

## Questions on People

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

**A1:** The demographics at Starbucks are mostly concerned with the highly-paid age range of 25 to 40.

The generation targeted is Generation Y, defined as those born between 1977 and 2000. They also concentrate on the upper middle class group, most of whom have college degrees.

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

**A2:** Starbucks offers pricey, high-quality goods together with a customised in-store experience by educated staff; for instance, the customer's name is inscribed on the plastic cups. While targeting a wider audience, Starbucks is positioned between mass marketing and segment marketing; the customers need meet certain requirements, such as having higher incomes or being younger.

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

**A3:** Employees at Starbucks are referred to as Partners.

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

**A4:** Starbucks is renowned for spending money on employee growth and training.

The Barista Basics Training programme seeks to give new baristas the abilities and information necessary to function effectively at the restaurant.

## Questions on Physical Evidence

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

**A1:** The arrangement of the store benefits customers in a few key ways. They are as follows:

- Starbucks frequently displays new product advertisements on its doors.
- Lighting is used to direct clients through the business.
- Customers may order more comfortably because there is a thin counter between them and the coffee makers.
- To ensure that people pass through the store's dining area, Starbucks positions its ordering counter toward the Centre or back of the establishment.

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

**A2:** Starbucks logo is a two-tailed mermaid or siren.

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

**A3:** Yes Starbucks logo which was created in 1971 has evolved during the years.

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

**A4:** Starbucks app acts more as a distribution channel rather than Physical Evidence. This is because the app provides a medium or a channel to the customers who are too busy to sit and have a beverage in Starbucks stores.



## Questions on Process

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

**A1:** The Lean strategy or Lean production is the approach taken by Starbucks. This strategy's fundamental goal is to boost customer value while getting rid of any steps that do not directly contribute to or offer value for the customer.

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

**A2:** Some of the key metrics that Starbucks uses to measure in-store productivity

- Quality control. ensuring that the items are of the finest quality.
- Both location and plan. Starbucks concentrates on urban areas with sizable populations of upper middle class people.
- Average time to fill an order
- Duration of equipment repairs
- Processed coffee bean weight per time.