

Running Head: COLLEGE STUDENTS' PERCEPTIONS OF COFFEE

College Students' Perceptions of Coffee: The McCafé Campaign and Starbuck's Image

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### Abstract

The gourmet coffee industry, being more than an average cup of coffee, has soared in growth in the past decade. In particular, Starbucks as a company has flourished and shaped a trendy image affecting much of the way coffee shops operate today. Seeing this trend, McDonald's has sought to follow in Starbucks' footsteps. Through an inexpensive and "anti-voguish" approach, they have refurnished and remodeled McDonald's outlets and released extensive advertising for the new premium, McCafé coffees. To further investigate this trend, primary research was needed to evaluate the actual effect of McDonald's advertising contingent on people's perceptions and purchasing behaviors, to see if there was an impact on their Starbucks purchases and perceptions.

### College Students' Perceptions of Coffee: The McCafé Campaign and Starbucks' Image

How has the recent launch of McDonald's premium coffee influenced consumer's purchases of Starbucks coffee? The "gourmet" coffee industry, being more than an average cup of brewed coffee, has soared in growth in the past decade: ranging from a virtually non-existent segment to the landscape seen today with coffee shops on every corner. This industry originally grew out of a relaxed atmosphere in which people took time to enjoy their coffee and their company (Cebrynski, 2008; Thompson & Arsel, 2004). As the "Starbucks revolution" came about, much of this atmosphere was lost and the idea of fast, standardized coffee production was embraced and promoted (Thompson and Arsel, 2004). In fact, in the ready to drink coffee drink market, Starbucks' owns ninety percent of the market share (Lazich, 2008). Starbucks' unprecedented growth is marked by changing the social landscape of a coffeehouse joining it with the many "big" names in producing standardized products at the touch of the button, leading McDonald's to a perfect spot as a competitor (Cebrynski, 2008; "Ten Brands," 2008). Because of this change of atmosphere, McDonald's has seized the opportunity to become part of the premium coffee market, at least so much as "premium" entails standardized, quick, and uniformed service.

This phenomenon has led to an interesting topic for research, focusing further on specific perceptions of college students in regard to Starbucks and McDonald's. Previously published research tended to be very broad and ambiguous opening up opportunities for primary research to explore individual perceptions and attitudes regarding the coffee industry as a whole and towards specific brands. Primary research was conducted in the form of a focus group that studied college students' brand perceptions ranging from specific brands to their coffee beverage

buying habits as a whole. Additionally, an electronic survey was conducted to generalize findings and test a larger sample of individuals on a more objective and concrete plane.

### Methodology

#### *Secondary Research*

The method of secondary research conducted used an array of databases and journal searches. Beginning with the keywords of “Starbucks”, “Coffee”, and “McDonald’s” many news articles highlighting the current issues were brought up, but it was challenging to finding articles and research that was professional and more than a mere newspaper article outlining the new ‘launch’ (Cebzynski, 2008, p. 1) of McDonald’s premium coffee, and their positioning in that matter. A highly effective source was trade journals accessed through ProQuest database. Not only did these articles present findings from a different aspect, but they also included general information about the industry as a whole, which proved to be helpful as a starting point for research.

Next, sources listed at the end of articles deemed to be appropriate research gave a starting point to find more scholarly articles and research. For example, from various news articles and research, Craig J. Thompson and Zeynep Arsel were noted on more than one occasion. These authors could then be searched and two very in depth, scientific articles resulted, providing much insight into the topic at hand.

After conducting primary research, it was seen fit to conduct some additional secondary research using the Advertising Redbooks and Market Share Reporter to gain valuable information about the advertising expenditures of the companies under research.

### *Primary Research*

Qualitative and quantitative research was conducted with the goal of focusing specifically on college students and to begin to find attitudes and perceptions that caused much of the purchasing behavior. This type of research was essential in order to gain background information on people's behaviors, which would provide explanation for the role of Starbucks in people's purchasing habits and the chances that McDonalds' advertising will be effective in gaining market share from Starbucks. This background information was obtained via primary research through focus groups and an internet survey.

Focus group and survey participants were selected because they purchased coffee beverages on a regular basis, at least once per week. The survey participants were screened via the first question which asked them to exit if they were not a purchaser of coffee beverages. The target age for research was college students because they were a convenient sample and also very active purchasers of coffee beverages.

