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A Study on Marketing Strategies of Starbucks

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ABSTRACT

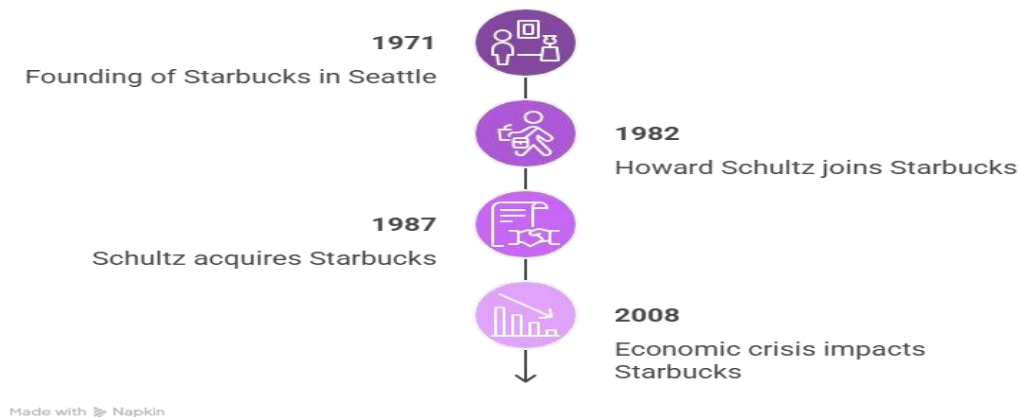
An analysis of Starbucks' advertising strategy's abstract distills the findings into a succinct synopsis. Usually, it starts by outlining the main goal, which is to examine the successful marketing techniques that have helped Starbucks achieve its leading position in the fiercely competitive worldwide coffee business. The goal of the study is to comprehend how Starbucks has developed such a strong brand and attained broad client loyalty. After that, the abstract describes the methods used, frequently referring to a thorough approach. Starbucks' operational decisions are typically examined using well-known marketing frameworks, such as Place, Price, and Product are the four Ps of marketing, and Promotion). In order to determine their market approach's external risks and possibilities as well as internal strengths and weaknesses, it may also include a SWOT analysis. In order to serve its varied clientele, which frequently consists of young adults, urban professionals, and people looking for a cozy "third place" away from home and work, Starbucks may also use Targeting, positioning, and market segmentation (STP).

After that, important conclusions are given, emphasizing the fundamental components of Starbucks' success. The abstract would highlight product differentiation by pointing up the extensive selection of high-end coffee drinks, seasonal specialties, and culinary items that suit diverse palates. It would go over premium price, which is supported by the alleged superior quality of the goods and the distinctive "Starbucks experience" that is provided. Importantly, the abstract emphasizes Starbucks' distribution or "Place" strategy, which is defined by its widespread presence in busy areas throughout the world and the purposeful development of welcoming retail spaces intended to foster community and comfort. The abstract points out that although traditional advertising is less common, Starbucks succeeds in promotion through proactive social media engagement, strong loyalty programs (such as Starbucks Rewards and the app for smartphones app), word-of-mouth marketing, and a strong emphasis on purpose-driven branding (such as sustainability and ethical sourcing). One noteworthy finding is the focus on the customer experience, which identifies amenities like free Wi-Fi, cozy surroundings, and individualized treatment as important factors that influence consumer contentment and recurring business. According to the abstract, Starbucks' long-term success can be ascribed to an integrated, holistic marketing approach that places a high value on brand development and establishing an emotional bond with customers, going above and beyond the simple sale of coffee to provide a unique way of life and experience. The study's conclusions frequently offer insightful advice for companies in a variety of industries, showing how having a powerful brand identity may customer-focused strategy may result in unmatched market leadership.

