Grounds for concern: Why national coffee shop chains are losing steam

August 2025

Impact where it matters.

A more nuanced view of coffee consumers

Coffee chains are struggling to keep up with local coffee shops

Retail coffee has a major satisfaction problem

- Since 2020, leading coffee chains across the U.S. have experienced a nearly 30% drop in consumer satisfaction
  - The largest national coffee chains have seen a decline in the customer perception of quality coffee, friendly staff behavior and customer service
  - Regional chains have fared better but are also affected by worsening store cleanliness, speed of service and food quality
- Local coffee shops remain largely flat in consumer satisfaction
  - Local shops receive high marks for excellent service, ambiance, quality and cleanliness
  - Some local shops have even notched improvements in overall satisfaction
- To match the success of local coffee shops, coffee chains need a new way to understand the complexity of consumer choices and put people at the center

A more nuanced consumer perspective is required

- By virtue of their size, local coffee shops are in tune with the needs of their customers and can react accordingly.
- Large coffee chains struggle to operate consistently due to their size and the context-driven habits of their customers.
- Success for national and regional coffee chains requires a deeper understanding of how consumers navigate purchase decisions.

The Atlas Intelligence approach

Deep, actionable consumer intelligence based on millions of data points

Store-level precision, nationwide

Granular visibility down to individual store locations reveals the true drivers and draggers of performance for your brand and competitors

Insights, not just data

Atlas Intelligence goes beyond word counting to structured frameworks that convert unstructured consumer feedback into insights you can act on

Holistic perspective

Understand what matters to consumers across their lives, beyond just the touch points in which they engage with your brand

Introducing Atlas Intelligence by ZS

Insights in this report were derived from public data using ZS's proprietary gen AI-powered platform

Tap into structured and unstructured data	To derive unparalleled insight	And make better business decisions

EXTERNAL

- Consumer reviews
- Social media
- Blogs and forums

INTERNAL

- Customer support
- Primary research
- Operations and sales data

Atlas Intelligence

- What really matters to consumers
- How you and competitors perform
- What makes key audiences unique
- How the market is evolving

- Customer experience
- Food and beverage innovation
- Franchise management
- Brand positioning
- Marketing and messaging

The Atlas difference

Millions
not thousands of data points

3x
faster time to insight

30%+
cheaper than traditional approaches

$100M+
business value realized

The data universe for this analysis

We sourced a representative set of organic consumer feedback from coffee shops across the United States

Data used for this analysis

Google Maps | Google Play | App Store

Timeframe:
2020 to **2024**

150K+ unique US store locations

6M+ consumer reviews

Illustrative coffee shops included[1]

National chains (~40K unique stores | ~2.6M reviews)[1]

Starbucks	Dunkin'	Panera Bread	McCafé	Peet's Coffee

Regional chains (~3K unique stores | ~140K reviews)[2]
See footnote for a full list of brands included

Dutch Bros	Caribou Coffee	Tim Hortons	Biggby Coffee	Krispy Kreme Doughnuts

Local coffee shops (~100K unique stores | ~3.3M reviews)
Brands displayed below illustrative and not exhaustive

Colectivo Coffee	Local shops	Variety Coffee	10 Speed Coffee	Fulcrum Coffee Roasters

1) McDonald's data filtered to reviews for McCafé products and experiences.
2) Regional chains include: 7 Brew Coffee, Biggby, Caribou Coffee, Dutch Bros Coffee, Einstein's, Krispy Kreme, PJ's Coffee, Scooter's Coffee, The Coffee Bean & Tea Leaf, The Human Bean, Tim Hortons and Ziggi's.

Types of insights revealed

Real conversations offer a holistic picture of the market—how people's needs, habits and views of coffee brands shift over time

57K
unique topics identified

9M
ways topics were expressed

40M
mentions within the data

The coffee shop landscape

Menu options

What food and beverage items do consumers prefer or dislike?

- **Attributes:** Price, ingredients and quality
- **Cuisine:** American, Asian and Mexican
- **Sensory:** Appearance, taste and smell

21% of mentions

Customer service

How does service impact consumer satisfaction?

