



Starbucks Corporation

Managing a High-Growth Brand

Valerie Lee

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Starbucks' Core Customers



- Educated
- Baby boomer (average age of 42)
- Upper middle class (average income of \$90,000)
- European coffee drinkers
- Interested in quality
- Interested in discovery



Starbucks' Culture





Building the Brand

- Use best ingredients and brewing equipment
- Top priority: Quality
- Coffee prepared by knowledgeable employees → greater quality control
- Serve brewed coffee in the stores
- Incorporate coffee service aspect




Starbucks' Brand Values

- Synergy of Italian elegance and American informality
- “Personal treat” for its customers
- A “Third Place”
- Pleasurable coffee-centered experience
- Product innovation
- Focus on people





Sources of Equity

- Investments in Starbucks infrastructure and process efficiency
- State-of-the-art facilities (roasting and packaging plants)
- Advanced computer information system to keep track of sales 
- Innovation to support brand growth (FlavorLock bags)



Growth Strategy

- Geographical market expansion
- Company vs. franchise model
- Word-of-mouth publicity campaigns
- Grand openings → community events
- Highly skilled “baristas” and managers
- “Hub and spoke” market strategy
- Joint ventures and partnerships

Starbucks' Partnerships





Other Partnerships



Future Brand Extensions?





Biggest Challenges

- Will Starbucks lose focus as it reinvents itself?
- Is brand growing too rapidly to remain focused on its core values and business objectives?
- How to preserve brand equity as brand grows
- As Starbucks balloons in size, can it:
 - Maintain close interactions with employees and customers?
 - Maintain quality of its products and services?
 - Keep its stores locally relevant?
- How to connect with younger generations



Global Branding

A great brand is in it for the long haul



Global Branding



A great brand can be anything





Global Branding

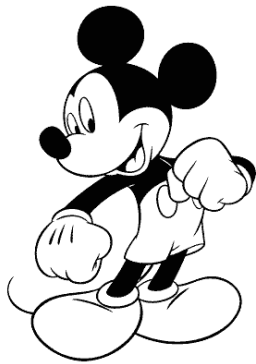


A great brand knows itself

Global Branding



A great brand invents or reinvents an entire category



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A great brand taps into emotions





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A great brand is a story that's never completely told



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A great brand is relevant

