The Impact of Western Culture Adoration on the Coffee Consumption of Taiwan: A Case Study of Starbucks

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The purpose of this study was to examine the impact of western culture adoration on coffee consumption in Taiwan. A series of three studies was performed. In study 1, content analyses of customer interviews were used to obtain topics of value-related issues, including gathering places for western foreigners, foreign drinks and culture experience, popularity and value perception of residents from upper society, brand image, and well-developed western countries. A questionnaire survey was used in study 2, and results indicated that there exists a positive relationship between the desirability of foreign culture and the adoring of foreign value in coffee consumption. Study 3 employed a $2 \times 2$ field experiment design to explore the impact of product-of-origin and country-of-origin dimensions on the product preferences. From the results, it was found that the impact of foreign brands on the consumer preferences for coffee and green tea was higher than the impact of local brands. In addition, the strengths of foreign brand are superior to the local ones in coffee consumption. The results of this study indicated that western culture adoration was one of the key factors in determining the consumer decisions and preferences in drink consumption.

Key words: Starbucks coffee, consumer preferences, consumer value, western culture adoration

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Introduction

Owing to the increasing popularity of drinking coffee for Taiwanese, many coffee shop chains have paid increasing attention to the market in Taiwan. Starbucks coffee company, with currently 7,569 retail stores worldwide, has opened and operated its retail stores in Taiwan since 1998. With a total number of 123 stores around the island currently, Starbucks has now become the leading coffee retailer in Taiwan. Many researchers have investigated the successful factors of Starbucks from different perspectives. Tsai (2000) examined the trend of Starbucks in Taipei city in view of the culture analysis. Tsao (1999) investigated the advertising strategy of integration of communication and internet advertising for Starbucks. On the other hand, Fan (2001) conducted a historical analysis of coffee consumption in Taiwan. Hsu’s (1999) study focused on Starbucks’ marketing strategies. However, little research has been done in the view of cultural psychology to explore the impacts of a western leading brand on coffee consumption in Taiwan. This study attempts to explore the impact of a leading western coffee shop chain on the coffee consumption in Taiwan and to investigate the deeper group under-consciousness in the view of cultural psychology.

From the country-of-origin perspective, research has indicated that country-of-origin plays a very important role in a consumer’s evaluation of a product (Chao, 1998; Chen, 1997; Kim, 2002; Yang, 1995). On the other hand, studies show that product-of-origin and brand image also have significant effects on consumer behavior (Chang, 2000; Hsish, 1994; Kim, 2002). Superior brand has become the most important factor for enhancing value-added goods (Hao, 1998; Roth & Romeo, 1992; Yang, 1995). To provide important insights on cross-culture marketing, it is worth investigating the impact of country-of-origin and product-of-origin on consumer preferences of products.

The purposes of this study are to explore the impact of adoration of western culture on coffee consumption in Taiwan and to investigate the relationship between consumers’ perceived value in coffee consumption and their product preference through a series of three studies of in-depth interviews, a questionnaire survey and field experiments.

Literature Review

The Consumer Ethnocentrism Concept and the Measurement

In general, the concept of ethnocentrism represents the universal proclivity for people to view their own group as the center of the universe, to interpret other social units from the perspective of their own group, and to reject persons who are culturally dissimilar while blindly accepting those who are culturally like themselves (Booth, 1979; Worchel & Cooper, 1979). Shimp & Sharma (1987) used the term “consumer ethnocentrism” to represent the beliefs held by US consumers about the appropriateness, indeed morality, of purchasing foreign-made products. In functional terms, consumer ethnocentrism gives the individual a sense of identity, feelings of belonging, and an understanding of what purchase behavior is acceptable or unacceptable to the in-group. In 1987, Shimp and Sharma developed a 17-item instrument using a seven-point Likert scale anchored by extreme disagreement (1) and extreme agreement (7), termed the Consumer Ethnocentrism Scale (CETSCALE), to measure consumers’ ethnocentric tendencies related to purchasing...
foreign- versus US-made products. Four separate studies were performed to assess the reliability and construct validity of the 17-item CETSCALE. The CETSCALE’s internal consistency reliability was very high. Coefficient alpha for the four studies ranges from 0.94 to 0.96. The results indicate that the CETSCALE was a reliable index of consumers’ ethnocentric tendencies. The results of the four studies provided support for the CETSCALE’s convergent and discriminant validity. The consumer ethnocentrism concept and the CETSCALE show promise as useful tools for country-of-origin studies. In this study, ethnocentrism was proposed as a moderate variable on the impact of western culture vanity on western culture adoration.

