

Strategic Analysis of International Brands and Local Chinese Brands to Adapt to the Chinese Market ——Taking Starbucks and Chayan Yuese as Examples

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Abstract

With the improvement of China's status in the international market, the competition between international brands and local brands in China is becoming increasingly fierce. This study takes Starbucks and Chayan Yuese as examples and uses literature research and questionnaire survey methods to compare the adaptation strategies of the two in the Chinese market from the four dimensions of brand culture, product design, marketing strategy and consumer feedback. The study revealed that Starbucks, an international brand representative, adopted a standardized and microintegration strategy to carry out element grafting on the basis of maintaining the standardization of core products. Moreover, the local brand Chayan Yuese has adopted a high-integration and deep fusion strategy, fully and deeply embedding itself within traditional Chinese culture and regional characteristics. Both strategies have achieved positive results in the Chinese market, but consumers show a stronger preference for localized products and internationalized marketing. This study deepens the understanding of adaptive and native strategies, providing insights for the cultural integration of multinational brands and the cultural preservation of local brands.

Keywords

literature research, questionnaire survey methods, Chayan Yuese, Starbucks

1. Introduction

Against the backdrop of economic globalization and cultural integration, China has become a core market for competition between international and local brands. Its unique cultural heritage, massive consumer base, and rapidly growing economy collectively create a complex business environment. In this context, “brand localization” is not merely about transplanting cultural symbols or making minor product adjustments but rather about cultural transmission and resonance. Moreover, with the rise of “China chic” and the increase in cultural confidence, brands rooted in China are expanding in a distinctly different manner. The existing research focuses predominantly on individual brand case studies and lacks a systematic comparative evaluation of both international brands and local Chinese brands under these two models. The specific manifestations of these two strategies and their pathways to influencing consumer cognition differ. They also differ in what attracts consumers. To analyse these two strategies, this study conducts a comparative analysis of the adaptation strategies employed by Starbucks and Chayan Yuese in the Chinese market, examining four dimensions: brand culture, product design, marketing strategies, and consumer feedback. This research aims to enrich the theoretical framework of brand development in China and provide insights for corporate practices.

2 Literature Review

With the increasing trend of economic globalization and the increasing influence of China on global economic growth, the importance of the Chinese market is increasing (LEVITT, 1983). The unique cultural differences between the Chinese market and other markets require brands to adapt to the local market (Bui and Mai, 2020). Hofstede (2010) noted that the “high power distance” and “collectivism” characteristics of the Chinese market require brands to build trust through an emotional narrative. However, international brands and local brands differ in their cultural adaptation strategies. The uncertainty of the market also promotes the localization of the brand (Jeong et al., 2019). In recent years, the number of tea brands on the Chinese market has been increasing, and Western brands have taken a series of localization measures (Liu&Du, 2025). Some of the integration strategies adopted by Starbucks are integrated into Chinese culture on the basis of maintaining the standardization of core products to launch local products (such as tea series) and festival-limited products (such as the launch of Starbucks Dragon Dumpling during the Dragon Boat Festival), establishing cultural connections with consumers in this way (Wang, 2023; Zhang, 2019; Feng, 2020). Chayan Yuese chose a comprehensive integration strategy, from brand naming to visual design to product design to fully embrace traditional Chinese culture, and established in-depth brand identity through cultural marketing and regional cultural binding (Li, 2024; Zhao, 2023). However, at present, most of the literature focuses on a single brand and lacks a systematic comparison of how international brands and local brands adapt to the Chinese market.

3. Methodology

To achieve the research objectives and ensure the scientific rigor of the research process and the reliability of the conclusions, this study adopts a combined research strategy of literature review and questionnaire survey. These two methods complement each other, providing theoretical and empirical support for the research question from dual perspectives.

3.1 Literature Review Method

The literature review involved the retrieval of Chinese and English databases such as CNKI and Web of Science, with a focus on authoritative publications from the past decade. Keywords included “Brand Localization”, “Cultural Adaptation,” “Starbucks,” and “Chayan Yuese”, among others. During the analysis phase, emphasis was placed on classic frameworks such as Vrontis’s (2003) “Adaptation-Standardization Continuum” and Hofstede’s Cultural Dimensions Theory, combined with case studies of brands such as Starbucks’ “Third Place” localization strategy and Chayan Yuese’s “China chic” marketing approach. This process led to a preliminary summary of their differentiated characteristics in areas such as brand culture, product design, and marketing strategies. Ultimately, three core comparative dimensions were established, providing a theoretical basis and content validity support for the questionnaire design.

