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# The Ranking of a Coffee Brand in the Eyes of the Public and Its Competitiveness in the Industry

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## **ABSTRACT**

Starbucks Corporation is a coffee brand with a very long history. It is the world's largest coffeehouse chain. With the development of the age, people have shown a lot of demand for drinks that can help refresh and have shown their great demand for refreshing drinks in their busy daily lives. This research examines how the general public views Starbucks and its competitive position within the coffeehouse sector focusing on location, environment, food & beverage, and service quality variables. For research purposes, an online survey was distributed to a designated number of people in Malaysia and India for https://doi.org/10.32535/ijabim.v9i1.2978 data collection. The data was analyzed using the Statistical Package for the Social Starbucks has effectively built a robust brand and garnered considerable public awareness, solidifying its position as a key player in the industry. Starbucks has attained a prominent standing in the public's view owing to its strong brand positive recognition and perception, by factors like strategic locations, inviting ambiance, premium food and beverage offerings, and outstanding service quality. Among all these factors, the location of the Starbucks store is the primary factor affecting the public's love for Starbucks. Recognizing the importance of these factors could offer valuable insights for businesses aiming to enhance their standing and competitiveness.

> Keywords: Brand Awareness; Brand Competitiveness; Coffee Brand; Food and Beverage; Public Choice

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#### INTRODUCTION

In recent years, the coffeehouse industry has experienced significant growth and competition, with establishments vying for the attention and loyalty of consumers. Among these contenders, Starbucks has emerged as a dominant force, renowned for its ubiquitous presence and distinctive brand identity. Starbucks has gained widespread popularity and faces tough competition from other coffee brands across various demographics. As a global chain of coffee shops, Starbucks has become a benchmark in the coffee industry, experiencing significant growth since its establishment in 1971 and currently operating over 32,660 stores worldwide in 2020, making it the largest coffee shop chain globally (Eira, 2024). The key factors behind its success include exceptional customer service, high-quality coffee, and effective marketing strategies.

Initially, Starbucks primarily emphasized the utilitarian aspects of coffee. However, with increasing competition, Starbucks has adapted its approach. It now markets a lifestyle that allows customers to elevate their experience and enjoy a higher quality of life. By offering a welcoming and comfortable environment, Starbucks attracts customers to not only purchase their products but also to linger and enjoy them in-store. Customers consistently praise Starbucks for its exceptional customer service and inviting atmosphere. Starbucks has positioned itself as a "third place" where customers can relax, socialize, and enjoy a premium coffee experience. It cultivates a tranquil ambiance that provides a refreshing break in a serene setting. Starbucks has effectively shifted the focus of its customers towards the quality of the experience and the enjoyable moments spent at their establishments (Aryani et al., 2021).

Starbucks has achieved household recognition, with millions of people worldwide enjoying their coffee on a daily basis. The brand's distinct flavors and unique production methods have made it a preferred choice among coffee enthusiasts, while the cozy and inviting ambiance of its stores has turned it into a popular gathering spot for students and professionals alike. Its extensive menu caters to diverse tastes, offering a wide range of beverages, from hot and cold coffee to tea and juice. Starbucks has also introduced a wide range of merchandise that caters to specific seasons or locations, which has greatly appealed to consumers.

Furthermore, Starbucks' popularity extends beyond specific age groups, genders, or professions. Individuals from all walks of life, including students, businessmen, and housewives, have become loyal patrons of the brand, contributing to its widespread recognition. To uphold its reputation, Starbucks continuously innovates and enhances its offerings, introducing seasonal promotions, new flavors, and implementing ecofriendly practices to attract and retain customers. However, despite its immense success, Starbucks faces stiff competition in the coffee industry.

The coffee market is highly competitive, with numerous brands vying for customers' attention and loyalty. Competitors such as Dunkin' Donuts, Peet's Coffee, and Costa Coffee have established strong market positions, posing challenges to Starbucks' dominance. To stay ahead, Starbucks must maintain a constant focus on innovation, consistently improve its offerings, and uphold high standards of quality and customer service.

