

# ***Manner Coffee's Marketing Strategies: A Review***

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**Abstract:** The world's coffee consumption has been growing every year, and new coffee shops are opening and joining its competitors. Manner Coffee is a coffee chain brand established in 2015, with its first store in Shanghai, China. From one store to more than three hundred stores across China, it took merely a few years. Marketing strategies are significant for Manner Coffee to expand in the country, which leads to the purpose of this review paper. This paper aims to examine Manner Coffee's marketing strategies. This research method is through the internet and official websites, or accounts. Manner Coffee has multiple strategies from its product to promotion methods. Manner Coffee is determined to "Make Coffee Part of Your Life". It serves high-quality coffee at reasonable prices for its customers, which pricing is one of its advantages and strategy in marketing. Brand positioning is important for a brand, and specific planning and model are required to be unique from its competitors. Moreover, it collaborates with different industries which creates mutual benefits and raises brand awareness. Promotion is essential for marketing a product, and Manner Coffee has several strategies. With the combination of digital media and offline promotion methods, the brand has increased its brand recognition and strengthened its customer relationship.

**Keywords:** coffee, Manner Coffee, marketing strategy, promotion

## **1. Introduction**

### **1.1. Research Background**

Coffee, a brewed beverage from roasted coffee beans, is one of the most popular and favorable beverages in this world, and it has a wide group of customers worldwide [1,2]. It is a caffeinated drink that increases alertness after sleep deprivation and reduces tiredness. The different types and qualities of coffee beans, combined with the temperature and method of brewing, will affect the taste and texture of coffee. There is a long history of the production of the coffee industry. Coffee beans first appeared in the Ethiopian plateau and were discovered by Kaldi [3]. Later, trading and coffee cultivation began on the Arabian Peninsula, located in Western Asia. By the late 1800s, coffee was first introduced to China by a French missionary to the Yunan Province. Yunan Province produces over 90% of China's coffee [4,5]. The consumption of coffee and coffee culture in China grew rapidly in recent years, driven by Chinese millennials. Manner Coffee is a Chinese coffee chain brand, founded in 2015 in Shanghai, China. Their vision is "Make Coffee Part of Your Life". Manner Coffee serves high-quality coffee at a reasonable price and the best service for its customer. This company offers varieties of coffee such as Italian, ice, and hand-brewed coffee [6].

## 1.2. Research Significance

Manner Coffee, a new brand, used five years to flourish in the coffee market. The first Manner Coffee store is only a small window in the alley, provided for takeout only. Today, there are more than 300 stores across China, mainly in Shanghai and eleven other cities. To stand out in Shanghai, a city with many of its competitors, Manner Coffee has an effective marketing plan and appropriate strategies. Not only the company has a clear vision and offers quality coffee, but it also has great investors, therefore, increasing its market value. This paper will review the significant aspects of how Manner Coffee prospers in a few years with its marketing plan.

## 1.3. Paper Organization

This paper will focus on the market growth of Manner Coffee. It will aim at the company Manner Coffee's three aspects: brand, collaboration, and promotion. These will help Manner Coffee to reach its goal of "Make Coffee Part of Your Life" and create a product that is desired by its target customers.

## 2. Literature Review

### 2.1. Research on the Brand

A brand, used to differentiate one manufacturer's products from another, can create a powerful image or conception in the minds of consumers. Brand positioning is a part of the marketing plan, and there are several decisions a company can make. Manner Coffee serves fair prices, high quality, and environmentally friendly coffee. In addition, its brand position is on strong beliefs and values. Its vision engages its customers on a deep, emotional level, and its target customers are white-collar workers and any customers who need coffee.

By using the marketing mix model to analyze Manner Coffee, which examines its product, price, place, and promotion, the main and specialty product is high-quality coffee. There is espresso and hand-brewed offered at stores. Manner Coffee uses semi-automatic coffee machines, which require skillful baristas to operate precise settings. On the other hand, its competitor Starbucks uses a fully automatic coffee machine. It is a complicated process for the semi-automatic coffee machine to function properly, so workers have to go through special academy training. For example, they need to understand and adjust temperatures according to the coffee beans. In addition to talented baristas, Manner Coffee has built its own roasting factory for coffee beans. They also work with coffee estates and strictly control every step of cultivating, processing, and transporting coffee beans [7]. Owning its supply chain and skillful baristas, Manner Coffee will guarantee its production of the best quality coffee for its buyers.

