

Effects of a Far-reaching Promotional Ad



Image: rawpixel.com in Freepik, 2024.

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THE COMPANY

In the 70's, a small coffee shop came into existence in Seattle, USA; at a later time, in the 80's, with a globalized vision that was ahead of its time, they developed an Italian style where the enjoyment of sharing a good coffee aroma, flavor and temperature were the center of attention.

The Starbucks service concentrates on creating a friendly, relaxed, and warm environment where customers can talk, read a good book, or work. The Mission stated on their website is "To inspire and nurture the human spirit. One person, one cup of coffee, and one community at a time" (Starbucks, n.d.). The pleasant and personal service complements the experience that attracts a young market that is willing to pay more for it.

Today, their core business is still coffee in its different presentations, but the chain also offers food and drinks for different tastes: tea, chocolate, shakes, and frozen drinks. Among the food we find sandwiches, snacks, cookies, and desserts. The sale of promotional items also contributes to their revenue, as they have gained great popularity among the brand customers; one of the most accepted is the personal tumbler (thermos).

Starbucks has launched different tumbler models (thermos) at different times in cooperation with Stanley, a prestigious brand with over 100 years in the market; their motto is that they sell "lifelong" products, using sustainable processes in their production (Stanley, n.d.).

Today, Starbucks Corporation is the largest coffeehouse chain in the world; in the last ten years they have almost doubled their number of points-of-sale and have become a global chain, with presence in all the continents.



+29 BILLION
DOLLARS (USD) IN REVENUE



38 THOUSAND 038
COFFEEHOUSES REPORTED IN 2023

Source. Statista, 2024.

Images. Freepik and Smashicons in Flaticon, 2024.





The personal tumbler Stanley+Starbucks qualified as excellent in maintaining temperature, in a study carried out by *Revista del Consumidor* (2024).

Image. Elaboración propia, 2024.

CONTEXT

The first Starbucks coffeehouse in Mexico opened in 2002, and by 2012 they already had 750 stores in 61 cities (Starbucks, 2022). Today, with a population of over 126 million people, and an annual consumption per capita of 796 grams in 2022 (Profeco, 2023), Mexico represents a market with great potential.

The Starbucks chain in Mexico is part of Alsea, S.A.B. de C.V., a multi-brand restaurant operator that manages eight high-demand restaurant franchises, among other business dealings. In their first 2023 quarterly report, Alsea reported next sales for 17.666 billion pesos (MXN) in the 785 stores established throughout the Mexican Republic. Additionally, in the same period, they released that they would invest six billion pesos (MXN) in 2024, of which 60% would be

assigned to Mexico; the latter will be a huge boost for the business (Alsea, 2024).

On March 4, 2024, the brand launched an ad in different networks, inviting their customers to purchase a pink Stanley+Starbucks tumbler; however, due to the limited number of items in the stores, there was great controversy among customers, who were willing to pay \$899 pesos (MXN) to get one of the pink tumblers. This fact caused discomfort (Sepúlveda, 2024) and customers openly protested in some of their social networks, as can be consulted in the [Starbucks México official website in Facebook](#).

Such was the magnitude of the ad, that at 9 a.m. of March 4 there were no tumblers left in the Starbucks stores.



Even communication media made reference, for instance, El Universal, on their edition of March 5, 2024, stated that the original price was of \$899 pesos (MXN), and that the number of tumblers for sale on the day that had been announced (March 4, 2024), were not enough to cover the demand. The newspaper also highlighted that the tumblers were being resold through social media for sums higher than three thousand pesos, which meant an excessive reselling premium. This was another reason for customers to keep on voicing complaints and posting angry faces on Starbucks' Facebook page, there even were reports of [frictions among frustrated buyers](#).

A promotional launching ad with such impact and reach could be desirable for many brands due to the interest aroused in their customers; however, in the case of Starbucks it quickly turned into a series of unfortunate events. It generated negative publicity and the discomfort of customers which circulated in social media due to the small number of products available in points-of-sale.

Image: Freepik, 2024.



The brands with stronger presence in Mexico are: *The Italian Coffee Company*, *Cafe Punta del Cielo*, *Cielito Querido Café*, *Caffé Macchiato*, and *Café Diletto*, among others (©Euromonitor, 2024).

THE MARKET

In the global food and drink industry, sustainability and responsibility strategies are essential. The benefits that are sought, such as nutrition and health (with the use of plant-based ingredients), are essential for the customers who are willing to pay more to the trusted brands that demonstrate their commitment to the environment, from waste reduction and waste management to being totally "green" (©Euromonitor, 2024).

The coffeehouse market is growing in Mexico and it is expanding with the proliferation of chains and the hundreds of independent coffeehouses with concepts such as "Gourmet Café", and "Bistro Café". The popularity of chains and local coffeehouses has incredibly increased (©Euromonitor, 2024).



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THE DECISION

Starbucks' current value proposition, as stated in their website, is "To share the best coffee with our friends and contribute for the world to be a bit better" (Starbucks, n.d.).

Which plan should the Marketing Director of Starbucks Mexico implement to relaunch the pink Stanley+Starbucks tumbler? Which internal and external aspects must be analyzed to prepare the marketing plan?

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