

## Introduction of the main point

Analytical Essay: Company Analysis – Marketing

### Analysis

Starbucks is a top organization that has achieved massive success across the globe. The company deals in coffee production and has dominated the industry for many years. The company's administration always comes up with some practical strategies that have proved to be quite beneficial for making the company a huge success story (Michelli, 2006). The company's core customers are always provided with products of the highest quality, so Starbucks has retained many customers and satisfied them regarding the products and services.

### Thesis Statement

### Brand Image

Body paragraphs with evidence

Building a strong brand image is one of the essential aspects that are to be considered by the business. Considering the importance of a strong brand image, it is pretty evident that Starbucks has got all the basics covered in this regard. The company has worked on its procedures and operations, which has been helpful for the company to grow as an effective brand within the corporate sector (Thompson, 2004). Starbucks has developed quite a balanced and effectively calculated brand image, due to which they have been able to sustain within the market. The company's digital media marketing techniques have been thoroughly calculated as the marketing campaigns are designed by considering all the important aspects in this regard (Moon, 2003). The major attributes of the company's brand image are its friendly, youthful, and outgoing nature. It provides the customers with a refreshing and warm experience which has helped it to enhance its brand reputation. Moreover, the provision of such a fascinating environment to the consumers has been the key feature of the company's branding strategy, due to which most of the goals of the company are conveniently achieved. The brand image of Starbucks depicts tremendous values as its décor, service, and product offering are exactly coherent with the organization's corporate

culture. Therefore, it can be said that the company possesses an effective brand image among all corporate organizations.

## **Product Analysis**

### **Description of New Product Development in the Company**

Product development is a highly critical aspect of a company's operations. Starbucks has thoroughly considered the importance of this aspect and has got all the basics covered in this regard. The company considers the needs and demands of the customers and develops its products based on those needs and demands. The first and foremost step of Starbucks's product development process is collecting useful information regarding the needs of the customers. The marketing team of the company collects information from the market. Then by utilizing that particular information, the company focuses on adopting innovative measures to make sure that its products are unique and in accordance with the customers' demands (Fitzgerald, 2013). Most of the important information is gathered on social media in the form of surveys and feedback, and the gathered data is utilized for the effective development of the products by the company (Chua, 2013).

### **Assess where the Company's Products are on the Product Life Cycle**

The product life cycle of Starbucks is based on different phases. The first phase is the development phase, where the company manufactures the product. Then comes the second and most important stage, where the product is introduced to the customers. This phase is highly important because the product's success depends on this phase, and the growth and maturity stages follow it. All these stages combine to ensure that the product stays in line with the product life cycle, and the company ensures high-quality services to the customers.

### **How does the company manage its' products?**

The company manages its products by considering all the important factors in this regard, as the products of the company are hygienic and coherent with the needs of the customers in the market. The company procures materials of the highest quality for the development of its products, due to which it has been able to attain the desired attraction from the consumer end (Haskovo, 2015).

### **Customer Analysis**

**Give 4 or 5 characteristics of the company's target market.**

The company's target market includes the people who belong to the middle-upper socio-economic portion of society. The company focuses on the people who are willing to pay high costs to avail of coffee of the highest quality (Rice, 2009). Moreover, the young generation is also the core targeted segment of the company, as it is observed that the youth is more inclined toward coffee consumption. These are the people who are anticipated to be reached by the company with the help of its effective marketing strategies.

**Articulate the company customer value proposition**

Starbucks always prioritizes its customers over everything. This has helped the company to develop an effective relationship with its customers, due to which most of the customers of the company are usually satisfied. Furthermore, the development of the product by assessing the needs of the customers also adds value to the overall relationship between Starbucks and the consumers.

**How does the company manage the customer life cycle?**

A customer life cycle is separated into three stages, which include, among other things, the acquisition of new customers, ongoing customer development, and ongoing client retention at Starbucks. Starbucks' methods aid the corporation in establishing the techniques and strategies to be utilized in recruiting new customers, retaining existing customers, and enhancing the value of existing customers during a customer's lifetime.

### **What Channels are used to reach the Customer?**

The organization usually uses different kinds of channels to reach the targeted customers, but social media is the most used channel to reach out to the desired customers by the company (Gallaugh, 2010).

### **Compare and contrast**

#### *Two to three of the Strongest Competitors in your Company*

Dunkin Donuts, Maxwell House, and McDonald's are the core competitors of Starbucks within the industry. All these companies have achieved tremendous success within the market due to the adaptation of effective strategies and have provided Starbucks with quite tough competition.

**How does your company compete?**

Rank	Coffee Brand	Revenue (USD billions)	Headquarters
1	Starbucks	26.5	Seattle, Washington, USA
2	Costa Coffee	1.54	Dunstable, England
3	Dunkin' Donuts	1.37	Canton, Massachusetts, USA
4	McCafé	21.07	Oak Brook, Illinois, USA
5	Tim Hortons	3	Toronto, Ontario, Canada
6	Gloria Jean's Coffees	0.54	Castle Hill, New South Wales, Australia
7	Nescafé	99.71	Vevey, Switzerland
8	Folgers	0.22	San Francisco, California, USA
9	Keurig	2.86	Reading, Massachusetts, USA
10	Maxwell House	0.4	Tarrytown, New York, USA

The above-mentioned stats depict that the company has been able to take advantage of its competitors as it is leading the chart in terms of sales and revenue.

**What Marketing Strategy is used by your Company?**

Starbucks products are linked with high quality, and the company has differentiated itself over the years by displaying a commitment to the creation of high-quality things. Starbucks products are synonymous with exceptional quality. The fact that Starbucks is associated with high-quality products allows the company to charge a greater premium for its products.

Starbucks did not have to deal with the same level of competition that it does now until very recently. When it came to the gourmet coffee sector, there were not many corporations as large as

Starbucks involved. Starbucks was effective in establishing the perception of the company as a high-end gourmet coffee brand through its marketing efforts. When Starbucks first opened its doors, it was because of this that the company had a substantial competitive advantage over any potential competitors (Haskova, 2015). Furthermore, the location of each outlet is consistent with the company's differentiating strategy, which can be read here. Even though Starbucks has more than 17,000 locations worldwide, each shop has been individually designed to reflect the surrounding neighborhood. Additionally, Starbucks takes great pride in the development of new products, which distinguishes it even further from its competitors in the marketplace. Incorporating each of these components of Starbucks's marketing principles helps the company achieve its differentiation strategy.

### Key Points

- The products of Starbucks are coherent with the company's product life cycle.
- Each product is developed according to the needs of the customers.
- The company mostly targets the upper-middle socio-economic portion of society.
- The company reaches its customers via social media.
- The company's marketing strategy is based on the utilization of a differentiation strategy.

### References

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