In conclusion, Starbucks has achieved legendary status as a beloved coffee shop with a global following. Its triumph can be attributed to exceptional customer service, top-notch coffee, and innovative marketing strategies. Nevertheless, Starbucks cannot rest on its laurels, as it confronts formidable competition in the coffee industry. To retain its position as an industry leader, Starbucks must continue to innovate and improve its operation. It

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becomes increasingly imperative for Starbucks to understand the perceptions of the general public and maintain its competitive edge.

The research objective is to explore the perceptions of the general public regarding Starbucks and its competitive stance within the coffeehouse industry. Specifically, it aims to investigate the influence of factors such as location, ambiance, and food and beverage offerings on the public's perception of Starbucks compared to its competitors. The significance of this study lies in providing valuable insights into the key determinants of Starbucks' competitive position in the coffeehouse market, which can inform strategic decision-making for Starbucks and other players in the industry seeking to enhance their market positioning and customer satisfaction.

## LITERATURE REVIEW

This literature study investigates previous research and studies that have been conducted on Starbucks' brand awareness, popularity among the public, and competition within the coffee industry. These concerns have received a considerable amount of attention as a direct result of Starbucks' presence in markets throughout the globe and its growth in Asian markets.

## **Brand Awareness**

Brand awareness is a critical component in consumer decision-making. It is important for customers to think of the brand whenever they are thinking of specific kinds of products. When consumers effortlessly associate a particular brand with specific products or services, it indicates a strong brand presence in their minds. Nedungadi (1990) discovered that making more people aware of a brand made it more likely that it would be in the set of brands that consumers were considering. This phenomenon underscores the significance of brand visibility and recognition in influencing consumer preferences and behaviors. Essentially, the more familiar consumers are with a brand, the more likely they are to consider it among their options when making purchasing decisions. Thus, strategic efforts aimed at enhancing brand awareness are imperative for companies seeking to establish a competitive edge and foster consumer loyalty in today's dynamic marketplace.

Several studies have been conducted to look into Starbucks' brand recognition. Azriuddin et al. (2020) performed a study among customers and discovered that Starbucks had high levels of brand awareness. The respondents associated the brand with quality, prestige, and a fashionable image. This awareness was impacted by the continuous branding efforts that Starbucks has made, such as its well-known logo, shop design, and advertising campaigns. According to Smith (2023), a survey has been conducted among coffee consumers, and Starbucks was consistently ranked as a top choice due to its brand reputation, coffee quality, and store ambiance. Also, a study by Chuang (2019) showed that people think of Starbucks as a high-end brand that offers a better coffee experience than its competitors. This suggests that Starbucks' success is not solely attributed to the quality of its products but also to its ability to curate a sophisticated and upscale brand image that appeals to discerning consumers.

## **Public's Love for Starbucks**

A lot of research has been done to look into the factors that contribute to the deep emotional connection that customers have with the brand. Polat and Çetinsöz (2021) state that a strong correlation between the brand and the customer, as well as the degree of brand loyalty among the customer base, are associated with the affection attributed to the brand. They assert that brands that foster strong connections with their customer base tend to evoke feelings of affection and loyalty among consumers. Starbucks, in

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particular, stands out as a prime example of a brand that has mastered the art of cultivating such emotional bonds with its customers. By prioritizing customer satisfaction and consistently delivering high-quality products and services, Starbucks has managed to instill a sense of love and loyalty among its patrons.

The growing popularity of Starbucks has drawn attention due to the rising coffee culture and extending middle-class demographic. The burgeoning popularity of Starbucks is not just about its coffee; it is about the emotional connection customers feel toward the brand. This affection is a result of Starbucks' ability to create an environment that goes beyond just serving coffee. With its welcoming ambiance, strategically located stores, and inclusive atmosphere, Starbucks provides customers with a sense of belonging and escape from the daily grind. Previous studies by Hennesey (2012), Marshall (2015), and Niamh (2015) have delved into how these unique aspects foster strong emotional ties between customers and the Starbucks brand, leading to a deep-seated affection and loyalty among its customer base.

In the study conducted by Garthwaite et al. (2017), it was found that the popularity of Starbucks can be attributed to a multifaceted array of factors that contribute to the overall customer experience. While the quality of coffee served at Starbucks undoubtedly plays a significant role, the ambiance and atmosphere within the store also play a crucial part in attracting and retaining customers. Starbucks has adeptly cultivated an environment that exudes warmth and comfort, making it an inviting space for customers to relax, socialize, or work. Additionally, the extensive menu offerings, ranging from specialty coffees to delectable pastries and savory snacks, cater to diverse tastes and preferences, further enhancing the appeal of Starbucks as a go-to destination for coffee enthusiasts and food aficionados alike. Moreover, Starbucks' strategic emphasis on customer service excellence further elevates the overall customer experience, ensuring that patrons not only enjoy their favorite beverages but also receive personalized attention and care. Overall, the study underscores the holistic approach adopted by Starbucks in curating a compelling brand experience that resonates with consumers and fosters loyalty and satisfaction.

## Location

Strategic location of Starbucks has been an important aspect in Starbucks popularity among the public. According to research conducted by Kotler (1973), location is one of the most important factors in attracting customers and maintaining brand loyalty. With a global network of approximately 32,660 stores, the company stands as the primary producer of premium coffee products across the entire world. Starbucks has implemented a strategic approach by locating its stores in areas with high customer traffic, such as metropolitan centers, commercial zones, and popular destinations for tourists.

In addition to its adaptability to local preferences and cultural nuances, Starbucks' strategic positioning of its stores has further solidified its competitive edge. By strategically locating its stores, Starbucks ensures convenient accessibility for both local residents and tourists alike. This approach not only caters to the needs of the immediate community but also capitalizes on the influx of visitors, enhancing its appeal as a go-to destination for coffee enthusiasts. Previous researches by Areiza-Padilla et al. (2020), Typaldos (2016), and Hanson et al. (2016) have highlighted how this strategic approach has enabled Starbucks to thrive in diverse locations and maintain its competitive advantage in the coffeehouse industry.

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H1: Strategic location positively related to public's love for Starbucks.

## **Environment**

Environment can be referred to as a situation and factors that have an impact on the development, well-being, and progression of a person or object. Starbucks is well-known not only for its coffee but also for the exceptional experiential value it provides. According to Donovan et al.'s (1994) research, the emotional experience of customers within a retail environment has an impact on their attitudes and behavioral intentions. When customers feel emotionally engaged and satisfied during their interactions with retail environment, they are more likely to develop favorable attitudes towards the brand and exhibit behaviors that support continued engagement and loyalty. This emphasizes the role of emotions as a crucial determinant of consumer behavior, suggesting that businesses must prioritize emotional engagement strategies in their retail environments to enhance customer satisfaction and loyalty.

Starbucks has implemented a highly detailed approach to the design of its stores, aimed at creating a comfortable and inviting atmosphere for its customers. This is achieved through a combination of comfortable seating arrangements, warm lighting, and pleasant scents. As a result, Starbucks has been perceived by its consumers as a "third place" that serves as an intermediary space between their place of work and home, providing a conducive environment for relaxation, socialization, and work (Liu et al., 2021).

H2: Nice environment positively related to public's love for Starbucks.

