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Public Management and Administration Department

QUALIFICATION WORK

Education Degree - Master

on: **Features of Starbucks marketing strategy management in the context of the Chinese market**

Completed: student of
073 «Management» (EP «Administrative Management»)

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SUMY NATIONAL AGRARIAN UNIVERSITY

Faculty Economics and Management
Department Public management and administration

Education degree *«Master»*
Field of Study *073 «Management» (EP «Administrative Management»)*

Approved:
Head of Department
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TASK

on qualification work for student

Wang Xiuying

1. Theme of Qualification work: **Features of Starbucks marketing strategy management in the context of the Chinese market**

Superviser *Tetiana Kharchenko, Doctor of Public Administration, Associate Professor*

approved by the university from _____

2. Deadline for student completed project (work) *December 25, 2025*

3. Background to the project (work):
educational methodical manuals, monographs, textbooks on the subject of research, scientific publications, economic and financial statements for the period of 2020-2025

4. Contents of settlement and explanatory notes (the list of issues to develop):

Study the concepts of "marketing" and "marketing management", reflect on the significant meaning of marketing management, analyze the theoretical methods of marketing management, examine the marketing activities of Starbucks Coffee in the Chinese market, analyze the internal and external marketing environment of the enterprise, study the competitors of the enterprise, formulate improvement methods for the enterprise, and put forward reference suggestions and measures..

5. Date of assignment:

CALENDAR PLAN

№	Title the stages of the degree project (work)	Date of performance project stages	Note
1	Definition and approval of the thesis, preparation of the plan - schedule of work	*December, 2024*	done
2	Selection and analysis of literary sources, the preparation of the first theoretical chapter	*December, 2024*	done
3	Preparation and presentation of draft of the first chapter of the thesis	*February 2025*	done
4	Collection and processing of factual material, synthesis analysis of application issues in the enterprise	*March 2025*	done
5	Making the theoretical part of the thesis, summarizing the analytical part	*April 2025*	done
6	Design options improve the research problem	*May 2025*	done
7	Completion of the project part of the thesis, design chapters	*May 2025*	done
8	Previous work and its defense review	*June, 01-02 2025*	done
9	Checking the authenticity of the thesis	*October, 10-11 2025*	done
10	Deadline for student completed the thesis	*December, 14 2025*	done
11	Defense of the thesis	*December, 30 2025*	done

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Superviser of science work _____ ***Tetiana KHARCHENKO***
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SUMMARY

Wang Xiuying. Features of Starbucks marketing strategy management in the context of the Chinese market.

Master's thesis in the specialty 073 «Management», EP «Administrative Management» SNAU, Sumy-2025 - Manuscript.

Since entering the Chinese market in 1999, Starbucks has built an extensive network of 7,828 stores (data as of June 2025), making China its second-largest market globally, with a core customer base concentrated among consumers aged 19-35 in new first-tier and first-tier cities (accounting for more than 54%). Corporate white-collar workers, students and freelancers make up the main group (62.74 percent combined). But there is a divergence between store expansion and revenue growth, with net income falling by 2.4 percent year-on-year in 2024, reflecting the squeeze on profit margins from competition from local brands and changes in consumer demand.

There is a structural contradiction between the product and the scenario: Although the product end covers classic coffee, tea beverages, light food and related products, consumer preferences show obvious localized characteristics. Tea drinks accounted for 59.92% of the choices, far exceeding the 30.45% of classic coffee, and 65.56% of consumers listed "low sugar, low calories" as core demands, while Starbucks currently has only 40% of low-sugar options and only three plant-based milk options, lagging behind in healthiness and localization innovation. The "third space" positioning at the scene end fits the needs of leisure and office (66.54% of consumers use it for daily leisure, 52.92% for work/study), but the weighted average score of satisfaction with the store environment is only 3.28 points, and 33.95% of consumers complain about congestion, noise, and the need for improvement in experience perception.

In summary, despite challenges such as the squeeze from local brands and diverse demands in the Chinese market, Starbucks' brand foundation, supply chain capabilities and localization potential remain irreplaceable. By optimizing the product structure, adapting the price channels, and upgrading the service experience, the current contradictions can be effectively resolved, and the transformation from "scale expansion" to "quality growth" can be achieved.

Keywords: market position, localization innovation, localization potential, management service, optimization strategy.

АНОТАЦІЯ

Ван Сюїн. Особливості управління маркетинговою стратегією Starbucks в контексті китайського ринку.

Магістерська робота за спеціальністю 073 "Менеджмент", ОП "Адміністративний менеджмент" СНАУ, Суми-2024 - Рукопис.

Досліджено, що з моменту виходу на китайський ринок у 1999 році Starbucks побудував розгалужену мережу з 7828 магазинів (дані станом на червень 2025 року), що робить Китай другим за величиною ринком у світі, з основною клієнтською базою, зосередженою серед споживачів віком 19-35 років у нових містах першого рівня та першого рівня (що становить понад 54%). Основну групу складають корпоративні службовці, студенти та фрілансери (62,74 відсотка разом). Але існує розбіжність між розширенням магазинів та зростанням доходів.

Встановлено, що існує структурне протиріччя між продуктом та сценарієм: хоча продуктовий ряд охоплює класичну каву, чайні напої, легку їжу та супутні товари, споживчі вподобання демонструють очевидні локалізовані характеристики. Чайні напої становили 59,92% від загального вибору, що значно перевищує 30,45% класичної кави, а 65,56% споживачів вказали «низький вміст цукру, низька калорійність» як основні потреби, тоді як Starbucks наразі має лише 40% варіантів з низьким вмістом цукру та лише три варіанти рослинного молока, що відстає у сфері здоров'я та інновацій локалізації. Розміщення «третього простору» в кінці сцени відповідає потребам дозвілля та офісу (66,54% споживачів використовують його для щоденного дозвілля, 52,92% для роботи/навчання), але середньозважений бал задоволеності середовищем магазину становить лише 3,28 бала, а 33,95% споживачів скаржаться на затори, шум та необхідність покращення сприйняття вражень.

Підсумовуючи, визначено, що основа бренду Starbucks, можливості ланцюга поставок та потенціал локалізації залишаються незамінними. Шляхом оптимізації структури продукту, адаптації цінових каналів та покращення якості обслуговування можна ефективно вирішити поточні суперечності та досягти переходу від «розширення масштабу» до «зростання якості».

Ключові слова: ринкова позиція, інновації в локалізації, потенціал локалізації, управлінська служба, стратегія оптимізації.

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INTRODUCTION

Relevance of the topic. With the acceleration of the globalization process and the continuous upgrading of China's consumer market, international well-known brands have been intensifying their strategic layout in China. As a globally leading coffee chain brand, Starbucks has become a significant driver and leader of China's coffee culture since entering the Chinese market in 1999. After more than two decades of localized operation, Starbucks has not only established a solid brand image in first-tier cities, but also gradually expanded into second - and third-tier cities, forming a vast store network and a loyal customer base. However, against the backdrop of the rise of domestic coffee brands, the increasingly diverse demands of consumers, and the rapid development of new retail models, Starbucks' marketing management in the Chinese market is facing new opportunities and challenges.

Li Wanting and other domestic scholars have found that Starbucks has achieved success in the Chinese market by integrating Chinese tea culture, traditional cuisine and Western coffee, launching exclusive products for the Chinese market, creating "Chinese-Western fusion" desserts during traditional festivals, designing peripheral derivatives, integrating mobile payment, and establishing a full-network membership model through a series of localization strategies. He Qi believes that Starbucks excels at creating a sense of brand ceremony, thereby enhancing customer loyalty and fostering brand culture. The report in "China Businessman" points out that Starbucks offers not only coffee but also a "third space", creating an extraordinary Starbucks experience through its unique culture. Domestic scholars. Liu Yuru, Luo Wen, and others argue that Starbucks' experience marketing encompasses various elements, including emotions, atmosphere, senses, and social aspects. Foreign scholar Schmidt believes that experiential marketing occurs when enterprises meet consumers' demands through products or services, and arouse customers' interest while leaving them with unforgettable memories through various means.

To systematically analyze Starbucks' marketing management practices in the Chinese market, explore its core models of marketing strategies, brand building and localized operations, evaluate its countermeasures in the competitive market

environment, and summarize its successful experiences and existing deficiencies. Through the study of Starbucks' marketing management system, it not only helps to understand the localization path of international brands in the Chinese market, but also provides useful references and inspirations for the marketing of other multinational enterprises in China.

The purpose and objectives of the study. This study takes the Chinese market of Starbucks coffee as the object. The core is to combine classic theories of marketing management with empirical data to analyze the current situation of its marketing management, consumer preferences and competitive situation, identify shortcomings and propose optimization directions, providing references for the localization development of Starbucks and chain coffee brands.

The object of study is the marketing management practice of Starbucks coffee in the Chinese market, serving as the core research object, specifically covering three major dimensions. First, the operating entities of Starbucks in China, including its organizational management structure, product service system and supply chain cooperation; Second, a survey on Chinese consumers' consumption preferences for Starbucks coffee; Thirdly, an analysis of the competitive environment of Starbucks' coffee market in China is conducted to comprehensively explore the adaptability and optimization direction of Starbucks' marketing management in China.

The subject of research is the integrate modern marketing theories, such as SWOT internal and external environment analysis, 4P marketing theory, Porter's Five Forces model, etc., to analyze Starbucks' marketing management model from both theoretical and practical dimensions, with the aim of providing references and thoughts for the development of China's coffee industry.

Research methods: This paper focuses on quantitative analysis, supplemented by qualitative analysis, and combines theory with empirical research. At the theoretical level, using the three classic frameworks of SWOT analysis, 4P theory, and Porter's Five Forces model, an analytical system was constructed to analyze Starbucks' internal and external environment, marketing mix, and industry competition situation. Empirically, an online questionnaire survey was conducted to distribute 1,200 questionnaires to consumers of

different regions, ages and occupations across the country. A total of 1,028 valid samples were retrieved, with an effective recovery rate of 85.67%. The survey covered dimensions such as consumer behavior and product preferences. At the same time, based on publicly available data from Starbucks China 's official website (number of stores, organizational structure, supplier information, etc.), descriptive statistics were used to sort out the current business situation and cross-analyze the differences in preferences among different customer groups to ensure that the research has both theoretical support and practical data verification, objectively presenting the marketing management characteristics of Starbucks China.

The database including scientific works by domestic and foreign scientists in the problem area, national statistical report data, annual and quarterly reports of Starbucks Company, company public information, survey questionnaire information, etc.

The scientific novelty of the results lies in three aspects: research perspective, data application and the combination of theory and practice, breaking the single-dimensional limitation of traditional international brand research. At the data application level, dual data support of "macro + micro" is adopted. The macro end integrates business data such as 7,828 stores in China and 23.5 million active members.

The practical significance of the results is a systematic analysis of the marketing management of Starbucks coffee in the Chinese market, which has significant theoretical and practical value. Theoretically, it helps to enrich the research results of localized marketing management of international brands; In practice, it can serve as a reference for multinational companies' brand building, marketing innovation and localized operations in the Chinese market. At the same time, this paper can also provide inspiration for the competitive strategies and sustainable development of domestic coffee brands in China, promoting the healthy development and internationalization process of the Chinese coffee market.

The structure and scope of work. Qualification work consists of an introduction, three chapters, conclusions and suggestions, a list of references, which consists of 26 titles. The main text is placed on 61 pages of computer text; the work contains 9 tables and 10 figures.

CHAPTER 1

THEORETICAL AND METHODOLOGICAL FOUNDATIONS OF MARKETING MANAGEMENT

Marketing management is the collective term for a series of activities carried out by enterprises to achieve their business goals through systematic planning, execution and control around "demand identification - value creation - relationship maintenance". The core logic of marketing management is customer demand-oriented, integrating resources such as products, prices, channels, promotions, etc., to achieve a match between enterprise value and customer value. It is not just a business function, but a strategic management idea. Modern marketing management emphasizes customer value creation and relationship maintenance. Businesses should shift from product-centeredness to customer-centeredness and maximize profits by meeting customer needs [1, p. 37].

Marketing management plays a strategic and overall role in the development of enterprises and is the core force for enterprises to achieve survival, growth and sustainable competitive advantage. First of all, marketing management helps enterprises gain a deep understanding of the market environment and consumer demands. Through scientific market research and data analysis, enterprises can identify potential opportunities and threats, thereby formulating business strategies that conform to market trends. Secondly, it can guide enterprises to conduct effective market segmentation and target market selection, define their own market positioning, identify the most valuable customer groups, and achieve competitive advantages through differentiated product, price, channel and promotion strategies (i.e. 4P strategies). In addition, marketing management not only focuses on product sales, but also on building long-term relationships with customers, enhancing customer satisfaction and loyalty through brand building and customer relationship management (CRM), thereby forming a stable market foundation. It also plays a significant role in enterprise innovation - by continuously monitoring market changes, enterprises can adjust their product structure and marketing methods in a timely manner to promote product innovation and service optimization. Effective

marketing management can improve the efficiency of resource utilization, reduce market risks and optimize the profit structure. More importantly, it can shape the brand image of the enterprise, enhance the recognition and trust of the enterprise in the minds of consumers, and bring about the appreciation of intangible assets for the enterprise. In general, marketing management is not only a means for enterprises to achieve sales targets, but also a management system that runs through the entire process of strategic planning, execution and control, and is the key for enterprises to maintain vitality and achieve sustainable development in the fierce market competition [2, p. 122].

Marketing management is a crucial component of the modern business management system. With the intensification of market competition and the diversification of consumer demands, enterprises must rely on scientific marketing management theories and methods in order to achieve long-term sustainable development. Marketing management not only involves the formulation and implementation of strategies such as product, price, channel and promotion, but also emphasizes the customer-centric concept, market-oriented strategic decisions and dynamic competition response mechanisms. Therefore, a systematic study of the theoretical basis and practical significance of marketing management is of great value for enhancing the core competitiveness of enterprises.

The development of marketing theory has roughly gone through four stages: (1) The production-oriented stage (early 20th century), where enterprises focus on improving production efficiency and believe that high-quality, low-priced products can bring sales; (2) In the product-oriented stage, enterprises focused on product innovation and quality improvement but ignored changes in market demand; (3) Sales-oriented stage, which emphasizes promoting sales through advertising and promotion; (4) The market orientation stage is centered on customer needs and focuses on market research and relationship marketing. In recent years, with the rapid development of the digital economy and information technology, marketing management has entered a data-driven and intelligent stage, where enterprises precisely analyze consumer behavior through technologies such as big data and artificial intelligence to achieve more efficient market decision-making [3, p. 38].

Classic marketing management theories and scientific research methods include Heinz Weilik's SWOT analysis of the competitive environment inside and outside the market and Philip Kotler's 4P marketing theory.

I. Heinz Weilik's SWOT analysis is a classic framework used to systematically assess the internal and external environment of an enterprise and assist in strategic decision-making. Proposed by American management scholar Heinz Weilik in the 1980s. The core of it is to clearly present the competitive situation of enterprises through cross-analysis of four dimensions. SWOT analysis, by integrating the four elements of internal strengths, internal weaknesses and external opportunities, external threats (fig.1.1), structures scattered internal and external information to help enterprises break out of a single perspective, comprehensively assess the match between their own resources and the market environment, and provide intuitive and actionable analytical basis for the choice of strategic direction It remains a fundamental tool for corporate strategic planning and marketing decisions to this day [4, p. 82].

