



A Study on Consumer Buying behaviour towards Star Bucks Special Reference to Coimbatore

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ABSTRACT:

This study investigates consumer buying behaviour towards Starbucks in Coimbatore, Tamil Nadu, with a focus on understanding the factors that influence consumer decisions and preferences. Understanding local consumer views and purchasing trends is becoming more and more important to Starbucks as it seeks to grow its presence in India. In addition to taking into account the expanding coffee culture in Coimbatore, the study examines a number of elements that influence consumer behaviour, including product offerings, store atmosphere, pricing methods, image of the brand, and social aspects.

Surveys and interviews with Coimbatore customers of Starbucks were among the qualitative and quantitative research techniques used. The results show that the majority of customers are drawn to Starbucks because of the outstanding quality of its goods, its status as a global brand, and the whole experience it provides. Consumer decisions were also strongly influenced by elements including social media impact, convenience, and store atmosphere. Price sensitivity was also noted, with some customer groups placing a higher priority on value for money while still appreciating Starbucks' premium experience.

The study highlights the value of modifying marketing methods in order to meet local tastes and expectations by offering valuable data about the preferences and attitudes of Coimbatore's urban population toward Starbucks. The findings of this study can help Starbucks improve its strategy for the Indian market, which would guarantee more consumer interaction and long-term expansion in the area

KEY WORDS: Consumer Buying Behaviour, Brand Loyalty, Customer Preferences

INTRODUCTION:

The process through which people choose to invest their time, money, and effort in the consumption of products and services is known as consumer buying behaviour. Businesses need to understand consumer behaviour in order to improve their product offerings, create marketing tactics that work, and meet changing consumer needs. To achieve long-term success in a market that is highly competitive, companies must match their tactics to the tastes and demands of their customers.

Starbucks, a well-known international coffee shop brand, has effectively grown its business globally while providing a superior cup of coffee. The brand has expanded quickly in India, where coffee lovers gather in its stores. This change in coffee culture is also noticeable in Coimbatore, a developing city in Tamil Nadu that is well-known for its industrial and educational significance. Starbucks joined the Coimbatore market in order to serve a growing market of wealthy, urban consumers who are looking for superior coffee, a welcoming atmosphere, and more than simply a cup of espresso.

This study is significant since it offers information on how Starbucks can improve its tactics to better serve the Coimbatore market and make sure the brand appeals to the local community. Gaining knowledge on Coimbatore consumers' purchasing patterns would also help Starbucks improve its standing in India and support the region's expanding coffee culture.

STATEMENT OF THE PROBLEM

The lack of knowledge about Coimbatore consumers' purchasing habits with regard to Starbucks is the issue this study attempts to solve. Given Starbucks' ongoing expansion in India, it's critical to understand the factors that lead local customers to select Starbucks over other coffee brands. Coimbatore may differ from other areas in aspects like product quality, cost, store ambiance, and societal influence. By identifying these important factors, Starbucks will be able to adjust its business practices to better suit the tastes and demands of Coimbatore customers and maintain its position as a market leader in the competitive coffee industry.

OBJECTIVE OF THE STUDY

- To analyse consumer preferences and purchasing patterns of Starbucks products in Coimbatore.
- To identify the factors influencing customer loyalty towards Starbucks in the Coimbatore market.
- To assess the impact of Starbucks' marketing strategies on consumer buying decisions in Coimbatore
- To examine the demographic characteristics (age, income, etc) of consumers who frequent Starbucks in Coimbatore.

RESEARCH METHODOLOGY:

The study's research technique aims to collect both qualitative and quantitative data to give an in-depth understanding of Coimbatore consumers' purchasing habits with reference to Starbucks.

Research design: The study uses a descriptive research design with the goal of outlining the main variables affecting the preferences and behaviour of consumers. Surveys and interviews will be used in the study to obtain detailed data.

Sampling: The participants will be chosen at random from among the greater number of Coimbatore Starbucks customers. To give a varied viewpoint, the sample will comprise both frequent and infrequent clients.