## Food and Beverage

Starbucks' premium food and beverage choices have made an important contribution to the brand's popularity among consumers. Verlegh et al. (2005) conducted a study that emphasizes the significance of product quality in establishing and maintaining customer loyalty. According to Brown et al. (2007) study, the quality of food and beverages is an important criteria for consumers when deciding on coffeehouse chains. Consumers nowadays not only seek a delightful coffee experience but also value the availability of delicious and diverse food options when visiting coffee shops. Therefore, coffeehouse chains must prioritize the quality of their food and beverages to meet the evolving preferences and expectations of their target audience.

Furthermore, Starbucks' commitment to menu innovation goes beyond merely introducing new items; the company strategically leverages seasonal offerings, limitedtime promotions, and beverage innovations to continuously refresh its menu and cater to evolving consumer preferences. By introducing seasonal favorites like holiday-themed drinks and treats, Starbucks taps into the festive spirit and creates excitement among customers, driving increased foot traffic and sales during peak seasons. Moreover, limited-time promotions and special offers allow Starbucks to generate buzz and create a sense of urgency, encouraging customers to try new offerings before they're gone. Additionally, Starbucks invests in research and development to create innovative beverage options that cater to diverse tastes and dietary preferences, such as plantbased alternatives and healthier menu options. This proactive approach not only enhances the overall dining experience for existing customers but also attracts new customers who are enticed by the prospect of discovering unique and enticing offerings. By continuously refreshing its menu and staying attuned to consumer preferences, Starbucks maintains its position as a market leader and reinforces its reputation as a destination for quality food and beverage options.

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H3: Various types of food and beverages positively related to public's love for Starbucks.

## Service Quality

The exceptional customer service provided by Starbucks has played a significant part in building loyalty towards the brand (Maddinsyah & Zakaria, 2022). Through a commitment to extensive employee training and the cultivation of a customer-centric culture, Starbucks has consistently excelled in these realms. The company places a strong emphasis on employee development, ensuring that each barista is equipped with the skills and knowledge needed to deliver personalized and attentive service, thereby fostering a warm and inviting atmosphere within its stores. It's these personalized interactions and genuine connections between Starbucks baristas and customers that have not only created a welcoming and enjoyable environment but have also forged deep-seated bonds of loyalty towards the brand. As customers feel valued and appreciated during their interactions with Starbucks staff, they are more inclined to return and continue their patronage, thus solidifying their allegiance to the brand.

H4: Service quality positively related to the public's love for Starbucks.

## **Factors Affecting Starbucks' Competitiveness**

Starbucks' brand's name is one of their key competitive advantages. The company's brand name has already built a semi-cult that makes customers return to its outlets. Customers that purchase their various products from their product range, such as tumblers, mugs, and t-shirts, are proof of Starbucks' capabilities. Starbucks has begun promoting a way of life that enables customers to live better lives. It provides a nice and comfortable atmosphere that draws consumers to purchase their products and enjoy them in the stores. Consumers consistently compliment their excellent customer service and relaxing environment of their stores.

According to Chen (2016), the product quality, customer service, and store environment are the primary factors which differentiate Starbucks against its competitors. Starbucks has consistently prioritized the sourcing of high-quality coffee beans and ingredients, ensuring that its beverages and food offerings meet stringent standards of taste and freshness. This commitment to quality extends beyond the products themselves to encompass every aspect of the customer experience. Starbucks places a premium on delivering exceptional customer service, investing heavily in employee training programs to cultivate a service-oriented culture among its staff. Baristas are trained to provide personalized and attentive service, creating a welcoming atmosphere that fosters customer satisfaction and loyalty. Additionally, Starbucks places great emphasis on the design and ambiance of its stores, striving to create inviting and comfortable spaces where customers can relax and enjoy their beverages. Through meticulous attention to detail in store design, decor, and layout, Starbucks seeks to differentiate itself from competitors and create memorable experiences for its patrons. This holistic approach to enhancing the customer experience across product quality, service excellence, and store environment has been instrumental in setting Starbucks apart as a leader in the coffeehouse industry and maintaining its competitive edge over rivals.