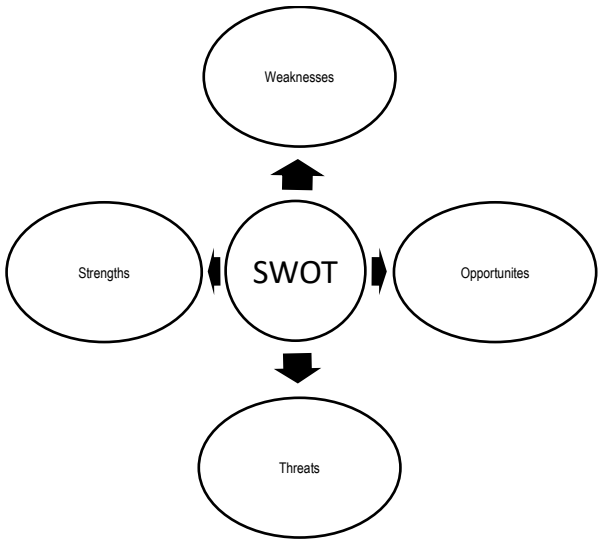

Figure 1.1 -SWOT Analysis of Internal and External Environment

Source: [5]

Strengths: Refers to the resources and capabilities within an enterprise that are controllable and can give it a competitive advantage. Such as core technology patents, strong brand reputation, efficient supply chain system, stable customer base, etc. These

elements can help enterprises take the initiative in the market.

Disadvantage: Refers to a shortcoming that exists within the enterprise and may restrict its development. For example, a shortage of funds, weak R&D capabilities, low brand awareness, insufficient channel coverage, etc. If these shortcomings are not improved, they may put the enterprise in a passive position in competition.

Opportunity: Refers to a favorable and exploitable development opportunity in the external environment. For example, policy support, market demand growth, technological change, competitor failure, etc. Seizing opportunities can help enterprises break through quickly [6].

Threat: An unfavorable factor in the external environment that may cause an impact on the enterprise. For example, competition from new entrants, the impact of substitutes, rising raw material prices, tightened policies, etc. Ignoring threats can lead to a sharp increase in business risks.

The core value of SWOT strategic analysis lies in forming a feasible strategic direction through the cross-matching of "internal strengths and weaknesses" and "external opportunities and threats", rather than simply listing elements. The final output should be centered around the four strategic quadnels of SO (strength-opportunity), WO (weak-opportunity), ST (strength-threat), WT (weak-threat), and the focus of action should be clearly defined in the actual scenarios of the enterprise to provide clear guidance for decision-making [11, p. 70].

Ii. Philip Kotler's 4P theory is one of the core theories of modern marketing management and also the most influential marketing model. It was first proposed by American marketing scholar Jerome McCarthy in 1960 and has since been systematized and widely applied globally by Kotler, and is regarded as the fundamental framework of modern marketing theory.

The "4P" refers to the four key elements of the marketing mix: Product, Price, Place, Promotion. Through the organic combination of these four elements, businesses meet the demands of their target markets and achieve their goals (such as sales growth, increased market share, brand building, etc.) [14, p. 30].

Table 1.1- 4P Marketing Mix Element Composition Table

Elements	Meaning	Main Content	Goals
Product	Physical goods or services that a business provides to the market to meet the needs of customers	Variety, quality, function, packaging, brand, service	Meet customer needs
Price	The value a customer pays for a product	Pricing strategies, discounts, credit, payment terms	Achieve reasonable profits and market competitiveness
Place	The ways and methods by which products reach customers	Distribution channels, logistics management, sales networks, coverage	Enhance product availability and service efficiency
Promotion	A promotional campaign that promotes customer purchases	Advertising, public relations, sales promotion, personal selling, online marketing	Deliver information and stimulate the desire to buy

Source: [7]

For businesses, the core value of the 4P theory lies in providing a "implementable, manageable" strategic framework that helps clarify the logic of resource allocation, avoids fragmentation of marketing activities, and serves as a key bridge connecting strategic positioning and market landing. As the market shifts from "supply-driven" to "demand-driven", the 4P theory has given rise to extended models such as 4C (Customer solution, cost, convenience, communication) and 4R (association, response, relationship, return), but 4P remains the fundamental framework. The 4C and 4R are essentially complementary to the 4P from the customer's perspective, rather than substitutions. In the digital age, the 4P theory is given new connotations: product strategies need to be iterated with user data, price strategies can be optimized through dynamic pricing algorithms, channel strategies emphasize the integration of online and offline domains, and promotion strategies rely on precise targeting and private domain operations [15, p. 137].

III. Porter's Five Forces model, proposed by American strategic management scholar Michael Porter in "Competitive Strategy" in 1980, is a classic framework for systematically analyzing industry structure and judging competition intensity and profit potential. The core logic breaks through the limitation of "focusing only on direct competitors" and holds that the long-term profitability of an industry is determined by

five forces - the bargaining power of suppliers, the bargaining power of purchasers, the threat of new entrants, the threat of substitutes, and the degree of competition among existing competitors in the industry (fig. 1.2). The combination of the strengths and weaknesses of these five forces shapes the competition rules and survival space of the industry, which is the "industry fundamentals" that enterprises must clarify first before formulating their competitive strategies.

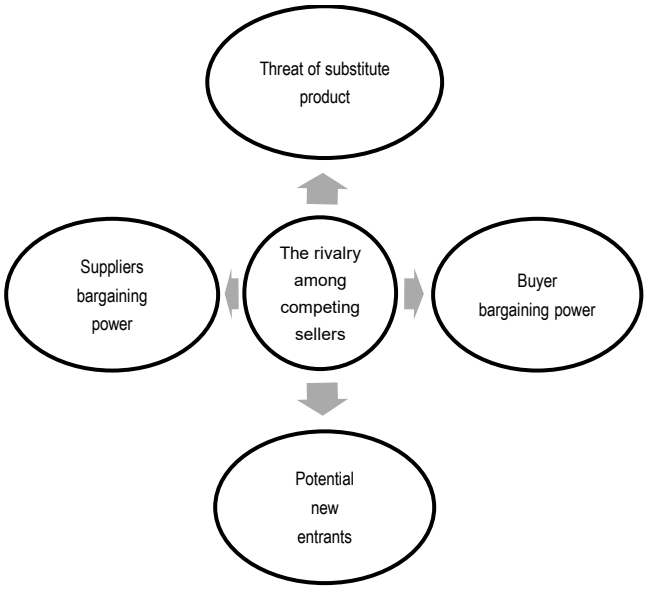

Figure 1.2 - Porter's Five Forces Model

Source: [9]

Supplier bargaining power: Refers to the ability of a supplier to influence a business's costs and operations by raising prices, lowering quality, or reducing supply. Suppliers have strong bargaining power if there is a high concentration of suppliers, strong product differentiation, or high switching costs for enterprises. For example, battery suppliers in the new energy vehicle industry, due to technical barriers and capacity constraints, have significantly more bargaining power over automakers than traditional component suppliers [17, p. 56].

Buyer bargaining power: Refers to the ability of a buyer to influence a company's profits by lowering prices, demanding higher quality or service. Buyers have strong bargaining power if they are large in scale, have a high degree of product standardization, or have low switching costs. For example, large purchasers on e-commerce platforms can lower the purchase price to suppliers through bulk orders, while individual consumers

have less bargaining power because of their small single purchase volume.

New entrant threat: It refers to the level of barriers that new enterprises face when entering an industry, which directly affects the intensity of competition in the industry. If the industry has high entry barriers, obvious economies of scale or high brand loyalty, the threat of new entrants is small. For example, the milk tea industry is highly competitive due to low entry barriers and a large number of new entrants; In the aviation industry, the threat from new entrants is much lower than in the milk tea industry due to barriers such as aircraft procurement and route approval [18, p. 53].

Substitute threat: The possibility that products or services from other industries will replace those from the same industry to meet the same demand. If the alternative is cost-effective and has a low switching cost, the alternative threat is high. For example, the camera function of smartphones has strongly replaced traditional cameras, causing the market size of the camera industry to continue to shrink; Clean energy sources such as hydropower and wind power are gradually replacing traditional thermal power, posing a long-term threat to thermal power enterprises [19, p. 18].

The degree of competition among existing competitors in an industry: It refers to the intensity of competition among existing enterprises in an industry, which is usually associated with industry concentration, market growth rate, and product differentiation. For example, in China's home appliance industry, due to the large number of enterprises, obvious product homogeneity and the slowdown in market growth, enterprises often compete for market share through price wars and promotional activities, and the competition intensity is high; The high-end luxury goods industry, with high brand barriers and high market concentration, has less direct price competition among existing competitors and relatively less intense competition.

Porter's Five Forces model systematically reveals the fundamental factors that affect a company's profitability by analyzing the industry's competitive landscape and the external environment of the enterprise from the above five aspects. The model's strength lies in its clear structure and rigorous logic, which can help enterprises comprehensively assess the attractiveness of the industry and formulate competitive strategies. However, it has certain limitations, such as being too static to reflect the rapidly changing market

environment driven by the digital economy, globalization and innovation. Therefore, Porter's Five Forces model still holds significant theoretical and practical value in modern marketing strategy management, but should be combined with new theories such as dynamic competitive analysis and value networks to gain more comprehensive competitive insights [20, p. 137].

Marketing management holds significant and far-reaching implications in modern society. It is not only a core tool for enterprises to achieve economic goals, but also a key link connecting enterprises with consumers and promoting social and economic development. In a highly competitive market environment with rapid information dissemination, enterprises can accurately grasp consumer demands, improve the quality of products and services, and achieve differentiated competition through scientific marketing management. Marketing management promotes the rational allocation of resources, makes production and consumption more coordinated, and helps enterprises to continuously innovate and build brands. At the same time, it guides the formation of consumption concepts and promotes the renewal and upgrading of the overall lifestyle of society. For the national economy, effective marketing management can expand market demand, promote the optimization of industrial structure, and drive employment and economic growth. In general, marketing management is not only a means for enterprises to make profits, but also a key driving force for achieving economic prosperity, social progress and consumer satisfaction in modern society.

CHAPTER 2

ANALYSIS OF STARBUCKS COFFEE'S MARKETING MANAGEMENT IN CHINA

2.1 The current business situation of Starbucks Coffee in the Chinese market

Starbucks Coffee is one of the world's largest coffee brands and holds a significant position in the global coffee industry. Since opening its first store in Seattle's Pike Place Market in 1971, the company has more than 41,000 stores and over 400,000 employees in 87 markets around the world by the end of June 2025. Starbucks has a market share of about 8% in the global coffee retail market and has long been among the top coffee chain brands worldwide. In the global ready-to-drink market, Starbucks is the company with the largest number of stores and the largest volume of drinks produced.

Starbucks has expanded its business from the United States to the world since it went public in Nasdaq, New York in 1992. Starbucks Coffee Global entered Japan in 1996, Europe in 1998 and the Chinese mainland market in 1999. By the end of June 2025, Starbucks had opened 7,828 stores in Chinese mainland, accounting for 19 percent of its total global store count. China has become Starbucks' fastest-growing and largest overseas market outside its home market in the United States.

As shown in Figure 2.1, the number of Starbucks coffee stores in the Chinese market has been increasing year by year in recent years. This indicates that as Chinese consumers' incomes increase and their consumption concepts change, the pursuit of branded coffee among Chinese coffee lovers is also on the rise. The future demand for coffee in China is bound to expand.

However, according to Starbucks' annual reports in recent years, net revenue from Starbucks coffee in China has not been increasing year by year. As shown in Figure 2-3, Starbucks' net income in China was 3,008.30 million US dollars in 2022 and 3,081.50 million US dollars in 2023, an increase of 2.4%[6] compared to the previous year. But in 2024, net income was 3,008.20 million US dollars, down 2.4% from 2023

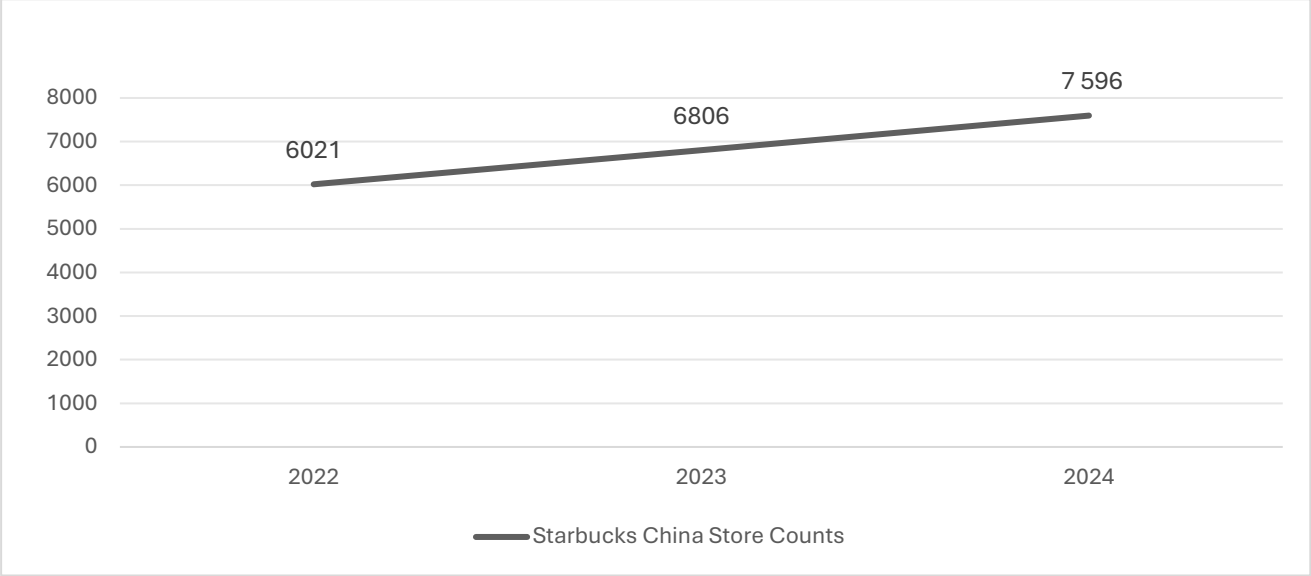

Figure 2.1 - Starbucks China Store Counts

Source: Starbucks Coffee Company-Store Counts by Market

This indicates that in the Starbucks coffee market in China, although the number of stores increased, the net operating income did not increase. This is due to the emergence of several local budget coffee brands in recent years, such as Luckin Coffee and Deku. They have been expanding their stores at a relatively fast pace in recent years. For Starbucks coffee, which pursues high quality and satisfies customers' store experience, the impact is indeed considerable. This is also one of the reasons for the decline in net income from Starbucks stores in China.

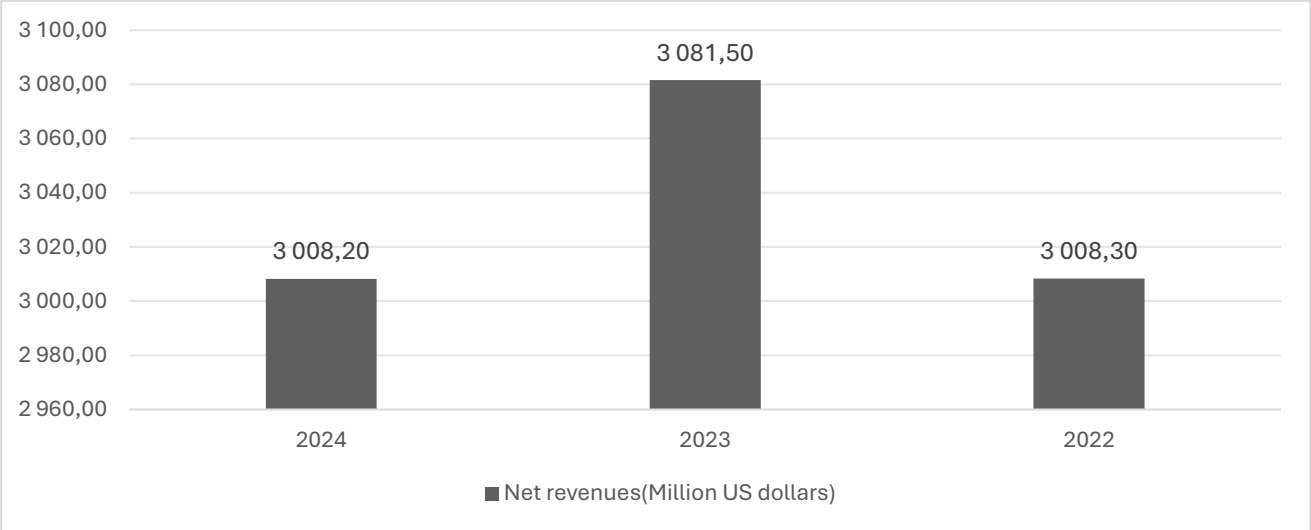

Figure 2.2 - Starbucks China's net income comparison chart from 2022 to 2024

Source: Starbucks 2024 Annual Report

From the above data, it can be seen that Starbucks has great potential for development in the Chinese market and strong consumer demand. However, in the face of new competitors and new consumption habits of consumers, there are still some problems in the marketing management of Starbucks in the Chinese market, and there are areas that need improvement. This chapter first presents the current situation of Starbucks China in terms of its organizational management structure, product types and suppliers, and then analyzes Starbucks' marketing management in the Chinese market based on questionnaires, SWOT, 4P and Porter's Five Forces model.