3.2 Questionnaire Survey Method

Building on the theoretical framework established through the literature review, this study employs a questionnaire survey to collect first-hand data from the perspective of consumer perceptions. This approach aims to empirically test and supplement the conclusions derived from the theoretical analysis.

The questionnaire consists of three parts: a screening section, a main section, and a demographic information section. The screening section includes questions to ensure that respondents belong to the target consumer groups of both brands. The main section is structured around the three core dimensions identified in the literature review, utilizing five-point Likert scales and multiple-choice questions. The demographic section collects information such as age, gender, and city tier for covariate control and group difference analysis. The survey was distributed online via the “wjx.cn” platform via a combination of convenience sampling and snowball sampling methods. A total of 354 questionnaires were collected. After removing invalid responses, 347 valid questionnaires were retained, resulting in a valid response rate of 98.02%. Among the valid samples, females accounted for 55.33%, respondents aged 18–35 constituted 75.21%, and 70.03% resided in Tier 1 or New Tier 1 cities, which aligns with the core demographic characteristics of both brands’ primary consumer base. This study utilized the SPSSAU online data analysis platform to process and preliminarily analyse the data collected from the questionnaires. Frequency analysis was conducted to examine the distribution of key single-choice questions, aiming to clearly and comprehensively depict the overall composition and distribution characteristics of the sample, thereby laying the foundation for subsequent inferential analysis.

4 Results

This study compares Starbucks and Chayan Yuese in terms of brand culture, product design, marketing strategies and feedback to reveal their differences in adapting to the Chinese market.

In terms of brand culture, Starbucks adopts a strategy of grafting its unique culture onto local contexts. It maintains its “third place” concept while integrating elements of Chinese teahouse culture (Zhu, 2024). For example, its Beijing Lotus Market Store and Hangzhou “Breeze-Rippled Lotus at Qu Yuan” store incorporate traditional architectural styles, blending American coffee spirit with Chinese artistic aesthetics. In contrast, the Chayan Yuese fully embraces traditional culture with a “neo-Chinese” aesthetic core. Through classical lady logos, ink painting-style packaging, and collaboration with cultural IPs such as the Hunan Museum and Dream of the Red Chamber, it deeply aligns itself with traditional culture.

In terms of product design, Starbucks adheres to the standardization of core products while simultaneously introducing tea-based beverages such as Longjing tea lattes and Osmanthus flat whites, alongside limited-time seasonal offerings such as mooncakes and zongzi during traditional festivals. In contrast, the Chayan Yuese persists in innovating through the sinicization of tea drinks, utilizing traditional tea bases such as oolong and jasmine tea, and launching new products monthly aligned with solar terms—such as osmanthus-flavoured drinks during the autumn equinox—to strengthen cultural relevance and maintain a sense of novelty.

In terms of marketing strategies, Starbucks enhances customer loyalty through its global membership system, such as the “Starbucks Starcard”, while attracting consumers through collaborations with the Palace Museum and creating intangible cultural heritage-themed stores (e.g., the Hubei paper store). Chayan Yuese’s marketing campaigns are highly aligned with collective emotions and trending events in Chinese society, such as offering “Half-Price on the Second Drink” on rainy days and launching gift cards during the national college entrance examination period. Additionally, the brand independently designs cultural and creative products, boasting over 100 SKUs, including scented teas, badges, postcards, umbrellas, and other merchandise. By integrating traditional Chinese cultural elements, Chayan Yuese has constructed a unique brand universe.