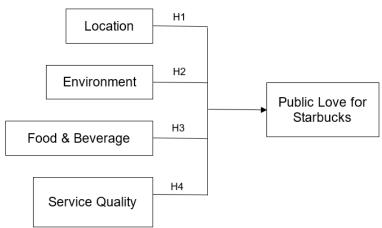
Moreover, Kee et al. (2021) also point out that the continuous development of new products and innovations by Starbucks have been a major factor in the company's ability to stay ahead of the competition. Starbucks has demonstrated a remarkable agility in responding to evolving consumer preferences and market trends by constantly innovating and diversifying its product offerings. Through initiatives such as the introduction of seasonal beverages, limited-time promotions, and collaborations with renowned brands, Starbucks has succeeded in keeping its menu fresh and exciting, thereby enticing customers to return and explore new offerings. This continuous cycle of

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innovation not only enhances the overall customer experience but also serves as a powerful differentiator, setting Starbucks apart from its competitors in the highly competitive coffeehouse industry. By consistently delivering innovative and unique products that resonate with consumers, Starbucks has effectively positioned itself as a trendsetter and market leader, further solidifying its position at the forefront of the industry.

Figure 1. Research Framework



#### RESEARCH METHOD

# **Primary Research**

The primary method of study is an approach for researchers to get their own data instead of depending on research data that has already been collected. The primary approach used for data collection in our research involved conducting an online survey via Google Form. A survey was conducted online, targeting a sample of 100 consumers of Starbucks from Malaysia and India. The Google Form consists of 4 sections which is, Part A (demography), Part B (brand awareness), Part C (public's love for Starbucks) and lastly Part D (factors affecting Starbucks' competitiveness). 5 points Likert Scale was used at section C and D to measure the ranking of Starbucks in the eye of the public and its competitiveness in the industry. (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, and 5: strongly agree).

# **Secondary Research**

Secondary research is a methodology that includes the use of existing information. The process of organizing and collecting already-existing data is conducted to make the research more useful as a whole. Secondary research was conducted for the study using journal reviews as well as internet sources. In addition, some sort of information was gathered from relevant academic journals to serve as references in the completion of this report. The academic journals provide dependable data to enhance our comprehension of this field of study.

## **RESULTS**

**Table 1.** Summary of the Respondent's Demographic Information (N=100)

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Response	Frequency	Percentage (%)	
Gender			
Female	78	78	
Male	22	22	
Age			
18-24 years old	71	71	

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25-34 years old	15	15	
35-44 years old	8	8	
45-54 years_old	6	6	
Which country are you from?		0	
India	11	11	
Malaysia Education Level	89	89	
	7.4	7.4	
Bachelor's degree	74	74	
Doctorate's degree	2	2	
High school	4	4	
Master's degree	10	10	
STPM, Diploma, or equivalent	10	10	
Which University are you from?			
Nil	4	4	
ABE	1	1	
AKTU	5	5	
Annamalai University	1	1	
Banasthali Vidyapith	1	1	
CCS, Meerut	1	1	
Han Chiang University	1	1	
IIUM	2	2	
IMSEC	3	3	
Institut Pendidikan Guru	1	1	
KTPM Sangi	1	1	
LPU	1	1	
Universiti of Ontahmano	1	1	
Polytechnic Ungku Omar	1	1	
UIŚ	1	1	
UiTM	1	1	
UKM	1	1	
UM	1	1	
UMS	1	1	
UMT	4	4	
Unimap	1	1	
UniSHAMS	2	2	
University of Delhi	1	1	
UPM	5	5	
UPSI	1	1	
USM	42	42	
UTHM	2	2	
UTM	7	7	
UUM	5	5	
WOU	1	1	
	<u> </u>	l I	
Employment Status	20	20	
Full-time	30	30	
Part-time	1	1	
Self-employed	2	2	
Student	63	63	
Unemployed	4	4	
Annual Income			
No Income	70	70	
Below RM50,000	3	3	