Starbucks Coffee Corporation divides its global business into three major blocks for further management based on geographical location and regional development plans. The three blocks are the Americas region, the International Region and the China region. The coverage and core management of each region are shown in Table 2.1.

Table 2.1 - Core Areas and Management of Starbucks Coffee Company

Regions	Coverage	Core Management
Americas	The United States (a core mature global market contributing more than 60% of revenue), Canada, Latin America and the Caribbean	One regional president, with four sub-regional managers for east, west, south and north of the United States, responsible for store expansion, operational optimization and performance achievement in each sub-region; Focus on maintaining customer loyalty in mature markets while tapping into the potential of emerging markets such as Latin America.
International Region	Europe, the Middle East, Africa (EMEA), Japan, Southeast Asia (excluding China)	Managed by the International CEO (Brady Brewer, officially appointed in 2024), with managers for each country/sub-region; Focus on the refined operation of mature markets within the region, such as Japan, and the establishment of store networks in emerging markets, such as Southeast Asia; Adjust product and service strategies in response to cultural and consumer differences within the region.
China Market	Chinese mainland (including Hong Kong, Macao and Taiwan regions)	It is the only independently established national-level region in the world with a dual executive system of chairman and chief executive officer. The core team consists of business heads for retail, digital innovation, supply chain, etc., reporting directly to the global CEO; Focus on localized innovation in the Chinese market and expansion into lower-tier markets.

Source: Official website of Starbucks Coffee Company

Starbucks uses a matrix organizational structure globally, depending on geographical distribution. This structure combines elements such as functional hierarchies, geographical divisions, product divisions and teams. The matrix structure

emphasizes both professional division of labor and departmental collaboration, enabling the company to adapt to different market demands and drive its global business development.

Starbucks' management in China is divided into the executive level, the business unit level and the functional support level. The core departments and responsibilities of each level are outlined in Table 2.2.

Table 2.2 - List of Responsibilities for Each Management Level at Starbucks China

Regional hierarchy	Core roles/departments	Core Responsibilities (Based on 2024 Restructuring)
China Executive team	1. Chairman of China (Wang Jingying) 2. Chief Executive Officer of China (Liu Wenjuan)	1. Chairman: Coordinating long-term strategic planning for the Chinese market, maintaining shareholder relations, government-enterprise cooperation and brand image building; 2. Chief Executive Officer: Responsible for daily operation and management, promoting revenue growth and the achievement of profit targets, and leading localized business innovation (such as products and store formats).
Business Unit level for China Region	1. Retail Business Unit (Retail) 2. Digital Innovation 3. China Supply Chain	1. Retail Business Department: Managing the operation of over 7,800 stores, promoting "third space" scenario innovation (such as sign language stores, intangible cultural heritage experience stores, environmental experiment stores), and optimizing store staff scheduling and service standards. 2. Digital Innovation: Operating the "Special Star Delivery" takeout service, the "Feikuai" self-pickup function, the wechat mini-program membership system (more than 23.5 million active members in 2024), and promoting digital marketing activities (such as holiday red envelopes, member-exclusive benefits). 3. Supply Chain and Procurement Department: Focusing on the procurement and quality improvement of Yunnan coffee beans, cooperating with local suppliers to ensure the supply of materials such as dairy products and packaging materials, optimizing regional logistics networks, and reducing delivery costs.
China Functional Support layer	1. Human Resources Department (Local Benefits: Housing Allowance/Parental Health Insurance) 2.Marketing Department (Localization Activities: Spring Festival Limited/Chinese Drinks) 3. Compliance Department	1. Human Resources Department: Design welfare systems tailored to the Chinese market (such as full-time partner housing subsidies, supplementary medical insurance for parents), and promote talent recruitment and store team training in lower-tier markets; 2. Marketing Department: Planning localized marketing campaigns (such as Spring Festival zodiac limited edition cups, Mid-Autumn Festival mooncake gift boxes, promotion of Chinese tea drinks), collaborating with local Chinese ips (such as the Forbidden City, Dunhuang); 3 Compliance Department: Ensure business compliance with Chinese food hygiene and safety standards, data privacy protection regulations (such as the Personal Information Protection Law), and respond to changes in industry regulatory policies.

Source: Starbucks Coffee China official website

Starbucks' management is divided into three tiers: global top decision-making and governance, global core business and functional support management, and global regional operations management. For different regions around the world, the regional operations management is further divided into the executive level, the business unit level and the functional support level. At the very bottom of Starbucks are store operations and regional support centers.

Starbucks' grassroots executive units, including store operations and regional support centers. Stores are the basic operational units of Starbucks and are managed by store managers on a daily basis. The store manager leads the team to ensure customer satisfaction and implement the company's strategic initiatives. In stores, a large number of hourly workers, such as baristas, on-duty supervisors, and customer service representatives, interact directly with customers and are responsible for tasks like drink making and food supply, and the quality of their service directly affects the customer's consumption experience.

In a store, baristas make various coffee drinks according to customers' demands, supervisors coordinate all kinds of work in the store, and customer service representatives provide consultation and assistance to customers, all working together to create a good consumption environment. Starbucks China has also made adjustments to its grassroots execution units based on the characteristics of the region. The adjustments are shown in Table 2.3.

Starbucks' matrix collaborative management model refers to the cross-collaboration between horizontal functional departments (such as global supply chain and marketing) and vertical business units/regions (such as China retail and the Americas region). It ensures uniform global operational standards and supports regional local innovation, balancing the demands of "globalization" and "localization".

With the increase in coffee consumption demand in the Chinese market, the number of Starbucks stores in the Chinese region has been growing. China has become the company's second-largest market.

Table 2.3 - Starbucks China's Grassroots Execution Units and Characteristic Adjustments

Execution Units	Global Unified Architecture	Adjustments to Chinese market characteristics
Store operations	Standard framework: Store manager → On-duty Supervisor → Barista (hourly worker); Core responsibilities: Enforce the Starbucks Experience service standard, ensure drink quality and food safety, meet store revenue and cost targets, and maintain customer satisfaction.	1.Add a community service specialist position and organize partners to participate in community service (cumulative contribution of more than 2.million hours of community service by 2024); 2.Conduct localized training, such as Chinese service scripts and Chinese drink making skills; 3. For stores in lower-tier markets, simplify some operational processes and optimize staffing to control costs.
Regional Support Center	Global Standard: Each region has a "regional Operations Manager" responsible for supervising the performance achievement, inventory management, personnel training and problem-solving of 10-15 stores within the region; Report operational data and improvement plans to regional headquarters on a regular basis.	1.Set up "Downmarket special teams" in third - and fourth-tier cities to provide support such as store location selection, localized marketing, and supply chain adaptation; 2.Develop special operation plans for Chinese holidays such as the Spring Festival and National Day, such as temporary personnel allocation and inventory preparation plans.

Source: Starbucks Coffee China official website

To highlight the strategic position of the Chinese regional market, Starbucks has adopted a "dual executive responsibility system" in the Chinese market, with dedicated business and functional teams, highlighting its strategic priority as "the world's second-largest market and core growth engine."

Starbucks Coffee Corporation is known for providing high-quality coffee and unique experiences and holds a significant position in the global coffee market. The main products of Starbucks Coffee China include americano, mocha, latte, cappuccino, caramel macchiato and other coffee beverages, as well as tea, pastries, cakes and peripheral products such as coffee machines and coffee cups. Committed to creating a "third living space" for customers, making the store a cozy and comfortable social place beyond the workplace and home, and creating a unique "Starbucks experience" through quality coffee and service. Starbucks' main products in the Chinese market are shown in Table 2.4.

Table 2.4 - Main products of Starbucks Coffee in China

Product Categories	Specific products
Coffee drinks	Espresso
	Americano
	Latte
	Cappuccino
	Caramel macchiato
	Frere White
	Cold brew coffee
	Hand-brewed coffee
	Siphon coffee
	Yuzu iced Latte
	Matcha cappuccino
	Whiskey cask cold brew
	Irish cream cold brew
	Toffee hazelnut latte
	Gingerbread flavored latte
	Full of chestnut macchiato
	Rose vanilla Frappuccino
	Coffee Master's Selection (such as Rwandan blue bourbon, Panama Geisha coffee, etc.)
Non-coffee drink	Matcha latte
	Roasted tea latte
	Iced shaken tea (such as All Orange Nonsense Iced Shaken Tea, Star Pear Iced Shaken Tea, Midsummer Blues Popping Bead Iced Shaken Tea, etc.)
	Frappuccino (such as Mocha frappuccino, caramel frappuccino, matcha frappuccino, matcha cocoa crumb frappuccino, white peach matcha frappuccino, roasted tea frappuccino, etc.)
Ready-to-drink products	Jasmine Latte
	Tieguanyin oolong latte
	Bottled frappuccino (such as the Chinese limited coconut mocha flavor, etc.)
	Starbucks Star Select Low Sugar Flat White
	Pike Market Black Coffee 2.0
	Colombian coffee latte
Food	All kinds of pastries, cakes, sandwiches, light meals, etc

Source: Starbucks Coffee China official website

Starbucks' suppliers in the Chinese market cover a wide range of categories, each

playing a key role in ensuring the supply of its products and business operations in the Chinese market. The list of Starbucks' suppliers in China is shown in Table 2.5.

Table 2.5 -List of Starbucks' Suppliers in China

Supplier Categories	Supplier Name	Main supply products	Features and functions of the supplied products
Coffee bean suppliers	Local coffee farmers in Yunnan and related cooperative enterprises (such as Liu Xiaorong's Manguotang Coffee Company, etc.	Yunnan coffee beans	The quality has improved significantly, with the pass rate rising from 20% in 2012 to 80% now. It has become a blend ingredient for Starbucks' classic espresso, and some stores also sell single-origin coffee beans from Yunnan, enriching the product's flavor and promoting the development of Yunnan's coffee industry
Food suppliers	Cofco Xiangxue	New York cheesecake, tiramisu and other cake products	With a high reputation in the food production sector and reliable product quality that meets Starbucks' quality requirements for pastry products, it enriches Starbucks' food product line and offers consumers a wide range of choices
Food suppliers	Suzhou Baikafu (under the Lekal brand)	Croissants, French caramel pastries and other baked goods	With rich experience and technical expertise in the production and supply of baked goods, they can provide high-quality baked goods and enhance the taste and quality of Starbucks food
Food supplier	Intercontinental Hangzhou (with its Western kitchen Beko)	"Sandwich"	Having an advantage in sandwich making and supply, offering fresh, delicious sandwich products to meet consumers' demands for fast food
Supplier of beverage ingredients	Oatly	Oat milk	Rich in flavor, suitable for lactose intolerant people, pairs with coffee to create a unique flavor, meets consumers' demand for plant-based drinks, and enriches the drink menu
Supplier of cups and peripheral products	Hunan Hualian Ceramics	Ceramic mugs	Having an edge in ceramic craftsmanship and research and development, the Starbucks characteristic ceramic mugs produced are popular among consumers, enhancing the appeal of the products and the brand image
Supplier of cups and peripheral products	Zhejiang Feijian Industry & Trade	A variety of coffee cups, including stainless steel mugs, insulated coffee cups, and glass coffee cups	It has the ability to produce various types of coffee cups, meeting the packaging requirements of different Starbucks products and ensuring the heat preservation and sealing performance of the products

Source: Starbucks Coffee China website

These suppliers, with their own strengths, provide strong support for Starbucks in

areas such as coffee beans, food, beverage ingredients, cups and peripherals, packaging materials, custom water cups and seasonings.

2.2 Survey of Chinese Consumers' preferences for Starbucks coffee

As modern marketing management shifts from "product-oriented" to "market demand-oriented". Starbucks wants to expand further in China, the second-largest market for its global strategic development. It is even more necessary to understand the current demand preferences of Chinese consumers for Starbucks coffee. In order to gain a more comprehensive understanding of the marketing shape of Starbucks coffee in the Chinese market, I conducted a survey on the consumption preferences of Chinese consumers for Starbucks coffee (the content of the survey questionnaire is attached).

The survey was conducted in the form of an online questionnaire, targeting consumers from different regions, age groups, occupations and income levels across the country. The survey covered a wide range of dimensions including basic information about consumers, purchasing behavior of Starbucks products, consumption habits, preferences, satisfaction with the brand in all aspects, and expectations for future improvements. The survey process strictly followed the principle of random sampling. A total of 1,200 questionnaires were distributed, and 1,028 valid questionnaires were retrieved, with an effective recovery rate of 85.67%. The sample size was sufficient and representative, and could accurately reflect the consumption preferences of Chinese consumers for Starbucks coffee.

The gender distribution of the respondents in this survey was relatively balanced, with 522 male consumers, accounting for 50.78%; There were 506 female consumers, accounting for 49.22% . This gender ratio is roughly in line with the overall gender structure of the Chinese population and the gender distribution of the coffee consumer group, indicating that the survey sample is well representative in terms of gender dimension and can avoid the bias of the survey results caused by the gender ratio imbalance, providing a reliable sample basis for the subsequent analysis of the differences in consumption preferences of Starbucks among consumers of different genders.