Introduction

A history of Starbucks is given in the introduction, starting with its founding in Seattle in 1971 by Zev Siegl, Gordon Bowker, and Jerry Baldwin. The first mate in Herman Melville's "Moby Dick" served as the inspiration for the company's name, and also describes its early emphasis on selling roasted coffee beans and equipment. Howard Schultz's 1982 arrival marked a major turning point. He saw Starbucks as a "third place" for customers between their homes and offices, drawing inspiration from Italian coffeehouse tradition. Following his 1987 acquisition of the business, Schultz rapidly grew Starbucks into a chain of coffee shops throughout the world. The introduction In the introduction, the history of Starbucks is summarized, starting with its founding in 1971 by Zev, Gordon Bowker, and Jerry Baldwin. The company's development, difficulties like the economic crisis of 2008, and leadership changes—including Schultz's comeback as CEO and others that followed—are also discussed in the introduction. It emphasizes Starbucks' dedication to environmental impact reduction, community development, ethical procurement (C.A.F.E. Methods), and corporate social responsibility. Also covered is Starbucks' formula for success, which includes premium coffee, a powerful brand name, and devoted customers, all of which are bolstered by the company's rewards program, mobile app, and worldwide adaptation tactics. Starbucks' SEO tactics and its wide-ranging target demographic—which includes young adults, professionals, middle-class to upper-class urban consumers, ethically conscientious consumers, health-conscious people, and tech-savvy mobile users—are also discussed in this section.

Starbucks: From Seattle to Global Icon



Literature Review

The literature on Starbucks is generally rooted in such fields as marketing, strategic management, branding and experience behaviour for the customer. Drawing from a number of academic sources, this article summarizes a wide range of views and research on Starbucks, bringing these together to offer both an appreciation for its variety tough academic interpretations of their strategies.

1. Branding and Customer Experience

Starbucks, according to Holt (2004), is a paradigm of cultural branding: where brand experience transcends product owning to become an emotional life style. Rendell et al. (2011) claim that Starbucks creates strong brand communities by telling consistent stories and through the in-store experience; customers give their loyalty to them as well as socially identifying more closely with that product brand.

2. Marketing and Product Strategy

When developing its marketing mix Starbucks excels at using the 4Ps (Product, Price, Place, Promotion) of Kotler and Keller (2016). It tailors its products according to local tastes, not only adoptive but innovative with its seasonal sales method that fuel demand and foster excitement about the brand. Koehn (2001) observed that Starbucks marketing relies less on traditional advertisements than it does for word-of-mouth recommendation, social media buzz and experiential marketing—a method now common among modern brands.

3. Strategic Expansion and Management

Starbucks' competitive stance has been commonly examined employing Porter's Five Forces model (Hill, Jones & Schilling, 2014). Focusing on high-quality coffee, a high-end experience, and a robust ethical stance (CSR and sustainability), the firm has pursued a differentiation strategy. Coffie and Kim (2010) noted that Starbucks also had to balance standardization and localization in going global, which has led to innovative formats such as "Starbucks Reserve" and co-branded outlets in Asia.

4. Challenges and Criticism

Some researchers (e.g., Fisher & Lovell, 2009) have criticized Starbucks for perpetuating cultural homogenization, under which local cultures of coffee are overshadowed. Others have complained about labor relations and its implication in gentrification (Thompson & Arzel, 2004). Environmental analysts (Peattie & Crane, 2005) have also assessed the company's green practicees by calling for more transparency and measuring impact in its green initiatives. Chief Insight: Although Starbucks is commended for ethical sourcing and community engagement, it is criticized for cultural imperialism and environmental concerns.

Research Methodology

RESEARCH DESIGN

A **research design** acts as the blueprint for conducting a study. It specifies the methods, tools, and procedures necessary to gather and analyze information relevant to the research objectives. This study adopts a **descriptive design**, as it aims to observe and describe customer responses toward Starbucks' marketing practices. Decisions related to data sources, tools of measurement, sample design, and mode of communication were made during the planning stage.