The most important feature and the idea of the company are that they want to offer pricing that is affordable for all consumers. Their coffee's price is around fifteen to twenty-five RMB. Moreover, Manner Coffee considers long-term social welfare and shows social responsibility. If customers bring their cups, a five RMB discount is given. This is a method of social marketing, which provides an incentive for customers to use their own cups to protect the environment and save money at the same time. Manner Coffee aims to contribute to environmental protection together with its customers. Manner Coffee also recycles coffee bean wastes and remakes them into straws. Social responsibility is becoming increasingly popular among organizations because it is an important strategic marketing tool. This strategy is carried out to increase sales since consumers will prefer to purchase products from socially responsible businesses. Manner Coffee's stores are generally small and mostly by the streets in central city areas with simple decorations since its business focuses on takeaway-only. Consequently, this has reduced the rental costs, and there has

been an increasing amount of stores near office buildings since its target customers are white-collar workers. Brand development is a method to create a strong perception in the minds of consumers. There are several ways of brand development, and Manner Coffee used brand extension. It is when a company extends a current brand name to new or modified products in a new category [8]. In this case, on 2019, Manner Coffee opened its first bakery. A brand extension may sometimes confuse the image of the main brand or product, which is Manner Coffee's coffee. Therefore, only stores with higher customer flow offered bread, and bread is only a complementary product to coffee.

The main promotion methods for Manner Coffee are through offline events and digital media such as the WeChat official account, which will be discussed in 2.3. Promotion increases brand recognition and attracts new customers.

## 2.2. Cross-sector Collaborations

Collaborations with other brands will increase a brand's awareness and identity. Grabbing customers' attention and creating desirable products is one of the main objectives of a marketing plan [9]. In 2021, Manner Coffee collaborated with two different brands that are from different business sectors.

Neiwai is a lingerie and loungewear brand, launched in 2012. They provide clothes that are just "made to live in" and want to empower those who wear their clothing. Additionally, Neiwai shows similar social responsibility and vision as Manner Coffee. Their packaging uses 40% fewer materials compared to traditional fashion brands. In April 2021, Manner Coffee and Neiwai introduced their joint collaboration with three types of Matcha beverages: Matcha and espresso, Iced matcha latte, and Hot matcha latte. These three types of beverages are specifically made and are unique blends created by three female Manner Coffee baristas. In stores, if customers post photos of Manner's store and its beverage with a hashtag on their social media accounts, they will have a chance to win giveaways from Neiwai and Manner Coffee [10,11].

The Beast was founded in 2011 as an online flower shop, and it is positioned as an art and lifestyle brand. The Beast has become more popular by partnering up with celebrities and promoting customized bouquets. Within a year, The Beast had reached more than a hundred and eighty thousand followers on Sina Weibo, a Chinese microblogging website. In July 2021, Manner Coffee announced its collaboration with The Beast. The Beast launched the series Panda Poo-Poo, selling lifestyle products related to fragrances with a panda as its theme. Pandas, or Giant Pandas, are bear species endemic to China, and they are extremely precious endangered mammals and have symbolic meanings in Chinese culture. The brand collaboration between The Beast and Manner Coffee received great attention and affection from people since pandas are treasures to them. Together, they created a limited edition "Panda Latte", which was inspired by The Beast's fragrance series. There was a special taste to this beverage, with three stages of different flavors while tasting it. In addition, there were collaborative products for customers to be awarded and panda-themed coffee cups in all stores. Not only does the product attract many consumers, but Manner Coffee also decorated a collaborative-themed shop for people to take photos and post them on social media, which is an effective way of promotion [12].

Manner Coffee's collaboration with the clothing brand Neiwai and the lifestyle brand The Beast was a success. A reason for it is because the event was only for about a week or a month, which means that the products are limited edition. It will not only increase sales but also attract customers, therefore, raising the awareness of the brand. This is a process of building brand recognition through marketing goods. If there is a positive image in a customer's mind, they will most likely revisit the shop. When the collaboration is about ten days for The Beast and Manner Coffee, buyers would have the tendency to purchase the "Panda Latte", which is motivated by the limited edition and giveaways. Some would fear losing the "last chance" to buy the product, so they will purchase

it. This phenomenon can be explained by the loss aversion theory: the idea that losses loom larger than gains. Thus, marketers can take advantage of the power of losses on consumers [13].

