

What attributes of coffee do students find endearing and how can their coffee consumption be boosted?

A report to investigate the coffee manufacturer's neglect in targeting the student market.

Compiled by:

Martin Beauchamp - 01076684

Lindsay Buescher - 04198770

James Peoples – 01106783

Bashir Alsabah - 00099405

Rachel Purnell – 04201516

**Consumer Behaviour for Marketing – Dr. Hélène Cherrier
4MBS633**

Due Date – 18th April 2005

Executive summary

This report aims to understand why university students choose to drink coffee over other beverages and how to alter their behaviour in order to increase consumption. Product knowledge is thus the area of focus that we seek to improve. Aiding the accretion of knowledge should result in this information being tuned as to give overall support to the product.

Secondary research has indicated that this demographic are under represented in the marketplace. Therefore this report aims to investigate what the attitudes towards coffee are and how they influence their behaviour.

To explore the consumer's behaviour, a number of primary research tools were used, including surveys and in-depth interviews.

The findings from this research has demonstrated the need for advertisers to focus on the neglected psychosocial benefits of coffee, rather than concentrating on the attributes and functional benefits that continue to be promoted.

The failure of respondents to mention ethics and 'fair trade' coffee, has, in these instances, indicated that these issues are unimportant. This shows that terminal values here are not being accessed. However, the negative terminal values associated with the health concerns towards coffee are shown to be prominent; although secondary research has highlighted that these health concerns are unfounded and that the health benefits of coffee should be emphasised by marketers.

Finally, it was determined that the use of accidental exposure would be a cheap and effective way of attaining affective and cognitive stimulation.

Terms of Reference

This report has been compiled with the view that it will be seen by coffee producers and the International Coffee Organisation (ICO) who represent coffee globally. The report is based on research of the coffee industry and does not reflect a comparison between any particular brands

1.0 Introduction

This report aims at discovering the attributes of coffee that university students in the United Kingdom find appealing. After these attributes are obtained, the primary and secondary research will enable educated recommendations to be made with regards to how marketers can boost coffee consumption for university students. This particular demographic was chosen due to the secondary research showing that “15 – 24 year olds are heavily under represented in the sector.”¹ In light of the booming coffee shop trend that has emerged over the last ten years, it was somewhat surprising that this age group is so under represented. Ultimately, it has led this report to research consumption habits within the coffee industry for university students.

It is important in research that the history of the coffee industry is understood, in order to understand its relevance today. Before the International Coffee Organisation (ICO) was founded after the 1960's, relative obscurity and a large degree of erratic behaviour in the price of coffee damaged the industry to a certain extent. The ICO managed to stabilise the industry through a series of international agreements and helped promote coffee and its image. With the aid of this report it is hoped that ICO can benefit from the findings and be better placed to skew consumption habits of the demographic that will be studied.

The emergence of coffee shop chains was accelerated by one particular chain, whose dominance in the global market can not be ignored. Starbucks is currently a well known and leading brand within the industry, it employs a similar technique of sales to McDonalds, by having a large number of outlets (450 in UK by the end of 2004)² they can maximise the potential for accidental exposure. Mintel suggests “Another factor influencing values this time is the gradual but continued shift by many consumers to concentrate on the quality end of the market.” This propensity to drink more premium brands is likely to be a result of chain coffee shops entering the market which has driven consumer's awareness and knowledge of the product.

Identifying the behaviour of university students' consumption of coffee today is vital to marketers as they try to find emerging trends. It is hoped that consumption habits will be recognised in order to make recommendations based on the knowledge gained and research in Consumer Behaviour.

¹ Mintel International Group, Report – Coffee UK January 2004, Executive summary.

² Mintel International Group, Report – Coffee Shops UK February 2005, summary of key findings.

2.0 Objectives

The objectives of this research project were to discover what students find appealing about coffee and why they do or do not chose to drink it. This is the fundamental question that was devised and needs to be addressed:

What attributes of coffee do students find endearing and how can we boost consumption?

Once it has been determined what the targeted demographics' affect and cognition towards coffee is; it will then make suggestions about how consumption can be boosted and therefore overall sales with the use of advertising and marketing.

3.0 Methodology

The primary research for this report was mainly conducted at the University of Westminster, located in London. This location was chosen for the research because it is a good representation of university students in London. London is a very diverse city with an excellent overall representation of students. Also, for the purposes of this report, the location is the most convenient considering time and money constraints. The key demographic as explained earlier is university students studying in the United Kingdom due to their relevant age range between 18-25 years old. During the initial stages of the project, key questions were brainstormed. Once appropriate information was obtained, the research was stratified in that new leads were followed (particularly in individual in-depth interviews). Irrelevant information in terms of the overall objective was discarded to avoid a loss of focus in the report. The research presented aims at understanding the motives of coffee consumption by university students in order to boost consumption.

The research explores the inner psyche of students. This was achieved through a series of one-on-one in depth interviews. Through these interviews the varying descriptions of coffee were put into context in order to provide repetitive norms. The attributed words were then taken to a greater number of interviewees where importance was evaluated.

