# How Starbucks Is Ruling The Coffee Industry In Indian Market

How much do you know about coffee? If you live in India, chances are very high you drink coffee every day. And if that's the case, then you should know that Starbucks has become the biggest player in the local coffee industry. How did they manage to dominate the country's coffee market? Let's take a look at their rise to success.

For years, Indians considered coffee something that only rich people drank. But these days, we see numerous cafes opening across the country. They sell various types of beverages ranging from cappuccino to chai tea. There are over 3,500 franchise stores of Starbucks in India today.

"Coffee consumption in India grew by 3 per cent to 1.06 lakh tonnes in 2011 as compared to 2010, according to data from the International Coffee Organisation."

Source: ndtv.com

Starbucks was founded in 1971 in Seattle, Washington. Since its inception, it has grown into a global chain with over 28,000 stores worldwide. Today, Starbucks is the largest coffee retailer in America and also ranks among the top 20 companies in the world. It also boasts the highest share in terms of revenue generation. With a strong foothold in the major metropolises, the company is expected to continue its growth in the months ahead.

After achieving massive success around the world, it came up with an innovative idea of expanding coffeehouses in India as well. India, known as a country of Tea lovers, will enjoy a variety of coffee drinks. This question put Starbucks into

difficulty in expanding its venture coffee in India. Starbucks, with high risk, took a decision and brought its coffee venture in 2003, but its turn was unsuccessful.

With this, Starbucks enterprise started planning and plotting strategies for their expansion in the country and came across the decision to start a joint venture with Ratan Tata's brand (TATA Coffee) with this, they announced the opening of stores at various locations across the country.

## Let's See Starbucks has become the most popular brand of coffee in India.



#### Starbucks India

In October 2012, Starbucks Corporation with TATA Global Beverages entered the Indian coffee market, starting their first store in Mumbai, India. A 50:50 joint partner, owned by Tata Consumer Products and Starbucks Corporation, that owns and operates Starbucks outlets in India. The outlets are branded Starbucks "A Tata Alliance" and it got the title "Tata

### (Infrastructure) The Hidden Secret Success Behind Starbucks.



The Starbucks store located at Connaught Place in New Delhi has art painted on the walls, and the store is completely made up of mats and ropes. The store located in Pune has a designed infrastructure with localized railings and a prosperous display of treasure and copper.

#### Menu For Indian customers

Apart from the usual products offered internationally, Starbucks coffee store in India has some special Indian-style Menu offerings such as Tandoori Paneer Roll, Elaichi Mewa Croissant, and Chocolate Rossomalai Mousse, Malai Chom Chom Tiramisu, Chicken Kathi Roll, and Murg Tikka Panini to offers Indian customers. All espressos sold in Indian outlets are made from Indian roasted coffee beans which are supplied by Tata Coffee. Starbucks also sells Himalayan bottled mineral water and free Wi-Fi is available at all Starbucks stores.

In January 2017, Tata Starbucks introduced Starbucks' tea

brand Teavana which offers 18 different varieties of tea across its outlets in India. One of the varieties, called the India Spice Majesty Blend, was specifically developed for Indian customers and is only available in India. India Spice Majesty Blend is a blend of full leaf Assam black tea infused with whole cinnamon, pepper, cardamom, cloves, star anise, and ginger.

On 15 June 2015, Tata Starbucks declared that it was suspending the use of ingredients that had not been approved by the Food Safety and Standards Authority of India (FSSAI).

#### **Experimentation & Innovation**



Starbucks always comes up with innovative ideas for presenting, roasting, and preserving themselves in the coffee market. The company took the initiative solely to keep on experimenting with making Starbucks.

#### **Customer Relationships**



Starbucks believes in focusing on existing relationships with customers, ensuring more fan following, and creating a coffee more according to customers' preferences. The brand advocates more impact on customers' brains by doing tricks like mistakes in their spelling names.

#### **Building Strong Social Media**

Starbucks followed social media strategies, boosted social media with their posts, followed newsletters, blogs like LBB, Buzzfeed India, Social media marketing, etc. Their target audience is youth; hence they asked popular social influencers to promote and affiliate their offers on each and every page; these things helped to publicize their campaign and their coffee this way they create a strong Starbucks market.

Starbucks expects India as its top 5 market; due to its massive financial support, Starbucks has an advantage in investments and market opportunities. The thought of a joint venture with Tata Global beverages, supported by Starbucks corporation a lot, turned into a great idea for Starbucks to become a successful venture in India.

The success of Starbucks also involved quality improvement in

the taste of the menu and infrastructure, particularly for the Indian market. The customers are welcomed, and the store ambience includes fast and free WiFi for their customers, with a sip of coffee, and a good time in the cafe.

#### FAQ's on Starbucks: