Coffee Bean to Coffee at STARBUCKS:
A study of organised coffee market in India

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INTRODUCTION:
Founded in 1971 in Seattle, Washington, Starbucks is the world’s largest coffee chain with over 20,000 stores operating in 62 countries. The company entered into a 50:50 joint venture with Tata Global Beverages in 2012 which led to the birth of Tata Starbucks. Starbucks owns and operates its stores in India under the name Starbucks Coffee “A Tata Alliance”. Soon after the India launch in October last 2012, stores in Mumbai and Delhi opened to long queues with coffee lovers waiting for hours on end to sample the world famous “Starbucks experience”. The twin-tailed mermaid that has been a part of the Starbucks logo since its early days continues to attract loyalists the world over. As of today, Tata Starbucks has stores at 63 locations across 7 cities of the country. The Rs. 60 BN (2007-08) Indian coffee industry accounts for 4% of world coffee output and ranks 7th globally. The Coffee Board plans to increase domestic consumption to around 120,000 tonne by the end of the Eleventh Five Year Plan ending in 2011-12, up from present levels of 80,000 tonnes. Coffee cultivation in India is confined to the southern states of Karnataka, Kerala and Tamil Nadu. Karnataka accounts for a little over 50%. After a long period of half-a-century, coffee entered into a new phase of free market in India. Quality and price factors became the driving forces.

Tata Coffee is Asia’s largest integrated plantation company. On an average, around 80% of the company turnover comes from exports. Tata Tea, a 51% subsidiary, Tata Coffee acquired American Coffee company, Eight O’Clock (EOC), from Gryphon investors for a total acquisition price of USD 220 Mn. Eight O’clock Coffee has huge retail brand recognition in America, having had breakfast staple status since mid-19th century. The EOC acquisition was in line with the vision of the Tata Tea group to become a global beverage player.

Starbucks entered into the Indian market by setting up a JV with Pantaloon. They intended to establish their first store in Delhi. Starbucks has another venture with New Horizons, in which 51% stake was held by VP Sharma (head of Indonesian Franchisee) and remaining by Kishore Biyani. The Indian coffee retail market has been buzzing over the year of 2013-14 with two key players Starbucks and Café Coffee Day on expansion drive. The market size of retail coffee in India is estimated at Rs. 17 bn plus and expected to grow at a fast pace of over 20% in the recent-times.

RESEARCH OBJECTIVES:
- To find out the reasons for Starbucks’ fan following.
- Taste or Experience. Why Starbucks?
- Competitors Analysis
- Road head for Starbucks in India
PESTEL OF COFFEE MARKET:

**Political** Coffee beans are grown in developing countries. Discussions about work conditions, child labor. Also political influence by tariffs and taxes.

**Economic** The key business challenges for the industry as a whole firmly relate to the economic recession from 2008, as consumers become much more cautious with their discretionary spend due to the high unemployment and personal debt.

**Social/Cultural** People spent more and more money on coffee. Customers do not only go to coffee shops to drink a coffee but also to sit down, and relax. The trend has been increasing in tier I cities.

**Technological** Better and cheaper coffee machines are available for home usage (Senseo).

**Environment** As raise of environmental awareness, coffee companies have to be concerned about the way their coffee beans are produced, the way they design their supply chain and the way they prepare and sell their products.

**Legal** Legal norms of coffee cultivating countries and store countries vary from region to region.

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**Points of Differentiation of Starbucks Store with other Coffee Stores:**

a. **Variability in stores:**
Every outlet of Starbucks coffee is different from the other. From the furniture to the layout design, every outlet looks different from the other depending on the needs and wants of the people around. The art work at every store is also different. There are some coffee shops where you can lie down, sleep there, do anything you want.

b. **Coffee Machines, Mastrena:**
Starbucks secret weapon is machine from Swiss.Thermoplan AG, Switzerland makes the automatic machines for espressos and cappuccinos in each of Starbucks’s almost 21,000 shops around the world.
The Mastrena, which Thermoplan produces just for Starbucks, was introduced in 2008. To make a cappuccino, the operator needs merely to select from a computerized menu. Assembling a machine, primarily by hand, takes six to eight hours. Before a machine heads out the door, it must successfully brew 100 cups of coffee. A trained technician from one of Thermoplan’s service partners is on site within four hours to fix a problem wherever a machine breaks down. Modular components keep maintenance simple. Its reduced height and ease of use encourages baristas to connect with customers for personal, immediate interaction and service.