The first set of interviewees consisted of ten students. From these students, a list of attributes that the students thought coffee had (salient beliefs) was compiled. The attributes from that list were then grouped together into similar meanings. For example, if someone said that they drink coffee as a stimulant or to give them energy, both of these would be classified under energy. From the compiled list of attributes, another ten people were asked to rank the list into importance, this then provided an overview of what attributes were high in the minds of the target market (Ii of the Fishbein Model). The attributes were then taken to a further twelve interviewees who were asked to rank the extent that coffee possesses each attribute on a scale of 1-10, with 10 being the highest, on its own merit (bi of the Fishbein Model). These results were then evaluated using the Fishbein Model.

The reason for deciding against focus groups comes from the fact that bias would present itself, with interviewees being affected by those around them. It was therefore felt that four individual in-depth interviews would provide the most enlightened and unbiased information.³ It was also hoped that people would become most relaxed in a private environment and that the optimum degree of disclosure would be obtained.

Primary research also consisted of observations⁴, which were made at coffee shops in highly populated student areas. These observations were utilised in the research as a tool to grasp some understanding on the behaviour of students in different environments.

The research conducted provides a foundation for understanding consumers, but “Research has shown that consumers very often do not use explicit, concrete, rational

³ See appendix 5

⁴ See appendix 4

factors to evaluate products, and thus their motivation to purchase is not always easy to articulate.”⁵ Therefore, it must be said that this research is limited and it would be inaccurate to say that it is representing of the whole population or indeed our all of the target population. However it does provide some useful insights into the cognition of the intended audience.

⁵ Projection the right image: using projective techniques to measure brand image, Micheal Hussey, Nicola Duncombe, *Qualitative Market Research: an International Journal*, 02:1 1999; pp 22-30

4.0 Research and analysis findings

4.1 Fishbein Model

The Fishbein model will be used to analyse the raw data in order to be able clearly define what the consumers feel are important attributes and benefits of coffee. The attitudes found are important as they will lead to being able to clearly identify areas which coffee marketers can focus on strategies to boost consumption.

It should be noted that the data provided from this model should not be interpreted as being absolute, but as raw data that provides stable insights into what might be reality. For the purposes of this report, the following equation will be used to find attitudes held by consumers and their relationship to coffee.

$$A_o = (b_i)(I_i)$$

The above equation shows the attitude of coffee (A_o) as a function of: (b_i) the student's belief regarding the extent that coffee possesses certain attributes and (I_i) how important a particular attribute is to a student.⁶

The important aspects of coffee consumption are detailed in the Fishbein Table below.

Attributes	22 ppl	Rank		Benefits		Rank	
Taste	9	8.4	75.6	Relaxing	16	8	128
Flavour	7	7.2	50.4	Socialize	16	7	112
Smell	7	6.4	44.8	Energy/Stimulant			
Type	5	4.9	24.5	comforting	13	10	130
Strength	5	7.2	36	Helps focus	1	7	7
Price	3	3.7	11.1	escape	7	8	56
Total			242.4	Unhealthy	1	3	3
					7	5	35
				Total			471

The computed attitude scores only have meaning primarily for comparison purposes. For example, knowing that the attribute of smell had a score of 44.8 is not important until one can compare the score with taste, which had a higher score of 75.6. Therefore from the model it can be seen that taste along with flavour has the highest cognition level. Increasing differing flavours as has already been done in the market and is a popular way of boosting consumption this could however be examined further. Being the most important attribute of coffee marketers need to wary of damaging peoples perception of taste rather the need to enhance people's perception. This enhancement can be done in a

⁶www.bus.sfu.ca/courses/bus347/ch07ccd.ppt

variety of ways, such as changing packaging or placing premium sounding names in the produce, thus increasing the linkages to cognitive feelings and reinforcing expectations.

The perceived benefits of coffee are the more interesting aspect of consumption. From the research it was found that consumers see coffee as both energising and relaxing. The problem here is both these states of being are contradicting. For coffee to hold both qualities is extremely interesting but when it comes to an advertising campaign it would be exceedingly difficult to convey both messages without confusion. It may therefore be advisable to concentrate on one or the other, similarly as these are already high in the consumers cognitive processes it maybe more beneficial to choose another benefit. The next highest benefit is the social enjoyment, thus it would probably be prudent to allure to the social enjoyment of coffee and try and enhance this aspect to levels perhaps seen by alcohol companies.

4.2 Observations

Throughout our research, many observations were made especially when it came to advertising already being used. It was noticed that though coffee advertisements are prevalent, they are often obscure. A casing point would be that of Kenco whose latest TV advertisements were displayed in conjuncture with a home ‘deluxe’ coffee maker; the coffee while on clear display was not the main product on sale. When students were asked about coffee advertisements, few remembered any specifics; the advertisements that were mentioned included the occasional advertisements in popular press (for coffee shops rather than specific brands) and others being slightly older TV campaigns by the likes of Maxwell House, Nescafe or the above mentioned Kenco. These TV advertisements generally concentrated on the superiority of the bean or if an instant coffee advertisement then it conveyed a message that it was just as good as a bean coffee.