### 2.3. Promotion

Digital communications technologies are useful to attract new customers and maximize sales to existing customers. Manner Coffee has put a lot of effort into marketing and promotion to become viral both online and offline. The main channel that Manner Coffee uses to promote its products and events is through its WeChat official account, which is its owned media. Using social media platforms to market a product is known as social media marketing. Digital technology allows marketers to reach their customers and engage with their audience. Social media marketing and influencer marketing are effective because user-generated content tends to have a stronger impact on customers' decisions [14]. Manner Coffee has several digital platforms such as its official website, WeChat official account, and Xiaohongshu. During the collaboration with Neiwai, Manner Coffee had the WeChat platform and Xiaohongshu giveaways. To have a chance to be selected, customers had to post pictures on the Xiaohongshu APP and add a hashtag to them. This is a type of earned media stimulated through social media marketing. Sharing engaging content will increase Manner Coffee's followers and popularity on the platforms [15]. It also uses a mix of offline and online communication tools to attract visitors and interact with its customers.

Once Manner Coffee hosts an event or collaboration, it will provide gifts for its customers if they join and post about the event on social media, which is an incentive for customers to follow its account, so they can publish new information to them later. To build up customer relationships and interactions, Manner Coffee encourages its customers to comment down below their posts and select them for giveaways. In addition to events, Manner Coffee serves free coffee for anyone who brings their own cup in the first few days when a new store opens. Even though this strategy will not earn profit, this will highly attract new customers, raise brand awareness, and achieve retention goals. In October 2020, Manner Coffee celebrated its fifth anniversary by providing free coffee for everyone in every store. In order to earn a free cup of coffee, people only had to follow Manner Coffee's WeChat official account and repost the event onto their WeChat moments to let their friends see it. This strategy gained new followers on its official account, and it also caught more attention of different people. At the same time, Manner Coffee never forgot its social responsibility. They encouraged all customers to bring their reusable cups to receive a free coffee.

## 3. Conclusion

### 3.1. Main Findings

This paper aims to review the marketing methods of Manner Coffee, a coffee chain brand that thrived over five years. Manner Coffee focuses on creating high-quality coffee at an affordable price for its customers. Since the price is lower than its competitors, it has brought its product a greater advantage. It has a strong social responsibility to protect the environment by giving customers an incentive to bring their own reusable cups. In addition, the size of stores and its business model is usually small, which reduces cost. The cost spent on baristas and coffee beans allows Manner Coffee to make better taste and provide better services to its customers.

The successful collaborations with Neiwai and The Beast attracted many new visitors to its store and attended the event. It led customers to repost and post on their social media accounts to raise its brand awareness, and this is also known as social media marketing. Creating appealing content and photos on social media would increase attention. Moreover, the short length of collaboration generated the feeling of a limited edition, so customers would have the tendency to buy the special themed drink or receive giveaways. Using digital platforms and effectively communicating and

interacting with customers would foster customer relationships, and they will more likely to revisit and share a positive image of the brand. Overall, Manner Coffee's marketing strategies are remarkable, and still working towards its objective of "Make Coffee Part of Your Life".

### 3.2. Future Studies

Two further studies are worth researching. First of all, Manner Coffee's stores are mainly in Shanghai, China, which is a municipality and populous city. This international economic center may have slight differences from other cities due to its population and people's lifestyles. Therefore, there might be challenges that Manner Coffee wants to expand its market in China because the business model may not work the same. Stores might operate differently in another city than in municipalities. Although Manner Coffee has a pricing strategy and several events, it still has many competitors in China. In order for it to reach more customers, there might be different strategic planning. Secondly, the supply chain of Manner Coffee is concerning if it wants to expand its brand across the country. This is because it focuses on high-quality coffee, which needs skilled baristas and its own coffee beans. Manner Coffee would have to take more time and cost on human and capital resources in their production, which might affect their expansion.

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