

McDonald's vs. Starbucks Coffee Wars: Is McDonald's McCafé stealing share from Starbucks or helping to grow the overall specialty coffee market?

Quantifying the impact of the launch of McDonald's McCafé on category market share in the high-margin specialty coffee segment (e.g., cappuccino, latte, iced latte, mocha, iced mocha)

Study Description

Methodology	Web-based survey
Data collection period	August 2009
Survey audience	A survey among 808 specialty coffee drinkers drawn from a random sample of U.S. consumers (mix of respondents by household income level and geographic region). Responses from a subset of respondents who purchased specialty coffee products during the past month from Starbucks (n=476) and McDonald's McCafé (n=336) were analyzed to determine market share shifts and consumer purchase behavior in this product category following the launch and concentrated marketing efforts of McCafé.

Study Objectives

Wedbush Decision Metrics surveyed specialty coffee drinkers (including cappuccino, latte, iced latte, mocha, and iced mocha) to assess changes in their purchasing behavior for these products following the launch of McCafé. Specifically, we explored six key areas regarding consumer spending in the specialty coffee market.

- Estimate size of addressable customer universe for specialty coffee drinkers for category competitors including Starbucks, McDonald's, Dunkin Donuts, Tim Hortons, among others
- Determine current market share by store in the product category
- Track market share shifts following launch of McCafé
- Understand cross-shopping behavior between stores and potential impacts on market share expansion
- Assess differences in demographic profile of specialty coffee drinkers by store
- Forecast changes in overall total consumption for the specialty coffee category and specific trends among trends for individual stores

For additional information on this study or to purchase this report, please contact:

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