Coffee slogans of the past and present are very interesting to look at; the following are some examples⁷:

Nescafe instant coffee brand: *Start the day with great taste*

Kenco coffee brand: *The real coffee experts*

Folgers Coffee: *The best part of wakin' up ... is Folgers in your cup.*

Tchibo Coffee: *Tchibo. Awaken the Senses*

These are some of the most recognisable store bought brands in coffee today; what is noticeable is that the slogans used are alluding to the coffee as a stimulant, which is its function or basic abstract attribute.

Coffee shop slogans did not seem to be so prevalent (there are slogans used when advertising particular product lines); shops however have particular associations:

Café Nero – *The Italian Coffee Company* or *The best coffee this side of Milan*

Starbucks – *American coffee*

Pret a Manger – *Passionate about food*

Pret have taken on a slightly different role to the others, but the “passionate about food” slogan still invokes quality, which relays back to the quality of its coffee. Each has found its own niche and all appeal to different consumers with different needs.⁸ It is worth remembering here that some consumers avoid certain coffee houses for terminal value reasons like fair trade coffee.

⁷ All examples and more can be found on <http://www.textart.ru/database/english-advertising-slogans/coffee-advertising-slogans.html>

⁸ It is beyond the scope of this report to go into great detail of the niches but one theme that runs between them is a home away from home. See appendix 3 Question 1 answer 1 – selling the experience.

Much advertisement comes through accidental exposure; indeed exposing itself in this way is not uncommon and seems to be effective. The environment plays a particularly important role in the preconscious attention. From walking down a high street to switching on the TV, coffee appears regularly in everyday life. The product appears in a significant number of popular TV programs ranging from global hits such as cult series Friends to any number of Hollywood blockbusters. These images should then be processed quickly and automatically with little or no conscious awareness. (see appendix on exposure)

Some consumers intentionally look for advertisements, which is usually higher cognitive involvement. When placing their focal attention on the product, all efforts must be made to facilitate this, which can be done in a variety of ways, ranging from informative websites (for the millennial generation even more so) and literature to friendly sales staff and information hotlines.

4.3 Means-end chain

Whilst constructing the means end chain, many factors suggested that coffee is not a low involvement product. For example, it was discovered that there were numerous functional and psychosocial benefits associated with the consumption of coffee.

Below is a table containing the means-end chain for the coffee industry as a whole.⁹ It was decided that coffee is deemed to generally be a low-medium involvement purchase for consumers so the means-end chain only contains attributes and benefits. However, that being said, there are occasions where the purchase reaches Instrumental and Terminal values.

Attributes

Concrete	Abstract
1. Price	1. Addiction
2. Colour	2. Taste
3. Packaging	3. Feel good factor
4. Form (Beans/Instant)	
5. Type (Regular, Latte, Mocha etc.)	
6. Smell	
7. Flavour (Vanilla, Hazelnut etc.)	

Benefits

Functional	Psychosocial
1. Stimulant – Used for improving concentration	1. Social – Sense of belonging
2. Hot – Used to keep consumer warm	2. Part of ‘Coffee Culture’
3. Taste	3. Branding
4. Energy – Calories contained	4. Energising
	5. Convenience

Coffee only reaches the terminal values on two occasions (which have been expressed through the research). Firstly, some consumers expressed a dislike for certain brands that they deemed to be unethical (Starbucks is sighted as one of the main offenders); fair trade is also an issue here. The problem that is faced here is ‘fair trade’ coffee was only ever mentioned after being prompted by researchers; even then no one questioned said they explicitly drink ‘fair trade’. For this reason it is believed that it is, however surprising, of little importance and the Starbucks fair trade slogan, which appeared in the New York Times "Fair Trade - bringing us a little closer, making lives a little better" is lost to some

⁹ For a more detailed analysis of the factors included in this please see appendix 1.

extent on our demographic.¹⁰ Secondly, coffee was not widely seen to be a healthy drink; from those that were questioned the majority stated that would not drink coffee as apart of a healthy diet. This aversion to coffee achieves the terminal and instrumental value perhaps only in a negative way but none the less it is still important. All these factors highlight the fact that in some cases there is a high level of affective and cognitive processing within the decision making process and this suggests higher involvement that the means-end chain above suggests.

In terms of the health aspects of coffee there have been countless reports published on its benefits. In which case these reports could be used as an inference to persuade non drinkers and drinkers alike to consume or consume more respectively. These reports could be used in a similar way to Kellogg's, who stated that fibre rich All-Brain was a perfect way to increase fibre consumption, which according to the National Cancer Institute would be beneficial in the prevention of cancer.¹¹ Unlearning and re-educating consumers' cognition to this point could prove useful and is likely to increase sales.

