



Analyzing The Marketing Mix 4ps Of Starbuck Corporation

Ajan, Student – B.Com Professional Accounting, Sri Ramakrishna College of Arts & Science (Autonomous), Nava India, Coimbatore 641006.

Dr D Sharon, Assistant Professor , Department of B.Com Professional Accounting , Sri Ramakrishna College of Arts & Science (Autonomous), Nava India, Coimbatore 641006

ABSTRACT

The marketing mix plays a crucial role in shaping a brand's market position and customer perception in a competitive industry. This study examines the marketing mix (4Ps) of Starbucks Corporation with special emphasis on its product and promotion strategies. The research aims to understand consumer awareness, product preferences, and satisfaction levels related to Starbucks' offerings. A descriptive research design was adopted, and primary data were collected from 105 respondents using a structured questionnaire. Percentage analysis and chi-square test were used as statistical tools for data analysis. The findings reveal that most consumers are aware of Starbucks' product quality and show a strong preference for hot beverages. Overall satisfaction with product quality is high, and a significant relationship exists between gender and satisfaction levels. The study highlights that Starbucks' focus on quality, customization, and innovation contributes significantly to its brand strength. The research concludes that continuous innovation, effective promotional strategies, and ethical business practices are essential for sustaining competitive advantage in the global coffee market.

Key words: Marketing Mix, Product Strategy, Promotion Strategy, Consumer Awareness, Brand Positioning, Competitive Advantage

INTRODUCTION

The global coffee industry has experienced rapid growth due to changing lifestyles, increasing work pressure, and rising coffee consumption among young consumers. In this competitive environment, companies must adopt effective marketing strategies to attract and retain customers. Starbucks Corporation, one of the world's leading premium coffee brands, has successfully built a strong global presence through a well-structured marketing mix. Its emphasis on high-quality products, ethical sourcing, customization, innovation, and strong promotional strategies has helped it maintain brand leadership.

The marketing mix, commonly known as the 4Ps—Product, Price, Place, and Promotion—plays a vital role in shaping consumer perception and purchase behaviour. Starbucks has effectively used these elements to create a premium customer experience while adapting to changing consumer preferences. This study focuses on analyzing the product and promotion elements of Starbucks' marketing mix to understand how they contribute to customer satisfaction, brand differentiation, and sustained competitive advantage.

OBJECTIVES OF THE STUDY

- 1) To analyze the product strategy of Starbuck
- 2) To evaluate the promotion methods used by Starbucks
- 3) To ensure high-quality, ethically, sourced and customized offering
- 4) Innovation through seasonal and new product launches

Statement of the Problem

In today's highly competitive global coffee industry, companies must continuously adapt their marketing strategies to meet changing consumer preferences, rising ethical expectations, and intense competition from both global and local brands. Starbucks Corporation, as a leading premium coffee brand, has built its market position through a carefully designed marketing mix, particularly its product and promotion strategies. However, evolving consumer demand for high-quality, ethically sourced, customized products and innovative offerings poses ongoing challenges to maintaining brand differentiation and customer loyalty.

Despite Starbucks' strong brand presence, there is a need to systematically analyze how effectively its marketing mix—specifically the product and promotion elements of the 4Ps—supports its commitment to quality, ethical sourcing, innovation, and premium customer experience. Additionally, understanding how Starbucks leverages seasonal launches, product customization, and promotional methods to sustain competitive advantage is essential in assessing its long-term brand positioning.

Therefore, this study seeks to analyze the marketing mix (4Ps) of Starbucks Corporation, with a focus on its product strategy and promotional practices, to evaluate how these elements contribute to high-quality, ethically sourced offerings, continuous innovation, and brand differentiation through a premium customer experience.

Review of Literature

Jin, Z. (2024). Analysis of the Successful Marketing Strategy of Starbucks Based on 4P Theory. This study analyzes Starbucks' growth from a small coffee shop to a global beverage brand by examining its marketing mix (4Ps). It highlights the company's focus on premium customer experience, sustainability, innovation, and strong engagement with modern consumers through social media. The study also notes challenges such as market saturation and changing consumer preferences, concluding that continued innovation and responsible practices are essential for Starbucks' future growth.

Su, Shitong. "Research on Starbucks marketing strategy and future development means based on 4P model." This study examines Starbucks' evolution from a small Seattle coffee shop in 1971 to a global brand. It highlights the company's strategic marketing focus on young professionals, its integration of sustainability into brand values, and its effective use of the 4Ps—product, price, place, and promotion—to maintain market leadership despite saturation and shifting consumer preferences. The study also explores Starbucks' strong presence in social media and popular culture, showing how it has redefined the coffee shop experience. Finally, it recommends future growth through continued innovation and sustainability to reshape consumer expectations and social responsibility.

Lombardi, C.V., Chidiac, N.T. and Record, B.C., 2021. Starbucks coffee corporation's marketing response to the COVID-19 pandemic. This study investigates the effect of the green marketing mix and green brand awareness on purchase intention at Starbucks Coffee Manado. Using a quantitative approach, data from 100 respondents were collected through online questionnaires and analyzed with SPSS 26 using multiple regression. The results show that the green marketing mix significantly influences purchase intention, while green brand awareness does not. The findings suggest that Starbucks should continue strengthening its green marketing practices and improve consumer awareness to gain a stronger competitive advantage.

Rahmiati, F., Prayoga, T.Z., Goenadhi, F. and Naseri, R.N.N., 2023. Marketing Communication Mix on Purchase Decision in Industrial Area: A Study From International Chain Coffee Shop. Starbucks was founded in 1971 in Seattle by Jerry Baldwin, Gordon Bowker, and Zev Siegl, inspired by Alfred Peet's premium coffee business. Initially focused on selling high-quality coffee beans and equipment, the brand quickly built a strong reputation for fresh-roasted coffee and expanded across Seattle. Over time, Starbucks adapted to market changes, including the COVID-19 pandemic, by strengthening digital channels and contactless services. This study analyzes Starbucks' development using situational analysis and Porter's Five Forces, and recommends expanding international operations to reduce reliance on the U.S. market.