#### *Focus Group*

Focus group participants were asked to come to a meeting room with little knowledge of the exact topic at hand. On November 15, 2008 at 9:30am, participants met in conference room 202 DeVos E at Grand Valley State University Pew Campus. To begin, participants introduced themselves, revealed their major and what they would otherwise be doing on at Saturday morning at 9:30am. The white board was utilized to record participant's reactions and answers. They were then given bagels and coffee for breakfast, and the focus group began. The ethical standards and practical rules were read to the participants to ensure that they were aware that they could leave at any time and that the responses were anonymous and would only be used for research purposes. The first activity to take place was a blind taste test in which participants were

asked to rate which coffee they preferred. The two brews used were McDonald's and Starbucks House Blend, but participants were not informed of this until the very end of the focus group, to prevent bias and knowledge of the specific research topic at hand. Using the funnel technique, questions were asked beginning with broad questions pertaining to general characteristics of coffee and ending with more brand specific discussions. Participants were also shown a series of pictures of different kinds of people and asked to make judgments about where, what, and why each person would purchase coffee. Along with pictures, participants were shown cups from places that sell coffee and asked what kind of person drinks coffee from each particular place. See appendix A for moderator guide and photos. See appendix B for focus group results.

### *Participants*

Table 1

#### Focus Group Participants

Name	Jenna	Carrie	Mike	Justin	Ashley	Scott
Age	20	21	20	24	22	21
Gender	Female	Female	Male	Male	Female	Male

### *Electronic Survey*

Questions for the survey were extracted from the focus group in order to generalize attitudes and perceptions from a larger sample of college students. Participants were given the link to the survey via email and Facebook. The link directed participants to Survey Monkey where they were initially asked if they purchase coffee beverages other than coffee beans to brew at home and were given the option of yes and no. If participants selected no, they were asked to exit the survey and their responses were not considered. If participants selected yes, they were to

continue taking the survey consisting of ten more nominal, ordinal, and ratio questions that consisted of data received during the focus group. Survey Monkey collected both the qualitative and quantitative data from the survey and calculated percentages of most frequent answers and revealed graphs pertaining to the results. See appendix C for blank survey. See appendix D for survey results.

## Discussion

### *Secondary Research*

Until recently, Starbucks has seen unprecedented growth in every quarter with spending of “less than ten million dollars on advertising in its first twenty-five years” (Ruzich, 2008). The idea behind their campaign, unlike other coffee brands such as Folgers or Maxwell House, is the experience that is provided by visiting the local Starbucks (Cebrzynski, 2008; Ruzich, 2008). The experience provided allowed consumers to have an emotional attachment and therefore Starbucks’ reputation spread rapidly by word of mouth. As Thompson, Rindfleisch, and Arsel (2008) have found; there are “ways that consumers can experience brands as relationship partners that help them accomplish personal goals and resolve dilemmas in their everyday lives” (p. 51). Starbucks uses their experience this way by providing an atmosphere for people to connect with others over coffee or get work done to resolve complexities that are career-related. Therefore, the focus of Starbucks was not even on the product itself, but the feeling and atmosphere that surrounded it (“Ten Brands”, 2008; Thompson et al, 2008).

Since its conception, the landscape of gourmet coffee, and Starbucks in particular, has drastically changed positioning Starbucks in direct competition with McDonald’s. Essentially, Starbucks transformed gourmet coffee from a “yuppie status symbol into a mainstream consumer good” (Thompson & Arsel, 2004, p. 631). Because of this status change, more of the general

public saw gourmet coffee as an attainable good and therefore bought into the industry, making it what is today, but taking away some elite status with it (Thompson & Arsel, 2004). Losing this elite status increased coffee sales as more consumers viewed it as a commodity, but with the influx of more people, an atmospheric change took place, transforming Starbucks into the 'get it and go' atmosphere present today (York, 2008).

Not only has the atmosphere changed in Starbucks, but the company dynamics that drive McDonald's have become characteristics of Starbucks as well. Philosophies that drive "extensive knowledge transfer to enable the creation of large numbers of similar outlets that deliver relatively standardized products and serves in a competitive and efficient way" (Yaniv & Brock, 2006, p. 380) have taken a hold of Starbucks, moving it away from an individualized experience to a standardized transaction.

The combination of emotional iconic loss, atmosphere change and a general attitude change towards Starbucks has led it away from a high class product to a commodity in direct competition with McDonald's. But, not to discredit McDonald's, they have made definite strides to compete in this market place as well (Powell, 2006; York, 2008). McDonald's has reformatted and repositioned themselves in the market place by seeing the immediate demand and realizing they could fill that need adequately with a few minor image adjustments (Powell, 2006). To further this repositioning, McDonald's released new advertisements showing their actors inside what looks like a Starbucks outlet with paintings and dimmed lighting. They have taken the approach of getting the coffee and experience without the attitude shown in their new ad with the tagline of "Now we don't have to listen to jazz all day long. Try McDonald's new McCafe coffees. All the coffee. Hold the attitude" (Abelson, 2008, p. C1).

All atmospherics aside, McDonald's is not out of touch with the premium coffee taste in itself, either, as it trumped Starbucks brew in blind taste tests (Powell, 2006). Obviously, McDonald's has great potential to win the coffee war. In addition to the actual taste, McDonald's also has the convenience factor as well. Known for their breakfast menu and very fast breakfast service, McDonald's premium coffee sales increase as consumers only need to stop once for breakfast and their latte (York, 2008).