SAMPLE SIZE AND TARGET GROUP

- **Sample Size:** Approximately **70 to 100 respondents** were surveyed for the study.
- **Age Group:** Participants belonged to the **18–30** age category, primarily comprising students and young working professionals familiar with the Starbucks brand.

Secondary Data

Secondary data was obtained from various existing sources such as books, academic journals, brochures, websites, and other published materials

- Official Starbucks stuff, like reports and announcements they put out
- Nerdy school papers and real-life business examples
- Books that are all about marketing and business strategies
- Things I read in the news and business mags, like Forbes or Bloomberg
- Checking out Starbucks' own website and what they tell their investors
- Places that have a bunch of info on the market, like Statista and IBISWorld

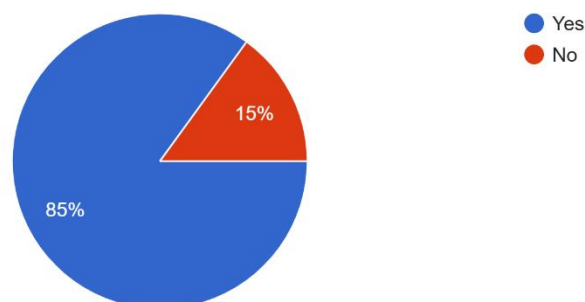
Objectives of study

1. To examine the core marketing strategies used by Starbucks to attract and retain customers.
2. To identify the role of digital and social media marketing in Starbucks' brand building.
3. To evaluate the effectiveness of Starbucks' customer loyalty programs and personalized offerings.
4. To analyse the impact of Starbucks' product quality, brand image, and pricing on consumer preference.
5. To study the target market segmentation and positioning strategies employed by Starbucks.
6. To assess customer satisfaction with Starbucks' overall marketing approach.

Data Analysis & Interpretation

1. DO YOU LIKE STARBUCKS?

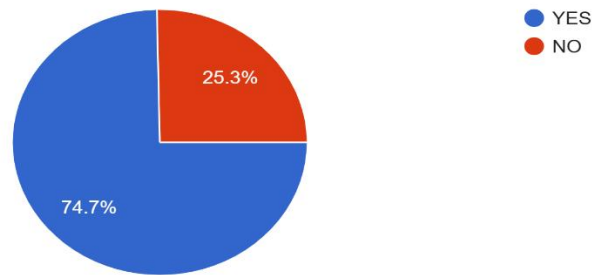
80 responses



Interpretation: - Out of 80 responses, 85% people liked Starbucks whereas 15% did not liked.

3.DO YOU GO TO STARBUCKS?

79 responses

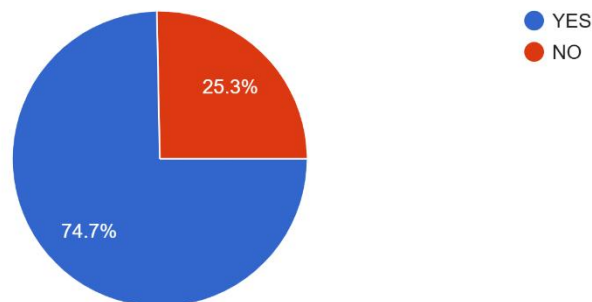


Interpretation: -

Out of 79 respondents, 74.7% reported that they visit Starbucks, while 25.3% stated they do not. This indicates that a significant majority of the participants are familiar with or have experience visiting Starbucks, reflecting a strong customer base or brand awareness among the surveyed group.

3.DO YOU GO TO STARBUCKS?