Research Methodology

The research design used by the researcher is descriptive research design and the sampling tool used is convenience sampling.

Sources of Data

The primary data are collected through survey. This study has collected primary data through questionnaire from various respondents such as students, professors, private sector employees and IT employees.

The secondary data for this study were collected from various published and reliable sources. These include research journals, academic articles, company websites, annual reports of Starbucks Corporation, books, newspapers, and online sources related to marketing strategies and the 4P marketing mix.

Tools Used For Analysis

- Percentage Analysis
- Chi – Square test

Data Analysis

Table 1: Table shows the demographic factors of the respondents.

		Respondents	%
Age	Below 25 years	35	33%
	25 – 35 years	30	29%
	36 – 45 years	20	19%
	46 – 55 years	11	10%
	Above 55 years	09	09%
Gender	Male	54	51%
	Female	51	49%
Educational Qualification	School Level	26	25%
	Undergraduate	36	34%
	Postgraduate	21	22%
	Professional/Other	22	19%
Occupation	Student	23	22%
	Salaried employee	29	28%
	Business / Self employed	25	24%
	Homemaker	28	26%
Monthly income level	Below 20000	18	17%
	20001 – 40000	20	19%
	40001 – 60000	21	20%
	60001 – 100000	26	24%
	Above 100000	20	20%

Table 2: Table shows the Awareness about Starbucks Product Quality

		Respondents	%
Awareness about Starbucks Product Quality	Highly Aware	36	34
	Aware	33	31
	Neutral	18	17
	Unaware	11	10
	Highly Unaware	07	08
	Total	105	100%

Interpretation

The majority of respondents are aware of Starbucks' product quality, with 34% being highly aware and 31% aware. A smaller proportion remain neutral (17%), while only a few respondents are unaware (18%). Overall, the results indicate a positive perception of Starbucks' product quality among consumers.

Table 3: Table shows the Preference of Starbucks Product Category

		Respondents	%
Preference of Starbucks Product Category	Hot Beverages	42	40
	Cold Beverages	33	31
	Food Items	18	17
	Ready-to-Drink Products	12	12
	Total	105	100%

Interpretation

Most respondents shows the (40%) prefer hot beverages, highlighting Starbucks' strong position in coffee and hot drinks. Cold beverages are preferred by 31% of respondents, while food items (17%) and ready-to-drink products (12%) have lower preference. Overall, hot beverages remain the most popular product category among Starbucks customers.

Table 4: Table shows the Rating of Overall Quality of Starbucks Products

		Respondents	%
Rating of Overall Quality of Starbucks Products	Outstanding	38	36
	Good	42	40
	Average	17	16
	Poor	08	08
	Total	105	100%

Interpretation

The majority of respondents rate the overall quality of Starbucks products as good (40%) or outstanding (36%), indicating high customer satisfaction. Only a small proportion consider the quality average or poor, reflecting a positive overall perception of Starbucks' product quality.

CHI SQUARE TEST

Relationship between Gender and Overall Satisfaction with Starbucks Product Quality

Gender	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.284 ^a	3	.0026
Likelihood Ratio	8.917	3	.0030
N of Valid Cases	105		

Interpretation

From the above table, the significance value is less than 0.05. Hence, there is a significant relationship

between gender and overall satisfaction with Starbucks product quality. Therefore, the null hypothesis is rejected.

FINDINGS

- Majority of the respondents belong to the age group of below 35 years, indicating strong youth participation.
- Male and female respondents are almost equally represented, showing balanced gender participation.
- Most respondents are undergraduates and salaried employees, reflecting educated and working consumers.
- A significant proportion of respondents are aware of Starbucks' product quality, indicating strong brand recognition.
- Hot beverages are the most preferred product category, highlighting Starbucks' core strength in coffee products.
- Most respondents rate Starbucks' product quality as good or outstanding, reflecting high customer satisfaction.
- Chi-square analysis shows a significant relationship between gender and satisfaction with product quality, indicating that satisfaction levels vary across genders.

SUGGESTIONS

- Starbucks should strengthen promotional efforts to increase awareness among consumers who remain neutral or unaware of product quality.
- Introducing more region-specific and affordable product options may help attract price-sensitive customers.
- Greater emphasis on communicating ethical sourcing and sustainability initiatives can further enhance brand trust.
- Expanding food options and ready-to-drink products may improve overall product preference diversity.
- Personalized promotions and loyalty-based rewards can help improve customer retention and repeat purchases.

Conclusion

The present study provides a comprehensive understanding of the marketing mix of Starbucks Corporation, focusing primarily on its product and promotion strategies. The findings indicate that Starbucks has successfully positioned itself as a premium coffee brand by offering high-quality products, customization options, and innovative seasonal offerings. Most respondents express high satisfaction with Starbucks' product quality, and hot beverages remain the most preferred category, reinforcing the company's core strength in coffee-based products. The chi-square analysis confirms that demographic factors such as gender influence satisfaction levels, highlighting the importance of targeted marketing approaches. Overall, the study concludes that Starbucks' effective use of the 4Ps has helped it maintain strong brand recognition and customer loyalty. However, to sustain long-term growth, Starbucks should continue enhancing its promotional efforts, expand product variety, and communicate its ethical sourcing and sustainability initiatives more effectively. By adapting to changing consumer preferences and maintaining innovation, Starbucks can strengthen its competitive position and ensure sustainable growth in the global coffee industry.

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