The Country-of-origin and Product-of-origin Effects

The country-of-origin effect plays a significant role in consumers’ perceptions of product (Chao, 1998; Chen, 1997; Kim, 2002; Roth & Romeo, 1992; Yang, 1995). Many researches in marketing have offered several explanations for why country-of-origin influences purchase decisions. The explanations include product category involvement, knowledge of a particular country and patriotism. Jensen & Korneliussen (2002) indicated that geographical and cultural distance relative to tourists’ country-of-origin has a negative effect on their ability to discriminate between distinct features and images of the destination to which they are traveling. Roth and Romeo examined country-of-origin in terms of the fit between countries and product categories. They found that willingness to buy a product from a particular country is high when the country image is also an important characteristic for the product category. On the other hand, studies show that product-of-origin and brand image also have significant effects on consumer behavior (Chang, 2000; Hsish, 1994; Kim, 2002). Superior brand has become the most important factor for increasing the value of goods (Hao, 1998; Roth & Romeo, 1992; Yang, 1995). To provide important insights on cross-culture marketing, it is worth investigating the impact of country-of-origin and product-of-origin on consumer preferences of products.

Study 1

Method

Study 1 employed a qualitative method to understand what the consumers experienced in Starbucks and whether western culture adoration is the key factor in determining their coffee consumption.

Subjects and Design

Subjects who participated in this study were frequent customers who were selected by a screening questionnaire and were promised to be the interviewees. Four different age groups were used, to categorize subjects as adolescent, adult, middle age, or elder. Using quota based on the sex and age, a total of 16 subjects was selected.

Procedure

Two experienced interviewers were employed to interview 16 subjects. The interview outlines probed subjects’ consumption motivation, needs, atmosphere and feelings while consuming Starbucks Coffee.
Results

Using content analysis, the contents of interviews were recorded and written in transcript. Dialogues were then coded and classified into five key themes of value conception in coffee consumption. The results indicated that the majority of subjects expressed a western adoration value from their coffee consumption experiences. Two independent evaluators’ agreement percentage toward western adoration was 0.86 (evaluator’s reliability coefficient). The total numbers coded as values in coffee consumption and numbers coded as values in western culture adoration, and non-western culture adoration perceived by 16 subjects are shown in Table 1. The key themes and representative dialogues expressing western culture adoration for 16 subjects are shown in Table 2.

Study 2

Method

Study 2 was intended to explore the relationship between consumers’ western culture adoration tendency and coffee consumption values and to investigate whether the relationship is affected by ethnocentrism tendency. A questionnaire survey was conducted.

Subjects and Design

Since it was impossible to obtain a list of all customers, a convenient sample of 200 customers was surveyed. A total of 126 valid responses was obtained after eliminating the missing and invalid data. As a result, a response rate of 63% was reported. The developed questionnaire includes three sections for measurements in ethnocentrism, western culture adoration, and perceived values in coffee consumption.

Ethnocentrism. Seventeen items for measuring ethnocentrism were modified from the CETSCALE developed by Shimp & Sharma (1987). Instead of using a seven-point scale, a six-point Likert scale anchored by extreme disagreement (1) and extreme agreement (6) was used to reduce the center tendency error commonly found in questionnaire completion with Chinese respondents. Items with a reversed statement being rated were coded reversely. Means were calculated by

Table 1 Numbers Coded as Values in Western and Non-western Culture Adoration for 16 Subjects (Study 1)

<table>
<thead>
<tr>
<th>Subject Number</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Numbers coded as WCA value</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Numbers coded as Non-WCA value</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>3</td>
<td>6</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

Note: WCA = western culture adoration; Non-WCA = non-western culture adoration.
Table 2  The key themes and representative dialogues expressing perceived value in western culture adoration for 16 subjects (study 1)