In addition to taste and convenience, McDonald's also is seen as a more approachable brand for those consumers who have not had much experience with coffee and are just starting to try gourmet coffee (Cebzynski, 2008). It seems to be much less intimidating to order a latte at McDonald's than walk into Starbucks and stumble over words such as macchiato, au lait, or con panna and not know already what they mean (York, 2008).

Finally, the recent economy has also played a role in the downshift from Starbucks coffee to McDonald's. Consumers realize they can get the same taste for about one dollar less (Abelson, 2008; Cebzynski, 2008). Because they are feeling a pinch on their wallet and the experience of walking through McDonald's or Starbucks is about the same, and ultimately McDonald's coffee actually tastes better, consumers can fulfill their creamy, caffeinated needs for less at McDonald's (Powell, 2006).

McDonald's has done an excellent job of rolling out their advertising campaign using the medium that works best for them; TV (Powell, 2006). Because of their advertising campaign and the surrounding external causes discussed above, Starbucks will have to improve their image once again in order to keep the positive word of mouth promotions that have worked for them for so many years (Ruzich, 2008). They need to associate themselves once again with "language of love" (Ruzich, 2008, p. 428) and bring back the culture that was once present. Schultz,

Starbucks' founder, once said, "We aren't in the coffee business, serving people. We are in the people business, serving coffee" (Ruzich, 2008, p. 432).

Therefore, the answer to this war, as York (2008) comments about, is this: if it is a price war, McDonald's will win with little competition, but for the experience, if Starbucks can rev up the emotional attachment once again, it can keep its market share and unprecedented growth in brewing its beans.

### *Primary Research*

#### *Focus Group*

They were first asked what they associated with the word coffee to start off general and initiate discussion. A concept map was created on the white board with coffee in the center and was surrounded by morning, comforting, a cup, awake, addicting, energy, caffeine, bean, flavors, and necessary, as given by the participants.

Participants were given two cups with a small sample of coffee A and coffee B. They were asked to try the coffee and say which type they preferred. The results showed that coffee B was preferred four to two. Coffee A contained McDonald's black coffee and coffee B contained Starbucks House Blend. The goal of this exercise was to remove all brand associations and focus solely on taste. McDonald's coffee retained its heat extremely well; it melted the wax on the test cups provided causing inconclusive results.

The next section of the focus group had the participants list a number coffee shops that came to their mind. With this, words associated with each brand were solicited from the group. Participants gave an overwhelming response of Starbucks being the first coffee shop that came to their mind. Words given by participants relating to Starbucks were huge chain, trendy, expensive, and commercial. McDonald's was listed fourth among the coffee shops listed.

Words associated consisted of cheap, quick, and way too hot. These findings correlate directly with the attitudes provided from the secondary research.

Of the coffee shops they listed for the previous section, they were asked to rank them first by perceived quality and then again by price. Starbucks ranked first in perceived quality and highest in price. McDonald's was perceived lower in quality and price followed only by gas stations. The perceptions found by the focus group relating to this matter are precisely what McDonald's is trying to overcome with their new McCafé ad campaign. Discussions resulting from this activity revealed that there was a direct association with higher price and higher quality. Scott noted that McDonald's has changed their coffee in recent years, this change is another direct result of McDonald's efforts to change their perception and taste (York, 2008).

The next section of the focus group entered around a discussion of what coffee shops participants go to depending on their situation. In a hurry, Biggby and Starbucks were listed as the top places to go because of on or near campus convenience. McDonald's was listed because of the drive through. When asked where the participants would study, neither McDonald's nor Starbucks was listed and Ashley said that she would not go to Starbucks because they require payment for refills. If the participants were to hang out at a coffee shop, local shops would be of choice, but Starbucks was listed as a secondary choice. In the situation of a business meeting, Starbucks was overwhelmingly chosen because they thought their boss would see quality and consistency in that choice, and that higher price was not an issue.

Situational questions were taken a step further and participants were asked where they would buy coffee for their boss, where they would buy for themselves, and where they would like someone to buy for them. Starbucks unanimously was the choice for buying coffee for a boss. Participants noted that this was because it was widespread, high quality, and safe bet, and

showed that they, as an employee, cared about quality. When asked where they would buy for themselves, results were varied due to price factors and taste factors. McDonald's was listed because it was cheap, but most participants were looking for convenience. If someone else were buying coffee for them, the price factor was removed and therefore Starbucks was chosen first and McDonald's was not listed at all.

When asked to describe the perfect coffee shop, convenience, quality and price were noted as the most important factors. Mike wanted "the best of both worlds" referring to price and convenience. Characteristics of both Starbucks and McDonald's were listed.

