



## A Study on Consumer's Perception and Satisfaction Towards Starbucks Coffee Company in Coimbatore City

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### ABSTRACT:

This study explores consumer perception and satisfaction towards Starbucks Coffee Company in Coimbatore. As the Indian coffee market continues to evolve with the entry of international brands, understanding consumer attitudes becomes essential for maintaining competitive advantage. The research aims to analyze how customers in Coimbatore perceive Starbucks in terms of product quality, pricing, ambience, service, and brand image. A structured questionnaire was administered to a sample of Starbucks customers in the city, and both qualitative and quantitative methods were employed to interpret the data. The findings reveal that while Starbucks enjoys strong brand recognition and is appreciated for its ambience and product variety, factors such as premium pricing and perceived value for money influence overall customer satisfaction. The study offers insights that can help Starbucks and similar brands enhance their strategies for customer engagement and market penetration in Coimbatore city.

**Keywords:** Starbucks, Perception , Satisfaction .

### INTRODUCTION

#### 1.1 INTRODUCTION

In today's competitive marketplace, customer satisfaction and perception are integral components that directly influence the success and sustainability of any business. Companies that can effectively align their products, services, and overall experience with consumer expectations are more likely to foster brand loyalty and customer retention. Starbucks, an iconic global brand known for its premium coffee offerings, is a prime example of a business that has successfully created a unique niche by combining high-quality beverages with a memorable customer experience. With over 30,000 locations worldwide, Starbucks has become synonymous with a certain lifestyle, where customers not only seek a cup of coffee but also an ambience that encourages relaxation, social interaction, and a sense of community. India, with its growing urban population and changing consumer behavior, has seen a rising demand for international brands, particularly in the food and beverage sector. Starbucks entered the Indian market in 2012, with its first outlet in Mumbai, and gradually expanded its presence across major cities. In recent years, cities like Coimbatore have experienced rapid urbanization, rising disposable incomes, and a younger, more cosmopolitan demographic.

These factors have created an opportunity for international brands like Starbucks to tap into a market that is eager for premium experiences and Western-style coffee culture. Coimbatore, known for its thriving industrial base and educational institutions, has emerged as a city with a diverse consumer base, with coffee culture gradually gaining popularity. As a result, Starbucks has become a preferred destination for many residents and visitors who seek both high-quality coffee and a distinctive in-store experience. However, despite Starbucks' global reputation, customer perceptions and satisfaction may vary based on local cultural preferences, price sensitivity, and individual expectations.

This study seeks to analyze the customer perception and satisfaction levels of Starbucks in Coimbatore City, with a focus on understanding the key factors that influence customer decision-making. It aims to evaluate aspects such as product quality, pricing, store ambience, customer service, and the overall brand experience. By doing so, this research will provide valuable insights into the strengths and weaknesses of Starbucks' offerings in the local market. Additionally, the study will contribute to understanding how well Starbucks has adapted to the local preferences and how it can improve its services to cater to the evolving needs of its customers in Coimbatore. Through a combination of qualitative and quantitative research methods, this study will gather primary data from Starbucks customers in Coimbatore, enabling a comprehensive analysis of customer satisfaction and perception. The findings will be useful for both Starbucks and other similar international brands operating in India, offering insights into customer preferences, loyalty drivers, and the challenges faced in an emerging market.

## 1.2 STATEMENT OF THE PROBLEM

Consumer perception and satisfaction are crucial factors that determine the success of any brand, especially in the highly competitive coffee industry. Starbucks, a globally recognized coffee brand, has expanded its presence in various cities, including Coimbatore. However, consumer preferences and satisfaction levels vary based on regional market dynamics, cultural influences, and competitive alternatives. This study aims to examine the perception of consumers toward Starbucks coffee in Coimbatore and identify the factors influencing their preference for the brand. Additionally, it seeks to assess the level of customer satisfaction with aspects such as product quality, pricing, ambiance, and service. Understanding these factors will help in determining the strengths and weaknesses of Starbucks in Coimbatore, ultimately providing valuable insights for enhancing customer experience and brand loyalty. The findings of this study will aid in offering strategic recommendations to improve consumer satisfaction and strengthen Starbucks' market position in the region.