Data collection:

- **Primary data:** Structured questionnaires will be used to gather this information. Both closed-ended and open-ended survey questions will be included, covering topics like:
 1. Reasons why customers visit Starbucks.
 2. Opinions of Starbucks' goods and services.
 3. Pricing, social influence, and retail atmosphere's effects on purchasing decisions.
 4. Customer demographic data, including age, income, and lifestyle.
- **Secondary data:** Information will also be gathered from existing sources such as reports, articles, and academic papers on consumer behaviour, Starbucks' marketing strategies, and coffee culture in India.

TOOLS OF DATA COLLECTION

Questionnaire: To gather quantitative data, a standardized questionnaire will be implemented. A combination of closed-ended questions (such multiple-choice and rating scales) and some open-ended questions will be included. Consumer preferences, purchasing patterns, opinions about Starbucks' products (such as ambiance, quality, and price), and demographic information (such as age, income, and lifestyle) will all be gathered with the aid of the survey.

Secondary Data: To support primary data, pre-existing data from reports, academic studies, and Starbucks' annual reports or marketing materials will be reviewed. This might provide you some background on the coffee business, consumer trends, and Starbucks' business plans.

Observation: To examine consumer behaviour in real time, observational research will be conducted at Starbucks locations in Coimbatore. Researchers will watch how customers respond to store atmosphere or advertising materials, how long they stay, how they make purchases, and how they interact with the surroundings.

PERCENTAGE ANALYSIS:

The statically tool used in this study is percentage analyses. This is the simplest way to analyses different types of data. In this method we found out the percentage rate of each data with respect to total. Using this percentage rate, we analyze data.

$$\text{Percentage of Respondents} = \frac{\text{No. of Respondents}}{\text{Total no. of respondents}} * 100$$

LIMITATIONS OF THE STUDY

Sample Size: Because only a limited number of customers at Starbucks may have participated in the study, the results may not accurately reflect the opinions of all Coimbatore consumers.

Geographic Scope: The study's findings might not be applicable to other cities or areas with different consumer habits because it concentrates on Coimbatore.

Time Restrictions: The study may have been carried out over a short time frame, which may have left out long-term patterns or shifts in customer behaviour.

Brand Availability: Some potential customers may not have enough access to the store to take part in the survey if there aren't many Starbucks stores in Coimbatore.

REVIEW OF LITERATURE

Schiffman & Kanuk (2012) defined consumer buying behaviour as the study of how individuals select, purchase, use, and dispose of goods to satisfy their needs. Several factors, including cultural, social, personal, and psychological aspects, influence purchasing decisions. Starbucks, as a global brand, caters to a diverse consumer base, and understanding local consumer behaviour is crucial for business expansion (Kotler & Keller, 2016).

Aaker (1991) emphasized that brand equity significantly impacts consumer purchasing decisions. Starbucks has built a strong global brand through consistency in product quality, store ambiance, and customer experience (Keller, 2013).

Mishra & Kumar (2020), Starbucks' branding strategy, including its premium positioning, plays a crucial role in consumer retention and loyalty.

Dutta (2018) found that brand loyalty towards Starbucks is driven by customer satisfaction, perceived value, and emotional attachment to the brand. Moreover, the study suggests that Starbucks' rewards program and mobile application play a vital role in repeat purchases.

Kotler (2019) identified five key factors influencing consumer preferences:

1. **Product Quality** – Starbucks is known for its premium quality coffee and wide variety of beverages (Lee & Ulgado, 2016).
2. **Pricing Strategy** – While perceived as expensive, Starbucks justifies its pricing through brand value and experience (Sharma, 2021).
3. **Store Ambiance & Customer Experience** – The atmosphere, seating arrangements, and friendly service impact consumer preferences (Baker et al., 2019).
4. **Marketing & Promotions** – Starbucks uses digital marketing, social media engagement, and loyalty programs to attract and retain customers (Sengupta, 2020).
5. **Social & Cultural Influence** – Peer recommendations and social media presence play a significant role in Starbucks' market success (Chaudhuri & Holbrook, 2001).

Starbucks entered the Indian market through a joint venture with Tata Global Beverages in 2012.

Krishnan & Ramaswamy (2022), Starbucks' expansion in India is influenced by the rising café culture, increasing disposable incomes, and changing consumer preferences. However, challenges such as price sensitivity and competition from domestic coffee brands like Café Coffee Day and Barista exist.