A series of cups were then presented in front of the participants and they were asked to say what type of person would drink out of each type of mug. This technique tried to find what personality associations went with particular brands. A Starbucks cup was used by a trendy person or a person who goes with whatever the popular thing is of the time. Interestingly enough, Justin noted that he sees a Starbucks cup as a rip off, since he regards the quality not worth the price. Carrie wondered what was in the cup, referring to either black coffee or some sort of latte. The McDonald's cup elicited responses that referred to a multilingual person drinking from it and noted that the environmentally conscious person would use it since the cup encouraged recycling and also warned of its hot temperature.

This discussion led to a technique where pictures of various people were shown and responses were given as to what kind of coffee or where that particular person would buy. See Appendix A for the images and Appendix B for the results. The people who would drink Starbucks were the pictures of a father cooking because he looked trendy and would drink a foofy drink. Justin said he would take ten minutes to order at Starbucks and would have soy milk. The runner would drink Starbucks black coffee and if any flavor, it would be sugar free

with skim milk. This perception is this way because the runner is running in the city, giving off a trendy aura. The celebrity would drink it as a status symbol and as participants noted, they had seen pictures of celebrities with Starbucks in hand. The mom with a stroller would choose Starbucks because participants thought she would go with the mainstream thing that her friends chose. She would get an extra shot of espresso to keep up with the baby. The shoppers would also purchase Starbucks since it is typically found in a mall and they would be there all day and need some extra energy for shopping.

The pictures shown also elicited responses for McDonald's. The grandpa shown would go to McDonald's for a decaf black coffee. He would go early with his buddies and be very concerned about price and would get the senior discount. The police man would also go to McDonald's because he also receives a discount and would add on the quick breakfast at McDonald's.

### *Electronic Survey*

The results of the survey given out recorded that of the eighty-nine people who completed the survey, seventy were female, nineteen were male. The majority were aged nineteen to twenty-two which is the targeted demographic for this study. The majority of those surveyed spent three to seven dollars a week on coffee beverages, making them informed consumers in purchasing from Starbucks or McDonald's since that is the average price range of most drinks. Most participants bought brewed coffee or flavored lattes when purchasing coffee, both of which McDonald's and Starbucks offer.

When asked which aspects about purchasing coffee were most important, quality, price, and close proximity were the top three. This finding correlates directly with what was found in the focus group, summarizing and generalizing previous findings, and providing insight as to

what consumers are really looking for. If price was removed, quality ranked as the most important factor to participants. Interestingly enough, Starbucks focuses directly on quality where as McDonalds focuses on price. From the research conducted, these two elements make up the prime differentiators between products.

Participants were then asked to rank numerous coffee shops on the amount of promotional material used. Starbucks was rated number one above any of the others, which is interesting since secondary research shows that Starbucks spends little of their budget on advertising, and uses word of mouth as their main source. McDonald's was rated secondly, and by contrast they spend a lot more on advertising. Starbucks' advertising expenditures were \$87.7 million, and McDonald's were \$787.2 million (Advertising Red Books, 2008).

Starbucks was overwhelmingly the place that the majority of people purchased their coffee from. When limited to coffee shops alone, they still were rated number one. The majority of participants said they don't purchase coffee from fast food restaurants, however, those who did purchased mainly from McDonald's. These results show a deep line in the minds of consumers when thinking about coffee shops and fast food restaurants. McDonald's must keep positioning itself as a coffee shop in order to obtain that position in consumer's minds.

### Conclusion

From the secondary research, one can gather a fairly comprehensive view of what is going on in the market place in general. The studies previously published show large trends and make sweeping generalizations about the population as a whole. Primary research focuses in on specific groups, particularly college students. Results from primary research showed much the same as what was seen from the secondary research, however on a much smaller scale. Primary research redirected the focus from the advertisements of the two brands to the actual brand

perceptions of the participants. This research showed that Starbucks is viewed much as a status symbol with high quality and high price. They also are seen to have high advertising expenditures which is interesting since they spend little and depend mostly on word of mouth. McDonald's has not affected the target population much with its continual advertisements, as participants were still focusing on Starbucks and other coffee shops. Primary research also indicated a professional status received from buying Starbucks for personal consumption or making an impression on a boss or other business acquaintance. Research also indicated that price, quality, and convenience were the main factors contributing to people's perceptions and purchases. Using this information, either company could tailor its advertising approach to focus on these elements. From the research conducted in this study, college students skew very much towards supporting Starbucks, where as perhaps surveying an older population would illustrate McDonald's successes.

In the future, research could be done to find more in depth perceptions of multiple target groups and why they really buy the way they do. This would allow McDonald's to form an advertising campaign on these issues and Starbucks to keep emphasizing what will make them grow. Also, research could be done to see how effective Starbucks is in creating the atmosphere it once had, and look into bringing that back.

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## Appendix A

### Moderator Guide

#### Welcome and Intro

Good morning! Thank you so much for taking the time to come here and do this for us, we really appreciate it. My name is \_\_\_\_\_ and this is \_\_\_\_\_ and \_\_\_\_\_. We are in an advertising research class and as part of our research paper; we need to conduct a focus group, so thank you for helping us. Feel free to get some bagels and cream cheese and coffee. Should you feel the need to use the restroom or if you have to leave, feel free to do so at any time. The nearest restroom is down the hall on the left.