## 1.3 OBJECTIVES

- To assess the consumer perception towards Starbucks in Coimbatore city.
- To identify the factors which influence the consumer to prefer Starbucks coffee.
- To determine the level of consumer satisfaction at Starbucks in Coimbatore city.
- To offer valuable suggestion towards the Starbucks coffee company.

## 1.4 SCOPE OF THE STUDY

This study focuses on examining consumer perception and satisfaction towards Starbucks coffee in Coimbatore. It aims to analyze how consumers perceive the brand, the factors influencing their preference, and their overall satisfaction with Starbucks' products and services. The study covers key aspects such as product quality, pricing, service experience, ambiance, and brand image. It is limited to Starbucks outlets in Coimbatore and considers feedback from customers who have experienced the brand. The research will be conducted through surveys and questionnaires to gather insights into customer expectations, preferences, and areas for improvement. While the study does not include a detailed comparison with competitors or Starbucks' performance in other cities, it will provide valuable information on how the brand is perceived locally. The findings will help Starbucks enhance customer experience, improve service quality, and develop strategies to strengthen brand loyalty in Coimbatore. Moreover, the study will offer useful insights for businesses in the coffee industry to understand consumer behavior in the premium coffee segment.

1. This research study will be helpful to the Starbucks coffee company to identify the awareness level of customers towards the operations of the Starbucks coffee. It will be useful for the company to formulate various marketing strategies to attract customers
2. It will be helpful for government to know about the growth of Starbucks coffee company services in the current market and its revenue generation ,which intern brings revenue to the country in the form of taxes. for taxes through effective marketing

## 1.5 RESEARCH METHODOLOGY

### RESEARCH AREA:

This research study was conducted only in coimbatore city.

### SAMPLE SIZE:

Sample size of this study is 75.

### DATA COLLECTION:

#### PRIMARY DATA :

The primary data has been collected from 60 respondents by using questioner.

#### SECONDARY DATA :

The secondary data was collected from various sources like Articles, Journals, Websites.

### TOOLS USED :

The tools used by,

#### 1.Simple percentage analysis

A simple percentage is a way to express a number as a fraction of 100. It is calculated by dividing the part by the whole and then multiplying by 100.In this method based on the opinion of the respondents percentage is calculated for the respective scale of each factor

**Formula for simple percentage method:**

$$\text{Simple percentage method} = \frac{\text{Number of respondents replied}}{\text{Total number of respondents}} * 100$$

**2. Simple ranking analysis.**

Ranking is the data transformation in which numerical or ordinal values are replaced by their rank when the data are sorted.

**3. Weighted average**

A weighted average is a calculation that assigns varying degrees of importance to the numbers in a particular data set. A weighted average can be more accurate than a simple average in which all numbers in a data set are assigned an identical weight. It is widely used in investing and many other fields.

**SAMPLING METHOD****Convenient random sampling :**

Convenience random sampling is a non-probability sampling technique where participants are selected based on their availability, accessibility, and willingness to participate. It does not follow a strict random selection process but instead relies on collecting data from individuals who are easiest to reach. While it may not be fully random, efforts can be made to ensure some level of randomness by including diverse participants within the accessible group.

**1.6 LIMITATIONS OF THE STUDY**

The following are the limitations of the study:

- i. Respondent's may or may not be correct.
- ii. Some respondent's refused to disclose the fact due to lack of time and interest.
- iii. The respondent's are restricted to 60 due to time constraints.
- iv. The study limit itself to the consumer in Coimbatore city. The results might vary if the study is conducted in different geographical location.

**1.7 CHAPTER SCHEME**

In order to present the study this study clearly, it is divided into five chapters along with tables to support the analysis and interpretation. The layout of this chapter is delineated below:

**CHAPTER 1:**

Introduction of the study, Statement of the problem, Objectives of the study, Limitations of the study and scheme of the report.

**CHAPTER 2:**

Review of the literature.

**CHAPTER 3:**

An overview about the Starbucks company

**CHAPTER 4:**

Data analysis and interpretation.

**CHAPTER 5:**

Findings, suggestions and conclusion.

**REVIEW OF LITERATURE**

**Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985):** The **SERVQUAL model**, developed by Parasuraman et al., identifies five key dimensions of service quality—reliability, assurance, tangibles, empathy, and responsiveness. These dimensions are crucial in evaluating the service experience at Starbucks.