c. **Employee training & Customer intimacy:**
The employees of starbucks are very well trained on behavioral aspect. If you are a regular visitor to a particular store, they will recognize you with your name, your drink and your tastes and preferences. The baristas are trained locally in INDIA whereas the senior manager are trained centrally at Mumbai. Customer feedback: Customer feedback is a very prominent for starbucks as compared to any other coffee brand. Starbucks customers are very engaged with the brand and hence give feedback. It is used to evaluate the performance of service outlets.

d. **Bottled coffee in india:**
Bottled Frappuccino blended beverages have also been made available in supermarkets such as Godrej’s Nature Basket and Food Hall. Special kiosks have been setup at major airports. Starbucks uses one of its four major store design templates to cater to a location, depending on its culture and uniqueness. In Delhi, Starbucks bottled Frappuccino is available at Khan Market and many premium supermarkets.

e. **Water used for making coffee at Starbucks:**
Since water is the core product of coffee. The taste of coffee depends on the water. The water used at Starbucks is ultra pure. There is an entire setup of RO purification. Very tough specifications of water are followed at Starbucks.

f. **Starbucks card:**
Starbucks card is like a debit card. Register and get a Starbucks card. You will get two drinks free worth around Rs.600. One drink you will get in your birthday month and one when you register. Whenever you drink coffee, pay by Starbucks card. So as you keep spending, after spend of around Rs. 2000-3000, one drink is added. When the expenditure reaches Rs.4000-5000 then you receive a gold card.

g. **Product Innovation:**
A new variety gets added after every few days. As Christmas is approaching, a new Red hot Mocha Frappuccino has been introduced. Not only this the white cups of Starbucks have turned to red.

h. **Indian Coffee bean sold internationally:**
The Indian coffee bean, that is, Indian Estate Blend is being used at international stores now. This is a very good thing for India as Starbucks is a global coffee chain.

i. **Factors considered in opening a new retail outlets**
   • Decide on the city- Usually high traffic cities like Delhi, Mumbai, Pune, Bangalore.
   • Deciding on the area- identify prominent places in cities. Example in Delhi, Khan market, Immediate residential catchment
   • Profile of residents - like is the crowd very well travelled? Well exposed?
   • Example: In Delhi, People staying in Pritampura, Rohini, Paschimivihar, Rajouri garden, etc. usually very rich Punjabis, cash rich people are there in these places but they can spend lavishly on liquor but they would not want to spend on Rs.400 on coffee. These people are highly value-conscious. They have a different perception of wealth like expensive jewellery, furniture, clothing etc. whereas for a person staying in khan market, those are people who would not want to go to a mall. Indian malls are very basic for them.
   • Corporate presence-mainly IT sector
Presence of TAJ SATS: Starbucks catering service is done by TAJ SATS. Most luxury brand which serves to almost all international flights. Example in Delhi near the airport there is a huge TAJ SATS kitchen. Everyday as per the requirement the food is shipped to the outlets from there.

So one more factor for considering a new retail outlet is the setup of TAJ SATS nearby from where the food can be supplied.

A tie up is required with TAJ SATS to open a new outlet. And whole supply chain is planned accordingly.

Store Analysis

a. **Customer & His Customizations:** While order placement, the Barista does the marking (either on the cup or on the KOD i.e. kitchen order table), notifies the customer about the amount to be paid and tender out the change (if any) and pushes the order for processing once the payment has been done. The order will be working on a particular channel depending on the type of order. Starbucks has different channels for hot beverages, cold beverages and food. Time between order and delivery of the product varies on the degree of customization involved. Coffee making is a mix of both science and art. Time for a regular Latte would be much shorter that a customised drink ordered by the customer. A standard time is maintained by the store but wasn’t disclosed. Time of delivery also depends upon the person processing the order; a skilful person would be making it in a shorter time period as compared to a newly recruited one.

b. **Employee Training:** The training given to a new recruit is given in the store itself (earlier it used to be in Lajpat Nagar). A training plan of 14 to 15 days is prepared. He/she will be assigned a trainer and he will be working along with the trainer at the counters. The theoretical part will have to be learnt (“The art of Coffee making”) while the practical work will be done in the training plan. First of all, he/she has to learn the processing of the machines; the speed will come with practice. From day 1, he will greet and serve customers. The training includes inculcation of values, nurturing the Starbucks culture into him & giving him certain liberty/empowerment to serve the customer in a better way.