The marketing should attach itself to the intrinsic self relevance, these self relevancies stem from what consumers feels are the consequences of purchasing coffee (see means end chain). Long term these consequences may need to be changed but this would take a large amount of conditioning, unlearning and relearning; an inclusion of psychosocial consequences will further emphasise a emotional attachment and therefore hopefully sales. Any marketing campaign should concentrate itself on trying to get the consumer to have a deep comprehension of the coffee, by this, it is meant that it should touch on the abstract attributes, functional benefits and as previously mentioned the psychosocial benefits of the means end chain, in doing so the advertisement should be more memorable as enables cognitive connectors to be put in place.

¹⁰ More research should be carried out especially on this area, as it is realised that many of the people who were questioned attend a business school, in which ethics evidently not high in people's agenda.

¹¹ Adapted from Consumer Behaviour and Marketing Strategy, European Edition, McGraw Hill, Peter, Olson, Grunert p105

5.0 Conclusions

The current Generation Y the so called 'millennial' generation are intrinsically different from their predecessors. Their understanding and ways they interact with the environment results in them having different needs and expectations, which marketers must take into account. Their age means they have different values and psychosocial needs and it is these needs that are important to concentrate on; rather than what has happened up until now, where advertisements have excessively focused on the concrete and abstract attributes of the product and some of the functional benefits.

For coffee the affective responses are of significant importance. It may be argued that people often consume coffee due to it triggering a sensory response (affective) which without it, it may not have been purchased. Once the coffee is purchased, then its role changes and is now affected by cognitive stimuli; now the consumer may not be worried by the actual product but how it is perceived by others around them (does this make me look good, or do I fit in?). From people that were questioned it was found that they initially started to drink coffee due to their environment and their need to fit in; again this highlights psychosocial importance.

To continue on the psychosocial theme "consumers...think about the positive and negative consequences of products use as possible benefits or potential risk."¹² It is the job of the marketer to underline the positive benefits without exposing any of risk to the consumer. When marketing to the consumers their experience must match up to the image created by the advertisement. If this is not the case then a desirable means end chain would not be met and further product involvement would be avoided.

In essence coffee has been determined to be a medium involvement product. This report has emphasised that the psychosocial benefits of coffee, as highlighted in the means-end chain, these benefits should play the most important role in the strategy adopted by the manufacturers to target this demographic.

'Branding the experience and experiencing the brand' is the quintessential message that this report hopes to convey.

¹² Consumer Behaviour and Marketing Strategy, European Edition, McGraw Hill, Peter, Olson, Grunert p67

6.0 Recommendations

1. Devise advertising campaigns that focus on the neglected psychosocial benefits of coffee and not just the attributes like taste, aroma and quality that have previously been promoted.¹³
2. Ensure that the needs of the target demographic are met. This may involve increased branding and the production of packaging that will hold particular appeal to students within the 18-24 year old age range.
3. Innovation is important to boost sales of coffee to the targeted demographic. Such innovations should include a focus on flavour variety and the inclusion of other coffee based produce (coffee ice cream, cake or any other product that would include coffee beans and hence boost sales of the product.)
4. Increase the accidental exposure to coffee.¹⁴ By succeeding in placing the product within popular culture (i.e. Films and television programs) will enable members of the target demographic to identify themselves to the product.
5. Based on the research conducted on conditioning,¹⁵ it would be pertinent to promote a loyalty incentive campaign, whereby consumers buying five cups of coffee will receive the sixth cup free. This will have particular appeal to the student population, who are price sensitive.
6. Focus on health benefits, by alerting consumers to the health benefits, rather than the negative connotations currently associated with coffee consumption.

¹³ See appendix 7 for original mock-up advertisements

¹⁴ See appendix 2

¹⁵ See appendix 6

Appendix 1

Means End Chain

The means-end chain is a useful tool to test the consumer involvement and levels of product knowledge. Product knowledge will vary from consumer to consumer and those who only drink particular brands (loyalist) have higher knowledge than brand switchers, or have high or low self relevance respectively.

In general coffee is a relatively low priced and much consumed product has been identified as a low-medium involvement product.¹⁶ This means that consumers do not view the purchase as needing a lot of involvement and this can result in low brand loyalty, impulse purchasing and diminished thought when making the purchase.

As coffee has been identified as a low-medium involvement purchase, the means-end chain only pays attention to the first two factors of the model. These are the attributes – concrete and abstract - and the benefits – functional and psychosocial. It has been deemed that coffee does not pertain to goals and values of the consumer and therefore, the values link in the means-end chain has been omitted.

With regards to the concrete attributes of coffee, it was discovered that the likes of price, colour, smell and form of the coffee are involved in the decision making process. The consumer may also be drawn to the way the coffee is packaged, whether in the supermarket or in a coffee shop. As coffee ranges are very broad and stretch from a decaf latte to a regular double espresso, personal taste plays an important factor in the process. Consumers will develop their own unique tastes and will often stick to one type of coffee as their tastes dictate; these are going to be the routine brand buyers with low self relevance, who are just looking for something satisfactory.¹⁷ However, this is not absolute and the nature of a low involvement product means that changes can be made frequently and brand loyalty or coffee choice may vary.