**Oliver, R. L. (1997):** In his seminal work, "**Satisfaction: A Behavioral Perspective on the Consumer**", Oliver highlights the critical relationship between consumer expectations, perceived performance, and satisfaction. Consumer satisfaction occurs when a product or service meets or exceeds

customer expectations, while dissatisfaction arises when expectations are not met. The theory is highly relevant for studying consumer satisfaction at Starbucks, where factors like product quality, service, and brand experience shape perceptions.

**Harris, L. C., & Dennis, C. (2008):** In their research, "**Marketing the Starbucks Experience**", Harris and Dennis explore how Starbucks differentiates itself in the market by offering an experience, not just a product. The brand's "third place" concept—offering a social and comfortable environment between home and work—is central to its success and consumer satisfaction.

**Smith, A. (2010):** In his research on "**The Role of Price in Customer Satisfaction**", Smith emphasizes that pricing in the premium coffeehouse sector must align with consumer perceptions of quality. Consumers are often willing to pay a premium for superior products, but price sensitivity can limit satisfaction if customers feel the product does not justify the cost.

**Yadav, R., & Kumari, S. (2016):** This study, "**Consumer Behavior towards International Coffee Chains: A Case Study of Starbucks in India**", focuses on how Indian consumers perceive Starbucks. It reveals that while Starbucks is seen as a premium and aspirational brand, its high prices can be a barrier to frequent visits for the Indian middle class.

**Chakraborty & Singh (2017):** This study "**investigated how Starbucks adapted its offerings to suit Indian preferences**", introducing menu items like Masala Chai and vegetarian snacks. The adaptation to local tastes contributed to increased consumer satisfaction and a positive perception of the brand among Indian consumers, including those in Coimbatore.

**Sarkar, S., & Sahoo, D. (2018):** This comparative study of "**Starbucks and Café Coffee Day (CCD) in India examines how service quality**", product offerings, and pricing affect consumer satisfaction. It suggests that while Starbucks excels in product quality and ambiance, local players like CCD are more price-sensitive and cater to the broader Indian palate.

## DATA ANALYSIS AND INTERPRETATION

Analysis and interpretation is the process of assigning meaning to the collected information and determining the conclusions, significance, and implications of the findings.

In this chapter, the analysis and interpretation of the study on sample size of 75 respondents has been carried out. The data collected are classified and tabulated and further the following statistical measure is also employed in fulfilling the objective of the study.

### TABULATION

TABLE 3.1

#### AWARE ABOUT STARBUCKS COFFEE COMPANY

S.NO	AWARENES LEVEL	NO OF RESPONDENTS	PERCENTAGE
1	Highly aware	31	41.3%
2	Aware	36	48%
3	Not aware	8	10.7%
	<b>TOTAL</b>	75	100%

SOURCE: Primary data.

### INTERPRETATION

From the above table 4.9 shows that out of total respondent's taken for the study . 41.3% of the respondent's are highly aware about the starbucks coffee company, 48% of respondent's aware about the starbucks coffee company, 10.7% of respondent's not aware about the starbucks coffee company.