c. **Why Call By Names?** On a regular basis, majority of the customers (in Starbucks, Saket) are the shoppers, fitness freaks (morning and evening), and the ones who work inside the mall, or from nearby offices. According to the store manager, the main thing that connects the customers to the brand is the experience that they get through the informal way of remembering/calling them (customers) by name, engaging them in a conversation while preparing their order, advising them about new arrivals according to their taste and preferences. The quality of most of the well-known cafes is more or less the same; the prime concern of a Starbucks store is to connect with the customer.

d. **Different Standardisations:** Of course, there are certain standardisations present in the coffee making process, yet the barista would customize it according to the needs of the customer (“customisation in standardisation”). Different coffees are served at different temperatures and have a sleeve if it’s considered to be hot (a brewed coffee comes with a sleeve and not a latte). If a customer insists that his coffee has to be extremely hot, the Barista has to provide it to him but with a word of caution that it may hamper the taste of the coffee.

e. **Store Layout:** The layout of a typical Starbucks store in Asia Pacific region is prepared by a design team in Hong Kong. The challenge for the design team is to make every store unique in itself (the design of a store in Cyber Hub, Gurgaon would be different from one in GK or in Saket depending upon the type and age groups of customers).

f. **Sample Testing:** The sampling & engaging with the customer are done to know about the customer’s favourable taste buds and to give recommendation to him about his/her choice (if he is a first timer in Starbucks). The number of samples to be distributed depends on the marketing plan laid
out by the strategists. The sampling depends on the lean and peak hours of the store’s neighbourhood (as a part of promotion).

g. **Loyalty Card & Its Perks:** - Talking about treating customers, there are 3 kinds of labels associated with the customer - welcome label, green label (when first drink is bought) and the gold label. After spending certain amount, the customer gets certain amount of stars and the perks associated with them. As an example, Starbucks just launched Red-Hat Mocha; as a gesture of good faith, the regular/privileged ones are given this add-on as free on their purchase of Mocha. The privileges of being a Starbucks cardholder include free customisations, birthday month offers, anniversary offers. All this is done for customer retention.

h. **Market Specific Menu:** - The menu across India is a standard one but it’s different from other parts in the world. In some stores, a pilot program of a “power lunch” is being carried out; it’s a marketing tactic to increase footfall during lunch hours by giving out discounts on certain items. For Indian customers, there are certain customisations done to cater to their needs; “Summer Weird Alfonzo Mango”, “Pumpkin Latte (a customisation for USA; related to Halloween)”, “Chatpata Wrap”, “MurgKathi Wrap” etc. are some of the customisations being done by Starbucks (30-40% are the standardised products served worldwide - blueberry muffins, red velvet cake…..). The seasonal food & beverages vary with time. “JAVA CHIP FRAPPUCHINO” is the top selling beverage (as stated by store manager, Starbucks-DLF PROMENADE).

i. **BEANS, Their Processing & Roasting:** - The beans being used are mostly of Indian origin. Starbucks only uses Arabica beans grown at a high altitude. The coffee team travels to the growing regions, build relationships and buy high-quality coffee with an extensive quality check at every step. Every sample is first roasted, tasted and then graded. Starbucks follows an ethical sourcing system with community involvement and environmental stewardship. The first roasting plant was setup in the Bangalore region (Kushal Nagar). Starbucks follows its own roasting system. The 3 different types of roasts used by Starbucks are Blonde, Medium & Dark. “French roast” is the darkest of all followed by “espresso roast” (espresso roast goes best with milk). The roasting technique (details weren’t shared) differentiates a dark roast from a blonde or a medium one. Processing technique differentiates coffee on the basis of acidity (pH level); washed process leads to maximum acidity in the bean. Out of all the coffee beans available in Starbucks store (Saket), the “Kenyan” one is the acidic of the core coffee beans available. The flavour of the bean depends on the right temperature and moisture content followed in the roasting technique to get the desired flavour. Eg- “Arabian Herbal” is a dark roast but gives a herby effect, “Italian” flavour has a sweet and roasty touch with a bit of smoky flavour. The region between Tropic of Cancer and Tropic of Capricorn is best suited for growing Arabica beans (best beans). Indian espresso roast is the commonly used coffee roast to make Lattes, Cappuccinos and Espressos. “Indian estate blend” has a chocolaty flavour while the “Indian espresso roast” has a caramel blend. The Kenyan roast and the “Sumatran” beans are imported.
COMPETITIVE ANALYSIS:
The size of the organized café market is estimated to be 77 billion in 2015 and is projected to grow 151 billion by 2020 at a CAGR of 15%. The chain café market is approximately 27% of the total organized café market at 18 billion in 2015 and is estimated to be 36% of the total organized market by 2020 at a CAGR of 20%.