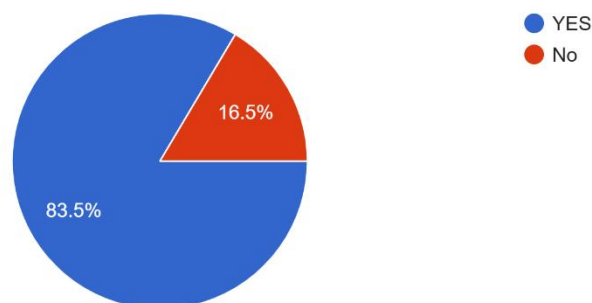
79 responses



Interpretation: - The chart shows that out of 79 respondents, 74.7% answered “Yes” to visiting Starbucks, while 25.3% answered “No”. This indicates that the majority of people surveyed are familiar with or have patronized Starbucks. The high percentage of visitors suggests strong brand reach and customer engagement within the surveyed group.

4.HOW, DO YOU REGARDS STARBUCKS AS BRAND?

79 responses

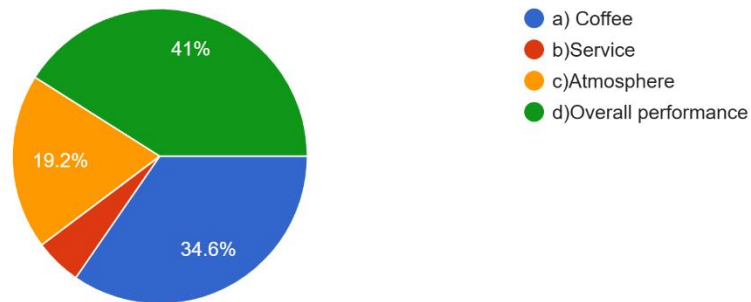


Interpretation: -

Among the 79 individuals who responded to the survey, a significant majority—83.5%—view Starbucks positively as a brand. In contrast, only 16.5% do not regard it as a strong brand. This outcome reflects that Starbucks enjoys a high level of brand trust and recognition among the respondents, which can be attributed to its consistent quality, global presence, and strong brand image.

5.WHAT DO YOU LIKE MOST WHWN YOU ARE SITTING AT STARBUCKS?

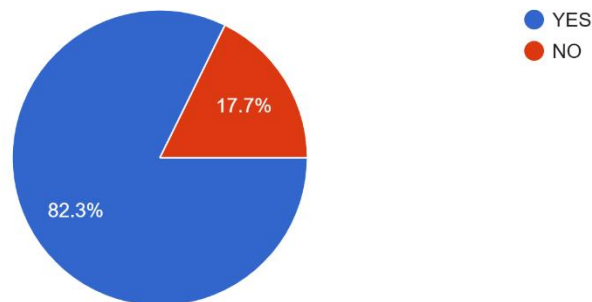
78 responses

**Interpretation: -**

Out of 78 respondents, the highest proportion (41%) indicated that they appreciate the overall performance of Starbucks the most. This includes aspects like ambiance, service, and product quality combined. 34.6% of participants specifically enjoy the coffee, showing strong product satisfaction. 19.2% value the atmosphere, suggesting that the in-store environment is an important part of the experience. Only a small portion focused on service, highlighting it as an area with room for improvement. Overall, the data suggests that Starbucks' all-around customer experience is its biggest strength.

6.WHOM DO YOU LIKE TO VISIT WITH STARBUCKS?

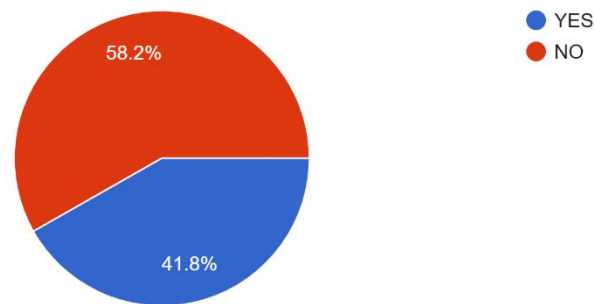
79 responses

**Interpretation: -**

Out of 79 respondents, 82.3% answered "Yes," indicating that they prefer to visit Starbucks with someone—be it friends, family, or colleagues—highlighting the social nature of their visit. Only 17.7% responded "No," suggesting they prefer to visit alone. This data shows that Starbucks is widely perceived as a social place where people enjoy spending time together, further emphasizing its role as more than just a coffee shop—it's a popular gathering spot.