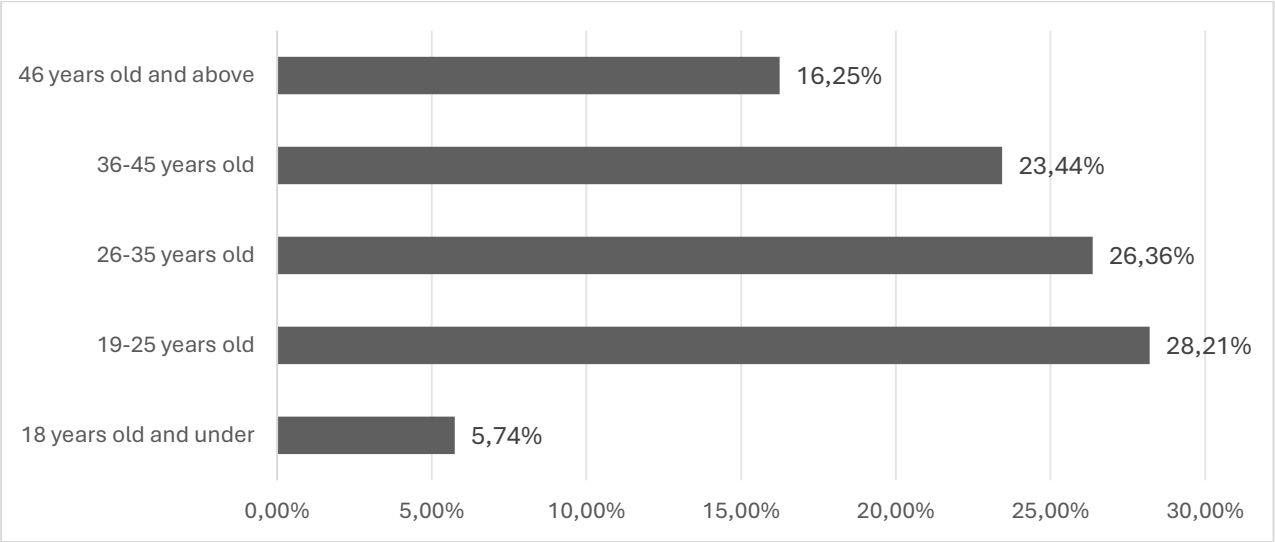

Figure 2.4 - The age distribution map of the participants in the survey

Data source: Survey Questionnaire

As can be seen from the age distribution chart (see Figure 2.3), the 19-25 age group (28.21%, 290 people) and the 26-3 age group (26.36%, 271 people) combined account for more than 54%, forming the core consumer force of Starbucks. The 19-25 age group is dominated by students and young people who have just entered the workplace. They pursue fashion trends and are willing to try new things. The brand tone and social attributes of Starbucks are exactly in line with their consumption demands. The 26-35 age group, mostly corporate white-collar workers and professional technicians, have a fast-paced work schedule. The combination of functional needs (such as relieving fatigue) and contextual needs (such as business negotiations, temporary office work) for coffee makes Starbucks a high-frequency consumption choice. While only 16.25 percent (167 people) of those aged 46 and above and 5.74 percent (59 people) of those aged 18 and under have relatively low demand for Starbucks due to their consumption habits (such as preference for traditional beverages) and limited spending power.

From the occupational distribution map (see Figure 2.4), corporate white-collar workers/employees had the highest proportion (25.29%, 260 people), followed by students (19.75%, 203 people) and freelancers (17.70%, 182 people). The working scenarios of corporate white-collar workers are highly compatible with Starbucks' "third space" positioning. The comfortable environment and stable Wi-Fi provided by the stores

are ideal places for them to relax during breaks or engage in business communication. Students see Starbucks as an extended space for socializing and learning, with about 20% of students choosing to have group discussions or prepare for exams at Starbucks; Freelancers have flexible working hours and a high demand for flexibility in the office setting. Starbucks' store layout and ambient atmosphere meet their "mobile working" needs.

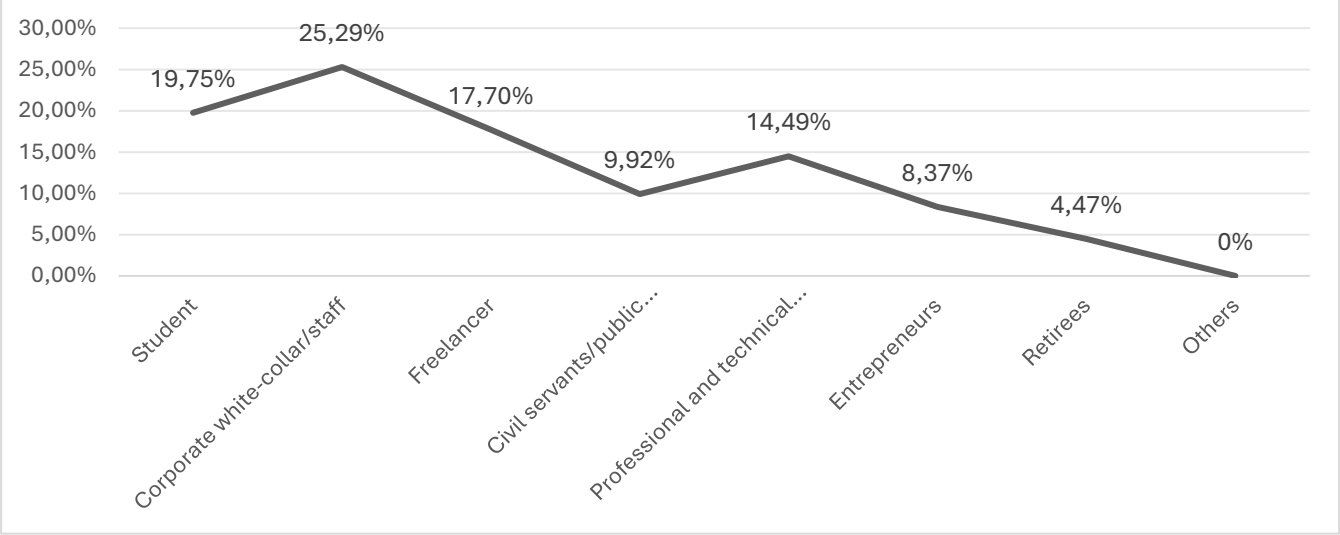

Figure 2.4 - The occupational distribution map of the participants in the survey

Data source: Survey questionnaire

At the income level (see Figure 2.5), 32% (329 people) have a monthly income (for students, it is monthly living expenses) of 3,000 yuan or less, 22.76% (234 people) have a monthly income of 3,001 to 5,000 yuan, and 26.07% (268 people) have a monthly income of 5,001 to 8,000 yuan. The distribution table shows that the consumer group of Star Barks covers the middle and low-income to middle and high-income range. Among them, the 3,001-8,000 yuan group is the main consumer group - they have a certain spending power, are willing to pay for quality products and experiences, have rational considerations about prices, and are more inclined to choose product combinations with high cost performance. While only 7.2% (74 people) earn more than 12,000 yuan a month, this indicates that, despite offering high-end products, Starbucks' core customer base is still predominantly composed of the mass consumer group.

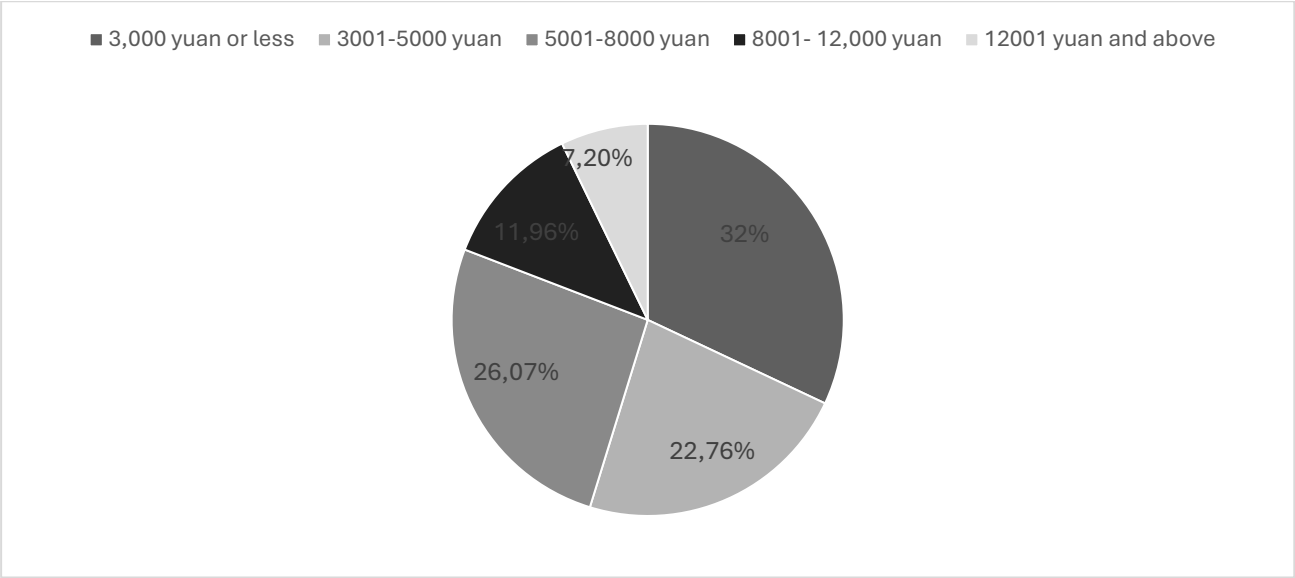

Figure 2.5 - The monthly income distribution map of the participants in the survey

Data source: Survey Questionnaire

In terms of city level distribution, consumers in new first-tier cities account for the highest proportion (37.06%, 381 people), followed by first-tier cities (26.36%, 271 people) and second-tier cities (23.54%, 242 people), while those in third-tier and lower cities account for 13.04% (134 people). The economic growth rate in new first-tier cities is fast and consumption concepts are updated rapidly. Starbucks' store expansion and product promotion in such cities are more likely to reach the target customer group. As the core market for the brand to enter China, first-tier cities have a mature awareness and acceptance of Starbucks among consumers, and their consumption frequency is relatively stable. The coffee market in third-tier and lower cities is still in the cultivation stage, and consumers' demand for coffee has not been fully released. The store layout and price positioning of Starbucks have not yet fully adapted to the demands of the lower-tier markets.

The analysis of the purchasing behavior, product preferences, brand perception, etc. of Starbucks coffee consumers in China from this survey will be presented in the relevant content below.

2.3 Analysis of the characteristics of Starbucks Coffee's marketing management in China

(1) Strengths. Strong brand influence: With global recognition and years of deep presence in China, Starbucks has established a reputation for premium and high-quality coffee. Its brand is closely linked to the comfortable "third space", catering to the social, work and leisure needs of the younger generation, and has cultivated a large number of loyal fans and is highly attractive to new customers.

Enriching the product range: Beyond classic coffee beverages, Starbucks continues to introduce new non-coffee beverages, food and peripheral products to meet diverse consumer demands. In China, it has also developed localized new products, such as the Tea Cloud Latte, to enhance product compatibility. According to the data on Starbucks beverage types in the questionnaire (Figure 2.6), in terms of beverage category selection (multiple choices are allowed), tea beverages ranked first with 59.92% (616 people), far exceeding classic coffee (30.45%, 313 people). Combining the characteristics of Chinese people's "tea genes", Starbucks has launched products such as black tea lattes and iced shaken peach oolong tea, which retain the fragrance of tea while incorporating modern elements such as milk foam and fruit flavor, balancing traditional taste with fashionable experience, successfully appealing to Chinese consumers.

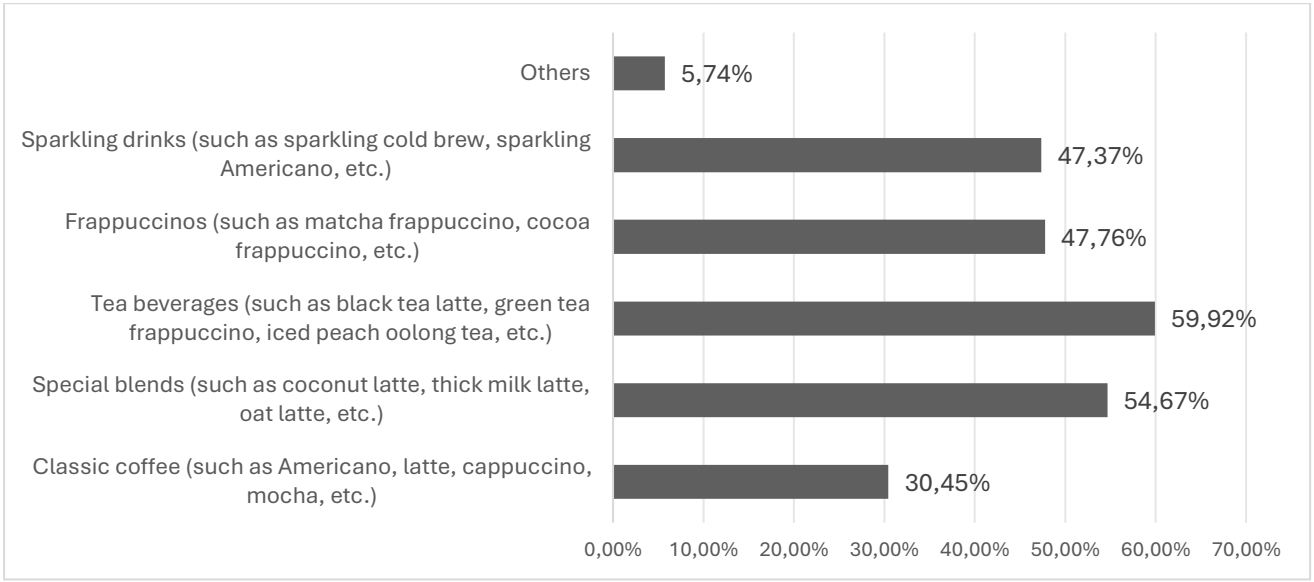

Figure 2.6 - Starbucks coffee beverage category consumer selection chart

Data source: Survey Questionnaire

Quality store experience: Stores are located in high-traffic areas such as the city's core business districts and transportation hubs. The interior design combines a global uniform style with local characteristics to create comfortable and cozy Spaces. The staff are professionally trained and the service is excellent, enhancing the consumer experience.

Digital operation capabilities: Actively embrace digitalization, and through the Starbucks App, achieve functions such as online ordering, food delivery, and membership system management, enhancing convenience and user stickiness, and strengthening brand interaction with consumers.

(2) Weaknesses

Higher price positioning: Compared with local coffee brands and emerging tea shops, Starbucks' product pricing is relatively high. Under the trend of downgrading consumption, some price-sensitive consumers will turn to low-priced alternatives, limiting further expansion of market share.

Partial lack of localization: Despite attempts at localization, some products and marketing campaigns still do not fit well enough with traditional Chinese food culture and consumption habits. For example, the flavors and portions of some foods do not quite suit the tastes of Chinese people, affecting the purchasing intentions of some consumers.

High operating costs: Many stores are located in prime locations with high rents, along with the cost of purchasing high-quality coffee beans, staff training expenses, etc., resulting in high operating costs that compress profit margins and impose certain constraints on the speed of store expansion and profitability.

(3) Opportunities

Great market growth potential: The Chinese coffee market is in a stage of rapid growth, with per capita coffee consumption far below the international level. With the upgrading of consumption and the acceleration of the pace of life, consumers' acceptance and demand for coffee continue to increase, providing Starbucks with broad market expansion space.

Downmarket opportunities: The markets in first - and second-tier cities are becoming increasingly saturated, while coffee markets in third - and fourth-tier cities and

below are still in their early stages of development, with huge consumption potential. Starbucks is accelerating its presence in lower-tier markets and is expected to open up new growth points by adjusting store size, product mix and marketing strategies.

Health consumption trends: Consumers are paying more attention to healthy eating and are more inclined to products with low sugar, low fat, and natural ingredients. Starbucks could take advantage of this trend to increase the development and promotion of healthy drinks and light meals, such as introducing more plant-based drinks and low-sugar frappuccinos, to attract health-conscious consumers.