#### Explanation of Purpose

We are doing a research paper regarding the promotion, advertising, and differentiating factors of coffee. Specifically, we are concentrating on consumer behaviors and perceptions of different types of coffee and brands. We will be asking you various questions on these topics and would appreciate your honest response. Before we begin, we would like you all to write your name on one of these names tags. You may write your real name or choose another for anonymity sake. Your answers will only be used for research and will be considered anonymous as only first names will be used. This group should take no more than 90 minutes.

#### Ice Breaker Game

Introduce yourselves

Name

Major

What you'd be doing this morning if you weren't at this focus group

#### Probes

1. When you think of the word "coffee" what are the first things that come to your mind. List all of these things on the board in a circle around the word coffee.
2. Blind taste test: Two pitchers of coffee, McDonalds is in the silver, Starbucks in the blue. Ask participants which they prefer, but they are unaware as to the source of each coffee.  
  
Black Coffee: McDonalds      Starbucks
3. Make a list of the board of the first coffee shops that come to mind. For each shop, list feelings toward that shop and the coffee it serves, whether positive or negative.
4. Rank the shops that were listed first by perceived quality and then a new list with perceived price. 1 being the best perceived quality, and the most expensive.

5. Ask participants "What coffee shop would you go to..."
  - a. in a hurry?
  - b. to study?
  - c. to hang out?
  - d. for a business meeting?
6. If you were buying coffee for your boss, where would you buy it from? Why?  
If someone were buying coffee for you, where would you like them to buy it from? Why?  
If you were buying coffee for yourself, where would you get it from? Why?
7. Describe your perfect coffee shop:
8. What kind of person drinks coffee from a: tell us why.  
*(show each cup or mug for visual clarity)*
  - a. personal travel mug
  - b. mug
  - c. Java City cup
  - d. Biggby Coffee cup
  - e. Ferris Coffee & Nut cup
  - f. McDonalds cup
  - g. Speedway cup
  - h. Panera cup
  - i. Starbucks cup
9. Personality association: Show pictures, where would this person drink coffee from? Why?
  - a. Homeless person
  - b. Affluent man cooking with wine
  - c. Runner
  - d. Celebrity
  - e. Hippie couple
  - f. Mom with a stroller
  - g. Student
  - h. Shoppers
  - i. Grandpa
  - j. Policeman
10. Ask about the effectiveness of:
  - a. frequent buyer cards
  - b. coupons
  - c. gift cards
  - d. convenient locations
  - e. other services: gas, food, debit dollars
  - f. heard about promotions through advertising: TV, radio, billboards

## Conclusion

Thank you all once again for coming this morning. We appreciate your time and effort to give good reflections and answers to us. You have been wonderful participants, so thank you. Feel free to grab some more coffee or bagels as you exit. If you would like to hear about the results of our paper or see it, it will be ready towards the end of the semester. Thanks and have a good day!

Pictures shown for question 9 of the focus group.

a.



b.



c.



d.



e.



f.



g.



h.



i.



j.



## Appendix B.

## Results of Focus Group

1. When you think of the word “coffee” what are the first things that come to your mind.

- Necessary Morning Comforting
- Flavors A cup
- COFFEE
- Bean Awake
- Caffeine Energy Addicting

2. Blind Taste Test:

Black coffee: McDonalds Starbucks

- Results:  $\frac{A}{II}$   $\frac{B}{III}$

- wax was melting in testing cups so participants were unsure of the taste.

3. Make a list on the board of the first coffee shops that come to mind. For each shop, list feelings towards that shop.

- Starbucks—huge chain, trendy, expensive, commercial
- Biggby—controversial, horrible marketing, sweet drinks, sort of local
- Panera—bakery, food more than coffee
- McDonalds—cheap quick, way too hot
- Kava House—what? Cozy atmosphere, local
- Speedway—convenient, inexpensive, gas, fast
- The Bitter End—quaint, cramped
- The Urban Grind—big
- 7-11—slurpees, quick, cheap

4. Rank the shops that were listed first by perceived quality and then a new list with perceived price.

- Quality
  - Starbucks, Biggby, Panera
  - Carrie and Jenna listed local shops first
  - General consensus of 7-11 being last however, Ashley said McDonalds last

Price

- Starbucks, Biggby, Local Shops, Panera/McDonalds, Speedway/7-11

\*higher the price, higher the quality

Carrie- she'd rather support local shops and pay more

- "Wouldn't go to Speedway."
- "Gas station coffee is not terrible."
- "McDonalds or gas station is more convenient."
- Free coffee from Speedy points—incentives
- McDonalds coupons
- No Starbucks coupons
- McDonalds changed their coffee

5. Ask participants "What coffee shop would you go to..."

a. in a hurry?

