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Consumer Preferences And Insights On Starbucks: A Case Study From Coimbatore, India

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Abstract

This study explores consumer insights and preferences regarding Starbucks in Coimbatore City, Tamil Nadu. Utilizing a descriptive research design and a sample of 127 respondents, the study examines consumer demographics, behaviour, brand perception, and satisfaction. Key findings indicate a strong preference for quality coffee, ambiance, and brand experience, especially among students and young professionals. While Starbucks enjoys a premium brand image, concerns regarding pricing and limited reward program engagement were also identified. This study offers actionable insights for Starbucks to enhance its customer engagement and market positioning in emerging urban markets.

Keywords: Starbucks, Consumer Behavior, Brand Perception, Coimbatore, Coffee Chains, Customer Satisfaction, India

1. Introduction

The global coffee industry has witnessed a paradigm shift as consumer preferences increasingly favor premium experiences. Starbucks, renowned for its global brand equity, has effectively entered and expanded in the Indian market, including in emerging cities like Coimbatore. This study investigates the key drivers behind Starbucks' consumer preference in Coimbatore and aims to provide empirical insights for strategic improvements.

2. Objectives

- To identify demographic characteristics of Starbucks customers in Coimbatore.
- To analyse key factors influencing consumer preferences.
- To evaluate customer satisfaction and brand perception.
- To provide suggestions for improving Starbucks' customer engagement and loyalty.

3. Methodology

- **Design:** Descriptive
- **Sample Size:** 127 respondents
- **Sampling Technique:** Convenience Sampling
- **Data Collection:** Primary data via structured questionnaire; Secondary data via journals and articles.
- **Analysis Tools:** Simple percentage, frequency, Likert scale, and rank analysis.

4. Findings

- **Demographics:** 81.1% were under 25 years old; 66.9% were students.
- **Brand Perception:** 59.1% view Starbucks as premium and high quality.
- **Visit Frequency:** 64.6% visited rarely; most visits occurred in the evening.
- **Purchase Behaviour:** Majority prefer espresso-based drinks; 43.3% occasionally buy add-ons like snacks.
- **Satisfaction:** Ambiance (4.11) and coffee taste (4.05) were rated highest on the Likert scale.
- **Loyalty:** Only 29.1% were enrolled in Starbucks' reward program.

5. Discussion

The study underscores Starbucks' success in positioning itself as a premium coffee brand in Coimbatore, resonating particularly with younger, aspirational consumers. However, the brand faces challenges in increasing visit frequency and participation in its loyalty program. Price sensitivity and competitive pressure from local coffee brands are also noteworthy.

6. Recommendations

- Enhance loyalty programs with local relevance.
- Introduce student offers and bundle deals.
- Increase visibility of CSR and sustainability efforts.
- Strengthen digital engagement through influencer and campus partnerships.

7. Conclusion

Starbucks in Coimbatore is well-positioned as a lifestyle brand appealing to youth and professionals. By addressing gaps in loyalty engagement and perceived value, Starbucks can further solidify its market presence and customer loyalty in similar Tier-II urban centers across India.

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