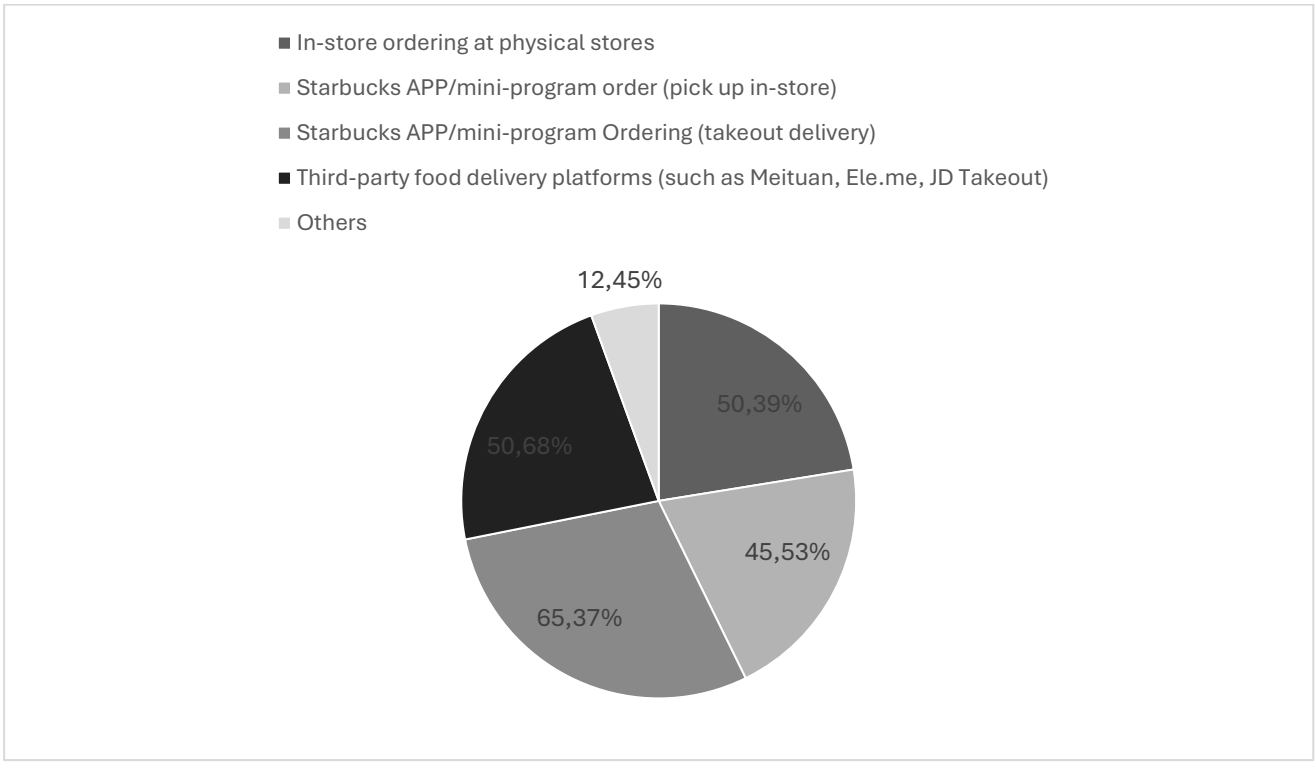

Figure 2.7 - Starbucks coffee consumer purchase channel proportion chart

Data source: Survey Questionnaire

New Retail and Cross-border Collaboration: The new retail model that integrates online and offline is developing rapidly. Starbucks can deepen its cooperation with e-commerce and food delivery platforms to expand sales channels. At the same time, by collaborating with brands from different industries, such as fashion brands and cultural and creative ips, to enhance brand freshness and buzz and attract new customers. According to the survey questionnaire, Chinese consumers' choices of channels for purchasing Starbucks coffee (multiple choices are allowed) show a pattern of "online

delivery as the main channel and in-store delivery as the secondary channel" (Figure 2.7). Starbucks APP/ mini-program had the highest share of delivery (65.37%, 672 people), and third-party delivery platforms (Meituan, Ele.me, etc.) accounted for 50.68% (521 people). Together, they accounted for more than 115% (due to multiple choices), reflecting consumers' high emphasis on convenience - especially among busy white-collar workers, placing orders through delivery platforms It saves time in the store and allows you to get your coffee on time, meeting the demands of a fast-paced life.

(4) Threats

Intense competition situation: The coffee and beverage industry is highly competitive, with domestic coffee brands emerging, such as Luckin Coffee, which has quickly captured market share with high cost performance and digital marketing; Tea, juice and other non-coffee drink stores are also diverting some consumers, putting considerable competitive pressure on Starbucks.

Raw material price fluctuations: The prices of raw materials such as coffee beans fluctuate frequently due to global climate, political situation, supply and demand. If prices rise, Starbucks' purchasing costs increase, which may affect profits, and a direct price increase could lead to loss of consumers. Price adjustment faces a dilemma.

Changing consumer demand: Young consumers are the main customer group. Their consumption preferences and demands change rapidly and they have a high pursuit of new things. Starbucks needs to keep track of market dynamics and respond quickly to changes in consumer demand, otherwise it is likely to be eliminated from the market.

Policy and public opinion: The catering industry is strictly regulated by policies and regulations such as food safety and environmental protection policies. Starbucks needs to pay close attention and operate in compliance with regulations; otherwise, it will face penalties for violations and damage its brand reputation. At the same time, public opinion is paying more attention to corporate social responsibility, environmental protection and other aspects. If Starbucks fails to meet public expectations in these areas, it will also trigger negative public opinion.

From the above analysis, it can be seen that Starbucks' advantages and opportunities in the Chinese market provide strong support for its development, but

disadvantages and threats cannot be ignored either. Starbucks needs to give full play to its strengths, seize market opportunities, and at the same time actively respond to weaknesses and threats, formulate and implement scientific and reasonable strategies to maintain competitiveness in the Chinese market and achieve sustainable development.

Based on Porter's Five Forces Model, analyze the competitive environment of Starbucks in the Chinese coffee market from five dimensions: existing competitors, potential entrants, substitutes, supplier bargaining power, and purchaser bargaining power. In light of the current characteristics of the Chinese coffee market of "scale expansion, local rise, and demand differentiation", the specific competitive situation is as follows:

(1) Existing competitors: Squeeze from both high and low ends, and the market share continues to be under pressure

The "double-front attack" on Starbucks in China's coffee market has reached a white-hot stage. In the high-end market, Manner has broken through with "affordable quality products". The 10-20 square meter small store model combined with a price within 30 yuan precisely attracts quality-oriented white-collar workers. The per-store efficiency is three times that of Starbucks. By 2025, the number of stores will exceed 3,000, continuously diverting mid-to-high-end customers. In the mid-range market, Luckin Coffee covers the general public with a price range of 15 to 25 yuan. With over 12,000 stores and a digital system, it has reduced the pick-up time to within five minutes. By 2024, its market share of freshly ground coffee is expected to exceed 35%, directly challenging Starbucks' core business. In addition, Costa's focus on business scenarios and Pacific Coffee's in-depth cultivation of tea and coffee in South China have further diverted specific customer groups, loosening Starbucks' high-end barriers and causing its market share in the mass market to decline.

(2) Potential entrants: Breaking through in niche markets, with a moderate overall threat

The low entry threshold and high potential of the coffee market (the market size of freshly ground coffee is expected to exceed 220 billion yuan by 2025) have attracted new players to enter. Convenience store coffee (FamilyMart, 7-Eleven) has seen a 47% year-

on-year increase in sales in 2024, thanks to its low prices of 10 to 15 yuan and 24-hour convenience, seizing the high-frequency and essential demand scenarios. Tea drink brands such as Heytea and Nayuki have launched "coffee-like tea drinks", while regional brands like Chayanne have entered the local market with "tea and coffee integration". In 2024, the growth rate of coffee business of cross-industry brands will exceed 60%. However, relying on its global supply chain, over 20 years of brand accumulation and more than 7,000 stores, Starbucks still holds a first-mover advantage. The potential threats are mainly concentrated in niche markets such as community coffee and functional coffee, and the overall threat level is moderate.

(3) Substitutes: With the diversification of beverages, the pressure to replace is significant

Starbucks is facing multiple alternatives to instant, homemade coffee and tea beverages. Although the growth rate of instant coffee has slowed down, it still accounts for 35% of the market share. With the help of freeze-drying technology and portable packaging, the online sales of Sumida River and Mitonban increased by 28% in 2024, attracting students and lower-tier customer groups. The sales of household coffee machines are expected to increase by 42% in 2024. The market for coffee beans and ear-hanging raw materials will exceed 8 billion yuan. Consumers' "self-made + affordable raw materials" model will replace low-frequency consumption. Tea drink brands have launched products such as "Raw coconut Latte Milk Tea". By 2024, the revenue share of coffee in the tea drink category is expected to reach 15%, attracting young customers aged 25 to 30 and further intensifying the threat of substitution.

(4) Suppliers' bargaining power: Generally low, with a slight increase in local demand

Starbucks controls the bargaining power by virtue of its scale and global supply chain. The annual purchase of coffee beans exceeds 100,000 tons, accounting for 8% of the global high-quality production. Costs are reduced through centralized purchasing and long-term orders. The competition among suppliers of dairy products, packaging, etc. is intense, and the substitution cost is low. The procurement cost of core food ingredients is expected to drop by 3% in 2024. However, as the proportion of tea coffee and Chinese-

style flavored coffee has risen to 25%, the bargaining power of local tea enterprises such as Fujian Tieguanyin and Yunnan Pu 'er has slightly improved. Nevertheless, Starbucks can still control costs through "long-term cooperation + joint research and development", and the overall bargaining power of suppliers is moderately low.

(5) Bargaining power of buyers: Strong dominance, demand-driven transformation

The bargaining power of buyers stems from high sensitivity, multiple choices and personalized demands. On average, Chinese consumers can accept a single cup price of 18 to 25 yuan, while the core price range of Starbucks is 25 to 40 yuan. In 2024, 45% of consumers think its price is "too high", and the price-sensitive customer group accounts for 58%. Luckin Coffee, Manner and others offer "same quality and low price" alternatives, and the consumer brand conversion rate is expected to exceed 30% in 2024. The demand for low-sugar/sugar-free (65%), plant-based milk (38%), and functional coffee (22%) among buyers has soared. If Starbucks responds late, consumers can quickly switch to other brands, further strengthening their bargaining power.

To sum up, Starbucks faces the triple pressure of "strong existing competitors, high threat from substitutes, and great bargaining power from buyers" in the Chinese market. In the future, it needs to relieve competitive pressure and consolidate its market position through localized innovation (accelerating the development of tea and coffee, Chinese flavors), efficiency improvement (increasing the proportion of express delivery stores to 40%), and price strategy optimization (launching basic products priced between 18 and 25 yuan).

The 4P theory (Product, Price, Place, Promotion) is a classic framework for dissecting brand marketing strategies, combined with the characteristics of the Chinese coffee market of "rising local demand, deepening digital penetration, and diverse consumption scenarios", A clear analysis of Starbucks' marketing layout and fit in the Chinese market.

(1) Product: Classic as the foundation, local and health need to be supplemented

Starbucks takes "classic coffee + scenario-based extension" as its core product logic. Classic styles such as Americana and latte account for over 60%. With globally unified standards, they ensure quality and meet consumers' demands for professional

coffee. Frappuccino, the Tea Cloud series, and extended products such as baking and light food cover both leisure and breakfast and afternoon tea scenarios. In 2024, the revenue share of food products will reach 32%, forming a "beverage + food" combination.

Although there has been progress in localization innovation, the launch of products such as the Coconut Milk Latte and osmanthus Americana, as well as the limited edition packaging of the Forbidden City and Dunhuang ips in 2024, has increased the sales proportion of its local products to 25%. However, compared with Luckin Coffee's rapid iteration of "Orange C Americana" and "Moutai Sauce Aroma Latte", the speed and depth of innovation are insufficient. More importantly, there is a lag in healthiness. Low-sugar or sugar-free options only account for 40%, and there are only three types of plant-based milk, which is difficult to meet the 65% consumers' demand for "low sugar and low calories", becoming a significant shortcoming in the product end.

(2) Price: Positioned in the mid-to-high-end market, with pressure on market penetration and flexibility

Starbucks adheres to its mid-to-high-end positioning. The price range of its core beverages is 25 to 40 yuan, which is higher than that of Luckin Coffee (15 to 25 yuan) and Manner (18 to 30 yuan). It matches the "third space" experience and targets customers with a monthly income of over 8,000 yuan. In 2024, this price range will contribute more than 70% of its beverage revenue.

However, the pricing strategy has significant limitations: it is not well adapted to the lower-tier markets. Consumers in third-tier and lower cities can accept a single cup price of 18 to 22 yuan. The price of Starbucks exceeds this by more than 40%, resulting in the average daily revenue of its lower-tier stores being only 55% of that in first-tier cities. The price elasticity is high. According to a 2024 survey, a 5% to 10% price increase will cause 38% of consumers to reduce their spending. The sensitivity of the 18-25 age group is 52%. Due to the lack of affordable basic items, the high-frequency consumption market is missed.

(3) Channels: Offline dominance, with digitalization and market penetration lagging behind

Starbucks is laying out its distribution channels through a combination of offline

stores and online supplements. With over 6,000 offline stores covering more than 200 cities, 55% of which are "standard large stores" in business districts and office buildings, the "third space" is strengthened. 25% of the "quick pick-up stores" and 10% of the "takeout kitchen stores" are suitable for office scenarios. By 2024, the floor efficiency of quick pick-up stores will reach 1.8 times that of standard large stores.

Although Luckin Coffee has achieved a closed loop of "ordering - payment - picking up food/delivery" through apps and mini-programs online, with the proportion of online orders reaching 42% in 2024, it still lags significantly behind Luckin's digital order proportion of over 90%. Its private domain operation is weak, and its repurchase rate is 8 percentage points lower than the industry average. The regional layout is unbalanced. The proportion of stores in first-tier and new first-tier cities exceeds 70%, while the density in third-tier and lower cities is only 0.3 stores per 10,000 people, which is difficult to match the 45% growth rate of the lower-tier market.

(4) Promotion: Brand priority, conversion efficiency needs to be improved

Starbucks' promotion focuses on "brand value + member stickiness". The "Earth Day" event in 2024 saw a 28% increase in foot traffic by promoting professionalism and social responsibility through activities such as the "Coffee Master Course" and "Bring your Own Cup and get 5 yuan off". Christmas red cups, Mid-Autumn Festival gift boxes and other holiday marketing efforts have strengthened emotional connections. In the 2024 Christmas season, sales exceeded 12 million cups, driving a 15% increase in quarterly revenue.

The membership system "Star Enjoyment Club" will have 38 million members in 2024, contributing 65% of its revenue. However, its high benefit threshold (150 points for a medium-sized American cup, approximately 750 yuan in consumption) and low flexibility, which are higher than Luckin's threshold, have led to the loss of some customer groups. Moreover, the frequency of promotions targeting the general public is low. There are only 3 to 4 large-scale discounts throughout the year, which is no match for Luckin Coffee's "weekly discounts", and the user conversion efficiency is insufficient.

In summary, Starbucks China's 4P strategy has advantages in "product quality", "channel experience" and "brand marketing", but has shortcomings in "localization

innovation speed", "price fit in lower-tier markets", "digital channel efficiency" and "promotion flexibility". In order to better meet the demands of the Chinese market and consolidate its competitive position, it needs to accelerate the development of healthy and localized products, introduce exclusive price bands for lower-tier markets, upgrade digital private domain operations, and optimize membership promotion mechanisms.

CHAPTER 3

SUGGESTIONS FOR THE MARKETING MANAGEMENT OF STARBUCKS COFFEE IN CHINA

3.1 Product Strategy Optimization: Focus on localized innovation and build a healthy product matrix

In the context of globalization and the upgrading of the Chinese consumer market, although Starbucks has established a solid market position through more than two decades of localized operations, it is currently facing challenges such as intensified competition from local brands and diverse consumer demands. According to market feedback, consumers have a significant preference for tea and coffee fusion products. Health attributes and price rationality have become core concerns, while there is still room for improvement in store environment experience and service stability. To further unlock the brand's potential and align with the consumption habits and demands of Chinese consumers, systematic optimization suggestions are proposed from three dimensions: product innovation, price channel layout, and service marketing ecosystem, to help Starbucks consolidate its competitive advantage and achieve sustainable growth.

Chinese consumers' preference for tea is deeply rooted. According to the survey questionnaire, tea beverages accounted for 59.92% of the preferred beverage category at Starbucks, far exceeding classic coffee's 30.45%. This data fully confirms the important position of the "tea gene" in the minds of consumers, and Starbucks should take this as the core to further deepen the integration and innovation of tea and coffee, and break the limitations of existing products [21, p. 37].

