

The application and influence of online marketing in brand communication: A case study of Starbucks

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Abstract. In recent years, with the rapid development of network technology and the improvement of people's living standards, people use the Internet more and more frequently, and use the Internet to study, work and live. The Internet has become a popular sales channel, and more and more new brands hope to expand operation channels through the Internet platform to enhance customer stickiness and achieve higher brand revenue. Nowadays, online marketing has greatly increased the total revenue of various companies and brought faster economic development to society. Starbucks, a famous coffee brand, has created a network marketing model that conforms to its own brand characteristics and realized the digital transformation of its brand through rational use of network marketing means. Through case analysis, this paper mainly studies the network marketing channels of Starbucks and the advantages it brings, but there are also disadvantages such as user groups, user stickiness and human resource redistribution.

1 Introduction

With the rapid development of the Internet, the Internet economy has become a new engine to promote the whole world economy. Businesses use the Internet to expand into new markets, and people use the Internet to buy a greater variety of products. The Internet has become a bridge between enterprises and customers. According to the 41st Statistical Report on the Development of the Internet in China released by the China Internet Network Information Center in early 2018, the number of Internet users in China had reached 772 million by December 2017, and the Internet penetration rate was 55.8%, up 2.6 percentage points year-on-year and 4.1 percentage points higher than the global average of 51.7%. The number of Internet users continues to grow [1]. Online marketing, also known as online marketing, is a good way for enterprises to increase market scale. Enterprises use Internet interaction and digital information to increase user participation and purchasing power and enhance total revenue. As the world's leading coffee industry, Starbucks has always occupied a certain position in the coffee market. It conforms to the development of The Times and continuously expands the field of digital marketing. Starbucks' use of online marketing and the advantages

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it gave it became the key to its success. The \$13.3 billion company provides a model of melding a physical retail operation with digital channels [2].

Through the introduction of online marketing and offline marketing, this paper analyzes the use and channels of online marketing by specific brands of Starbucks and understands the advantages and disadvantages of digital marketing of Starbucks. The summary of various channels of Starbucks and their advantages and disadvantages is helpful for brands to better adjust their ideas and expand their business, and also helps brands to optimize the application and practice of network marketing. Therefore, this paper has certain practical significance.

Based on economics, marketing and related theoretical knowledge, this paper conducts research based on two research methods. First of all, this paper uses text analysis to analyze the advantages and disadvantages of specific brand marketing strategies and online marketing by studying the thesis theories and research results of previous scholars. Secondly, this paper introduces the specific brand Starbucks through the case analysis method and carries out corresponding analysis to the theme of this paper and analyzes specific cases.

This paper first introduces the specific brand Starbucks, as well as the definition, differences and advantages of online marketing and offline marketing. Secondly, this paper discusses its strategy and advantages, mainly expounds the online marketing channels of Starbucks and the specific advantages of each channel and summarizes the three advantages of the overall digital operation of the brand. Next, it discusses the disadvantages of Starbucks online marketing, and expounds the overall disadvantages according to the previous different online channels and advantages. The last part is the summary of Starbucks' online marketing, including the summary of the existing content, the reflection on the limitations of this paper and the future outlook of this research or research direction.

2 Literature review

2.1 Introduction to Starbucks

Starbucks is one of the world's top 500, is the leader of the global coffee retail field, is a household name "Starbucks" brand owner and founder of Starbucks culture. The development of Starbucks began in 1971, when Starbucks was just an unknown small business selling coffee beans, tea and spices in Seattle [3]. Since Starbucks came to China in 1999, it has opened more than 3,500 stores in 150 cities in the mainland [4]. Over the years, Starbucks has made great efforts to create a unique "Starbucks experience" for customers, making Starbucks the "third living space" for urbanites, and often holding various public welfare activities to give back to the society and thank customers for their trust. For many years, it has been rated as "the Most Respected Enterprise" by Fortune magazine [5]. From an unknown small company in Seattle to a Fortune 500 company and a global coffee giant, Starbucks is a business legend that many people marvel at. In the 2006 "Top 500 Global Brands" list compiled by World Brand Lab, Starbucks corporate brand ranked 82nd [6].

2.2 Online marketing and offline marketing

Online marketing, also known as digital marketing or network marketing, refers to the way of brand communication relying on the Internet. Online is mainly through various forms of network media, such as the Internet, radio, television and so on. And invisible media, such as wechat, Weibo, etc., for communication and marketing. The position of traditional media such as television, radio and newspapers is gradually replaced or supplemented by new online channels such as social media and short video platforms [7]. Network marketing is the product of enterprise marketing strategy in the Internet era. Based on the development of

Internet technology, it uses network interactivity and digital information to create, maintain and consolidate the relationship between enterprises and consumers, thus helping enterprises to achieve a series of marketing goals [1]. Offline marketing mainly refers to brand communication through various behaviors of traditional trade, such as store retail or physical stores, offline transactions or offline promotions. Compared with online marketing, this kind of marketing is propaganda or promotion through non-media forms. Starbucks, a famous coffee brand, uses digital marketing techniques to fascinate the world with its unique and insurmountable brand advantages and network marketing methods that keep pace with The Times [4].