In current market Café Coffee day with 46% market share of chain market is largest player. Starbucks stands at 2% market share with 73 outlets across country. Geographical, southern part of the country contributes towards 33% of coffee chain market. Top eight cities contribute to 40-45% of chain market. There has been increasing trend of outlets in new places like hospitals, college campuses, highways etc.
With the limited of our research we covered following competitors.
• Costa Coffee
• Café Coffee Day
• Barista
• Dunkin

Source: Café Coffee Day DRHP
1. **Market Share Analysis** Café Coffee holds 46% market of organized coffee chain market with a count 1556 stores till date. Starbucks keeps the count limited and like Costa Coffee holds market share as per store count to 2-3%. This has in a way helped to maintain brand uniqueness and they target middle and upper class segment. Barista which entered Indian market in 2007 compared to Starbucks has failed to extend their brand in pan India. Its share has been on decreasing trend. Dunkin Donut which has its presence in Delhi, Banglore, Punjab, Mumbai is continuing its growth in India and it can well be a competitor to Starbucks. Frappuccino stands one the top selling products at Starbucks. Café Coffee day has customized its menu to Indian liking. For Costa coffee Expresso stands base of every coffee and they do quality testing of bean every 4 hours to ensure quality of coffee. Dunkin alongwith coffee have burgers, donuts in its offerings.

1. **Perception Mapping** On the basis of our survey and offerings we try to analyze Starbucks and its competitors on perception map. These findings are inline with customer and store survey done during our project scope.

The Major part of the coffee chain segment in India is unorganised. We have local brands like ‘Nescafe, Bru and stores producing coffee beans. These occupy a major market share in the sector with 41%. Then in the organised sector CCD is the major player (46%) and then followed by Barista, Costa Coffee and Starbucks. The analysis of the major competitors is listed below in the table.
<table>
<thead>
<tr>
<th>Positioning</th>
<th>Starbucks: We’re a neighborhood place</th>
<th>Costa Coffee: We have all the right ingredients to make a perfect cup</th>
<th>Cafe Coffee Day: India’s Favorite Coffee shop Where the young at heart unwind</th>
<th>Barista: The place where the world meets</th>
<th>Dunkin: &quot;America Runs On Dunkin&quot; &quot;You ‘Kin Do It!&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Offerings</td>
<td>Coffee, Handcrafted beverages, Fast Food</td>
<td>Coffee and Food and coffee. Hot coffee is their specialty.</td>
<td>Beverages, Food Other services like outdoor catering, home delivery and online merchandise store</td>
<td>Coffee, Tea, Desserts, Frappuccino, Beverages, Smoothies</td>
<td>donuts, bagels, other baked goods, and a wide variety of hot and iced beverages</td>
</tr>
<tr>
<td>Customization</td>
<td>High involvement with theme based outlets. Classy interiors</td>
<td>Open house outlets with closed ones.</td>
<td>Use of bright colors like purple and red</td>
<td>Low customization</td>
<td>Low customization</td>
</tr>
<tr>
<td>Locations</td>
<td>Primarily in metro cities. Mumbai (max), Chennai, Delhi, Bangalore,</td>
<td>Metro cities</td>
<td>Intense proliferation in Tier I cities and modest in Tier II</td>
<td>Delhi Banglore Punjab Mumbai</td>
<td></td>
</tr>
<tr>
<td>Number of outlets</td>
<td>73 in 7 cities</td>
<td>100+</td>
<td>1556 in 220 cities</td>
<td>220+</td>
<td>Around 60</td>
</tr>
<tr>
<td>Promotional offer</td>
<td>Loyalty points and online coupons.</td>
<td>Loyalty cards and online coupon. Friday special discount.</td>
<td>Brand association like Nescafe, Dairy Milk, Navneet. Loyalty cards and wallet benefits like Mobiwik Free Wifi</td>
<td>Bean-o-holic DD Perks program</td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>High</td>
<td>Moderate starting from Rs 250</td>
<td>Economical</td>
<td>High Price</td>
<td>High Priced</td>
</tr>
</tbody>
</table>
2. **Customer Analysis:** Voice of the customer is extremely vital for any organization to ensure sustained growth. After all, as the clichéd saying goes by these days - “CUSTOMER is KING”. So, in order to get a better understanding of the customer engagement levels when it came to coffee as a beverage, we first decided to survey a few customers on a GLOBAL basis, and with the help of social media – especially twitter – we managed to extract an impressive 204 responses. As one would expect, two-third of the respondents fell in the age bracket of 21-25 years.