- **Customer support:** Help desk, hotline and app support
- **In-store staff:** Cashier and barista
- **Staff behavior:** Friendly, helpful, rude or efficient

20% of mentions

Store details

What attributes help or hurt experiences?

- **Characteristics:** Location, hours, amenities and cleanliness
- **Equipment:** Seating options, waste management and utensils

9% of mentions

Other

What platforms or programs influence decisions?

- **Apps:** User experience, features and performance
- **Loyalty programs:** Points and rewards
- **Brands:** Names and perceptions

6% of mentions

Consumer attributes

Consumer journey

How do consumers engage with locations and brands?

- **Time of visit:** Morning, lunch, afternoon, dinner or weekend
- **Order journey:** Drive-thru and finding a table
- **Paying journey:** Refunds and using digital wallets

10% of mentions

Emotional states

How do consumers feel (stated or unstated)?

- **Happiness:** Appreciation, joy and excitement
- **Curiosity:** Caution, concern or eager
- **Sadness:** Disappointment, worry or anxiety

8% of mentions

Consumer needs

What are the top functional and emotional goals?

- **Appetite management:** Satisfy hunger or get a caffeine fix
- **Convenience:** Quick to grab and easy to eat
- **Nutrition:** Sugar, protein, fat and carb intake

4% of mentions

Consumer characteristics

What types of consumers are patronizing shops?

- **Demographic:** Age, gender, education level and occupation
- **Companion in QSR visit:** Co-worker, family or partner
- **Psychographic:** Picky and sensitive

3% of mentions

The retail coffee landscape

What are the primary functional needs within the retail coffee landscape?

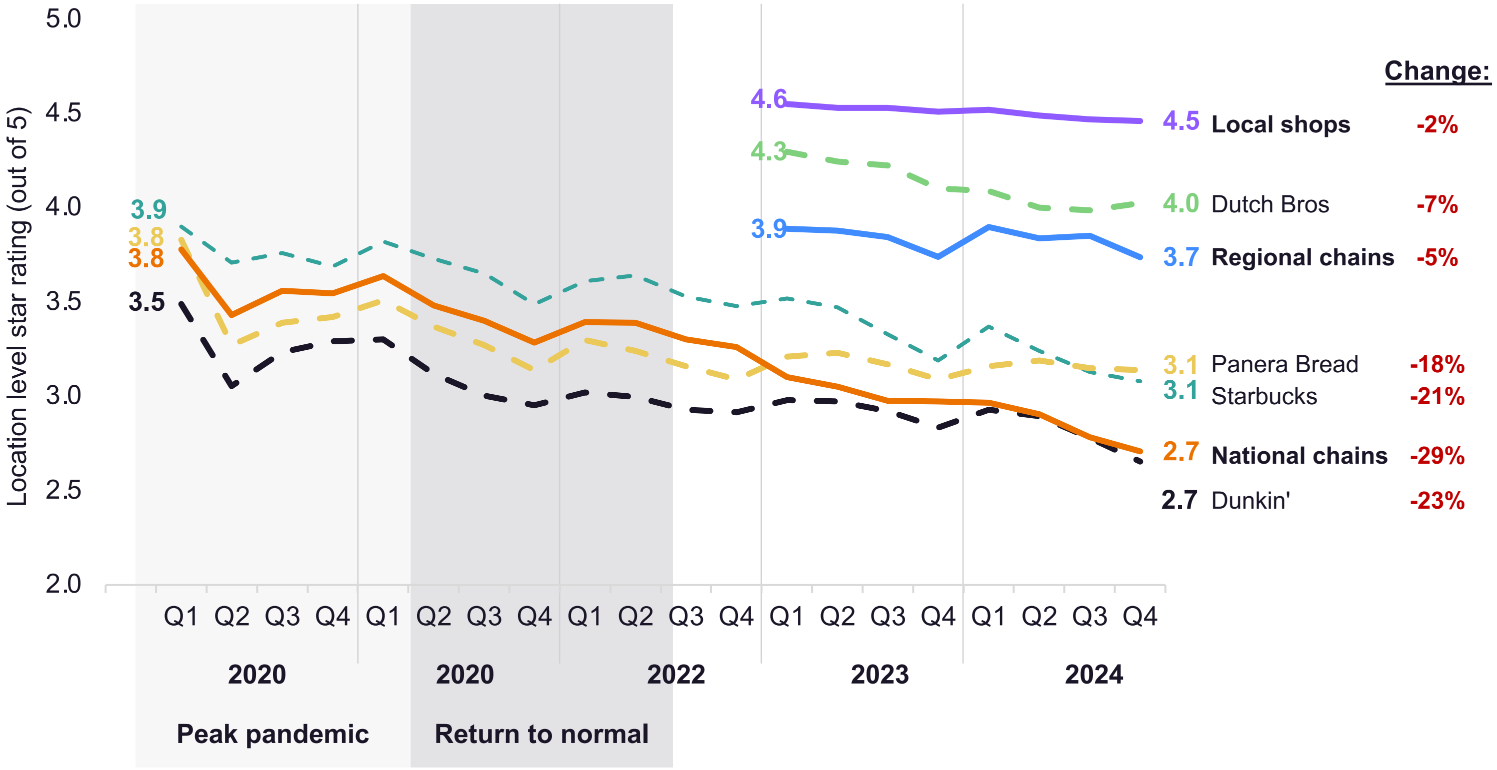
What are the key jobs to be done for consumers?