- Biggby—Allendale
- Starbucks—on campus
- Gas station
- McDonalds—drive through
- Panera

b. to study?

- Kava House—II
- The Bitter End
- Panera—III

\*not Starbucks because you have to keep paying

c. to hang out?

- Kava House
- The Bitter End
- Starbucks/Biggby
- Most convenient

d. for a business meeting?

- Starbucks—III
- Panera—II
- The Urban Grind

6. If you were buying coffee for your boss, where would you buy it from? Why?

Starbucks	-widespread	-care about quality
	-quality	
	-safe bet	

If someone were buying coffee for you, where would you like them to buy it from? Why?

Starbucks	Quality
Biggby	Like the drinks
Kava House	Really like the drinks
Panera	Right temperature coffee Free refill

If you were buying coffee for yourself, where would you get it from? Why?

McDonalds	Cheap
Speedway	
Kava House	
Biggby	
Panera	
Starbucks	

\*Most convenient

\*A lot about price

7. Describe the perfect coffee shop:

- Best of both worlds—cheap and convenient
- Ashley—place to sit, value menu, good price, drive through
- Local—community, art, couches, fair trade, willing to pay more, fresh cookie, local music, reasonable price
- Close to home, quiet, WiFi, know the people
- Chain—convenient for traveling, location, clean, bright colors, promotions
- Strong, not too hot, free-refill, different types of seating

8. What kind of person drinks coffee from a: tell us why.

- a. travel mug—business person, student, wakes up early, you can carry it through the day, cheap refills
- b. mug—coffee with friends, office, at home
- c. Java City—freshmen
- d. Biggby—Students, study, “Beaners” still, anti-Starbucks
- e. Ferris Coffee & Nut—local, to-go cup, professor, curiosity
- f. McDonalds cup—drive through, on way to work, environmentally friendly, tells you to recycle, tells you its hot, Multi-lingual
- g. Starbucks—trendy-person, go with the flow, rip-off, “what are they drinking”

9. Personality associations: Show pictures, where would this person drink coffee from? Why?

- a. Homeless man—Speedway, black coffee
- b. Father cooking—Starbucks, foofy drink, it would take 10 minutes to order, drink with soy milk
- c. Runner—Black coffee, sugar-free, non-fat, Starbucks, Panera

- d. Celebrity—Starbucks, small place in Hollywood, not just black coffee, seen in photographs
- e. Hippie couple—local place, vegans, soy, fair trade
- f. Mom with stroller—Starbucks, non-fat, sugar-free, no whip, extra shot, Biggby
- g. Student—campus coffee, somewhere nice to study, Panera
- h. Shoppers—Starbucks, Panera with lunch, in the mall
- i. Grandpa—decaf, black coffee, McDonalds with friends, early morning, at home, local diner, fresh and hot
- j. Police officer—McDonalds, Speedway, 7-11, Starbucks, they get it for free

10. Effectiveness of:

- a. Punch card?
  - Work up to a free one
  - If I knew I only needed a few I'd go
  - Definitely make you come
  - Added benefit
  - If you forget it they'll give you a new one
- b. Coupons?
  - Easy to lost
  - Expire
  - Go to Biggby because they have so many coupons
  - Get the big ones because of a coupon even though the smaller would be cheaper
- c. Convenience?
  - Pretty high on the list
  - Drive through
  - Not going to drive further if coffee is just for me
- d. Food, Gas, Debit Dollars?
  - Panera has better options for food
  - Lunch and coffee
- e. Advertising?
  - McDonalds—TV
  - Free election Day Coffee—Starbucks
  - Panera billboards
  - Biggby billboards—ineffective

Billboards effective when advertising a location

## Appendix C.

## Blank Survey

## Coffee Consumption Survey

Welcome! You have been asked to take this online survey because you are a college student. We are studying coffee consumption among college students. Our research is only on coffee drinkers that are college students. If you do not fall into both of these categories, thank you for your time, however, your input is not needed for this research.

If there is a question or questions that you prefer not to answer, you may choose to not answer them. You may also quit the survey at any time without penalty. Your responses will remain completely anonymous and will be used for this research only.

Please give an honest answer to all the questions, except those you do not want to answer or are uncomfortable answering. Please select only one answer unless otherwise specified.