![Which drink do you prefer? (204 responses)](image)

![What do you love about starbucks? (204 responses)](image)

A couple of important findings from the survey were that coffee was preferred by a whopping 78% of the respondents, smashing the smoothies (11.8%) and tea (10%) fan-bases. And as far as Starbucks as a coffee outlet was concerned, people mainly loved it for its ambience factor (29.4%), which edged service (27%) by a couple of percentage points.

Now with the survey done, we wanted to go in-depth about anything and everything involving coffee, and thus decided to interview a few local customers, enquiring them about their general tastes and preferences.

**We first started with the most basic question involving coffee – WHY COFFEE?**

This saw an almost one-sided response. Yes, you guessed it right – the FRESHNESS factor! A massive 70% of the customers whom we had interviewed went on record stating the freshness factor provided by coffee was second to none. “Freshness” largely covered the ability of coffee to induce sharpness and more importantly, to mitigate sleep.

The remaining 30% went with the next obvious choice – the TASTE, of course
We then focused on the **frequency of our customers drinking coffee on a daily basis.** The majority (70%) went with twice a day, while 20% of the customers turned out to be coffee addicts stating they used to drink it thrice, and the minority (10%) went with once a day.

The next question put forward to the customers was their alternatives to a coffee shop – **where they would like to spend their leisure time instead of a coffee shop?** With the exception of a few members whose alternatives lied in “playing cricket” or “checking out other pizza/chaat shops”, the majority of them were content staying home. We next enquired the customers as to **why exactly they visited coffee shops** – whether it was for the environment or was it just to socialize with their **friends and family?** This saw an overwhelming response in favor of the socializing factor, with almost everyone visiting coffee shops to merely socialize with their mates and family, with a select few claiming environment surrounding the coffee shop also played a part, albeit lightly. Then came the interesting bit – **the average duration spent by a customer in a coffee shop, and the activities of the customer over the course of his/her stay.** This had the most varied number of responses, ranging from a minimum of 15 minutes to a maximum of two hours. Constant chit-chatting/gossiping whilst enjoying their coffees seemed to be the common theme for all of the customers during their stay.

Deciding to go in-depth further, we were curious to know the general **budget allocation/split for coffee viz-a-viz the food ordered in a coffee shop.** This saw some interesting responses, with a majority claiming that the food they ordered just about occupied a bigger share of their budget (Food 60-40 Coffee), in comparison to the coffee. While, there were also people who stated that they barely even ordered food in a coffee shop, and almost all of their budget was allocated towards coffee (Coffee 90-10 Food). There were also a select few customers who didn’t have an outright fixed budget split for coffee v food, and stated that it varied on each occasion.
We enquired the customers as to whether or not they gave a written feedback following their stay at a coffee shop. This had a fairly mixed response, with one half stating there wasn’t even the provision of a written feedback in most of the coffee outlets, with the other half stating that they did leave behind written feedbacks, especially if the coffee/food served was borderline elite, or the polar opposite – an abomination. Being intrigued to know which one of the following factors contributed most to a customer’s decision to visit a particular coffee shop - the bartender (barista) or the ambience or the food or the mall at which the coffee outlet was located? This once again saw a mixed response, with an almost even spread of the aforementioned factors. Ambience just about edged the other factors.