In terms of raw material selection, a "Chinese Famous tea library" could be established, systematically sorting out the flavor characteristics of different types of tea such as Longjing, Biluochun, Tieguanyin and Pu 'er, and scientifically proportioning them in combination with the roasting degree and extraction method of coffee. For example, for the fresh taste of green tea, a "Longjing Americano" could be developed, using light-

roasted coffee beans paired with pre-Qingming Longjing tea soup to reduce the bitterness of coffee while retaining the aroma of tea; For the rich characteristics of black tea, introduce Keemun Black tea Latte, which blends medium-roasted coffee with the base of Keemun black tea and adds a small amount of honey to enhance the flavor profile. In addition, you can explore the pairing of oolong tea with cold brew coffee, using the floral and fruity aroma of oolong tea to neutralize the astringency of cold brew coffee to create a "oolong cold brew special blend" suitable for summer.

In terms of exploring regional characteristics, limited-edition products should be launched in combination with the food culture of different regions to enhance consumers' regional identity. In the Sichuan-Chongqing region, draw on the local taste preference of "spicy + sweet and fresh" to develop "Spicy caramel macchiato", adding a small amount of Sichuan pepper extract to the classic macchiato and pairing it with caramel sauce to create a unique spicy and sweet aftertaste; In the Jiangnan region, based on the cultural image of "Jiangnan misty rain", introduce "Osmanthus Oolong Rich White", which uses oolong tea soup made with osmanthus to replace part of the milk and adds osmanthus honey to present the sweet flavor of Jiangnan; In the Lingnan region, in line with the local fondness for dried tangerine peel, the "Dried tangerine peel Pu 'er Latte" was developed. The dried tangerine peel and Pu 'er are boiled and incorporated into the latte, combining health benefits with regional characteristics [23, p. 75].

At the same time, a rapid iteration mechanism for localized products should be established to shorten the development cycle of new products. At present, the pace of innovation of Starbucks' local products lags behind that of local brands such as Luckin Coffee. Products like Luckin Coffee's "Orange C Americano" and "Moutai Sauce-flavored Latte" can quickly generate market heat, while Starbucks' new product cycle is longer. It is suggested to establish a "China Native Innovation Lab" to integrate resources from departments such as market research, R&D, and supply chain, and based on quarterly consumption trend data (such as changes in consumers' preferences for tea and fruit ingredients in different seasons), to achieve a rhythm of "small innovations every quarter and big innovations every half year". For example, in spring, introduce tea and coffee with flowers like cherry blossoms and peach blossoms; in summer, focus on tea

and coffee with seasonal fruits like lychees and bayberries; in autumn, emphasize tea and coffee with seasonal ingredients like osmanthus and chestnuts; and in winter, develop tea and coffee with warming and health-preserving ingredients like ginger and jujubes to keep the products fresh [24, p. 91].

According to the data on the factors (multiple choices) that Chinese consumers are concerned about when choosing Starbucks products (Table 3.1), consumers are concerned not only about the price (70.43%, 724 people), but also about the health attributes (65.56%, 674 people). "Low sugar, low calories, no non-dairy creamer" became the core demand for health. But there are obvious weaknesses in Starbucks' health products at present, such as only 40% of low-sugar/sugar-free options and only three plant-based milk options, which are hard to meet the market demand. Therefore, a health-oriented product matrix needs to be built from three aspects: product development, ingredient labeling, and adaptation to health scenarios.

Table 3.1 – Proportion of Factors of Concern for Starbucks Coffee in China (Multiple options available)

Factors of Concern	Number (people)	Proportion
Taste and quality	430	41.83%
Price	724	70.43%
Health attributes (such as low sugar, low calories, no non-dairy creamer, etc.)	674	65.56%
Appearance level (cup shape, latte art, packaging, etc.)	361	35.12%
Seasonal/limited edition attributes	462	44.94%
Others	68	6.61%

Data source: Survey questionnaire

In the development of healthy drinks, the first step is to optimize the health attributes of existing products. Make "sugar-reduction modifications" to classic products, such as reducing the sugar content of frappuccino by 30% to 50% and introducing a "light sweet version of Frappuccino" while retaining the original taste; For milk coffee products such as lattes and cappuccinos, increase the number of options of "skimmed milk, low-fat milk, plant-based milk (oat milk, almond milk, soy milk)" from the current three to five or six, and introduce new plant-based ingredients such as coconut milk and hazelnut milk to meet the needs of lactose intolerant people and health seekers. Next, introduce a

new range of healthy drinks, such as the "Zero Sugar Blend" series, which uses natural sugar substitutes like erythritol and stevioside, and pairs them with tea bases and coffee to create sugar-free and burdy-free drinks; High-protein coffee series, which adds whey protein or soy protein to coffee, is suitable for fitness enthusiasts and consumers who need to supplement protein; Probiotic Sparkling Coffee Series, which combines probiotics with sparkling water and coffee, offers gut health and a refreshing taste, appealing to health-conscious young people [25, p. 42].

In terms of food categories, focus on expanding light meals and healthy desserts. At present, the proportion of cakes and desserts in Starbucks food is too high, and most of them are high-sugar and high-fat products, with limited options for light meals. It is recommended to add "whole wheat series" of light meals, such as whole wheat sandwiches and whole wheat wraps, using healthy ingredients like chicken breast, avocado and kale, and controlling the calorie intake to 300-400 calories; Introduce a series of low-calorie desserts, such as Greek yogurt mousse and whole wheat scones, using artificial sweeteners and low-fat ingredients, with calories controlled within 150 calories to satisfy consumers' desire for desserts but fear of gaining weight; Introducing "functional foods" such as salads with chia seeds and quinoa, oatmeal bowls rich in dietary fiber, suitable for breakfast and afternoon tea scenarios, to enhance health attributes.

In addition, improve the health information labeling system to enhance consumer trust. At present, consumers' perception of the health attributes of products mainly relies on salesclerks' introductions, and there is insufficient transparency of information. It is recommended that the calorie, sugar, fat content and main ingredients of each product be clearly marked on the menu, APP and product packaging, such as "Americano (medium cup) : 0 calories, 0 sugar, 0 fat" "Oat Latte (medium cup, sugar-free) : 180 calories, 0 sugar, 5g fat". At the same time, for health-conscious customer segments such as diabetics and fitness enthusiasts, introduce "healthy eating guidelines", which are prominently displayed on the APP and in stores to recommend suitable product combinations and help consumers make quick choices [26, p. 167].

Peripheral products, as an important vehicle for brand culture dissemination, are

currently being developed by Starbucks, but there are problems such as high prices and insufficient practicality. The survey questionnaire shows that only 66.15% of consumers have purchased peripheral products, and some consumers are deterred by the price factor. Therefore, the peripheral product system needs to be optimized from three aspects: price stratification, functional innovation, and cultural empowerment.

In terms of price stratification, break the existing "high-price monopoly" pattern of peripheral products and build a price system of "high-end collectible - mid-range practical - low-end traffic-driving". High-end collectibles are targeted at core fans and collectors, such as limited-edition mugs in collaboration with top ips like the Palace Museum and Dunhuang, made of high-end materials (such as bone China, silver), priced in the 200-500 yuan range, and sold in limited quantities to highlight scarcity and cultural value; Mid-range practical items are for the general public, such as everyday ceramic cups and thermos cups, priced in the 50-100 yuan range, emphasizing material safety and ease of use, such as coffee cups with scales and lightweight thermos cups suitable for carrying around, to meet daily needs; Low-end products are used to attract new customers and increase purchase rates, such as cartoon-shaped keychains and coffee-themed stickers, priced in the range of 10-30 yuan, which can be given as gifts for spending a certain amount or sold at a low price to increase consumers' willingness to purchase.

In terms of functional innovation, develop a variety of peripheral products around coffee consumption scenarios to enhance practicality. For the home coffee-making scenario, introduce the "Home Coffee Tool Set", which includes basic tools such as a hand-brewer, a filter cup, and a coffee scale, along with Starbucks coffee beans, and provides detailed brewing tutorials to help consumers make professional coffee at home; For the office setting, the "Office coffee cup series", such as ceramic cups with sealed LIDS and heat-resistant handles, are suitable for use in the office and can be paired with the "Office Coffee Reminder" feature of the Starbucks APP to enhance user stickiness; For outdoor scenarios, launch outdoor portable coffee sets, which include foldable coffee cups and instant coffee powder, are lightweight and easy to carry to meet consumers' coffee needs during outdoor trips.

In terms of cultural empowerment, deeply explore traditional Chinese cultural

elements and incorporate them into the design of peripheral products to enhance cultural identity. For example, the "solar term peripheral series" are launched in conjunction with the 24 solar terms. For the Spring Equinox, mugs with willow branch patterns are introduced; for the Winter Solstice, thermos cups with dumpling shapes are introduced. Each solar term is paired with corresponding coffee drinking suggestions (such as hot lattes for the Winter Solstice); Launch "zodiac Limited Edition Series" in combination with traditional Chinese zodiac signs, introducing corresponding zodiac peripheral products each year, such as sner-shaped coffee spoons and coasters in the Year of the Snake 2025, highlighting the characteristics of Chinese traditional culture; Introduce regional cultural collections, such as those featuring Terracotta Warriors for Shaanxi and peacocks for Yunnan, to showcase the cultural charm of different regions. At the same time, cultural story introductions can be added to the packaging of peripheral products, such as printing the cultural story of Longjing tea on the packaging of mugs, to enhance the cultural value of the products.

3.2 Price and channel strategy optimization: Balance cost performance and build an all-domain channel network

According to the survey data from the questionnaire (Table 3.1), 70.43% of consumers consider price as the primary factor when choosing Starbucks products. Moreover, the group with a monthly income ranging from 3,001 to 8,000 yuan is the main consumer group. They are willing to pay for high-quality products and also have rational considerations about price. At the same time, local brands such as Luckin and Cody are seizing the market with the price range of "15-25 yuan", and Starbucks' core price range of "25-40 yuan" is under intense competitive pressure. As a result, the pricing system needs to be optimized in terms of price stratification, package discounts, and promotional activities to enhance cost-effectiveness.

In terms of price stratification, break the existing single price range pattern and build a price system of "basic - advanced - high-end" to cover customers with different spending power. The basic model is priced between 15 and 20 yuan for price-sensitive

consumers and the lower-tier market, such as "Classic Americana (small cup) 15 yuan" and "Basic Latte (small cup) 18 yuan", with simplified recipes (such as using regular milk and reducing the amount of raw materials), controlling costs while ensuring basic quality to meet consumers' high-frequency essential needs; The advanced version is the core product, priced at 25-35 yuan, such as the existing classic products like lattes and cappuccinos, maintaining stable quality and targeting middle - and high-income customers; For consumers who pursue quality and experience, the premium range is priced between 35 and 50 yuan, such as hand-brewed coffee and Select series coffee, which use high-quality coffee beans and professional production techniques, and offer personalized services (such as adjusting brewing parameters according to consumers' tastes), highlighting the high-end positioning.

In terms of package discounts, a variety of package combinations are designed to reduce the cost of a single purchase and increase the average transaction value. For the breakfast scene, introduce "breakfast packages" such as "Basic latte + whole wheat sandwich = 29 yuan", which offer a 4-yuan discount compared to buying separately (18 yuan latte + 15 yuan sandwich = 33 yuan) to attract consumers to choose breakfast for consumption; For the afternoon tea scene, the "afternoon tea double Set", such as "two cups of special coffee + one cake = 88 yuan", offers a 7-yuan discount compared to the separate purchase (two cups of coffee 60 yuan + cake 35 yuan = 95 yuan), encouraging social consumption; For home and office Settings, "multi-person sharing packages" are introduced, such as "four cups of coffee + two baked goods = 128 yuan", which are suitable for family gatherings or office team-building activities and increase the willingness to consume in bulk. At the same time, "member-exclusive packages" can be introduced, where members can enjoy an additional 10% discount or a free upgrade when purchasing the package to enhance membership stickiness.

In terms of promotions, develop a combination of regular and holiday promotions to increase the frequency of consumer purchases. In terms of regular promotions, introduce "weekly Special days" such as buy one get one free on designated drinks every Tuesday and 5 yuan off coffee products for every 30 yuan spent every Thursday to attract consumers to spend on specific dates; For the student group, there are "student-exclusive

deals" where students can enjoy an 80% discount on basic products with their student ID cards to expand the coverage of the younger customer base. For high-frequency consumers, offer coupons such as a 20-yuan coupon for every 100-yuan purchase (available for the next 40-yuan purchase) to boost repurchase rates. In terms of festive promotions, special promotions are launched around important festivals such as the Spring Festival, Mid-Autumn Festival, and Christmas. For example, during the Spring Festival, purchase the "Reunion Package" and get a zodiac gift; during the Mid-Autumn Festival, purchase the "Mid-Autumn Festival Limited Drink" and get a mooncake gift box; during Christmas, offer "half price for the second cup of Christmas Special Drink" to enhance the promotion effect in line with the festive atmosphere. At the same time, control the intensity and frequency of promotions to avoid excessive promotions damaging the brand image, such as not participating in low-price promotions for high-end products to maintain their high-end positioning.

At present, Starbucks' offline stores are mainly concentrated in first-tier and new first-tier cities. The store density in third-tier and lower cities is only 0.3 stores per 10,000 people, and the store types are mainly "standard large stores", which is difficult to meet the demands of the lower-tier markets. The survey shows that consumers in third-tier and lower-tier cities account for 13.04%, and the market is still in a stage of rapid growth with great potential in the future. Therefore, store types and layout strategies need to be optimized based on the consumption characteristics of different city tiers.

In first-tier and new first-tier cities, focus on optimizing the structure of store types and improving operational efficiency. At present, the proportion of "standard large stores" in business districts and office buildings in first-tier and new first-tier cities is too high, resulting in severe queues during peak hours and low floor efficiency. It is suggested that the proportion of "quick pick-up stores" and "takeout kitchen stores" be increased from the current 25% and 10% to 40% and 20%. "Quick pick-up stores" are located in high-frequency and essential scenarios such as office lobbies and subway station entrances. The store area is controlled at 20-30 square meters, providing only online ordering and offline pick-up services without in-store seating to shorten the pick-up time for consumers and improve floor efficiency. "Takeout kitchen stores" are located in the suburbs of cities

or areas with convenient logistics, with a store area of 50-80 square meters. They mainly handle online takeout orders and do not serve offline consumers, reducing rental costs and improving takeout delivery efficiency. At the same time, some "standard large stores" will be retained in the core business district, but the interior layout will be optimized by adding "quick ordering areas" and "self-service pick-up cabinets" to reduce queuing time and enhance the consumption experience.

In second-tier cities, adopt a combined layout strategy of "standard large stores + community stores" to expand market coverage. "Standard large stores" are mainly located in the city's core business districts and large shopping centers to meet consumers' leisure and social needs; "Community stores" are located at the entrances of large communities and on the surrounding commercial streets, with an area of 80-120 square meters. They offer both dine-in and takeout services, add food for family consumption scenarios such as breakfast and dinner (such as parent-child sets and family sharing cakes), and extend their business hours to 10 p.m., catering to the consumption habits of community residents. At the same time, in response to the price sensitivity of consumers in second-tier cities, community stores can offer "community-exclusive discounts", such as a 10% discount when residents purchase products with their community access cards, to enhance the loyalty of community residents.

In third-tier and lower-tier cities, adopt a strategy of "cautious expansion + downmarket adaptation" to gradually cultivate the market. First, choose county-level cities or counties with a better economic foundation and stronger consumption capacity as pilot areas, such as Kunshan in Jiangsu Province and Yiwu in Zhejiang Province, to avoid blind expansion; Secondly, the store type should mainly be "small community stores", with an area of 50-80 square meters and a simple and practical decoration style to reduce rent and decoration costs; In terms of product mix, reduce the proportion of high-end products (such as hand-brewed coffee, select series), increase the proportion of basic and localized products (such as tea drinks, Chinese pastries), and adjust the price range to 18-30 yuan to meet the price expectations of consumers in the lower-tier market; Finally, strengthen partnerships with local businesses and schools, such as offering employee benefit packages to businesses and student discounts to schools, to rapidly

increase brand awareness and recognition in the lower-tier markets.