### INFERENCE

**Majority (48%) of the respondents are aware about the starbucks coffee company.**

CHART 3.1

## AWARE ABOUT STARBUCKS COFFEE COMPANY

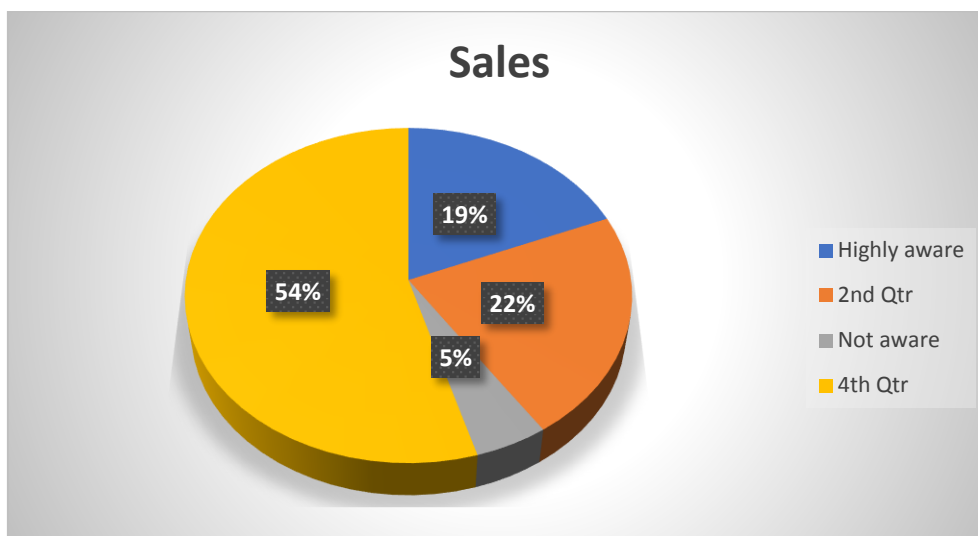


TABLE 3.2

## INFLUENCE TO CONSUME COFFEE IN STARBUCKS USING SIMPLE RANKING ANALYSIS

S NO	FACTORS	1	2	3	4	5	6	RANK
1	AMBIENCE	53	6	13	17	4	7	1
2	QUALITY	21	24	9	6	21	19	6
3	VARIETY	9	10	27	19	15	20	5
4	QUALITY OF DRINKS	7	19	17	30	21	6	4
5	NOMINAL PRICE	4	21	15	21	31	8	3
6	SHOW UP	6	20	19	7	8	40	2

SOURCE: Primary Data

## INTERPRETATION

From the above table no. 4.14 it is clear that major factors which influence the customer to consume coffee in starbucks is its ambience which is ranked first, second rank is given for shoe up, third rank is given for nominal price, fourth rank is given for quality of drinks, fifth rank is given for variety and the last rank is given for quality.

## INFERENCE

It is concluded that major factors which influence the customer to consume coffee in starbucks is its ambience which is ranked first

TABLE 3.3

## OPINION ABOUT STARBUCKS TO BE A PREMIUM BRAND

S.NO	FACTORS	NO OF RESPONDENTS	PERCENTAGE
1	Yes	66	88%
2	No	9	12%
	TOTAL	75	100%

## INTERPRETATION

From the above table 4.15 shows that out of total respondent's taken for the study . 88% of the respondent's are stated starbucks is a premium brand, 12% of respondent's are stated starbucks is not a premium brand

## INFERENCE

Majority (88%) of the respondents are stated that starbucks is a premium brand.

CHART 3.2

## OPINION ABOUT STARBUCKS TO BE A PREMIUM BRAND

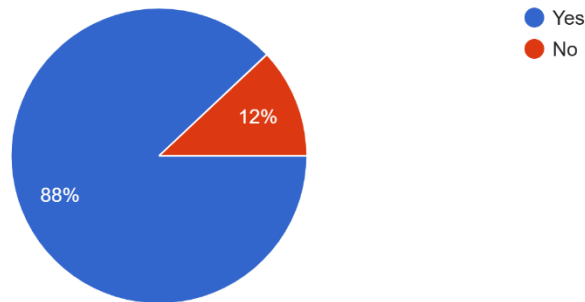


TABLE 3.4

## STARBUCKS COMPARE TO OTHER COFFEE SHOPS IN COIMBATORE CITY

S.NO	FACTORS	NO OF RESPONDENT	PERCENTAGE
1	Better	46	61.3%
2	Same	22	29.3%
3	Worse	7	9.3%
	TOTAL	75	100%

SOURCE: Primary Data

## INTERPRETATION

From the above table 4.21 shows that out of total respondent's taken for the study .61.3% of the respondent's opined that starbuck coffee better then other coffee shop in Coimbatore, 29.3% of respondent's opined that starbuck coffee same to coffee shop in Coimbatore, 9.3% of respondent's opined that starbuck coffee worse to other coffee shop in Coimbatore.

## INFERENCE

Majority (61.3%) of the respondents opined that starbuck coffee is better than other coffee shop in Coimbatore.