7.DO YOU USE THE STARBUCKS MOBILE APPLICATION?

79 responses

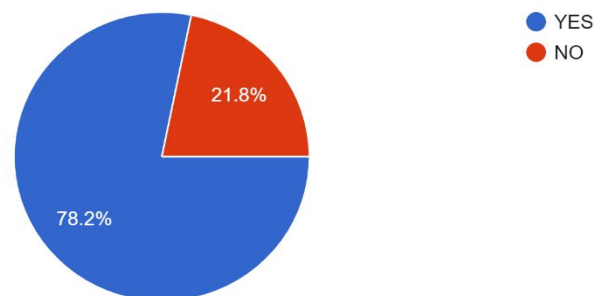


Interpretation: -

The data indicates that 41.89% of the respondents use the Starbucks mobile application, while 58.11% do not. This shows that while a significant number of customers are using the app for convenience and digital interaction, a larger group still relies on traditional methods of ordering and visiting the store. This highlights an opportunity for Starbucks to enhance awareness and encourage greater adoption of its mobile platform by showcasing the benefits it offers, such as ease of ordering, offers, and loyalty rewards.

8.Do you like the food items that Starbucks offers?

78 responses

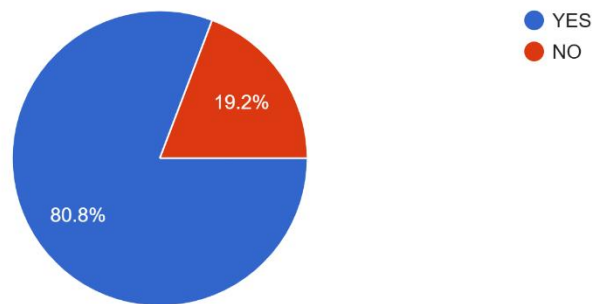


Interpretation: -

The results show that a majority of 78.2% of respondents like the food items offered by Starbucks, while 21.8% do not. This indicates a generally positive response toward Starbucks' food offerings, suggesting that their menu meets the taste and quality expectations of most customers. However, the feedback from the remaining percentage points to a need for further evaluation or improvement in variety, pricing, or Flavors to better satisfy all customers.

9. You satisfied with Starbucks quality for coffee and food?

78 responses

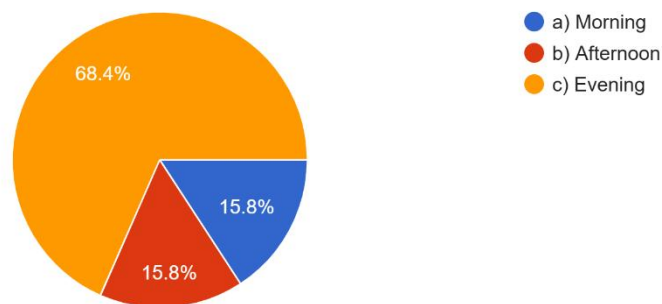


Interpretation: -

The data reveals that 80.8% of respondents are satisfied with the quality of coffee and food offered by Starbucks, indicating a high level of customer approval. On the other hand, 19.2% of participants expressed dissatisfaction. This suggests that while Starbucks maintains a strong reputation for product quality among the majority, there is still a small portion of customers whose expectations are not fully met—possibly due to factors like taste preferences, freshness, or consistency.