<table>
<thead>
<tr>
<th>Key Themes</th>
<th>Dialogues Expressing Western Culture Adoration</th>
</tr>
</thead>
<tbody>
<tr>
<td>A gathering place for foreigners</td>
<td>Subject 1: It’s full of foreigners talking in English and I feel differently (1:2)(^a)</td>
</tr>
<tr>
<td></td>
<td>Subject 3: I came to Starbucks because there are foreigners there and I think it’s a high-level place (3:3)</td>
</tr>
<tr>
<td>Foreign drink and culture experience</td>
<td>Subject 2: I like the foreign coffee flavor and coffee sales at Starbucks are higher than others (2:2)</td>
</tr>
<tr>
<td></td>
<td>Subject 5: Starbucks’ American style management strategy makes it different from others. The atmosphere is quite different (5:2)</td>
</tr>
<tr>
<td></td>
<td>Subject 6: I choose Starbucks because of western culture adoration. Foreign coffee is better (6:3)</td>
</tr>
<tr>
<td></td>
<td>Subject 9: American or European coffee shops are more romantic. The history of drinking coffee is longer. Coffee is one of the daily necessities (9:1)</td>
</tr>
<tr>
<td>Popularity and value-added for being part of upper society</td>
<td>Subject 2: Starbucks is a better place for getting together. Higher price can differentiate the marketing segments (2:3)</td>
</tr>
<tr>
<td></td>
<td>Subject 3: The layout is my first priority. Starbucks’ atmosphere is suitable for chatting and eating snacks (3:5)</td>
</tr>
<tr>
<td></td>
<td>Subject 4: I go to coffee shop drinking coffee for the purpose of dating with friends (3:5)</td>
</tr>
<tr>
<td></td>
<td>Subject 8: Starbucks is a good place for social activities (8:3)</td>
</tr>
<tr>
<td></td>
<td>Subject 15: Coffee price is in the middle to high level. It attracts young people and it’s an elegant place filled with fashion and energy (15:1)</td>
</tr>
<tr>
<td>Well-known brand image</td>
<td>Subject 1: It’s famous, well-known brands, more reliable (1:3)</td>
</tr>
<tr>
<td></td>
<td>Subject 5: It’s quite famous! (5:1)</td>
</tr>
<tr>
<td></td>
<td>Subject 7: Corporation image is very good and has lovely souvenirs (7:2)</td>
</tr>
<tr>
<td></td>
<td>Subject 8: I liked its atmosphere, profession, corporation image and sofa chair (8:2)</td>
</tr>
<tr>
<td></td>
<td>Subject 11: I came because it’s famous. I would like to experience the different atmosphere created by different culture (11:2)</td>
</tr>
<tr>
<td></td>
<td>Subject 14: I like the coffee cup and other souvenirs with its mark on it. It’s worth having them (14:1)</td>
</tr>
<tr>
<td>Product-of-origin</td>
<td>Subject 12: I think that the quality of product is very good. Coffee and service are good, too. I have confidence in American company (12:1)</td>
</tr>
<tr>
<td></td>
<td>Subject 13: I came because it sells foreign product. Western adoration, I guess (13:2)</td>
</tr>
</tbody>
</table>

\(^a\)The first number in parentheses indicates the subject number, the second number indicates the subject’s coded number.
summarizing ratings for each item and dividing by the total number of items.

Western culture vanity. Question items for measuring western culture vanity were generated by modifying questionnaires developed by Richins & Dawson (1992) and Shimp & Sharma (1987). A six-point Likert scale anchored by extreme disagreement (1) and extreme agreement (6) was used. Items with a reversed statement being rated were coded reversely. Means were calculated by summarizing ratings for each item and dividing by the total number of items. A total of 12 items was finalized by eliminating four out of 16 items from the reliability test in the pilot study. The coefficient alpha was 0.82, showing that the reliability was acceptable. A validity check indicated that each of the 12 items was capturing unique information in western culture adoration. Validity coefficients for the 12 items were from 0.32 to 0.74 and were significant at the 0.01 level.

Perceived values in coffee consumption. Based on the transcripts of in-depth interviews conducted in study 1, consumers’ perceived values in coffee consumption were identified and classified to form items in western culture adoration and non-western culture adoration for measurement. Six and 16 items were designed to measure the subjects’ perceived value in western culture adoration and non-western culture adoration dimensions, respectively. An 11-point Likert scale anchored with extremely important (11) and extremely unimportant (1) was employed. The coefficient alpha for western culture adoration was 0.74, showing that the measurement had good internal consistency reliability. Coefficients of internal consistency validity for each item ranged from 0.55 to 0.75, demonstrating that each item measured the subjects’ perceptions in western culture adoration. The coefficient alpha for non-western culture adoration was 0.83, showing that internal consistency reliability was good. Coefficients of internal consistency validity for each item ranged from 0.55 to 0.75, demonstrating that each item measured the subjects’ perceptions in non-western culture adoration.