3 Strategies and advantages of Starbucks' digital marketing

3.1 Starbucks online marketing channels

3.1.1 Wechat public account: Starbucks China

Wechat was launched by Tencent in 2011, and its rapid development in just a few years has made it the most used instant messaging tool in China. It has not only changed People's Daily communication methods, but also provided a broad marketing service platform for enterprises. "Starbucks China" public account was officially launched in February 2013. Since then, its series of innovative actions have been warmly pursued by fans [4]. Starbucks uses wechat public accounts to push new products to customers and introduce various new online and offline activities. Starbucks China's interface simply contains three main functional tabs, including online ordering, opening pre-orders and membership benefits. Customers can buy and give coffee gifts to friends through "Star talk", enjoy coffee delivery services through "special star send", "Open star products" will also provide the latest new products and presale information. Customers can also learn about the Starbucks brand story and benefits through the "Star Culture" and "Star Benefits" of this public account.

3.1.2 Starbucks APP

In the official APP "starbucks", a lot of digital services are integrated. The main class in the APP called three kinds of services, "coffee fast" online point, to the store, "special star delivery" delivery service and "coffee life museum" exquisite star cup to home. Multiple options from purchase to delivery and around Starbucks provide customers with the most engaging and streamlined online shopping experience. In December 2016, Starbucks introduced wechat Pay. In September 2017, Alipay was introduced [4]. For many years, Starbucks has promoted the stored-value gift card and the Star-reward card that can be exchanged for coffee with points. When customers pay in the store, they can first collect points through the APP and then choose their own way to pay. Now in-app gifts and stars are unique features of Starbucks' digital marketing. "Special star delivery" provides customers with a more convenient way to receive goods, provides a full realization of online marketing, and is also a good way for Starbucks to achieve smooth integrated services.

3.1.3 WeChat mini program

Similar to its APP, Starbucks has added a mini program to its wechat account, which is widely used in China. Wechat mini programs on wechat, a popular app in China, are an application that can be used without downloading or installing it. Among them, "Say with the star" is

committed to providing the best quality coffee gifts. On February 10, 2017, "Say the Star" was officially launched as a new social gift experience [4]. Wechat users can buy Starbucks coffee drinks anytime and anywhere through the "Talk with stars" interface, with exquisite electronic cards, attach exclusive cup stickers blessing to relatives and friends. "Say with the star" mini program has brought great emotional value and power to customers, not only is a good helper for customers to make friends and socialize, but also allows customers to think of using "Say with the star" from a variety of scenarios to send exclusive blessings to friends. In addition to the custom cups that can send greetings, there is also the function of grabbing red envelopes for a group of coffee. Starbucks uses wechat's huge user base and convenient sharing channels to give its products strong social attributes, and also makes Starbucks' digital marketing unique and attach its own characteristics.

3.2 Overall advantages of Starbucks online marketing

3.2.1 Cost Advantage

Cost advantage mainly includes two aspects, including management cost advantage and expense cost advantage. Digital marketing management for traditional marketing management, from the "one to one" service to the "one to many" form. In the centre of New York, Starbucks opened one store every 100m. Owing to this, overall global sales increased, but sales per store increased by only 5%, and consumers per store increased by only 1% [8]. With online marketing, it greatly reduces the cost of human resources and the waste of human resources. Moreover, it is more conducive for sellers to manage customer information and judge the business direction by analyzing customer preferences through the data of the sales system [9]. The reduction of human resources also corresponds to the increase of the company's income, and the human expenditure will be relatively reduced. In addition, compared with traditional retail stores, Starbucks' online mini programs and apps reduce the operating expenses of physical stores. Online purchasing services around Starbucks ensures customers' 24-hour shopping experience anytime and anywhere, and they do not need to buy coffee cups and other peripheral products during the business hours of offline stores. This enhances the customer experience and at the same time provides high quality and convenient service. Compared with other brands that only focus on digital marketing, the combination of offline and online marketing of Starbucks complements each other, which reduces its marketing operating costs and provides excellent services to customers of different ages.

3.2.2 Advantages of sales channels and structure

Through online marketing, Starbucks has the opportunity to make direct contact with target customers. The traditional sales model includes other non-official sales channels such as middlemen or wholesalers, while the emergence of the sales model of network marketing can greatly reduce the customer flow divided by middlemen or wholesalers. Through the establishment of the official public account, mini program and APP, Starbucks has reached the opportunity to directly contact with customers, and at the same time, it is better and more convenient to spread its corporate philosophy. In addition, the reduction of middlemen and wholesalers also brings less marketing costs, and more people are willing to go directly to the official channel to buy. Finally, the high probability of middlemen earning the difference leads to the higher price of Starbucks products eventually purchased by customers, which reduces the possibility of next purchase. The original price sale of online marketing can attract more users to buy and enhance the purchasing experience.