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RM50,001 – RM100,000	21	21
RM100,001 – RM200,000	3	3
Above RM200,000	3	3

Table 1 is a breakdown of the demographics of the respondents who participate in this study. Out of the total 100 people who answered, 78% were female and 22% were male. The majority of responders were between the ages of 18 and 24, making up 71%, while 15% were between the ages of 25 and 34. Then followed by 35 to 44 (8%) and 45 to 54 (6%), in that frequency. Out of the 100 respondents, 11% are from India and 89% are from Malaysia. In addition, 74% of the total respondents were highly educated as their educational level is a bachelor's degree. Then, doctorate degrees arrive at 2%, high school at 4%, master degrees at 10%, and STPM and diploma at the remaining 10%. The universities attended by respondents are from more than 29 different universities. USM accounts for 42% of respondents. From the aspect of employment status, most of the respondents were students (63%) followed by full-time employees (30%), unemployed (4%), self-employed (2%), and only one respondent who was a part-time employee. Moreover, over half of the respondents have no income which represents 70 respondents. A total of 21 of the individuals who responded to this survey had incomes between RM50,001 and RM100,000. 3 people who responded have an annual income of less than RM50,000, between RM100,001 and RM200,000, and more than RM200,000 respectively.

**Table 2.** Summary of Customer Brand Awareness of Starbucks (N=100)

Table 2. Summary of Customer Brand Awareness of Starbucks (N=100)			
Response	Frequency	Percentage (%)	
Have you ever purchased Starbucks drinks?			
No	15	15	
Yes	85	85	
I learned about Starbucks Coffee brand from			
Caught my attention while shopping	43	43	
Magazine or newspaper	8	8	
My parents like to consume this brand coffee	5	5	
Recommendations from people around me	63	63	
Social media	69	69	
TV or online advertising	16	16	
How often do you purchase Starbucks drinks?			
Daily	1	1	
Weekly	5	5	
Monthly	23	23	
Rarely	62	62	
Once	1	1	
Never	8	8	
Which products do you often purchase from Starbucks?			
Cold drinks	77	77	
Hot drinks	24	24	
Food	10	10	
Never	9	9	

Table 2 provides a summary of customer brand awareness of Starbucks. The survey concluded that 85% of the people who responded had ever bought Starbucks drinks while 15% of the respondents never purchased before.

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The next question is the method the respondents learned about Starbucks, and the respondents can choose more than one option in this question. Moreover, out of the 100 respondents, 69% and 63% of the respondents know the Starbucks brand from their friends and social media respectively. Another method that other respondents learned about Starbucks was by shopping, magazine or newspaper, getting a recommendation from a parent, and seeing TV or online advertising.

In term of the frequency the customers purchased Starbucks, 62% of the respondents were rarely purchased, 23% were purchased once a monthly, 8% of the respondents were never purchased before, 5% respondents were purchased once a week and followed by only one respondent was purchased it once and only one respondent was purchased it everyday. The frequent purchases made by Starbucks customers show their support to the Starbucks brand. The findings reveal that fewer respondents are Starbucks committed consumers because they rarely repurchase.

In addition, 77% of the respondents often purchased cold drinks, followed by 24% of respondents who purchased hot drinks, 10% of respondents were brought the food from Starbucks and 9 of the respondents had never tried the Starbucks before.