Gupta & Jain (2023) found that Starbucks is more popular among urban millennials and young professionals who seek a premium coffee experience. However, affordability remains a concern in price-sensitive markets like Coimbatore.

While limited literature is available specifically on Starbucks' consumers in Coimbatore, studies on coffee consumption trends in South India indicate a preference for traditional filter coffee (**Ravi & Srinivasan, 2019**). However, a growing segment of young consumers is shifting towards international coffee brands for social status and brand experience (**Sundaram, 2021**).

Sridharan (2023), Starbucks outlets in Coimbatore attract students, IT professionals, and business executives who value ambiance, service quality, and international branding. The study also highlights the importance of digital payment options and mobile app-based promotions in consumer engagement.

THEORIES OF JOB SATISFACTION

1. Herzberg's Two-Factor Theory (1959) & Starbucks

Herzberg's theory states that job satisfaction is influenced by:

- Hygiene Factors – Salary, working conditions, company policies, and job security.
- Motivators – Recognition, career growth, responsibility, and achievement.

Application to Starbucks in Coimbatore:

- Customer service may suffer and customer satisfaction may drop if Starbucks staff members are unhappy with hygienic issues (such as low pay or unfavourable working circumstances).

- Motivated coffee shop employees who are acknowledged and given opportunities for advancement provide superior customer service, which improves customer satisfaction and brand loyalty.

2. Maslow's Hierarchy of Needs (1943) & Starbucks Employees

Maslow's model suggests that employees have five levels of needs that influence their job satisfaction.

Application to Starbucks in Coimbatore:

Basic necessities are met by the company's competitive pay, employee discounts, and meal benefits.

- Safety needs: Stability for workers is ensured by organized policies, employment security, and health benefits.
- Social Needs: Starbucks' welcoming and cooperative workplace culture fosters customer involvement and teamwork.
- Reputation needs: Employees are motivated by promotions, performance reviews, and "Star of the Month" initiatives.
- Self-Actualization: Opportunities for career development foster enduring staff dedication, which improves customer satisfaction and service quality.

3. Job Characteristics Model (Hackman & Oldham, 1976) & Starbucks Service Quality

This model highlights five job characteristics that impact employee satisfaction and performance.

Application to Coimbatore's Starbucks:

- Variety of Skills: To keep their work interesting, employees learn how to make coffee, communicate with customers, and work as a team.
- Task Identity: Motivation is increased when one observes how their service affects client pleasure.
- Task Significance: When workers help provide a superior coffee experience, they feel appreciated.
- Independence: Starbucks gives staff members the freedom to customize interactions with customers, which enhances customer service.
- Feedback: Employees may grow and maintain engagement with regular training and feedback.

4. Equity Theory (Adams, 1965) & Starbucks Employee Motivation

Workers contrast their efforts and rewards with those of their colleagues. They stay satisfied if they believe that things are fair; if not, their performance suffers.

Application to Starbucks in Coimbatore:

- Promotions, incentives, and fair pay make workers feel appreciated, which improves customer service.
- Employee unhappiness may lead to decreased customer engagement, which could affect sales, if they feel overworked or unappreciated.

5. Expectancy Theory (Vroom, 1964) & Starbucks Employee Performance

Employees are motivated when they believe:

- Performance is the result of effort.
- Rewards follow performance.
- Incentives are worthwhile.

ANALYSIS AND DISCUSSION

DEMOGRAPHIC VARIABLES

Percentage analysis

1. SHOWING THE UNIQUENESS

Source	Factor	No of respondents	Percentage
Uniqueness	yes	0	0%
	no	22	55%
	Not sure	18	45%

INTERPRETATION:

The data presents insights into respondents regarding the uniqueness of Starbucks Café compared to other coffee shops. 0% of respondents answered “yes” to Starbucks’ uniqueness, while 55% answers “no” and 45% responded with “not sure”. These findings suggest that the majority of respondents do not perceive Starbucks as uniquely different from other coffee shops, indicating a need for Starbucks to differentiate its offerings and experiences to stand out in the competitive market.