3.2.3 Advantages of information dissemination

With the addition of online marketing, I want to make the information dissemination of the class no longer limited to the way of oral information push achieved by offline shop assistants. In addition to Starbucks mini programs, public accounts and apps and push real-time brand information, Starbucks also introduced the official accounts of Tiktok and XiaoHongshu to complete the push. In the digital age, the distribution strategy of content is critical to the success of brands and IP [9]. Information will be spread through online channels faster and more efficiently. At the same time, Tiktok and XiaoHongshu provide customers with the opportunity to comment interactive, and customers can share the taste of coffee and the surrounding experience, while enhancing the user engagement of Starbucks. Each time consumers participate, they accelerate the spread of Starbucks' zero-cost information. In addition, in 2009, Starbucks adopted a creative new media form and joined hands with SNS website Iapartment to try virtual marketing by making the Starbucks logo into a "virtual signboard" advertisement in Iapartment, which was the first attempt of SNS marketing [10]. Through SNS marketing, consumers unknowingly understand information ranging from brand image to virtual store opening, new product launch, and real coupons given to consumers [10]. This digital marketing campaign makes consumers not feel that Starbucks is advertising, but that its brand message is integrated into their lives, all the time and quietly.

4 Challenges of Starbucks online marketing

4.1 Limitations and formulations of user groups

Online marketing allows Starbucks to invisibly limit its user base. Starbucks' traditional outlets give all groups the opportunity to consume, from the younger generation to the elderly. In contrast, online marketing public accounts, apps and major software, etc., are inseparable from the network. Most middle-aged and elderly people cannot buy through the network channel, or it is difficult to use mobile phones to operate. This means that Starbucks' target user group can only be developed mainly by young people, and once young people lose their mobile phones, it is difficult for Starbucks and any brand to achieve online sales.

4.2 Loss of face-to-face sales scenario

Online marketing is a form of self-service, where most people can place their own orders without the help of any staff. In traditional physical stores, customers have the opportunity to enjoy better and better humanized shop assistant service, and good and enthusiastic shop assistant attitude can narrow the distance with customers and increase the possibility of second purchase. At the same time, the quality of shop assistant service will deepen the impression of customers on the whole brand and enhance their goodwill and loyalty to the brand. In contrast, online marketing cannot achieve in-depth communication and communication with customers, nor can it convey the love and emotion of the Starbucks brand through real people. Therefore, online marketing will have limitations on user stickiness, which is not conducive to the development of Starbucks' user engagement and loyalty.

4.3 Redistribution of human resources

Even though the online marketing of Starbucks has realized the transformation from "one-to-one" to "one-to-many", it actually needs to carry out the redistribution of human resources.

Starbucks needs to allocate more manpower to content delivery and program management of apps and mini programs on various platforms such as Tiktok, Xiaohongshu and Weibo. They need creative and planned content creators, and they need all kinds of business programmers to keep the network safe and the system error-free. In contrast, Starbucks needs to recruit more different types of employees to jointly promote both online and offline marketing, which requires a lot of revenue and profit to balance the upfront expenses.

5 Vision for the future

5.1 Optimize customer experience with new technologies

In the future, Starbucks can optimize the online "special star delivery" and other functions. If the classification of users in the selection bar is strengthened, it will not only improve efficiency, but also have better interaction with customers and enhance user engagement and experience. For example, there are three categories in the delivery service bar of the Luckin Coffee APP, including classic menus, specific activities and local recommendations. Through classification, users can choose the drinks they want better and faster and improve their satisfaction with the brand. Therefore, Starbucks can optimize in this area.

5.2 Enhance the member market

Starbucks can expand private marketing through social media and other Internet channels and enhance customers' attraction to members to enhance consumption and self-brand income. For example, Starbucks can release more high-quality works to attract users through the official form of Tiktok, then establish small group chats in Tiktok, and finally achieve private marketing.

6 Conclusion

This paper analyzes the analysis of online marketing and offline marketing, and analyzes the specific online marketing strategies and channels, advantages and disadvantages of the specific brand Starbucks. Starbucks mainly includes apps, wechat public accounts and mini programs, official accounts of Tiktok and official accounts of Xiaohongshu to realize digital marketing, which brings advantages in cost, sales channels, structure and information dissemination, and makes network marketing more efficient and convenient, but at the same time, disadvantages include limited user groups, limited user stickiness and the need for human resource redistribution. The number of words in this paper is relatively limited, and the theoretical support for providing complete details may have certain limitations. Readers can focus on inquiring more data support. In addition, the summary of advantages and disadvantages in this paper may not be complete, and readers can choose to add more advantages and disadvantages when reading.

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