**Table 3.** Descriptive Statistics, Cronbach's Coefficients Alpha, and Zero-order

Correlations for All Study Variables

Correlations for All Study varia	มมเธอ				
Variables	1	2	3	4	5
Location	0.734				
Environment	0.464**	0.438			
Food and Beverages	0.070	0.314**	0.656		
Service Quality	0.182	0.269**	0.381**	0.634	
Public's Love for Starbucks	0.636**	0.269**	0.098	0.205*	0.825
Number of Items	4	3	3	3	4
Mean	3.3950	3.4133	3.5233	3.5667	3.8525
Standard Deviation	0.77946	0.70611	0.80578	0.79772	0.6964

Note: N=100; \*p < .05, \*\*p < .01, \*\*\*p < .001. Diagonal entries indicate Cronbach's coefficient alpha

Table 3 presents descriptive statistics, reliability information, and zero-order correlations among study variables. Table 3 reports the factor means, standard deviation, correlation, and Cronbach Alpha. Reliability is a technique for measuring a survey, which is a variable indicator. The four factors that determine Starbucks' competitiveness—location, environment, food and beverage selection, and service quality—correlate with the public's love for Starbucks.

Using an acceptable threshold of 0.7, Cronbach's Alpha value was used to calculate the internal consistency. According to Schmitt (1996), an alpha between 0.7 and 0.8 means an acceptable level of reliability, and 0.8 or higher indicates a very good level of reliability. (Schmitt, 1996) All variables were tested by Cronbach Alpha; it revealed internal consistency values of 0.734, 0.438, 0.656, 0.634, and 0.825. The result shows that only item 5 which exceeds 0.8 (Public's love for Starbucks), was found to be highly reliable and considered a high internal consistency. Moreover, the Cronbach's Alpha value of 0.734 indicates an acceptable internal consistency reliability for Starbucks' location variable. Additionally, the variables of food and beverages and service quality within the range of 0.6 to 0.70 are considered as questionable internal consistency. Moreover, Starbuck's environment shows the Cronbach alpha (0.438) is less than 0.6, it would mean that the variable has a low reliability and it is unacceptable. The survey's overall variables have a mean range of 3.00, which shows that the respondents agree (scoring '3' on the Likert scale).

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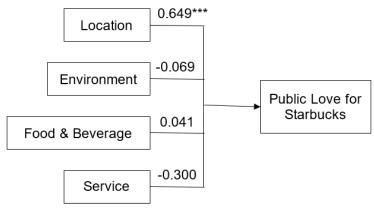
**Table 4.** Summary of Regression Analysis

Variables	Beta	
Location	0.649***	
Environment	-0.069	
Food and Beverages	0.041	
Service Quality	0.300	
Public's Love for Starbucks		
R Square	0.393	
F Value	16.993	
Durbin-Watson Statistic	2.481	

Note: N=100; \*p < .05, \*\*p < .01, \*\*\*p < .001

Regression analysis was used to evaluate the hypotheses. As shown in Table 4, the independent variables were the Starbucks' location, environment, food and beverages as well as service quality whereas the dependent variable was the public's love for Starbuck. The purpose of these regressions was to look into the correlation between dependent and independent variables. Table 4 are the multiple regression analysis results. The findings revealed that food and beverages and service quality did not significantly influence the public's love for Starbuck with the beta (β) values 0.041 and 0.300 respectively. As a result, this result means that H3 and H4 would not be supported. Additionally, the environment variables' beta values were -0.069, indicating a negative correlation between the public's love of Starbucks and its environment. H2 was not supported either. Inversely, the public's love for Starbucks was positively connected with location, with beta (β) values of 0.649. Thus, the H1 was supported. The value of R2 was 0.39, which means that 39% of the variation in public's love for Starbucks is explainable by location. As a result, the location of the Starbucks store is the primary factor affecting the public's love for Starbucks. The summary of the output with the hypothesized model is shown below.

Figure 2. Hypothesized Model



Note: \* p < 0.05; \*\* p < 0.01; \*\*\* p < 0.001

## **DISCUSSION**

After considering the results, Starbucks still has a remarkable impact on the public. Starbuck is well-known among people. The public may have watched their ads or heard about them.