Table 1: Brand culture

Name	Brand	Option	Frequency	Percentag(%)	Cumulative
To what extent does the brand culture (e.g., values, visual design) of Starbucks/Chayan Yuese influence your purchase decision? (5-point scale: 1=No influence, 5=Strong influence)	Starbucks	1.0	24	6.92	6.92
		2.0	50	14.41	21.33
		3.0	54	15.56	36.89
		4.0	128	36.89	73.78
		5.0	91	26.22	100.00
	Chayan Yuese	1.0	37	10.66	10.66
		2.0	27	7.78	18.44
		3.0	79	22.77	41.21
		4.0	93	26.80	68.01
		5.0	111	31.99	100.00
Total			347	100.00	100.00

As shown in Table 1, brand culture moderately influences purchasing decisions (average score: 3.61), with notable differences between the brands. Chayan Yuese shows stronger cultural resonance, with 58.79% of consumers rating its influence highly (4–5 points) and 31.99% giving the highest score. China’s “China chic” aesthetics and traditional values align closely with consumer identity and emotion, effectively driving purchases. In contrast, while Starbucks also commands significant influence (63.11% high ratings), it exhibits a polarized response, with low ratings (1–2 points) reaching 21.06%—higher than Chayan Yuese’s 18.44%. This suggests that Starbucks’ international identity, although widely accepted, may lack local cultural adaptation for some consumers.

Table 2: Product design

Name	Brand	Option	Frequency	Percentag(%)	Cumulative
Do you think Starbucks’ /	Starbucks	1.0	48	13.83	13.83
		2.0	18	5.19	19.02
		3.0	57	16.43	35.45

Chayan Yuese’s products align with Chinese consumers’ taste preferences? (5-point scale: 1-Not at all, 5-Completely)		4.0	90	25.94	61.39
		5.0	134	38.61	100.00
	Chayan Yuese	1.0	35	10.09	10.09
		2.0	22	6.34	16.43
		3.0	46	13.26	29.96
		4.0	92	26.51	56.20
		5.0	152	43.80	100.00
Total		347	100.00	100.00	

As shown in Table 2, both brands strongly align with Chinese taste preferences (average score: 3.79), yet systematic differences exist. Chayan Yuese demonstrates notable success in taste localization, with 70.31% of consumers rating it 4--5 (43.8% at 5 points), reflecting effective cultural adaptation through its traditional tea-based product architecture. This supports its "Sinicized innovation" strategy. In contrast, while Starbucks also performs well—64.56% rated it as 4--5 (38.62% at 5 points)—it shows a greater percentage of negative evaluations (13.83% vs. Chayan Yuese's 10.09%). This suggests that despite menu-level localization efforts, a cultural distance remains between its core coffee offerings and local taste preferences.

Table 3: Marketing strategies

Name	Option	Frequency	Percentag(%)	Cumulative Percentage(%)
Which brand's marketing appeals to you more?	Neither	44	12.68	12.68
	Both	63	18.16	30.84
	Starbucks	125	36.02	66.86
	Chayan Yuese	115	33.14	100.00
Total		347	100.00	100.00

As shown in Table 3, both brands exhibit a competitive balance in marketing appeal, although Starbucks holds a slight advantage. Specifically, 36.02% of consumers explicitly find Starbucks' marketing activities more appealing, whereas 33.14% for Chayan Yuese—a difference of approximately 3 percentage points. This outcome suggests that Starbucks' global marketing system, supported by substantial resource investment and sophisticated storytelling, effectively reaches a broader audience and creates perceived scarcity, contributing to its relatively higher recognition. Meanwhile, Chayan Yuese's differentiation strategy leveraging local cultural elements resonates with approximately one-third of consumers, yet its influence remains slightly weaker than Starbucks' globalized marketing campaigns.

5 Conclusion

The study revealed that Starbucks' adaptation strategy in the Chinese market involves carrying out local microinnovation on the basis of adhering to the standardized operation of the brand. In this way, it highlights the original personality characteristics of the brand while reducing cultural barriers to attract Chinese customers. As a local brand, Chayan Yuese fully integrates traditional Chinese culture, relying on cultural dividends to transform people's confidence and love for traditional culture into trust and dependence on brands and products. Both adaptation strategies have proven successful in the Chinese market, yet consumers demonstrate a stronger preference for products featuring local flavours and aesthetic narratives, coupled with internationalized and scenario-based marketing approaches. However, this study compares fewer brands, which has a certain impact on the universality of the results. Future research can compare multiple brands and study the reasons for their differences.

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Conflicts of Interest

The authors declare no conflict of interest.

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