CHART 3.3

## STARBUCKS COMPARE TO OTHER COFFEE SHOPS IN COIMBATORE CITY

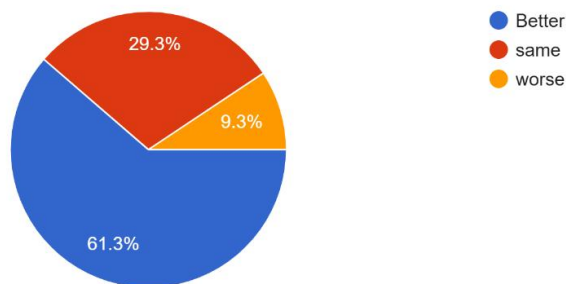


TABLE 3.5

## SATISFIED LEVEL OF THE STARBUCKS COFFEE QUALITY

S.NO	FACTORS	NO OF RESPONDENT	PERCENTAGE
1	Very satisfied	19	25.3%
2	Satisfied	31	41.3%
3	Neutral	18	24%
4	Dissatisfied	3	4%
5	Highly dissatisfied	4	5.3%
	TOTAL	75	100%

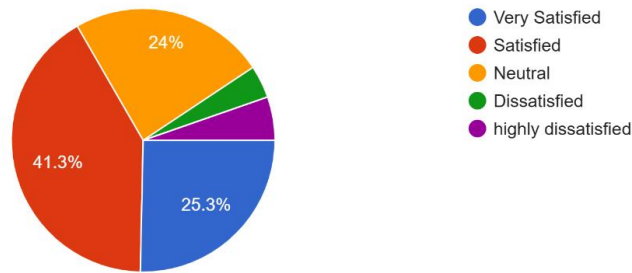
SOURCE: Primary Data

**INTERPRETATION**

From the above table 4.22 shows that out of total respondent's taken for the study . 25.3% of the respondent's are stated the starbucks coffee is very satisfied, 41.3% of respondent's are stated the starbucks coffee is satisfied, 24% of respondent's are stated the starbucks coffee is neutral, 4% of respondent's are stated the starbucks coffee is dissatisfied , 5.3% of respondent's are stated the starbucks coffee is high dissatisfied.

**INFERENCE**

Majority (41.3%) of the respondents are satisfied with the quality of starbucks coffee

**CHART 3.4****SATISFIED LEVEL OF THE STARBUCKS COFFEE QUALITY****TABLE 3.6****IMPROVEMENT THAT CAN BE DONE AT STARBUCKS COMPANY TO CAPTURE MORE CONSUMER**

S.NO	FACTORS	1(7)	2(6)	3(5)	4(4)	5(3)	6(2)	7(1)	RANK
1	REDUCE THE PRICE	54 (378)	7 (42)	8 (40)	2 (8)	7 (21)	8 (16)	14 (14)	1
2	OFFER MORE VARIETY	6 (42)	45 (270)	16 (80)	6 (24)	8 (24)	9 (18)	10 (10)	2
3	PROVIDING BETTER SERVICE	22 (154)	12 (72)	32 (160)	7 (28)	4 (12)	12 (24)	8 (8)	5
4	MAKING AMBIENCE MORE ATTRACTIVE	10 (70)	15 (90)	21 (105)	28 (112)	7 (21)	11 (22)	10 (10)	7
5	FASTER SERVICE & SHORTER WAIT TIME	25 (175)	19 (114)	12 (60)	8 (32)	14 (42)	9 (18)	12 (12)	3
6	BETTER MOBILE APP & REWARDS AND PROGRAM	9 (63)	16 (96)	23 (115)	11 (44)	7 (21)	20 (40)	12 (12)	6
7	DIVERSE FOOD OPTION	23 (161)	10 (60)	8 (40)	13 (52)	8 (24)	8 (16)	18 (18)	4

SOURCE: Primary Data

**INTERPRETATION**

From the above table it is revealed that majority of the respondents gave first rank to the reduce the price ,which is the improvement that can be done at starbucks company to capture more consumer ,second rank is given for the offer more variety, third rank is given for the faster service & shorter wait time , fourth rank is given for the diverse food option, fifth rank is given for the providing better service, sixth rank is given for the better mobile app & rewards and program , last rank is given for the making ambience more attractive.