10. What time do you usually visit Starbucks?

76 responses

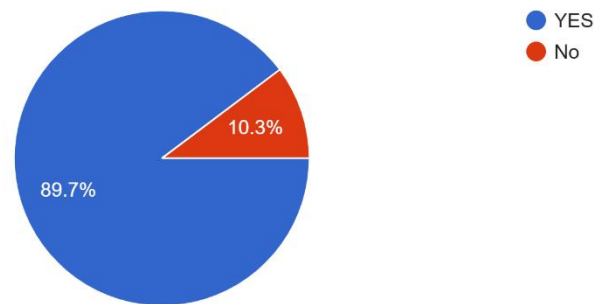


Interpretation: -

The majority of respondents, 68%, prefer visiting Starbucks in the morning, suggesting that many customers rely on it for their morning coffee or breakfast routine. A smaller but equal portion of participants—15.8% each—visit during the afternoon and evening. This indicates that while Starbucks attracts some customers throughout the day, it is primarily perceived as a morning destination, likely due to its association with coffee and a quick start to the day.

11. Would like to see more varieties of food at Starbucks?

78 responses



Interpretation: -

A large majority of 89.7% of respondents expressed interest in seeing a greater variety of food options at Starbucks. Only 10.3% felt that the current offerings are sufficient. This suggests a strong demand for menu expansion, indicating that customers are looking for more diversity in food choices—possibly including regional flavors, healthier options, or more snacks and meal alternatives. Starbucks could consider this feedback to enhance customer satisfaction and attract a broader audience.

LIMITATIONS OF STUDY

1. Limited Peek Inside Starbucks' Stuff

So, because Starbucks keeps a tight lid on their secret sauce (business strategies and all that fancy number stuff), we had to rely on what's out there for everyone to see, like reports, news stories, and stuff scholars write about. We couldn't get our hands on the juicy details like how much money each of their drinks makes or the inner workings of their company decisions.

2. We're Just Reading What's Out There

Our study is kinda like a highlights reel of what other people have said about Starbucks. We looked at stuff that's public, like articles, the company's own website, and some brainiac papers. But we didn't get to talk to Starbucks peeps or do any cool on-the-spot research like asking customers what they think or watching them do their thing in the stores.

3. We're Going Global, But Not That Global

Starbucks is everywhere, but our study couldn't be everywhere with them. We didn't get into the nitty-gritty of every country they're in because that's a lot of ground to cover. And let's face it, every place is different, so what works in one spot might not be the same in another, and we couldn't get into all of that here.

4. Time's a Ticker

We had to do all this research in the time it takes to drink a venti latte, basically. That means we couldn't dig as deep as we might've liked, and we couldn't compare them with other coffee big shots like Costa or Dunkin' as much as we wanted.

5. The Market's Changing Faster Than You Can Say "Frappuccino"

Coffee and drinks are a crazy world that's always changing because people's tastes change and now, we've got tech in everything. And with the whole post-COVID deal, who knows what's next? Our study might be out of date faster than you can say "pumpkin spice," because Starbucks keeps moving and shaking with the times.

6. We're Sticking to the Surface

This thing we did is mostly about their marketing and business moves, not the nerdy stuff like how they get their coffee beans from here to there or the nitty-gritty of their money stuff. And we didn't go full Sherlock on their competitors or talk about the big picture stuff that affects everyone's wallet. It's all about the strategies, folks!

FINDINGS

1.Customer Reach

Most participants in the survey (74.7%) have visited Starbucks at least once. This suggests that the brand has a strong presence and is well-known among the target audience.

2.Positive Brand Image

A large share of respondents (83.5%) consider Starbucks a good brand. This shows that the company enjoys a favorable reputation and is generally trusted by its customers.

3.Customer Preferences at the Outlet

The majority of individuals (41%) appreciate the complete experience at Starbucks—including service, ambiance, and quality—while 34.6% enjoy the coffee the most, and 19.2% value the relaxing atmosphere. This indicates that overall service quality plays a vital role in customer satisfaction.

4.Visiting Habits

A clear majority (82.3%) prefer to visit Starbucks with someone, such as friends or family, reflecting that the outlet is seen as a social gathering spot rather than just a place to grab a drink.

5.Mobile App Usage

Only 41.89% of respondents use the Starbucks mobile application. This shows potential for growth in app usage if Starbucks improves awareness and promotes its benefits more actively.