Moreover, the result has proven the popularity of the Starbucks brand. Most respondents stated that they have purchased Starbucks drinks before. Majority of the respondents learned about Starbucks from social media and got recommendations from others. Since

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joining social media in 2008, Starbucks has dominated the internet. Its popular social media accounts on Twitter, Instagram, Facebook, and Pinterest present coffee as a beverage to be enjoyed with loved ones. As an illustration, Starbucks frequently posts about one-for-one specials on their social media channels, which results in exceptionally high levels of social media interaction (likes, shares, comments and mentions). Starbucks' social media tactics frequently serve as an extension of the renowned quiet, discrete, and welcoming atmosphere of its physical locations. The social media presence of Starbucks has generally been inclusive, approachable, social, participatory, and unnoticeable. For instance, Starbucks' Facebook page consistently responds to consumer questions with courtesy and openness, and its Instagram feed is filled with pictures of Starbucks' customers (Coles, 2017). That being the case why Starbucks' awareness among the public is impactful.

Next, the results show the public's love for Starbucks. Consumers trust that Starbucks can perfectly make a drink that corresponds to their needs. A customer may really become very emotional and passionate when they begin to adore a brand. Because of the emotional connection they establish, individuals could continue to buy this brand while ignoring similar products (Carroll & Ahuvia, 2006).

The multiple regression analysis results in this study revealed that while food and beverages quality and service quality did not significantly impact the public's affection for Starbucks, indicating a deviation from initial hypotheses, a negative correlation was observed between the public's love for Starbucks and its environment, contrary to expectations. However, the analysis did support the hypothesis suggesting a positive association between the public's affection for Starbucks and its location. The strong positive correlation between these variables underscores the pivotal role of strategic store placement in shaping public sentiment towards Starbucks. The significant explanatory power of location, as evidenced by the R² value of 0.39, suggests that almost 40% of the variation in the public's love for Starbucks can be attributed to its location.

Then, the result showed Starbucks' and other coffee brands' competitiveness. Most consumers still stick to buying Starbucks drinks even after trying other coffee brands. Dunkin' Donuts is by far Starbucks' greatest rival. As a subsidiary of inspiring brands, Dunkin' does not have as much control over its business as Starbucks, even though it has been around for a long time. It might be harder for the business to respond quickly to changes in the market or in its competition.

## **CONCLUSION**

This study investigates the public perception of Starbucks and its level of competitiveness within the coffeehouse industry. The research findings indicate that Starbucks has successfully established a strong brand awareness and gained significant public recognition, thus consolidating its position as a prominent industry player.

The analysis of this study yielded interesting insights into the factors influencing the public's affection for Starbucks. Contrary to the initial hypotheses, it was found that the quality of food and beverages, as well as the level of service, did not significantly impact the public's sentiment towards the brand. Surprisingly, it was observed a negative correlation between the public's love for Starbucks and its environment. However, this research did validate the hypothesis proposing a positive association between the public's affection for Starbucks and its location. This highlights the critical importance of strategic store placement in shaping public perception and sentiment towards the Starbucks brand. Overall, these findings underscore the significance of location selection in driving customer satisfaction and loyalty, offering valuable insights for Starbucks and

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other businesses aiming to enhance their brand appeal and customer engagement strategies.

According to the results of the survey, the majority of respondents stated that they had previously purchased food and beverages from Starbucks. Moreover, the respondents also indicated that they discovered Starbucks through social media and recommendations from others. This result has proved the popularity of Starbucks in Malaysia and India.

The research reveals that Starbucks has achieved a high-ranking position in the public's perception due to its solid brand recognition and favorable perception, which is attributed to various factors such as strategic location, welcoming atmosphere, higher quality food and beverage options, and exceptional service quality. The factors listed above have played a significant role in enhancing Starbucks' competitive edge within the coffeehouse industry, thus ensuring it to maintain an excellent market position and creating customer loyalty. Understanding the significance of these variables could provide valuable perspectives for businesses striving to improve their position and competitiveness.

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## **DECLARATION OF CONFLICTING INTERESTS**

The authors declared no potential conflicts of interest.

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