**INFERENCE**

It is revealed that majority of the respondents gave first rank to the reduce the price ,which is the improvement that can be done at starbucks company to capture more consumer

**TABLE 3.7****RECOMMEND LEVEL OF STARBUCKS TO YOURS FRIEND OR COLLEAGUE**

S. NO	FACTORS	NO OF RESPONDENTS	PERCENTAGE
1	Highly recommended	29	38.7%
2	Recommended	36	48%
3	Not recommended	10	13.3%
	<b>TOTAL</b>	75	100%

SOURCE: Primary Data

## INTERPRETATION

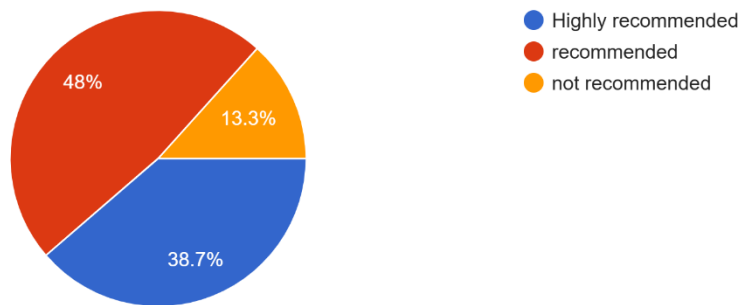
From the above table 4.24 shows that out of total respondent's taken for the study . 38.7% of the respondent's are stated to highly recommended the starbucks to there friends and colleague , 48% of respondent's are stated to recommended the starbucks to there friends and colleague, 13.3%% of respondent's are stated to not recommended the starbucks to there friends and colleague.

## INFERENCE

Majority (48%) of the respondents are stated that they will recommended the starbucks to their friends and colleague .

CHART 3.5

### RECOMMEND LEVEL OF STARBUCKS TO YOURS FRIEND OR COLLEAGUE



## FINDINGS, SUGGESTIONS AND CONCLUSION

### 4.1 FINDINGS

1. Majority (48%) of the respondents are aware about the starbucks coffee company.
2. It is concluded that major factors which influence the customer to consume coffee in starbucks is its ambience which is ranked first.
3. Majority (88%) of the respondents are stated that starbucks is a premium brand.
4. Majority (61.3%) of the respondents opined that starbuck coffee is better than other coffee shop in Coimbatore.
5. Majority (41.3%) of the respondents are satisfied with the quality of starbucks coffee .
6. It is revealed that majority of the respondents gave first rank to the reduce the price ,which is the improvement that can be done at starbucks company to capture more consumer
7. Majority (48%) of the respondents are stated that they will recommended the starbucks to their friends and colleague.

### 4.2 SUGGESTIONS

To enhance consumer perception and satisfaction, Starbucks in Coimbatore can focus on improving various aspects of its offerings and services. Introducing more region-specific flavors and customized beverages can help cater to local preferences, while competitive pricing strategies, such as budget-friendly options and loyalty programs, can make the brand more accessible to a wider audience. Improving customer service through well-trained and friendly staff, along with ensuring efficient order processing through self-order kiosks and mobile app-based ordering, can enhance the overall experience. Additionally, enhancing store ambience with comfortable seating, better lighting, and a welcoming atmosphere can encourage longer visits and repeat customers. Strengthening digital engagement through targeted social media campaigns and personalized app notifications can help Starbucks build a stronger connection with its customers. Furthermore, promoting sustainability initiatives, such as eco-friendly packaging and ethical sourcing, can attract environmentally conscious consumers. Establishing a robust feedback system will also allow Starbucks to continuously improve based on real customer insights. By implementing these strategies, Starbucks can further strengthen its market position, improve customer satisfaction, and enhance brand loyalty in Coimbatore.

### 4.3 CONCLUSION

The study on consumer perception and satisfaction towards Starbucks Coffee in Coimbatore highlights key factors influencing customer preferences, including product quality, pricing, service experience, and brand image. While Starbucks enjoys a strong global reputation, adapting to local consumer expectations is essential for sustaining its market position. In this study, Majority (41.3%) of the respondents are satisfied with the quality of starbucks coffee. This shows that many respondents in Coimbatore like to have coffee in starbucks, this shows the positive trends towards the growth of Starbucks coffee company in Coimbatore city. The findings suggest that improving pricing strategies, introducing region-specific flavors, enhancing customer service, and optimizing order efficiency can significantly boost customer satisfaction and brand loyalty. By addressing these aspects and continuously adapting to consumer needs, Starbucks can strengthen its presence in Coimbatore's competitive coffee market and ensure long-term success.

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