How are store locations meeting consumer expectations today?

The satisfaction crisis in retail coffee

Overall consumer satisfaction with national coffee chains has dropped by almost 30% since the first quarter of 2020

Average retail coffee location review rating (2022 to 2024)[1]



Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022 to 2024).

What to know

- National chains have experienced a sustained decrease in satisfaction, including declines across prominent leading brands.
- Regional chains are also trending downward, though at a gentler trajectory.
- Local coffee shops have remained resilient, maintaining customer satisfaction despite lacking the large budgets and infrastructure of bigger brands.

Coffee consumer conversation trends

Recent changes in overarching consumer needs and preferences could help explain some drop in satisfaction levels

Change in high-level conversation topics (2020 to 2024)[1]

Emerging (Small and increasing)	**Growing** (Large and increasing)	**Stable** (Large and steady)	**Declining** (Sizable yet shrinking)
+181% Coffee literacy and beverage transparency	**+187%** Spaces that facilitate relaxation and bonding	**+17%** Proximity to home and work	**-32%** Caffeine cravings and habitual consumption
+167% Community atmosphere and local connection	**+140%** Store cleanliness standards	**+10%** Variety of food and beverage options	**-25%** Poor communication and lack of signage
+147% Tipping pressure and expectations	**+111%** Affordability and value for money	**+5%** Welcoming, friendly and sociable staff	

Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022-2024); App reviews from Apple Store and Google Play store (2020-2024).

1) Trends defined based on % change of mentions from 2020 to 2024; Mention size defined as Small = in bottom 10% of all topics, Large = in top 10% of all topics.