Now with the general preferences all but covered, we decided to focus on the quality of services provided to customers at the coffee outlets – whether the bartenders were customer driven or sales driven? The general consensus seemed to be that the bartenders were neither sales nor customer driven, but were however always responsive to the requirements of the customers. In our final part of the customer analysis, we asked the customers their preferred mode of service at a coffee shop – self-servicing or being served at the table? Needless to say, a vast majority of them preferred being served at their respective tables, with the exception of a couple of them, who stated self-servicing suited them better, for they didn’t like being disturbed by the waiters.
Based on this graph we see that best aspect that people consider is taste and the worst part considered is price. This is a good information for Starbucks to have because most people marked that the “Liked” company philosophy indicating that they shouldn’t go for brand dilution or over expansion.

According to the information on this graph people either shop at Starbucks for the taste, convenience or don’t shop at all. This information is good for Starbucks to know because it re-affirms that Starbucks make good coffee, and expanded (location-wise) well. Also it is important to know about why some people do not like starbucks
The graph shows that people shop elsewhere due to price. This is important for Starbucks to note, seeing as this is the company primary weakness.

### 3. FINANCIAL OVERVIEW

TATA STARBUCKS PRIVATE LIMITED is a Unlisted Private company incorporated on 30 September, 2011. Its registered office is at 4th Floor, New Excelsior Building, Amrit KeshavNayak Marg, Fort, Mumbai, Maharashtra and paid-up capital is INR 35600.0 lacs. Its last reported annual general meeting, per our records, was held on 23 September, 2016. The company has 8 directors/Key management personnel.

REVENUE: 238 Cr  
Networth : 202 Cr  
PAT: -40 Cr  
D/E Ratio: 0.08

**Conclusion:**
The thought behind Starbucks is to become the THIRD PLACE! Where the first place is your home, Second is your office . To accomplish this, their focus is on 3 main things:

1. **“THE Coffee”**: To ensure the highest quality coffee, it maintains full control on supply chain. Core material is Water. Ultra pure water to ensure the taste of coffee .Secret weapon-its Swiss machine Mastrena.

2. **“Customer focus”** The whole idea is to make customers happy, provide them the convenience they want, by recognising them and by providing them with an experience they never forget. Also provide them with variety and seasonal additions.

3. **“Outlet”** Each and everything you see in the outlet is imported. The whole atmosphere from fragrance to music to art and craft and to furniture is well thought of recognising customer needs. While Starbucks is a very strong brand, its presence in India needs to be strengthened. From the target customers to the pricing and locations, everything needs to be restablished. **Brand awareness and resonance should be the focus for Starbucks in India.**

**Recommendations**

1. **New Retail stores:** Starbucks should consider opening new retail stores in North India. In North India, the brand is present only in Delhi. So Seeing the growth of IT sector in Chandigarh, this could
be one place where the profile of residents match with that of Starbucks. The stores presence can also be increased at Tourist places where many foreigners visit.

2. **Include more promotional activities:** To grow in India, TATA Starbucks should consider including more promotional activities. Example Engage in free sampling during lean and Peak hours to attract customers to the store. This is also very necessary to create awareness among the consumers about its various products. Example Bottled Frappuccino is served at many places in Delhi like Khan Market but according to our survey not many people were aware of this. This is just one example. They should also consider promoting their coffee tasting sessions, which is wonderful and may attract a lot of people. Campaigns like “The way I see it” should be undertaken by stores and customers visiting the stores. Engage in IN STORE snap story competition.

3. **Rework Pricing strategy:** As we find that price stands their biggest hurdle. They need to rework on their pricing strategy to expand their market in India, which is a price sensitive market. The major reason why consumers choose other coffee brands over Starbucks is their price.

4. **Online Delivery System:** Starbucks has an online Coffee delivery system in US. The main thought behind this is to provide convenience to the people, mainly to avoid the hassle of standing in queue and buying coffee. This idea can be considered in India after taking care of the distribution, specially at places where there are more coffee loving people.

5. **Mobile app should be there.** Like people can book a table at Barbequ-nation, Starbucks should also do such a thing as it caters to high-end customers.

6. **Encourage customers to buy Starbucks Card:** As part of our project, We got a chance to visit the Starbucks store various times. We felt that the Baristas don't encourage the customers much to buy the card. If this is done and the card benefits are told explicitly, then this would help to gain Customer loyalty.

7. **Include Drive through concept of coffee experience.** Drive-through coffee stands could work wonders, especially for tired office workers who possess a car, suffer from a lack of sleep, and have to stay awake carrying out their boring jobs. Considering that is applicable to a large number of workers, Starbucks should definitely be giving the drive through concept a go.

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