1. Do you buy coffee beverages other than beans to brew at home?
  - a. Yes
  - b. No
2. What is your gender?
  - a. Male
  - b. Female
3. What is your age?
  - a. 18 or younger
  - b. 19-22
  - c. 23-26
  - d. 27 or older
4. Not counting brewing coffee at home, how much do you spend on coffee in a typical week?
  - a. Less than \$3.00
  - b. \$3.00 - \$7.00
  - c. \$7.01 - \$11.00
  - d. \$11.01 - \$15.00
  - e. More than \$15.00
5. What type of coffee beverage do you typically buy? (check all that apply)
  - a. Brewed coffee
  - b. Latte
  - c. Flavored Latte
  - d. Iced Coffee
  - e. Au Lait
  - f. Espresso Shots
  - g. Cappuccino
  - h. Blended Ice Drink
  - i. Americano
  - j. Other (please specify)

6. When purchasing coffee beverages, of the following, what is most important? Rank 1 most important – 8 least important
  - a. \_\_\_\_\_ Close Proximity
  - b. \_\_\_\_\_ Quality / Taste
  - c. \_\_\_\_\_ Price
  - d. \_\_\_\_\_ Punch Cards, Coupons, Promotions
  - e. \_\_\_\_\_ Availability of food
  - f. \_\_\_\_\_ Status / Brand Image
  - g. \_\_\_\_\_ Locally Owned
  - h. \_\_\_\_\_ Customer Service
7. If price were not a factor, which of the following would be most important to you when purchasing coffee?
  - a. Convenience
  - b. Quality
8. Of the following, whose advertising or promotions do you think are most effective? Rank 1 most effective – 6 least effective
  - a. \_\_\_\_\_ Biggby
  - b. \_\_\_\_\_ Burger King
  - c. \_\_\_\_\_ McDonald's
  - d. \_\_\_\_\_ Panera
  - e. \_\_\_\_\_ Speedway
  - f. \_\_\_\_\_ Starbucks
9. Where do you typically purchase your coffee? (check all that apply)
  - a. Biggby
  - b. Convenience Store / Gas Station (such as Speedway)
  - c. Fast Food Restaurant
  - d. Local Coffee Shop (non-chain)
  - e. Panera
  - f. Starbucks
  - g. Other (please specify)
10. If you purchase coffee from a fast food restaurant, which do you typically buy from?
  - a. Burger King
  - b. McDonald's
  - c. Wendy's
  - d. Arby's
  - e. Don't Purchase from fast food
  - f. Other (please specify)
11. If you purchase coffee from a chain coffee shop, where do you typically purchase from?
  - a. Starbucks
  - b. Biggby
  - c. Panera
  - d. Don't purchase from chain coffee shop
  - e. Other (please specify)

## Appendix D.

## Survey Results

1. Do you buy coffee beverages other than beans to brew at home?
  - a. Yes – 88 (92.6%)
  - b. No – 7 (7.4%)
2. What is your gender?
  - a. Male – 19 (20.9%)
  - b. Female – 72 (79.1%)
3. What is your age?
  - a. 18 or younger – 4 (4.4%)
  - b. 19-22 – 60 (65.9%)
  - c. 23-26 – 17 (18.7%)
  - d. 27 or older – 10 (11.0%)
4. Not counting brewing coffee at home, how much do you spend on coffee in a typical week?
  - a. Less than \$3.00 – 24 (26.7%)
  - b. \$3.00 - \$7.00 – 45 (50.0%)
  - c. \$7.01 - \$11.00 – 14 (15.6%)
  - d. \$11.01 - \$15.00 – 6 (6.7%)
  - e. More than \$15.00 – 1 (1.1%)
5. What type of coffee beverage do you typically buy? (check all that apply)
  - a. Brewed coffee – 52 (57.8%)
  - b. Latte – 22 (24.4%)
  - c. Flavored Latte – 47 (52.2%)
  - d. Iced Coffee – 22 (24.4%)
  - e. Au Lait – 3 (3.3%)
  - f. Espresso Shots – 5 (5.6%)
  - g. Cappuccino – 21 (23.3%)
  - h. Blended Ice Drink – 27 (30.0%)
  - i. Americano – 8 (8.9%)
  - j. Other (please specify) – 12 (13.3%)
    - i. Steamers
    - ii. Mocha
    - iii. Mocah
    - iv. Steamer
    - v. Mocha
    - vi. Frappiccino
    - vii. Chai
    - viii. Is a mocha a latte? I love mochas.
    - ix. Non-fat No- whip Mocha
    - x. Mocha
    - xi. Non-coffee beverages only
    - xii. Frappuccino

6. When purchasing coffee beverages, of the following, what is most important? Rank 1 most important – 8 least important

- a. \_\_\_\_\_ Close Proximity
- b. \_\_\_\_\_ Quality / Taste
- c. \_\_\_\_\_ Price
- d. \_\_\_\_\_ Punch Cards, Coupons, Promotions
- e. \_\_\_\_\_ Availability of food
- f. \_\_\_\_\_ Status / Brand Image
- g. \_\_\_\_\_ Locally Owned
- h. \_\_\_\_\_ Customer Service