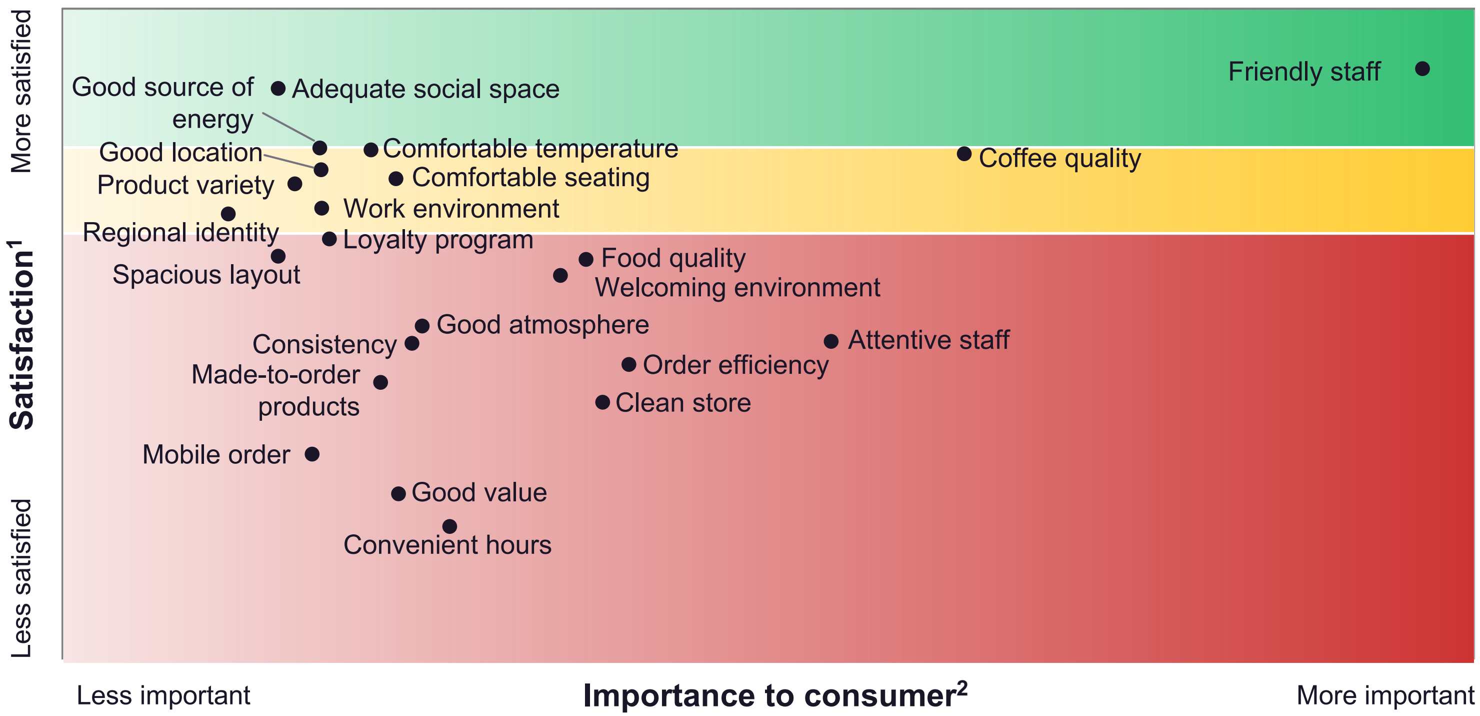
What to know

- Consumers talk less about their coffee habits, while mentions of convenience and location are on the rise—both long-time growth drivers for coffee chains.
- Interest is growing in topics that favor local coffee shops—coffee culture, relaxing spaces and a neighborhood vibe.

Retail coffee experience drivers

The degree to which top consumer needs are being met (or not) could also offer clues about satisfaction drivers

Importance and satisfaction for top high-level consumer needs



Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022-2024); App reviews from Apple Store and Google Play store (2020-2024).

1) Calculated using net delivery (calculated as % reviews with positive delivery toward concept - % reviews with negative delivery toward concept).

2) Importance calculated using contribution toward or against a five-star review rating.

What to know

- Staff friendliness and coffee quality are critical consumer needs that current retail coffee brands meet reasonably well, making them table stakes for the category.
- Better food, cleaner stores and more attentive staff matter to customers, but many coffee store chains fall short.

Top drags on satisfaction

National and regional coffee chains are experiencing erosion of critical consumer needs, highlighting the need to dig deeper

National coffee chains[1]

Coffee quality
Coffee is poorly prepared and offers a poor value

Staff friendliness
Staff are rude, unhelpful or unwilling to engage

Service levels
Poor issue resolution or challenges with payments, etc.