Results

Multiple regression analyses were employed to analyze data. Ethnocentrism and western culture vanity were independent variables, while western culture adoration was the dependent variable. Results of the multiple regression-enter method are shown in Table 3. As seen in Table 3, only western culture vanity can predict western culture adoration ($R = 0.30$, $F = 5.67$, $p < 0.01$). Positive partial regression coefficients (0.24) indicated that the higher the western culture vanity tendencies, the higher the rating of western culture adoration in coffee consumption. In addition, a multiple regression forward method was conducted to examine whether the independent variable, the interaction between western culture vanity and ethnocentrism, can predict western culture adoration. In this regression model, the independent variables were western culture vanity and the interaction between western culture vanity and ethnocentrism, while western culture adoration was the dependent variable. The results show that the interaction between western culture vanity and ethnocentrism was not possible in order to enter into a multiple regression equation (beta coefficient) $= 0.05$, $t = -0.43$, $p > 0.05$). Thus, the positive correlation between western culture vanity and western
culture adoration was not moderated by ethnocentrism. Therefore, western culture vanity was the only variable identified as a good predictor of western culture adoration.

**Study 3**

**Method**

Study 3 examines how product-of-origin moderates the impact of country-of-origin on product preferences. Field experiments were conducted.

**Subjects and Design**

The subjects, 45 undergraduate students from a small southern college, were assigned to the conditions of a 2 (product-of-origin) × 2 (country-of-origin) mixed factorial design. Coffee and tea were selected as two different products of origin, having coffee as western-origin and tea as domestic-origin. Each subject was presented two coffees; one was labeled as a well-known foreign brand coffee “Starbucks”, and the other as Ten-Ren’s coffee. Each subject was then presented two teas – one was identified as a well-known domestic tea brand “Ten-Ren” and the other was labeled as “Starbucks” tea. Individuals’ initial brand preferences were determined before the experiments were conducted. Subjects were asked to rate the relative impression of Starbucks coffee and Ten-Ren tea, respectively. These responses were used to examine whether significant differences in brand impression existed between two brands in order to control the impact of initial brand preferences.

The dependent variables were measured as follows. Relative attractiveness (RA) of the choice alternatives (“How would you evaluate the relative attractiveness of Starbucks coffee/tea and Ten-Ren coffee/tea?”) was measured on a non-graded scale with end points “These coffees/teas are equally attractive” and “One of the coffees/teas is clearly more attractive”, as suggested by Chernev (2001). Subjects’ responses were later quantified by measuring the distance from the lower end of the scale to the mark reflecting each subject’s response. Responses were then standardized

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Unstandardized Coefficient</th>
<th>SE$^a$</th>
<th>Standardized Coefficient</th>
<th>t-Value</th>
<th>Part Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>5.63</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western culture vanity</td>
<td>0.57</td>
<td>0.21</td>
<td>0.25</td>
<td>2.71**</td>
<td>0.24</td>
</tr>
<tr>
<td>Ethnocentrism</td>
<td>−0.26</td>
<td>0.20</td>
<td>−0.12</td>
<td>−1.29</td>
<td>−0.12</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.30**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

$^a$SE, standard error.

*p < 0.05; **p < 0.01.
on a 100-point scale such that zero signified “no preference” and 100 signified “strong preference” for one of the alternatives.

**Procedure**

Subjects were first given two cups of coffee; one was identified as Starbucks coffee, and the other as Ten-Ren coffee. They were then asked to evaluate the relative attractiveness of the coffee. Next, subjects were presented with two cups of green tea; one was labeled as Ten-Ren green tea and the other as Starbucks green tea. They were then asked to evaluate the relative attractiveness of each tea. The evaluations were counterbalanced across subjects. The country-of-origin was manipulated by informing them that Ten-Ren Tea Company was conducting their consumer test on coffee to share the market in coffee shops. The same held true for tea, as participants were informed that Starbucks Coffee intended to develop its tea products to compete for the traditional tea-drinking market. In fact, the two coffees were identical, as were the two teas.

**Results**

A *t*-test comparison on initial preferences indicated that no significant differences existed in brand impression between Starbucks coffee ($M = 69.04$) and Ten-Ren tea ($M = 71.36$) ($t = -0.71, p > 0.05$). As a result, individuals’ initial preferences were not taken as covariate variables in the data processing that followed. A summary of the relative attractiveness data is presented in Table 4. The two-way analysis of variance of product-of-origin and country-of-origin on consumer preferences is illustrated in Table 5. The analysis examined how product-of-origin moderates the impact of country-of-origin on consumer preferences. As can be seen from Table 5, the main effect of country-of-origin was significant ($F = 10.41, p < 0.01$); however, the interaction between