Abstract attributes require a little more thought and have been deemed to include taste, addictiveness and a feel good factor. As mentioned, a consumer will inevitably develop a particular taste and this will be pivotal in the product selection process. A bad taste will certainly put the consumer off that particular coffee and indeed this is found to often be a reason why people do not consume coffee at all. Because coffee generally contains caffeine, the addictiveness of this drug has to be addressed. Coffee drinkers may not necessarily choose to consume the drink but may feel like they have a dependency on it. This means that they will feel that they have to have coffee and the involvement in drink selection may be beyond their control. Of course, this attribute does not relate to those who choose decaffeinated and we have to look at purely taste for these consumers.

¹⁶ Except in cases highlighted in the means end chain in the main body of text

¹⁷ Consumer Behaviour and Marketing Strategy, European Edition, McGraw Hill, Peter, Olson, Grunert p82

Linked to the addictiveness, caffeine and hence coffee may make the consumers develop a feel good factor. This is generally the result of taking most drugs and can have an influence on how much coffee is consumed or when it is consumed. For example, the consumer may need a pick me up in the morning and coffee will meet the necessary requirements to fulfil this need. It was found that it is often consumed as a routine drink and this would certainly identify that for these users is low involvement.

Next, attention can be turned the benefits of coffee as a low-medium involvement product, both functional and psychosocial. The functional benefits touch on some of the abstract attributes discussed previously. Specifically, coffee has a function to make consumers stay awake or alert, to wake them up in the morning or as a general pick me up at any time of the day. The nature of coffee, generally being consumed hot, means that it has a function of warming the consumer up on a cold day. It is also functional in terms of its taste and can meet the consumer's taste requirements. However it is true that coffee shops are trying to overcome seasonality by the introduction of coffee flavoured 'shakes' or other cold beverages containing the coffee taste.

Delving deeper, there are certain psychosocial benefits attributed to coffee. There is an identified 'coffee culture' in the western world and this involves using coffee as a social tool. Drinkers meet in a café or it will be offered in households to guests, much in the same way as the traditional British tea is; both environments are relaxed and non-threatening allowing for people to be put at ease and feel comfortable. Being involved in this culture can make the consumer feel a sense of belonging and they can be included in certain social circles. For example, coffee drinkers in offices will often meet in the kitchen areas and drink coffee and chat. Non-drinkers may feel excluded from this ritual and research showed that some even started to drink due to this peer 'pressure' and to have a sense of belonging.

The convenience of coffee, being cheap and readily available may have an influence on the consumer's choice to drink coffee and the myriad of brands and types of coffee available will generally allow every drinker to find something to suit their tastes and personality. Recently, with the expansion of the industry and the influx of high street coffee shops and home coffee makers, the consumer will and probably already have built up heuristics, these are simple rules which if met will mean the individuals problem will be addressed and thus the purchase will be carried out. The success of Starbucks highlights the success of particular brands and the heuristics that these fulfil; consumer will no doubt be influenced by advertising, product placement and the fashion status of the popular stores.

For all these reasons, it is still believed that coffee is a medium involvement product.

Appendix 2

Coffee and Exposure, Attention & Comprehension

Exposure: The consumer acquires information about coffee from the environment which can be intentional or accidental exposure.

With a medium involvement product such as coffee, it is fair to suggest that little intentional exposure is sought. This may vary user to user and possibly more vary more so when people are initially starting to consume coffee, but the report suggest that this would be negligible. However for completeness these consumers who sought intentional exposure it is explained what they will look for.

Intentional Exposure: Buyers of coffee purposefully search for relevant information/issues towards coffee such as quality, type, fair trade or not, expense. In coffee houses they will look for more such as atmosphere and friendliness of staff. The way that the consumer acquires information intentionally can be from friends, other consumers or by testing individual coffees.

Accidental Exposure: Buyers of coffee are accidentally exposed to information relevant to coffee, such as news about the benefits or harm of coffee in the media. Many consumers will be exposed to coffee when the walking through relevant sections in shops, or simply being bombarded with the sight of the countless coffee shops strategically placed in high traffic areas. Advertisement can often be found in all media mediums. Exposure also comes from those around you drinking coffee be it at home, in the work or study place or in the street where take out coffee will often wisp pass the non consumer.

Coffee Advertisement: Marketers do use TV for their ad (mainly associated with big brands such as Nestle who are also trying to the brand name into consumers psyche); preferential advertisement is done through magazine advertisement or of course free samples as in the case of the instant coffees in particular, who try and persuade consumers that it is as good as the bean.

Brands such as Cafe Nero, Costa Coffee and Starbucks have a key message, 'relax and get fresh and enjoy our friendly atmosphere.'

Coffee Marketing Implication:

- Facilitating Intentional Exposure, i.e., marketers make it easy for coffee buyers to access information by web search, consumer reports or specialist publications.
- Maximising "Accidental Exposure" by targeting through the media.