The survey shows that Starbucks' online order share is only 42%, far lower than Luckin's more than 90%, and its private domain operation is weak, with a repurchase rate 8 percentage points lower than the industry average. As the trend of digital consumption intensifies, online channels have become a key area of competition for coffee brands. Therefore, online channel operations need to be upgraded in three aspects: APP functionality optimization, private domain traffic operation, and takeout service upgrade.

In terms of APP functionality optimization, focus on user experience and convenience to enhance user stickiness. First, optimize the ordering process and reduce the operation steps, such as implementing "one-click ordering" and "automatic filling of frequently used addresses" to shorten the ordering time; Add a "personalized recommendation" feature to recommend suitable products based on users' historical consumption data (such as preferred drink type, sweetness, temperature) to improve ordering efficiency; Secondly, improve the membership system functionality by adding "Membership Growth Trajectory" and "Points Usage details" within the APP, allowing members to clearly understand their own rights and interests; Introduce a member task system, such as points for daily sign-in and coupons for inviting friends to register, to increase member activity; Finally, add content sections such as "Coffee Knowledge Popularization" and "New Product Tasting Reservation", regularly push coffee brewing tips, coffee bean origin knowledge, open new product tasting reservation channels to enhance the content appeal of the APP and increase the frequency of user visits.

In terms of private domain traffic operation, build a private domain matrix of "APP + mini-program + enterprise wechat + community" to increase the repurchase rate of users. First, integrate the APP with the wechat mini-program to synchronize user data, such as users' consumption records and points on the mini-program can be synchronized to the APP to enhance the user experience; Secondly, invite users to add the enterprise wechat "Starbucks Service Advisor" through store guidance, APP pop-ups, etc. The service advisor provides personalized services based on user tags (such as preference for tea beverages, frequent purchase of breakfast), such as pushing new tea product information, breakfast discount reminders; Finally, build communities based on user

characteristics, such as "Coffee lovers Community", "Healthy Eating Community", "student community", and regularly conduct interactive activities within the communities (such as coffee tasting sessions, new product voting) and distribute exclusive coupons (such as 8 yuan off for every 30 yuan spent by community members) to enhance users' sense of belonging and interaction. At the same time, use big data to analyze user behavior, such as the frequency of users' posts within the community and the use of coupons, to optimize community operation strategies and improve private domain conversion efficiency.

To upgrade the takeout service, focus on delivery efficiency and product quality to enhance the takeout experience. First, optimize the food delivery network, deepen cooperation with third-party food delivery platforms such as Meituan and Ele.me, establish "Starbucks exclusive delivery teams", select riders with short delivery distances and high service ratings to shorten the delivery time, reducing the average delivery time from the current 30 minutes to less than 20 minutes; For high-frequency takeout scenarios such as business districts and office buildings, set up "takeout pick-up points" where users can choose to pick up their food at the pick-up points to avoid delivery delays; Secondly, improve takeout packaging by using "thermal and shockproof packaging", such as using thickened thermal bags and spillable cup LIDS to ensure that the drinks are at the appropriate temperature and do not spill during delivery; For products that are prone to melting such as Frappuccino, add ice packs inside the packaging to extend the heat retention time; Finally, introduce "takeout exclusive services", such as when users can request "less ice for drinks" or "separate packaging for tableware" in the order notes, delivery riders should give priority to meeting users' special needs; Establish a rapid response mechanism for takeout complaints. After users report takeout issues, customer service should respond within 10 minutes and resolve them within 24 hours to enhance user satisfaction.

3.3 Service and Marketing system optimization: Improve service quality and build a scenario-based marketing ecosystem

According to the survey questionnaire on the shortcomings of Starbucks coffee (Table 3.2), 62.16% of consumers believe that Starbucks has problems with service attitude, mainly focusing on employee service indifference, ordering errors, long waiting times, etc. The lack of service stability has become an important factor affecting the consumer experience. Therefore, it is necessary to strengthen employee management and improve service quality by optimizing the training system, improving the assessment mechanism and formulating incentive policies.

Table 3.2 – Voting ratios for the shortcomings of Starbucks Coffee

Shortcomings of Starbucks (Multiple choices allowed)	Number (people)	Proportion
Prices are too high	451	43.87%
Lack of product innovation (limited flavors and categories)	680	66.15%
Long queues at stores	491	47.76%
Service attitude needs improvement	639	62.16%
Insufficient health attributes (such as high sugar content, few options available for low sugar/low calories)	438	42.61%
Store locations are not convenient enough	295	28.70%
Others	1	0.10%

Source: Survey questionnaire

To optimize the training system, build an all-round training system of "pre-job training + on-the-job training + specialized training". In terms of pre-job training, the training period will be extended from the current one to two weeks, covering product knowledge (such as the raw materials and production processes of various beverages), service processes (such as the standard steps for ordering, making and picking up food), corporate culture (such as Starbucks' "third space" concept, customer first principle), After the training, employees are required to pass a theoretical examination and a practical assessment (such as independently making 10 classic beverages and simulating service scenarios) to ensure they have basic service capabilities; In terms of on-the-job training, the "mentorship system" is implemented, where new employees are mentored by senior

staff for one month after joining to help them adapt to the job quickly; Organize an all-staff training session once a month, covering new product knowledge (such as new product production methods, recommendation phrases), service skills (such as how to deal with consumer complaints, how to recommend products), to enhance employees' professional capabilities; Specialized training is conducted for different positions (such as cashiers, baristas, and store managers), such as "Quick ordering and payment processing" for cashiers, "latte art skills and drink quality control" for baristas, and "store operation management and employee motivation" for store managers, to enhance job competence.

In terms of the improvement of the assessment mechanism, a comprehensive assessment system of "service quality + work efficiency + customer satisfaction" will be established to replace the current assessment method mainly based on sales performance. The service quality assessment is conducted by store managers through daily observations and random checks of surveillance videos. The assessment indicators include "service attitude (whether smiling service, using polite language)" "order accuracy (whether there are order errors)" "drink production standards (whether drinks are made according to the recipe)", accounting for 40% of the total assessment score; Work efficiency assessment is based on system data statistics. The assessment indicators include "order speed (average order time)", "drink production speed (average production time)" and "cleaning efficiency (frequency of store hygiene cleaning)", which account for 30% of the total assessment score; Customer satisfaction is assessed through APP evaluation and offline questionnaire collection. The assessment indicators include "customer rating of service" and "number of customer complaints", accounting for 30% of the total assessment score. The results of the assessment are directly linked to employees' compensation and promotion. For example, employees who perform well in the assessment can receive a 10% salary increase and priority promotion opportunities, while those who fail the assessment need to participate in retraining, and those who fail the assessment twice in a row will be dismissed, forcing employees to improve service quality.

In terms of incentive policy formulation, a variety of incentive measures are introduced to stimulate employees' enthusiasm for work. In terms of material incentives,

monthly awards such as "Service Star", "Efficiency Star", and "Customer Satisfaction Star" are established. Employees who win these awards will receive bonuses (500- 1,000 yuan) and gift cards (200-500 yuan). For store teams, a "Store of the Month" award will be set up, and all employees of the winning store will receive team bonuses (2,000-5,000 yuan) and opportunities for collective team-building activities. In terms of spiritual incentives, monthly employee recognition meetings are held to publicly recognize outstanding employees and share their service cases; Establish "employee growth files" to record employees' training experiences, assessment results, and promotion paths, allowing employees to have a clear understanding of their own development direction; Organize regular staff meetings to collect their opinions and suggestions, adopt reasonable suggestions and give rewards (such as gifts, points) to the proposers to enhance their sense of participation and belonging. In addition, an "employee benefit upgrade program" can be launched, such as increasing housing subsidies, supplementary medical insurance for parents, providing free coffee vouchers (10 per month), employee discounts (30% off on product purchases), to enhance employee benefits and reduce employee turnover.

Based on the score data of Starbucks store environment satisfaction in the questionnaire (Table 3.3), it can be calculated that the weighted average score of Starbucks store environment satisfaction is 3.28 points, which is between "average" and "satisfied". 33.95 percent of consumers were dissatisfied with the store environment. Consumers mainly complained about crowded stores, loud noise, poor air circulation, etc.

Table 3.3 - Starbucks Store Environment Satisfaction Scoring Table

Store environment satisfaction (1 on very dissatisfied, 5 on very satisfied)	Number of people (people)	Proportion
1 point	140	13.62%
2 points	209	20.33%
3 points	261	25.39%
4 points	246	23.93%
5 points	172	16.73%

Data source: Survey Questionnaire

In terms of spatial layout optimization, stores are zoned according to the demands

of different consumption scenarios to address congestion and noise issues. First, set up a "quiet office area" in the inner part of the store, equipped with desks, chairs, table lamps, power sockets, free Wi-Fi, and separated by soundproof materials to keep the noise decibels in this area below 40 decibels, suitable for consumers to work and study; Secondly, set up a "social and leisure area" in the middle of the store, equipped with sofas and round tables, the space is relatively open and suitable for friends and family to gather and chat; Finally, set up a "quick pick-up area" near the entrance of the store, equipped with self-service pick-up cabinets and quick ordering machines to reduce the time consumers spend in the store and avoid congestion. At the same time, the number and density of seats in stores should be reasonably controlled. In first-tier and new first-tier cities, the density of seats in standard large stores should be controlled at 1.5 square meters per seat, and in second-tier and lower cities, it should be controlled at 2 square meters per seat to ensure that consumers have sufficient space to move around.

In terms of atmosphere creation, it combines brand culture with consumer demands to create a comfortable and warm consumption atmosphere. Visually, optimize the store decoration style and incorporate elements of traditional Chinese culture while maintaining a globally consistent style, such as decorating the walls with Chinese ink paintings, hanging Chinese lanterns on the ceiling, and changing the store decoration for different festivals (such as hanging couplets during the Spring Festival and colorful lights during Christmas); The lighting should be in warm yellow tones, with brightness controlled at 200-300lux to avoid being too bright or too dim, creating a cozy atmosphere. For the auditory aspect, choose soothing music such as jazz or light music, keep the volume below 50 decibels, avoid using music that is too fast or too loud, and reduce noise interference; In quiet office areas, music can be turned off or played with headphones to meet consumers' need for a quiet environment. In terms of smell, enhance the aroma of coffee in the store, such as setting up a coffee bean display area near the store entrance and regularly grinding coffee beans to fill the store with the aroma of coffee; Avoid making strongly scented foods (such as durian cake) in the store to prevent odors from affecting the consumer experience.

In terms of functional upgrades, add convenience features and personalized

services to the store to enhance the convenience and satisfaction of consumers. In terms of convenience, add "charging areas" (with various types of charging cables and wireless charging pads), "luggage lockers" (suitable for tourists or business travelers), and "children's play areas" (equipped with small play facilities and children's books, suitable for family consumption) within the store; For special groups, barrier-free facilities (such as wheelchair access, Braille menu) and mother-and-baby rooms (equipped with baby care tables and breastfeeding seats) are provided to demonstrate the brand's humanistic care. In terms of personalized services, a "drink customization service" is introduced, allowing consumers to adjust the sweetness, temperature, and ingredients (such as adding espresso or changing the type of milk) of drinks according to their own taste preferences. Baristas need to accurately record and meet consumers' customization requirements; Offer a "cup choice service" by adding "mini cups" (suitable for one person to drink a small amount) and "extra-large cups" (suitable for multiple people to share) in addition to regular cup types to meet different consumption demands; For business people, "meeting space rental service" is provided. The quiet office area of the store can be rented for small meetings (2-5 people), equipped with projection equipment and whiteboards, charged by the hour, expanding the service scenarios of the store.

At present, Starbucks' marketing mainly relies on holiday promotions and brand activities, lacking in-depth interaction with consumers and insufficient adaptability to different consumption scenarios. Based on the data from the survey questionnaire about the main environments in which consumers choose to consume Starbucks coffee, the research shows (Figure 3.1) that consumers mainly consume Starbucks in daily leisure, social gatherings, work/study and other scenarios, marketing strategies need to be innovated around these scenarios to build a scenario-based marketing ecosystem.

In daily leisure scene marketing, focus on the core needs of "relaxation and healing" to create the "Starbucks Leisure Time" IP. First, launch the "Daily Leisure Time" campaign. From 2 to 5 p.m. every day, consumers can enjoy buy one get one free when purchasing designated drinks. At the same time, soothing music is played and free book reading is provided in the store to attract consumers to relax in the afternoon. Secondly, collaborate with short-video platforms such as Douyin and Xiaohongshu to launch the #

Starbucks Leisure Moments # topic challenge, encouraging consumers to shoot short videos of their leisure time at Starbucks (such as reading, listening to music, daydreaming) and share them on the platform.

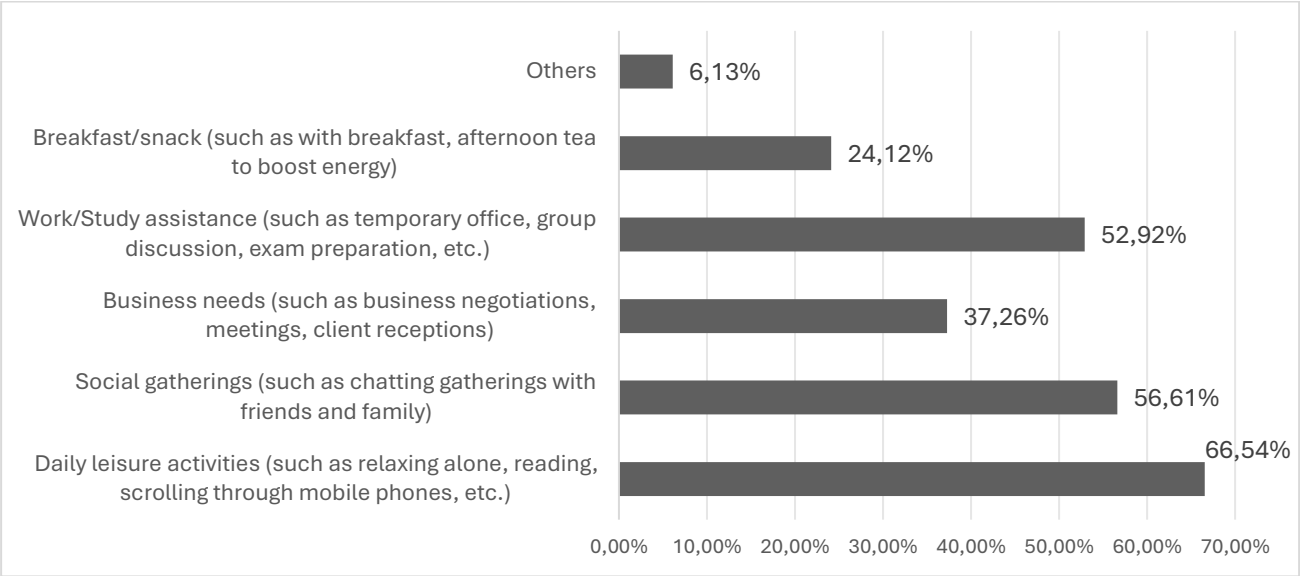

Figure 3.1 - Proportion of Starbucks coffee consumption Environments

Data source: Survey Questionnaire

High-quality content can earn rewards such as Starbucks gift cards and free drinks, enhancing the brand's reach on social media platforms; Finally, set up "leisure experience zones" in the store, offering experiences such as coffee tasting, handcrafting (like DIY coffee cups, baking cookies), 1-2 times a week, and consumers can make appointments through the APP to participate, enhancing the experience and interactivity of consumers.