2. SHOWING THE SATISFACTION

Source	Factor	No of respondents	Percentage
Satisfaction	Very satisfied	13	13%
	Satisfied	63	63%
	Very dissatisfied	23	23%
	Dissatisfied	1	1%

INTERPRETATION:

The satisfaction levels among respondents regarding their experience at Starbucks cafes show a mixed response, with 13% indicating they are very satisfied, 63% satisfied, 23% very dissatisfied and 1% dissatisfied. These results suggest a wide range of satisfaction levels among customers, with a significant portion expressing dissatisfaction. Understanding the reasons behind customer dissatisfaction and addressing them effectively can be crucial for Starbucks in improving overall customer experience, enhancing satisfaction levels, and fostering customer loyalty.

3. SHOWING THE BRAND IMPORTANCE

Source	Factor	No of respondents	Percentage
Brand Importance	Very important	7	7%
	Important	25	25%
	Neutral	47	47%
	Not important	20	20%
	Not sure	1	1%

INTERPRETATION:

The data reveals varied understanding among respondents regarding the importance of the Starbucks brand, with 7% considering it very important, 25% important, 47% neutral, 20% not important, and 1% unsure. These findings suggest a diverse range of attitudes towards the significance of the Starbucks brand among customers. While a significant portion appears to have a neutral stance, indicating room for potential influence, there is also a notable segment that views the brand as important.

4. SHOWING THE SUGGESTION

Source	Factor	No of respondents	Percentage
Suggestion	Very likely	11	11%
	Likely	27	27%
	Neutral	42	42%
	Unlikely	18	18%
	Very unlikely	2	2%

INTERPRETATION:

The data shows varied responses among respondents regarding their likelihood to suggest Starbucks to others, with 11% indicating they are very likely, 27% likely, 42% neutral, 18% unlikely, and 2% very unlikely to recommend the brand. These findings highlights a range of attitudes towards recommending for Starbucks among customers, with a considerable portion remaining neutral. However, some customers are likely to recommend Starbucks, which could help to spread positive word-of-mouth and support the brand.

5. SHOWING THE INFORMATION

Source	Factor	No of respondents	Percentage
Information	Social media	47	47%
	Advertisement	41	41%
	Family or Relatives	4	4%
	Instagram	8	8%

INTERPRETATION:

The data reflects the source from which respondents primarily gather information about Starbucks café. 47% of respondents to social media, while 41% depend on advertisements. Only 4% mention family and relatives and a some of these 8% peoples depends on Instagram as their source of information about Starbucks. These findings suggest a strongly depends on digital platforms for information about Starbucks.

6. SHOWING THE SOCIAL MEDIA PLATFORM

Source	Factor	No of respondents	Percentage
Social media platforms	Instagram	74	45%
	Twitter	31	19%
	Youtube	28	17%
	others	31	19%

INTERPRETATION:

The data presents the distribution of respondents' preferences for engaging with Starbucks through various social media platforms, with 45% preferring Instagram, 19% Twitter, 17% Youtube, and another 19% selecting other platform. These findings indicate a strong preference for Instagram among respondents, followed by twitter and Youtube...

7. SHOWING THE CUSTOMER SERVICE

Source	Factor	No of respondents	Percentage
Customer Service	Very satisfied	9	9%
	Satisfied	67	67%
	Neutral	19	19%
	Dissatisfied	3	3%
	Very dissatisfied	0	0%

INTERPRETATION:

The data reflects varied levels of satisfaction among respondents regarding Starbucks' customer service, with 9% indicating they are very satisfied, 67% satisfied, 19% neutral, 3% dissatisfied and 0% very dissatisfied. These findings show that most people have a positive view of Starbucks' customer service and are satisfied. However, some people are neutral or dissatisfied, suggesting areas for improvement.

8. SHOWING THE FREQUENCY VISIT

Source	Factor	No of respondents	Percentage
Frequency visit	Daily	16	16%
	Weekly	6	6%
	Monthly	41	41%
	Occasionally	11	11%
	Rarely	26	26%

INTERPRETATION:

The frequency distribution among respondents regarding their visits to Starbucks café shows that the majority, comprising 41% visit on a monthly basis, followed by 26% who visit rarely, 16% daily, 11% occasionally, and 6% weekly. This distribution shows that customers visit Starbucks at different rates, with many going there once a month.