Regional coffee chains[1]

Cleanliness
Dirty tables, unpleasant smells and restroom issues

Service speed
Long wait times to receive orders

Food quality
Food lacks flavor and is stale or poorly prepared

Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022 to 2024); App reviews from Apple Store and Google Play store (2020 to 2024).
1) Top drags are defined as those with the most significant negative contribution toward a five-star review rating.

What to know

- National chains can suffer from perceptions of poor coffee quality and staff friendliness—two critical needs where underperformance can significantly influence consumer satisfaction.
- Regional chains are often seen as dirty, slow and lacking quality food—important gaps that can hurt satisfaction but aren't always fatal to the brand.

These insights, while useful, may not be deep or nuanced enough to arm coffee chains sufficiently with a path forward.

A more nuanced, consumer-centric view

Applying Jobs Theory is key to deeply understanding and delivering on the nuances of customer motivations and choice drivers

Conventional thinking

Consumers visit coffee shops to purchase drinks and food, socialize and work

VS

Jobs Theory thinking

Customers hire a coffee shop to help accomplish a specific job

I need a cup of coffee.

“I need a place to study where I can focus and access wi-fi.”

“I need a relaxing place where I can get to know a new person.”

“I need to get some quick energy on my way to work.”

“I need something delicious to reward myself after a long week.”

- ✗ Misses consumer’s core motivation
- ✗ Doesn’t represent how consumers make decisions from multiple choices
- ✗ Offers more limited options for an effective brand strategy

- ✓ Anchored on the core motivation (the job to be done)
- ✓ Identifies true competitors (the candidates to be hired or fired)
- ✓ Enables brands to develop richer, more effective strategies

ZS

Why Jobs Theory is required for retail coffee

Retail coffee consumers are complex. Even the same individuals will make different decisions depending on the situation: Do they go out for coffee or stay home? Do they choose one retail brand over another? Do they choose coffee at all?

Success for retail coffee brands requires a deep understanding of these nuanced decision-drivers to inform where they focus and how they’ll win.

ZS has leveraged Atlas Intelligence to define the retail coffee consumer demand landscape based on the specific jobs to be done that represent opportunity for retail coffee brands.