Attention to Coffee Information:

Attention is the process by which the cognitive system *focuses on information* to which the buyer coffee has been exposed.

Factors influencing Attention of coffee buyers:

- Affective State: How buyer feels – by smelling good flavour of coffee rush into the coffee shop or the weather is very cold and need a hot and tasty cup of coffee to get warm.
- Involvement level: Most coffee buyers think even though it is a low involvement to buy a cup of coffee, but it need high attention to choose a favourite and tasty coffee.
- Environmental prominence:
 1. Novelty:
 2. Standout:
 3. Size – Position: The size and position of a coffee house is very affective for buyer's decision and absolutely speed out his/her decision to buy or vice versa reduce their decision to do so.
 4. Relevance: The environment should be relevant to sell coffee and not everywhere can be done, i.e., around the stations of trains or underground where people are waiting for their train selling coffee is more suitable than the places that people have no time to wait.

Comprehension: When buyers engage in deep, elaborate comprehension processes, they create inferences. I think the comprehension of coffee buyers will appear when they test the coffee and find it acceptable or judge about it accordingly. Therefore it needs deep comprehension.

Appendix 3

Answers to some Questions by a Marketing Expert about Coffee Market - Summary

Interview conducted with Mr. Charles Wright, Marketing Director, Wolff Olins Co. Ltd

Q1. What are marketers trying to influence when selling us coffee?

A1. Marketers actually do not sell a product such as coffee but they sell experience, chair, newspaper, and relax to consumers, because coffee value is not more than 20p, but they sell it at least £1.60 to £1.90. Marketers will conduct differentially when the product is changed. For example, if they sell Coca Cola, they will sell image, music, happiness, friendship or small piece of American dreams to young people.

Q2. What are the attributes of coffee that marketers capitalise upon?

A2. Coffee attributes can be the bean of coffee, the smell of coffee which is blown in front of the coffee shop to attract passers by.

Q3. What images are associated with coffee?

A3. You can visit a Starbucks coffee house, the images that you see can be laughing, happiness, relaxation, and friendship.

Q4. How have coffee shops like Starbucks changed the industry and people's perception of coffee?

A4. In the last three decades you could not see such coffee shops in the UK, because people were consuming tea not coffee. Marketers began to sell Nescafe to householders, and when the taste of people changed, small coffee shops began to appear here and there. In the last decade modern coffeehouses were founded and developed by big companies in the high streets and small coffee shops began to disappear.

Q5. How would you sell coffee to students, as we want to make coffee more desirable to students?

A5. Cheap and good coffee with different flavours is important for students.

Q6. How has consumer behaviour changed in the last 10 years?

A6. Consumer behaviour changed from tea to coffee and from sit and drink to take away, then, from cheap to expensive.

Q7. What is the best way to target the new consumer now?

A7. We can target them not through TV ads, but from word of mouth. When I say: “this coffee is really tasty and wonderful.” We call it “Viral Marketing” or “Word of Mouth”. This is more effective.

Q8. What is the involvement level when we buy coffee?

A8. It depends on who wants to buy the coffee and what kind of coffee they want to buy. If it doesn't matter for the consumer to buy any type of coffee and from any place, this purchase will be in low involvement. But if a consumer who sees the normal coffee shop on his/her way to work and does not buy coffee from there and goes a further way to buy from the coffee shop that they believe it is the best and even though the price is more expensive but they prefer it, such involvement will be medium.

Appendix 4

Observations of the coffee shop

In a two hour observation of the Starbucks coffee shop across from the regent street campus a high student populated area, a total of 26 students were observed. Out of these students, 69% purchased coffee a low percentage when we take the environment into account. 23% of these students were sitting alone drinking coffee and either studying or reading some material be it a newspaper, magazine or book, while the remaining 77% relaxed in groups chatting. The range of food products for sale in addition to coffee was well represented in the consumption by these students including sandwiches, muffins, bottled water and crisps. Upon finishing their coffee and/or food, the majority of students continued to lounge in the shop especially if they were studying.

People observed	26
Coffees	18
People solo	6
People in groups	20
No. of groups	7
Size of groups	
2	3
3	2
4	2
What they are doing	
Studying	6
Listening to music	1
Casual chat	17
Intense chat	3
What they are consuming	
Sandwiches	7
Bottled water	2
Muffins	2
Crisps	3

As it can be seen from this data sociable behaviour surrounding coffee appears to again be an important aspect; the majority of the people observed fitting the target demographic came in groups. These groups slipped easily into a discussion becoming increasingly more relaxed as time continued.

Those that studied while consuming coffee; from the other research it would not be unreasonable to assume that they consumed it to 'help' them study as a stimulant.

It is felt that this observation although not widespread or compared to other coffee shops who may not promote the same qualities, it does give an insight into peoples behaviour.

Appendix 5

Interview Question template.

Initial Question – Are you a coffee drinker?