<table>
<thead>
<tr>
<th>Table 4</th>
<th>Means and Standard Deviations (SD) of Product-of-origin and Country-of-origin on Consumer Preferences ($N = 45$)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country-of-origin</strong></td>
<td><strong>Domestic Drink (Green Tea)</strong></td>
</tr>
<tr>
<td></td>
<td>$M$</td>
</tr>
<tr>
<td>Starbucks</td>
<td>49.93</td>
</tr>
<tr>
<td>Ten-Ren</td>
<td>52.07</td>
</tr>
</tbody>
</table>

Note: Relative attractiveness (RA) of the choice alternatives was quantified by measuring the distance from the lower end of the scale to the mark reflecting each subject’s response. Responses were then standardized on a 100-point scale so that zero signified “no preference” and 100 signified “strong preference” for one of the alternatives.
product-of-origin and country-of-origin was also significant \((F = 16.11, p < 0.01)\). Therefore, it was interpreted that the impact of country-of-origin on consumer preferences was moderated by product-of-origin. When the drink is of western-origin, the impact of foreign brand on consumer preference \((M = 69.40)\) was more pronounced than the impact of domestic brand on consumer preference \((M = 30.60)\); however, when the drink is of domestic-origin, country-of-origin shows no effect on consumer preference.

### General Discussion

The results of this study are presented as responses to the three research questions.

**Question 1:** Is western culture adoration included as a part of their perceived value in coffee consumption for frequent customers at Starbucks Coffee?

Using content analysis, study 1 examined the transcripts obtained from in-depth interviews and extracted five key themes of coffee consumption value regarding western culture adoration. The five key themes are: a gathering place for foreigners; foreign drink and culture experiences; plus values for popularity and upper society; well-known brand image; and western developed country. It was predicted that western culture adoration was an important dimension in coffee consumption for Taiwanese customers at Starbucks. The prediction was supported by the data.

**Question 2:** What is the relationship between western culture vanity and western culture adoration in coffee consumption? How does ethnocentrism moderate the impact of western culture vanity on western culture adoration? Is there an interaction between western culture vanity and ethnocentrism on western culture adoration?

The data from study 2 indicate that there exists a positive correlation between western culture vanity and western culture adoration in coffee consumption. However, ethnocentrism did not moderate the impact of western culture vanity on western culture adoration, showing that the impact of ethnocentrism on coffee consumption was less pronounced for Taiwanese customers at Starbucks. Thus, Taiwanese consumers are more inclined to

### Table 5 Analysis of Variance for Consumer Preferences \((N = 45)\)

<table>
<thead>
<tr>
<th>Source of Variance</th>
<th>SS</th>
<th>df</th>
<th>MS</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product-of-origin</td>
<td>0.00</td>
<td>1</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Country-of-origin</td>
<td>13520.00</td>
<td>1</td>
<td>13520.00</td>
<td>10.41**</td>
</tr>
<tr>
<td>Error term main effect</td>
<td>57154.00</td>
<td>44</td>
<td>1298.96</td>
<td></td>
</tr>
<tr>
<td>Product-of-origin × country-of-origin</td>
<td>20736.80</td>
<td>1</td>
<td>20736.80</td>
<td>16.11**</td>
</tr>
<tr>
<td>Error term interaction</td>
<td>56653.20</td>
<td>44</td>
<td>1287.57</td>
<td></td>
</tr>
</tbody>
</table>

SS, sum of squares.

df, degrees of freedom.

MS, mean square.

**p < 0.01.
western culture adoration than to ethnocentrism in their coffee consumption.

Questions 3: How does product-of-origin moderate the impact of country-of-origin on consumer preferences?

The data from study 3 show that the impact of a well-known western brand on consumer preferences was more pronounced than that of a well-known domestic brand. The differences were even more significant with coffee, a western-origin drink. These findings were consistent with previous studies that country-of-origin is a very important factor in product evaluation, purchasing intention, plus-value and decision-making for Taiwanese consumers (Chang, 2000; Chen, 1997; Hao, 1998; Hsish, 1994; Yang, 1995). Furthermore, the impact of a well-known domestic brand on consumer preferences was less pronounced than that of a well-known foreign brand for tea – a domestic-origin drink. These findings indicate clearly that the impact of a well-known foreign brand on drink consumption was very significant. The impact was also pronounced for tea, a domestic-origin drink.

It was concluded that western culture adoration was one of the most important factors in decision-making and preferences influencing consumers’ perceived value in coffee consumption at Starbucks. The results of this research suggest that marketing professionals in the drink business need to reemphasize both brand image and product image because of the strong invasion of western culture.

The study is limited to the small size of the convenient sample used in study 2. The ability to generalize the study’s findings is limited. Therefore, future studies should be conducted with different and diverse samples from various geographic regions to validate the results of the study.

References