9. SHOWING THE COMFORT TIMING

Source	Factor	No of respondents	Percentage
Comfort timing	Morning	3	3%
	Afternoon	43	43%
	Evening	35	35%
	Anytime	1	1%
	Rarely visit	18	18%

INTERPRETATION:

The data presents the timing preferences of respondents regarding their visits to Starbucks café, with --- preferring morning visits, --- Afternoon, --- evening, --- anytime, and --- rarely visiting. These findings indicate that the majority of respondents prefer visiting Starbucks in the afternoon or evening, suggesting that these times are more conducive to their coffee consumption habits or daily routines.

10. SHOWING THE COMFORT SEATING AND WORKSPACE

Source	Factor	No of respondents	Percentage
Comfort seating and workspace	Very important	8	8%
	Important	8	8%
	Neutral	35	35%
	Not important	28	28%
	I don't use Starbucks for work or study	21	21%

INTERPRETATION:

The data shows that people have different opinions on how important comfortable seating and workspace are at Starbucks cafes, with 8% considering it very important, 8% important, 35% neutral, and 28% not important. Additionally, 21% state they don't use Starbucks for work or study. These findings Show that customers have different preferences about comfort and workspace amenities at Starbucks, some people don't care much about these features or remain neutral.

11. SHOWING THE ORDERING AND PAYMENTS

Source	Factor	No of respondents	Percentage
Ordering and Payment	Very likely	9	9%
	Likely	28	28%
	Neutral	28	28%
	Unlikely	34	34%
	Very unlikely	1	1%

INTERPRETATION:

This data shows that people have different opinions about using the Starbucks mobile app for ordering and payment, with 9% stating they are very likely, 28% likely, 28% neutral, 34% unlikely and 1% very unlikely. These findings shows that people have different views on using mobile ordering and payments, with many other opinion unsure or hesitant.

FINDINGS:

A. Percentage analysis:

- This study shows that the majority of 55% of the respondent belongs to no
- This study shows that the majority of 63% of the respondent belongs to satisfied
- This study shows that the majority of 42% of the respondent belongs to neutral
- This study shows that the majority of 47% of the respondent belongs to neutral
- This study shows that the majority of 47% of the respondent belongs to social media
- This study shows that the majority of 45% of the respondent belongs to Instagram
- This study shows that the majority of 67% of the respondent belongs to satisfied
- This study shows that the majority of 41% of the respondent belongs to monthly
- This study shows that the majority of 43% of the respondent belongs to afternoon
- This study shows that the majority of 35% of the respondent belongs to neutral
- This study shows that the majority of 34% of the respondent belongs to unlikely

SUGGESTION:

- Include a larger and more diverse sample of respondents from different age groups, income levels, and professional backgrounds to get a more comprehensive understanding of consumer preferences.
- Compare consumer behaviour towards Starbucks with other competing coffee chains such as Café Coffee Day, Barista, and local South Indian coffee brands.
- Examine how Starbucks adapts to local coffee-drinking habits and whether consumers prefer traditional filter coffee over premium international offerings.
- Study how price sensitivity affects consumer preferences and whether Starbucks' premium pricing limits its customer base in Coimbatore.
- Conduct an in-depth analysis of customer satisfaction factors such as service quality, ambiance, waiting time, and product consistency.
- Collect feedback on areas where Starbucks can improve its service in Coimbatore.
- Recommend ways to enhance store experience, such as localized menu offerings, improved affordability, or personalized customer service.

CONCLUSION:

The study on Coimbatore consumers' shopping habits with regard to Starbucks offers important insights into consumer preferences, attitudes, and spending trends. The results show that customer experience, store atmosphere, product quality, and brand image all have a significant impact on consumer choices. Price sensitivity continues to be a major issue influencing customer retention in Coimbatore, despite Starbucks' reputation as a premium coffee brand.

The survey additionally highlights how important loyalty programs, promotions, and digital engagement are in fostering customer loyalty. Starbucks' customer in Coimbatore is largely composed of young professionals and students, highlighting the necessity of customized marketing tactics.

Overall, this study offers Starbucks practical advice on how to increase its market share and patron happiness in Coimbatore. Future studies can delve deeper into topics like enduring brand loyalty, new patterns in coffee consumption, and how environmental activities affect customer decisions.

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