Yes

1. What type of coffee do you drink?
2. How much coffee do you drink in an average week?
3. Do you choose regular or decaffeinated?
4. What are the reasons for this choice?
5. Where do you normally buy your coffee?
6. What factors influence where you buy your coffee?
7. Do you have a particular preferred brand of coffee?
8. What would make you choose one brand over another?
9. Is there anything that you dislike about drinking coffee / does it have any drawbacks?
10. How does drinking coffee make you feel?
11. Do your friends drink coffee?
12. Do you drink coffee alone or with friends?
13. If you visit a coffee shop, do you non-drinking friends come with you?
14. Do you enjoy the social aspects of coffee drinking?
15. Do you drink coffee all year round?
16. What time of day do you drink the most coffee?
17. What would make you buy more/less coffee?
18. Would an advertisement influence you to drink a particular brand / type of coffee?

No

1. What are the reasons for your choice not to drink coffee?
2. What do you dislike about coffee?
3. Do you dislike coffee drinkers?
4. Have you ever drunk coffee?
5. If yes, what made you stop?
6. Do your friends drink coffee?
7. If so, do you feel left out when they are drinking coffee?
8. Do you visit coffee shops with them?
9. If anything, what would influence you to start drinking coffee?
10. Do coffee advertisements have any effect on you and if so, what?

Interview analysis

The interviews were conducted at Westminster University and the sample contained 2 coffee drinkers and 2 non-drinkers.

The set of questions contained in appendix? Was asked to each participant but unscripted questions were also asked as the flow of the interview dictated.

With regards to the coffee drinkers, it became evident that both were quite heavy consumers, with an average consumption of 15 cups per week. Both drank regular and not decaffeinated coffee and their reasons for this were shown with the answer below.

“I don’t really drink it for the taste, its just to wake me up or keep me awake or whatever. It’s just.....like.....satisfying when I need it”

This would indicate that these particular consumers, although not representative of the coffee drinking population, are drawn to coffee for its functional benefits and not for the taste of the drink. This is a worry for the industry as it may be difficult to entice non-drinkers to start consuming coffee. One of the non-drinkers also reiterated this sentiment.

“...you know, it just tastes bitter and stale.....makes my mouth feel nasty”

Besides taste, the non-drinkers had other reasons for not drinking coffee.

“ I don’t think it’s good for you and its....like....it makes your teeth yellow and all the caffeine can’t be that good for you..”

This indicates that there are health concerns for non-drinkers and this is also confirmed by one of the coffee drinkers,

“I do like drinking it and probably won’t stop but I know that it’s probably not doing me any good. The caffeine and the sugar probably make it not that healthy...”

Neither of the coffee drinkers had a preferred brand and were open to drinking any brand of coffee depending on what was the cheapest. This indicates a lack of brand loyalty and leads to the assumption that coffee is indeed a low involvement purchase for these people.

However, this is contradicted later when one respondent stated that,

“If I pass a Starbucks I’ll kind of get a.....you know.....urge to have a coffee, but I don’t like the way Starbucks are so commercial and will probably go somewhere else...”

This statement is a clear indication that it is not only the price of the coffee that is a concern for this respondent. By objecting to the huge commercial presence of Starbucks, the subject is demonstrating an informed choice regarding where they buy their coffee. This would indicate that for some, coffee is not such a low involvement purchase.

One of the non-drinkers also expressed a dislike for the Starbucks brand, saying:

“I hate the way they [Starbucks] are just everywhere you look. They have a monopoly on the whole market and I just don’t like their image...”

When asked about the social implications of coffee drinking, three out of the four respondents stated that they would go to the coffee shop with friends, even if they did not have the intention of drinking coffee. Two of these responses came from the non-drinkers, indicating that they could still be a part of the social culture surrounding coffee without needing to actually drink it.

A more interesting response came from the coffee drinker:

“If I go to the [coffee] shop with friends, even if I don’t fancy a coffee, I’ll still probably end up having one. You know....you don’t wanna feel....like.....left out or anything so I would just have one anyway...”

This indicates that there is a form of social pressure amongst coffee drinkers not to be left out of a group that are drinking coffee. This likens the product to cigarettes and alcohol, which are often only consumed for social reasons. This relates to the psychosocial benefits of coffee and provides further evidence to suggest that coffee is more of a medium involvement purchase.

With regards to the advertising of various coffee brands, the interviews brought up some interesting issues. When asked if they could recall any advertisements for any coffee, only one respondent had this memory. They recalled an advert for a coffee maker so this did not even relate to a particular coffee brand. However, some of the subjects had different recollections of the promotion of coffee.

One said,

...yea...there’s an advert for that coffee....oh....no...that was in a film....where a Colombian guy comes to the window with a fresh pot of coffee....Bruce almighty I think....”

Another said,

“I don’t recall any ad’s specifically but Friends is like an advert for coffee....they’re always drinking it [coffee] and there’s so many references to it [coffee]...”