In terms of social gathering scene marketing, the "Starbucks Social Season" campaign was launched around the demand for "sharing and interaction". For friends' gatherings, offer "friend sharing packages" such as "three cups of special coffee + one large cake = 128 yuan", which include game cards (like UNO, Werewolf) to encourage interaction and play among friends; For dating scenarios, there are "couple exclusive packages" such as "two couple special coffee + one couple dessert = 99 yuan", which offer couple coasters, photo props, and the store provides a "couple photo area" with romantic decorations to attract couples to take photos and share; For family gatherings, there are "family fun packages" such as "Four drinks + two children's meals + one family-sized baking = 168 yuan", which include children's toys, and the store sets up a "family

interaction area" and holds parent-child handicraft activities (such as parent-child DIY coffee latte art) to enhance the fun of family consumption. In addition, in collaboration with social media platforms such as wechat and Weibo, "Starbucks Social Gift Pack" is launched. Users can purchase the gift pack through the platform and share it with friends. After friends receive the gift pack, both parties will receive coupons to promote social dissemination.

In the work/study scenario marketing, focus on the demand for "efficiency and convenience" to build the "Starbucks Productivity Space" brand. For office scenarios, offer "office-exclusive services" such as free printing (up to 10 pages per day) and photocopying services for office consumers, and rental services for projectors and whiteboards in the quiet office areas of stores; "Office energy packages," such as "a cup of Americano + a whole wheat sandwich = 35 yuan," come with a notebook and pen as a gift to meet the needs of office consumers; Work with companies to introduce a "corporate employee benefit plan," where companies purchase Starbucks office packages for their employees, who can collect them at the store with their company ID cards to boost employee loyalty. For the learning scenario, the "Learning Support Program" is launched, providing student consumers with "student discount cards" (with student ID cards, enjoy 20% off), setting up "learning zones" in stores, equipped with bookshelves and learning materials (such as postgraduate entrance examination and civil service examination questions), and holding regular learning sharing sessions (inviting outstanding students to share their learning experiences); Work with educational institutions to offer "Study reward packages" where students can receive Starbucks study package coupons after completing their courses at educational institutions to encourage students to study.

In terms of digital marketing innovation, use big data and artificial intelligence technologies to achieve precise marketing and personalized interaction. First, by analyzing consumers' consumption behaviors (such as frequency of consumption, preferred products, consumption scenarios) through big data, user profiles are constructed and personalized marketing information is pushed to different users, such as office package discounts for users who frequently consume in office scenarios and leisure time activities for users who frequently consume in leisure scenarios; Secondly, artificial

intelligence technology is introduced to develop the "Starbucks AI Service Assistant", where users can interact with the AI assistant through the APP and mini-program, such as consulting product information, reserving store services, and customizing drinks, and the AI assistant provides precise services based on user needs; Finally, use AR/VR technology to introduce "Starbucks Virtual Experience" activities, such as users scanning store posters with AR technology to see the virtual coffee-making process, and experiencing "Starbucks Global Store Tour" with VR technology to enhance the technological and fun aspects of marketing.

In addition, strengthen brand social responsibility marketing to enhance brand image and consumer favorability. Around the theme of environmental protection, launch "Starbucks Environmental Action", such as a 5-yuan discount for consumers who bring their own cups when purchasing drinks, use biodegradable packaging materials in stores, and regularly hold "environmental public welfare activities" (such as tree planting and garbage classification promotion) to encourage consumers to participate in environmental protection; Around the theme of public welfare, launch the "Starbucks Public Welfare Program", such as donating 1 yuan for each public welfare special drink sold for public welfare projects (such as education for poor children, environmental protection), regularly organize employees to participate in public welfare activities (such as visiting the elderly living alone, teaching in remote areas), and share public welfare achievements through the APP and social media to convey the brand's concept of social responsibility, Enhance consumers' sense of identity and favorability towards the brand.

In summary, Starbucks' optimization in the Chinese market needs to closely align with consumer demands and industry trends, strengthen core competitiveness through product innovation, balance cost-effectiveness and convenience through price channels, and upgrade experience stickiness through service marketing. The three dimensions of strategy are interlinked, deepening local characteristics to align with the "tea gene" and health needs, enhancing reach efficiency through omni-channel and scenario-based operations, and strengthening brand identity through service and responsible marketing.

CONCLUSIONS

This paper takes Starbucks in the Chinese market as the subject, integrates classic theories such as SWOT, 4P, Porter's Five Forces model and data from 1,028 consumer questionnaires, systematically analyzes the current situation of its marketing management, competitive situation and consumer demand characteristics, identifies core problems and proposes optimization directions, and forms the following conclusions:

Firm market position but growth under pressure: Since entering the Chinese market in 1999, Starbucks has built an extensive network of 7,828 stores (data as of June 2025), making China its second-largest market globally, with a core customer base concentrated among consumers aged 19-35 in new first-tier and first-tier cities (accounting for more than 54%). Corporate white-collar workers, students and freelancers make up the main group (62.74 percent combined). But there is a divergence between store expansion and revenue growth, with net income falling by 2.4 percent year-on-year in 2024, reflecting the squeeze on profit margins from competition from local brands and changes in consumer demand.

There is a structural contradiction between the product and the scenario: Although the product end covers classic coffee, tea beverages, light food and related products, consumer preferences show obvious localized characteristics. Tea drinks accounted for 59.92% of the choices, far exceeding the 30.45% of classic coffee, and 65.56% of consumers listed "low sugar, low calories" as core demands, while Starbucks currently has only 40% of low-sugar options and only three plant-based milk options, lagging behind in healthiness and localization innovation. The "third space" positioning at the scene end fits the needs of leisure and office (66.54% of consumers use it for daily leisure, 52.92% for work/study), but the weighted average score of satisfaction with the store environment is only 3.28 points, and 33.95% of consumers complain about congestion, noise, and the need for improvement in experience perception.

Core strengths form the competitive foundation: First, the brand and experience barriers are significant, the perception of "premium coffee + third space" is deeply ingrained, 23.5 million active members (2024 data) contribute 65% of revenue, and

digital operations (APP ordering, takeout delivery) further enhance user stickiness; Second, the supply chain and channel layout are well-developed. The Yunnan coffee bean base and multi-category supplier network guarantee product quality. The offline stores cover more than 200 cities. The quick pick-up store has a floor efficiency 1.8 times that of the standard large store, suitable for efficient consumption scenarios. Third, localization attempts have shown initial success. Products such as Tea Cloud Latte and Palace Museum co-branded merchandise have opened up the market, verifying the feasibility of "coffee + local culture".

Highlighting weaknesses that restrict development potential: Internally, the price positioning is misaligned with the consumption capacity - the core beverage price range is 25-40 yuan, higher than Luckin's mainstream range of 15-25 yuan, 70.43% of consumers list price as the primary concern factor, and the consumption middle class with a monthly income of 3,001-8,000 yuan is highly sensitive to cost-effectiveness; High operating costs, prime location rents and staff training expenses compress profits, and the average daily revenue of lower-tier stores is only 55% of that in first-tier cities. From the outside, the pressure of competition and substitution intensifies: The Porter's Five Forces model shows a triple squeeze from existing competitors (Luckin with over 35% market share and Manner with three times the floor efficiency), alternatives (tea and coffee, growth in freeze-drying), and buyers' bargaining power (58% price-sensitive customers, over 30% brand conversion rate), with market share continuing to be under pressure.

Customer stratified needs guide product and price adjustments: Students aged 19-25 (28.21%) focus on cost-effectiveness and social attributes, and offer basic 15-20 yuan and student-exclusive discounts; White-collar workers aged 26-35 (26.36%) seek convenience and health and should strengthen the layout of quick pick-up stores and low-sugar products; Those over 36 years old (39.69%) prefer traditional flavors and can deepen the integration and innovation of tea and coffee. In terms of income, the 3,001-8,000 yuan group (48.83%) is the main consumer group and needs to balance quality and price through "basic + package discounts" to avoid losing customers due to high prices per cup.

Starbucks' optimization path: On the product side, it needs to build a dual-driven

matrix of "health + local", establish a China Innovation Laboratory, achieve "small innovations every quarter and major innovations every half year", launch regional tea and coffee such as Longjing Americamerican and Tangerine Peel Pu 'er Latte, increase the low-sugar option to 60%, and expand plant-based milk to 5-6 types. On the price and channel side, build a stratified system of "15-20 yuan basic, 25-35 yuan advanced, 35-50 yuan premium", pilot community stores under 80 square meters in third-tier cities, increase the proportion of express pick-up stores to 40%, and connect the private domain of "APP + mini-program + community" online Delivery time for takeout has been shortened to within 20 minutes; On the service and marketing side, optimize "pre-job + on-the-job + specialized" training for employees, design "quiet office area + social and leisure area" in store zoning, launch customized activities around leisure, office and social scenarios, and strengthen social responsibility and enhance brand recognition through "bring your own cup, get 5 yuan off" and "public welfare special drink donation".

In summary, despite challenges such as the squeeze from local brands and diverse demands in the Chinese market, Starbucks' brand foundation, supply chain capabilities and localization potential remain irreplaceable. By optimizing the product structure, adapting the price channels and upgrading the service experience, the current contradictions can be effectively resolved and the transformation from "scale expansion" to "quality growth" can be achieved.

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APPENDIXES

A survey on Chinese consumers' consumption preferences for Starbucks coffee

Dear Sir/Madam:

Hello! We are the market research team, and we are conducting a survey on the consumption preferences of Chinese consumers for Starbucks coffee. This survey aims to understand consumers' views on Starbucks products, services and consumption scenarios. Questionnaire data will only be used for academic research and market analysis, and your personal information will be strictly confidential. It will take about 5 to 8 minutes to complete the questionnaire. We kindly ask you to answer based on your actual situation. Thank you for your support and cooperation!

I、Basic Information

1. Your gender:

A. Male

B. Female

2. Your age:

A. 18 years old and under

B. 19-25 years old

C. 26-35 years old

D. 36-45 years old

E. 46 years old and above

3. Your occupation:

A. Student

B. Corporate white-collar/staff

C. Freelancer

D. Civil servants/public institution staff

E Professional and technical personnel (such as doctors, teachers, engineers, etc.)

F. Entrepreneurs

G. Retirees

H. Others

4. Your monthly income (students may fill in monthly living expenses) :

A. 3,000 yuan or less

B. 3001-5000 yuan

C. 5001-8000 yuan

D. 8001- 12,000 yuan

E.12001 yuan and above

5. City level you are in:

A. First-tier cities (Beijing, Shanghai, Guangzhou, Shenzhen)

B New first-tier cities (such as Chengdu, Hangzhou, Wuhan, Chongqing)

C Second-tier cities (Nanjing, Xi 'an, Changsha, Qingdao, etc.)

D. Third-tier and lower cities

2. Starbucks Consumption awareness and Frequency

6. When did you first come into contact with Starbucks

A. Within one year

B. 1-3 years

C. 3-5 years

D. More than 5 years

7. How often on average do you consume Starbucks

A. Four or more times a week

B. 2-3 times a week

C. Once a week

D. 2-3 times a month

E. Once a month

F. Once or less per quarter

8. When do you usually consume Starbucks (multiple options available)?

A. Breakfast time (6:00-9:00)

B. Morning work/study session (9:00-12:00)

C Post-lunch period (12:00-14:00)

D. Afternoon work/Study session (14:00-18:00)

E. Post-dinner period (18:00-21:00)

F. Nighttime (after 21:00)

9. How do you usually purchase Starbucks (multiple options available)?

A. In-store ordering at physical stores

B. Starbucks APP/mini-program order (pick up in-store)

C. Starbucks APP/mini-program Ordering (takeout delivery)

D Third-party food delivery platforms (such as Meituan, Ele.me, JD Takeout)

E. Others

10. How much do you spend each time at Starbucks

A. $30 or less

B. 31 to 50 yuan

C. 51-80 yuan

D. 81-120 yuan

E. More than 120 yuan

3. Starbucks product preferences

11. Among Starbucks' beverage categories, which one do you most frequently choose (multiple choices are allowed, sorted by preference, first option is the most preferred)?

A. Classic coffee (such as Americano, latte, cappuccino, mocha, etc.)

B Special blends (such as coconut latte, thick milk latte, oat latte, etc.)

C Tea beverages (such as black tea latte, green tea frappuccino, iced peach oolong tea, etc.)

D Frappuccinos (such as matcha frappuccino, cocoa frappuccino, etc.)

E. Sparkling drinks (such as sparkling cold brew, sparkling Americano, etc.)

F. Others

12. If you choose a coffee drink, what is your preference for coffee strength

A. Low concentration (such as latte, flat white)

B Medium concentration (such as Americano, cold brew)

C. High concentration (such as espresso, hand-brewed coffee)

D. There is no specific preference; it depends on the product itself

13. What's your preference for the temperature of Starbucks drinks?

A. Hot drinks (year-round preference)

B. Cold drinks (year-round preference)

C Seasonal preferences (hot in winter, cold in summer)

D. No specific preference, random selection

14. Would you choose Starbucks food with drinks

A. Every time

B. Often

C. Occasionally

D. Rarely

E. Never

15. If you choose food, which category do you choose most often? (Multiple choices are allowed.)

A. Baked goods (such as croissants, Danish pastries, scones, etc.)

B Cakes and desserts (such as tiramisu, cheesecake, mousse, etc.)

C Light meals (such as sandwiches, panini, salads, etc.)

D. Snacks and small foods (such as nuts, biscuits, chocolates, etc.)

E. Others

16. Have you ever purchased Starbucks merchandise (such as cups, coffee beans, cultural products, etc.)

A. Frequent purchases

B. Buy occasionally

C. Rarely buy

D. Never buy

17. When you choose a Starbucks product, the factor you are most concerned about is (multiple options, in order of importance, first option is the most important)

A. Taste and quality

B. Price

C Health attributes (such as low sugar, low calories, no non-plant-based creamer, etc.)

D Appearance level (such as cup shape, latte art, packaging, etc.)

E. Seasonal/limited edition attributes

F. Others

4. Starbucks Consumption Scenarios and Experience Evaluation

18. In what scenarios do you most frequently consume Starbucks? (Multiple choices are allowed, sorted by frequency, first option is the most frequently consumed scenario)

A. Daily leisure activities (such as relaxing alone, reading, scrolling through mobile phones, etc.)

B Social gatherings (such as chatting gatherings with friends and family)

C Business needs (such as business negotiations, meetings, client receptions)

D Work/Study assistance (such as temporary office, group discussion, exam preparation, etc.)

E. Breakfast/snack (such as with breakfast, afternoon tea to boost energy)

F. Others

19. How satisfied are you with the Starbucks store environment (1 out of very dissatisfied, 5 out of very satisfied)

A. 1 point

B. 2 points

C. 3 points

D. 4 points

E.5 points

20. How satisfied are you with the quality of Starbucks service (1 out of very dissatisfied, 5 out of very satisfied)

A. 1 point

B. 2 points

C. 3 points

D. 4 points

E.5 points

21. How satisfied are you with the Starbucks membership system (such as points redemption, level benefits, exclusive events, etc.) (1 is very dissatisfied, 5 is very

satisfied; non-members can choose "don't know")

A. 1 point

B. 2 points

C. 3 points

D. 4 points

E.5 points

F. Not understood

22. What you think is the main shortcoming of Starbucks at present is (multiple choices are allowed)

A. Prices are too high

B. Lack of product innovation (limited flavors and categories)

C. Long queues at stores

D. Service attitude needs improvement

E. Insufficient health attributes (such as high sugar content, few options available for low sugar/low calories)

F. Store locations are not convenient enough

G. Others (Please supplement)

23. In the future, in what areas do you expect Starbucks to improve? (Free to add)

Thank you again for taking the time to complete this questionnaire! Wish you a happy life!