6.Food Item Appeal

Around 78.2% of those surveyed like the food items offered by Starbucks. This indicates good acceptance of the menu, although there remains a portion (21.8%) that may be looking for improvement or more variety.

7.Satisfaction with Quality

A high percentage (80.8%) of respondents are satisfied with the quality of Starbucks' food and beverages, suggesting that consistency and product standards are meeting customer expectations.

8.Preferred Time of Visit

Most people (68%) visit in the morning, showing that Starbucks is widely preferred as a place to start the day, likely due to its coffee offerings and morning-friendly menu.

9.Demand for More Food Options

Nearly 90% of participants want Starbucks to add more food choices. This highlights a strong demand for menu expansion, giving the company a clear direction for enhancing customer satisfaction.

SUGGESTIONS

- Starbucks may need to reassess its pricing structure, as many consumers perceive its products to be on the expensive side. A transparent approach or occasional pricing adjustments could improve customer retention without compromising brand value.
- The brand's strong appeal lies in the cozy, inviting atmosphere of its stores, which enhances the overall experience of enjoying coffee. While the prices may be higher than average, many customers view Starbucks as offering a sense of affordable indulgence through its premium offerings.
- In response to consumer demand, Starbucks introduced almond milk as an option in its menu. This decision was based on frequent customer requests submitted through Starbucks Idea, the company's official platform for gathering suggestions from customers and employees.
- Starbucks Idea is a dedicated online space where users can contribute ideas to help improve the brand. Although not widely known, it contains a diverse range of suggestions—some practical and others experimental—submitted by customers from different regions.
- According to the platform's FAQs, the goal of Starbucks Idea is to co-create a better customer experience, with a focus on future improvements. It is not designed for lodging complaints about individual store experiences but rather to foster innovation and community input.

- Maintaining open communication channels with customers has helped Starbucks build strong relationships and gain insight into evolving preferences.
- The Starbucks Rewards loyalty program plays a crucial role in encouraging repeat visits and fostering long-term customer engagement.
- Customer feedback continues to be an essential part of the brand's strategic development, helping the company refine products and enhance service quality.

CONCLUSION

One of the main factors contributing to Starbucks' global success has been its brand marketing, which combines superior product offerings with a strong brand image and a customer-focused approach. Starbucks has built an emotional bond with its patrons as a "third place" between home and work, which promotes brand equity and loyalty. It has maintained its competitiveness in an industry by emphasizing innovation, digital interaction, corporate social responsibility, and personalized customer experiences. Starbucks successfully combines targeted promotions, standardized global branding, traditional and web marketing, and cultural and gastronomic awareness. Its dedication to ethical sourcing and sustainability also enhances its reputation among socially conscious customers. All things considered, Starbucks' brand strategy is the best example of how a business can integrate strategic communication, experiential marketing, and high-quality products to build a lasting worldwide brand. Its ability to stay innovative, adapt to shifting consumer trends, and uphold its core brand values will determine its long-term success.

Starbucks' marketing approach is an outstanding illustration of how a company can successfully blend strategic innovation, emotional branding, and product excellence to establish a long-lasting worldwide presence. Starbucks has used a thorough and well-integrated marketing mix that focuses on customer experience, brand loyalty, and social responsibility to grow from its modest beginnings in Seattle to become a multinational coffeehouse giant. Starbucks' ability to provide a lifestyle experience in addition to coffee is one of its most unique marketing strategies. By establishing a warm and customized atmosphere that promotes client interaction, the business has successfully positioned itself as the "third place" between home and work. Starbucks upholds its premium brand image globally through consistent store aesthetics, superior product quality, and first-rate customer service. Customer retention and convenience have been improved through the use of digital marketing and technology, such as the Starbucks mobile app, rewards program, and customized promotions. Furthermore, the brand appeals to contemporary consumers who respect openness and corporate social responsibility because of its emphasis on sustainability, storytelling, community service, and ethical sourcing.

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