This shows that, although the respondents do not recall television adverts for coffee, they do pick up on references to coffee in popular culture such as sitcoms and movies.

In terms of the patterns of coffee consumption, the coffee drinkers both agreed that they drink more coffee in the morning as this was the time they needed it the most.

“.....in the morning it’s the first thing I have when I wake up. It’s like a way to get me going or wake me up...”

They concluded by saying that,

“I don’t like to drink it [coffee] at night cos it makes me more alert and I can’t sleep. I guess that’s why I drink it during the day and in the mornings especially...”

This clearly shows that the coffee consumption of these individuals tends to be higher at the start of the day and diminishes as the day progresses. This may have an effect on when advertisements would be most successful.

Appendix 6

Another important strategy that marketers should consider when attempting to influence consumers' behaviour involves the concept of conditioning. Focusing on classical and operant conditioning could be very effective when marketing to students. To illustrate the recommendations that we would offer to marketers, our group has constructed two advertisements.

Classical conditioning is a process where a previously neutral stimulus (ie: cologne) is paired with an unconditioned stimulus (ex-boyfriend), to elicit a response (anger) very similar to the response originally elicited by the unconditioned stimulus. In relation to our focus on coffee, this tool could be used to pair coffee with positive stimuli such as sexy models or happy socialites by creating advertisements that pair coffee with these conditioned stimuli. Classical conditioning deals with involuntary responses and needs repetition in marketing to work.

Operant conditioning is different from classical conditioning in that it deals with conscious behaviours that are under control of the individual. Operant conditioning occurs after the behaviour where an individual learns to perform behaviours that produce positive outcomes and to avoid those that yield negative outcomes. This type of conditioning is important in the marketing for coffee to students because marketers can increase the probability that students will drink coffee through positive and negative reinforcement. Positive reinforcement is a tool that increases the probability of behaviour by through reward. In terms of coffee consumption, every x coffee could be free or coffee shops could offer loyalty points for each coffee that result in future savings. Negative reinforcement removes aversive consequences to increase the probability of behaviour. This method could be used for coffee by illustrating that coffee eliminates the aversive consequences of sleepiness, laziness, etc...

The first advertisement exemplifies operant conditioning in that coffee consumption is rewarded, which increases the chance of consumption and loyalty to Starbucks. For example, if a coffee shop offers free coffee after x times, students will continue going to that shop so that they can be continually rewarded for their loyalty. The advertisement also displays classical conditioning by pairing coffee with a beautiful model. The model is depicted as being happy and energised, which are positive attributes one could associate with coffee after seeing this advertisement. In terms of the means end chain, our research showed that psycho social benefits are most important. This advertisement depicts the importance of psycho social benefits by having the model drinking coffee in a trendy, social environment. When viewing the advertisement, we see her as special and associate that aspect with the consequence of drinking the coffee. In terms of our Fishbein Model analysis, this advertisement illustrates the benefits of socialising, energy, and health (beautiful model).

Operant conditioning is seen in the second advertisement with the student falling asleep in class. Negative reinforcement is illustrated in the advertisement as it increases the probability that students will drink coffee before class to remove the aversive consequences of falling asleep and being punished by the professor. Both the teacher and

the student are beautiful models, which could constitute classical conditioning because the advertisement pairs coffee with sexy bodies to associate the two. In terms of psycho social consequences, the advertisement points out that drinking coffee will affect how others see an individual. Drinking coffee will keep you alert and increase relations between you and others (especially professors). Also, falling asleep in class may be an embarrassing situation that one would want to avoid in a social situation. Coffee would decrease the chances of sleeping in class and make students more socially accepted. The advertisement also depicts the benefits of energy and focus from the Fishbein Model.

Appendix 7

Contains two proposed advertisements. (See appendix 6 for explanation of advertisements)

Bibliography

Text Books:

Bamossey, Gary J, Solomon, Michael R. *Consumer Behaviour: A European Perspective: and Critical Thinking in Consumer Behaviour - Cases and Experiential Exercises*. FT Prentice Hall. 2004.

Hague, Paul, Hague, Nick. *Market Research in Practice: A Guide to the Basics*. Kogan Page. 2004.

Miles, Matthew B., Huberman, Michael. *Qualitative Data Analysis*. Sage. 1994.

Peter, J. Paul, Olson, Jerry C., Grunert, Klaus G. *Consumer Behaviour and Marketing Strategy*. McGraw Hill. 1999.

Internet websites:

www.eurek.alert.org/pub

www.foodnavigator.com/news

www.betterhumans.com/news

www.healthharvard.edu/press_releases

<http://www.textart.ru/database/english-advertising-slogans/coffee-advertising-slogans.html>

Reports and Journals:

Mintel International Group, Report – Coffee Shops UK February 2005, summary of key findings.

Duncombe, Nicola, Hussey, Michael. Projection the right image: using projective techniques to measure brand image, *Qualitative Market Research: an International Journal*, 02:1 1999; pp 22-30

www.bus.sfu.ca/courses/bus347/ch07ccd.ppt