Retail coffee consumer jobs to be done

This analysis uncovered 12 distinct jobs to be done across four broad themes

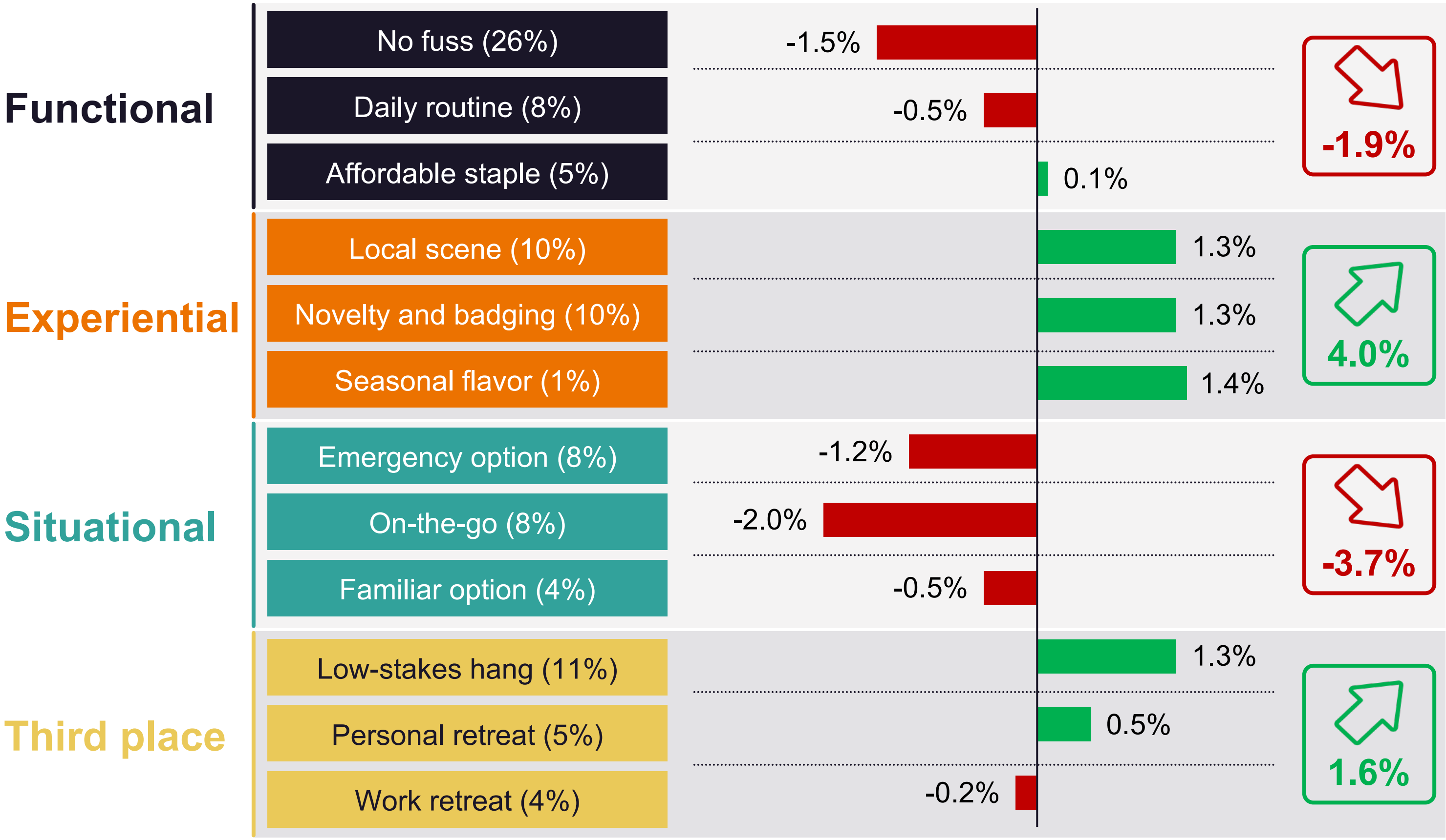
Functional 39% of mention volume	Experiential 21% of mention volume	Situational 20% of mention volume	Third place pursuits 20% of mention volume
No fuss (26%)	**Local scene (10%)**	**Emergency option (8%)**	**Low-stakes hang (11%)**
Looking for a consistent, reliable, convenient drink and food option	Looking for drink and food options that reflect the neighborhood culture	Needed a drink or food in a pinch without many options around	Looking for an easy place to meet with others
Daily routine (8%)	**Novelty and badging (10%)**	**On the go (8%)**	**Personal retreat (5%)**
A comforting and familiar part of the daily grind	Like exploring and sharing new and unique drink and food options	Looking for a convenient option while out and about	Looking for a comfortable location away from home to spend time
Affordable staple (5%)	**Seasonal flavor (1%)**	**Familiar option (4%)**	**Work retreat (4%)**
Looking for a cost-effective drink and food option	Drawn to meaningful seasonal or holiday-specific options	Looking for a known option in an otherwise unfamiliar location	Looking for a comfortable location to work outside the office

Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022-2024); App reviews from Apple Store and Google Play store (2020 to 2024).

Evolution of jobs to be done

Jobs to be done have evolved in recent years as consumer needs and requirements have shifted

Change in jobs-to-be-done size (first quarter 2023 to fourth quarter 2024)



Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022 to 2024); App reviews from Apple Store and Google Play store (2020 to 2024).

What to know

- More functional jobs to be done—such as “no fuss” and “daily routine”—and situational jobs to be done such as “emergency option,” “on-the-go” and “familiar option”—have significantly declined in prevalence over the last two years.
- Experiential jobs to be done have grown, suggesting increased interest in coffee brands that can delivery on authenticity and novelty.
- Third place jobs to be done have also grown as consumers seek comfortable spaces outside of home and work.

