**Case study 3**

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**Questions on Product**

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

**A1:** Coffee is the core product of Starbucks.

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

**A2:** Premium coffees & teas, sandwiches, desserts, CDs, packaged coffees & teas, coffee-making equipment, collectibles, and ice cream are the products of Starbucks

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

**A3:** These are the various categories: Coffee, Tea, Baked goods, Frappuccino, Smoothies, Other foods and beverages, Merchandise (mugs, instant coffee, etc.)

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

**A4:** Starbucks has offering Indian tastes and products, especially for Indian customers, and These are those products Tandoori Paneer Roll, Chocolate Rossomalai Mousse, Malai Chom Chom Tiramisu, Elaichi Mewa Croissant, Chicken Kathi Roll, and Murg Tikka, etc.

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

**A5:** Starbucks has increased its food options tremendously over the past few years, and they make it pretty darn easy to find a healthy meal when eating on the go.

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

**A6:** Energy Drinks, In January 2022 Starbucks launched a line of canned energy drinks, called "Baya."

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

**A7:** Kraft Foods, Starbucks, and Kraft Foods entered into a partnership in 1998 to sell Starbucks products.

PepsiCo, Spotify, Disney, Uber Eats, etc.

**Questions on Price**

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

**A1:** One of the most expensive coffee at Starbucks in Cp is "Caramel Praline Latte".

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

**A2:** The least expensive coffee at Starbucks in Cp is "Espresso Shot 55".

**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. The company’s coffee products are more expensive than most competing products, such as McDonald’s Premium Roast. Through this pricing strategy, Starbucks maintains its high-end specialty image. Still, the company strives to develop and actually provide high-quality products and a satisfactory customer experience in its coffeehouses.

**Questions on Place**

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

**A1:** 28 cities in India have Starbucks stores.

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

**A2:** 252 stores in India.

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

**A3:** Siliguri, Nashik, Guwahati, Thiruvananthapuram, Goa, and Bhubaneswar are the 6 cities that tend to have a Starbucks store."Expanding our footprints is a matter of great pride for us" Said Tata Starbucks CEO Shushant Dash.

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

**A4:** “In New Jersey, Starbucks found that customers interact with them differently by day part, so Starbucks evolved their Glenridge store to provide convenience in the morning and comfort in the afternoon, and in big cities, it became even more important to help customers along their daily routines — a pickup store answers one part of their day effortlessly, but even in busy places like New York, customers need comfort too,”

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

**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:** Starbucks predominantly uses its website, social media channels and in-store displays to promote the brand and the products. It also uses sales promotions, events, direct marketing, print media, and PR in an integrated manner to multiply the impact of its promotions.

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

**A3:** In the third place, the idea is to make customer service not only satisfactory but excellent. Their efforts to create a space where people want to come and hang out and relax. They do this by creating a similar environment in every Starbucks location.

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

**A4:** By digital, the implication here is not only about reaching out to a "digitally-savvy audience", but also about creating a place that is "digitally equipped" with a robust mobile and online delivery system. Starbucks calls it fourth place

**Questions on People**

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

**A1:** The target audience of Starbucks is middle to upper-class men and women. It’s the percentage of the general public who can afford their higher-priced cups of coffee on a regular or daily basis. And this is who their marketing is targeted to reach.

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

**A2:** The Starbuck shops give the customers a comfortable feeling like they are home. The combination of the unique product offerings, the comfortable feeling, and excellent customer service are the main reasons for the customers to keep retaining.

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

**A3:** Starbucks calls their employees partners because Starbuck believes that they are all partners in shared success. They make sure everything they do is through the lens of humanity.

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

**A4:** While organizations like Starbucks have laid tremendous emphasis on employee training to influence their sales and productivity, training is still not considered as important as any other aspects of company management such as Customer Resource Management and Enterprise Resource Management. The one lesson that Starbucks has taught us is that- training alone, could impact both CRM and ERM.

**Questions on Physical Evidence**

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

**A1:** The main marketing strategy of Starbucks store layout is to represent Starbucks’ store as a “third place” between work and home. The company could increase the market share in existing markets and open stores in new markets rapidly. Additionally, Starbucks always tries to expand its product portfolio.

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

**A2:** A Starbucks spokeswoman, said that the logo is an image of a "twin-tailed mermaid, or siren as she's known in Greek mythology.

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

**A3:** Yes, The Starbucks logo has evolved several times.

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

**A3:** Yes, the Starbucks app can be considered as a part of physical evidence in the 7 Ps framework. Because this includes packaging and branding, but should also bring in the ways products are displayed in stores. This is examples of proof of purchases can include physical or digital receipts, and invoices.

**Questions on Process**

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

**A1:** Starbucks adopted several things to improve its productivity some of those were, To reduce time, So they work on the basis of theory " by shaving off a little bit of the time it took to complete each part of the process customers would receive their orders quicker and have a more positive overall experience".

**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)