	Ranked 1	Ranked 2	Ranked 3	Ranked 4	Ranked 5	Ranked 6	Ranked 7	Ranked 8
Close Proximity	18 (20.2%)	14 (15.7%)	24 (27.0%)	10 (11.2%)	10 (11.2%)	9 (10.1%)	1 (1.1%)	3 (3.4%)
Quality / Taste	45 (50.0%)	20 (22.2%)	9 (10.0%)	8 (8.9%)	2 (2.2%)	1 (1.1%)	2 (2.2%)	3 (3.3%)
Price	19 (21.1%)	21 (23.3%)	15 (16.7%)	12 (13.3%)	7 (7.8%)	8 (8.9%)	6 (6.7%)	2 (2.2%)
Punch Cards, Coupons, Promotions	6 (6.7%)	7 (7.9%)	10 (11.2%)	17 (19.1%)	13 (14.6%)	17 (19.1%)	7 (7.9%)	12 (13.5%)
Availability of Food	7 (8.0%)	1 (1.1%)	3 (3.4%)	9 (10.2%)	9 (10.2%)	9 (10.2%)	30 (34.1%)	20 (22.7%)
Status / Brand Image	4 (4.5%)	1 (1.1%)	5 (5.6%)	6 (6.7%)	13 (14.6%)	12 (13.5%)	14 (15.7%)	14 (15.7%)
Locally Owned	14 (15.7%)	8 (9.0%)	8 (9.0%)	9 (10.1%)	7 (7.9%)	15 (16.9%)	14 (15.7%)	14 (15.7%)
Customer Service	6 (6.7%)	12 (13.5%)	16 (18.0%)	16 (18.0%)	19 (21.3%)	12 (13.5%)	5 (5.6%)	3 (3.4%)

7. If price were not a factor, which of the following would be most important to you when purchasing coffee?

- a. Convenience – 24 (27.0%)
- b. Quality - 65 (73.0%)

8. Of the following, whose advertising or promotions do you think are most effective? Rank 1 most effective – 6 least effective

- a. \_\_\_\_\_ Biggby
- b. \_\_\_\_\_ Burger King
- c. \_\_\_\_\_ McDonald's
- d. \_\_\_\_\_ Panera
- e. \_\_\_\_\_ Speedway
- f. \_\_\_\_\_ Starbucks

	Ranked 1	Ranked 2	Ranked 3	Ranked 4	Ranked 5	Ranked 6	Haven't seen any
Biggby	15 (17.2%)	20 (23.0%)	15 (17.2%)	11 (12.6%)	6 (6.9%)	2 (2.3%)	18 (20.7%)
Burger King	4 (4.6%)	8 (9.2%)	10 (11.5%)	11 (12.6%)	18 (20.7%)	12 (13.8%)	24 (27.6%)
McDonald's	18 (20.7%)	24 (27.6%)	23 (26.4%)	10 (11.5%)	6 (6.9%)	5 (5.7%)	1 (1.1%)
Panera	6 (6.9%)	9 (10.3%)	12 (13.8%)	13 (14.9%)	9 (10.3%)	8 (9.2%)	30 (34.5%)
Speedway	5 (5.7%)	7 (8.0%)	17 (19.5%)	16 (18.4%)	12 (13.8%)	12 (13.8%)	18 (20.7%)
Starbucks	29 (33.3%)	13 (14.9%)	11 (12.6%)	10 (11.5%)	8 (9.2%)	6 (6.9%)	10 (11.5%)

9. Where do you typically purchase your coffee? (check all that apply)

- a. Biggby – 41 (46.1%)
  - b. Convenience Store / Gas Station (such as Speedway) – 11 (12.4%)
  - c. Fast Food Restaurant – 8 (9.0%)
  - d. Local Coffee Shop (non-chain) – 60 (67.4%)
  - e. Panera – 22 (24.7%)
  - f. Starbucks – 65 (73.0%)
  - g. Other (please specify) – 16 (18.0%)
    - i. Java City
    - ii. Java city in Allendale
    - iii. Dunkin Doughnuts
    - iv. Duncan Donuts
    - v. Campus
    - vi. Kava House, Bitter End
    - vii. School Coffee Shop
    - viii. Employer
    - ix. Java City
    - x. Scottie's at Blodgett Hospital
    - xi. Sit-in restaurants
    - xii. Java City
    - xiii. Java City
    - xiv. Don't buy it
    - xv. Java City and other on campus locations
    - xvi. Java City
10. If you purchase coffee from a fast food restaurant, which do you typically buy from?
- a. Burger King – 2 (2.3%)
  - b. McDonald's – 32 (26.8%)
  - c. Wendy's – 0
  - d. Arby's – 0
  - e. Don't Purchase from fast food – 53 (60.9%)
  - f. Other (please specify) – 0

11. If you purchase coffee from a chain coffee shop, where do you typically purchase from?
- a. Starbucks – 51 (57.3%)
  - b. Biggby – 26 (29.2%)
  - c. Panera – 6 (6.7%)
  - d. Don't purchase from chain coffee shop – 3 (3.4%)
  - e. Other (please specify) – 3 (3.4%)
    - i. Duncan Donuts
    - ii. Java City
    - iii. I don't drink coffee