Retail coffee brand footprints

Retail coffee brands exhibit very different concentrations across jobs to be done

Distribution of jobs to be done by coffee brand

			National coffee shops	Regional coffee shops	Local coffee shops	Starbucks	Dunkin'	Panera	Dutch Bros	Caribou Coffee	Biggby Coffee	Tim Hortons
Functional	No-fuss	26%	35%	32%	21%	35%	39%	30%	32%	34%	33%	33%
Functional	Daily routine	8%	10%	12%	8%	11%	15%	9%	12%	11%	14%	13%
Functional	Affordable staple	5%	5%	7%	4%	3%	4%	14%	5%	3%	6%	5%
Experiential	Local scene	10%	1%	8%	14%	1%	2%	2%	8%	5%	7%	8%
Experiential	Novelty and badging	10%	4%	8%	14%	6%	2%	3%	10%	5%	7%	3%
Experiential	Seasonal nostalgia	1%	1%	2%	2%	2%	1%	1%	2%	2%	2%	1%
Situational	Emergency option	9%	16%	8%	4%	12%	14%	12%	10%	7%	7%	11%
Situational	On-the-go	8%	12%	8%	4%	10%	12%	8%	7%	12%	8%	11%
Situational	Familiar option	4%	5%	4%	3%	5%	5%	3%	4%	5%	4%	8%
Third place	Low-stakes hang	11%	6%	7%	14%	8%	4%	10%	7%	8%	8%	5%
Third place	Personal retreat	5%	2%	2%	7%	4%	1%	3%	2%	5%	3%	1%
Third place	Work retreat	4%	3%	1%	5%	6%	1%	6%	<1%	4%	3%	1%
	Totals	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Well below average (< -10 pts)	Below average (-10 to -5 pts)	Minimal difference from average	Slightly above average (+2 to 5 pts)	Above average (+ 5 to 10 pts)	Well above average (> +10 pts)

Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022-2024); App reviews from Apple Store and Google Play store (2020-2024).

What to know

- National chains such as Starbucks and Dunkin' are heavily concentrated in functional and situational jobs to be done where consumer needs are more transactional.
- Regional chains are also anchored in functional jobs but can stretch somewhat more into experiential spaces.
- Local coffee shops are well positioned within experiential and third place jobs to be done, which are seeing the most growth.

How brands can succeed with this framework

To be consistently hired for a job to be done, brands must strongly deliver on what matters most to consumers in that context

Functional — Illustrative example 1: How could Dunkin' win the No-fuss job to be done

What matters most to consumers in this job?

Consumer need	Importance[1]
Great-tasting food and drinks	
An easy and seamless experience	
A familiar and welcoming space	
Fast and reliable service	
Wide variety of menu options	

How well do brands deliver on these needs?

	Dunkin'	Starbucks	Dutch Bros
Overall performance[2]	56	64	65

Opportunity for Dunkin' with Starbucks and Dutch Bros:

- Enhance reliable and speedy service
- Customer support in ordering and pickup

Third place — Illustrative example 2: How could Starbucks win the low-stakes hang job to be done?

What matters most to consumers in this job?

Consumer need	Importance[1]
Enjoyable environment	
Ability to relax and unwind	
Ability to socialize with friends and family	
Wide variety of menu options	
Feel excitement and energy	

How well do brands deliver on these needs?

	Starbucks	Local coffee shops	Panera Bread
Overall performance	64	75	56

Opportunity for Starbucks with local coffee shops:

- Need to foster a relaxing and comfortable ambiance
- Lean into premium amenities like condiment bars and comfortable seating

Source: ZS Atlas Intelligence; Location-level consumer reviews from Google Maps (2022-2024); App reviews from Apple Store and Google Play store (2020-2024).

1) Importance calculated using contribution toward or against a five-star review rating).
2) Delivery calculated using net sentiment at the topic level aggregated across all topics, weighted by the importance of each topic within the job to be done.

Don’t let these insights go cold—let’s put them to work.

Reach out to **Atlas.Intelligence@zs.com** to see how we’re helping QSR brands bring this to life, store by store.

Thank you!

Impact where it matters.