

QUESTIONS??





Trouble Brews at Starbucks



Executive Summa

Mission-

"To inspire and nurture the human spirit – one person, one cup and one neighborhood at a time"



Situation Analysis

- · Moving away from core values;
- · Falling stock price;
- · Losing market share;
- Declining employee morale;
- Strong brand recognition;
- Continued expansion.



- Who are our current and potential
- What do customers do with our products?
 Where do customers purchase our
- When do customers purchase our products?
- · Why (and how) do customers select our
- Why do potential customers not purchase



PEST Analysis

- Prices and supplier realtionships
 New consumer movements
- Internet access

Porter's 5 Forces

- · McDonald's and Dunkin' Donuts
- Energy drinks, Soda or other restaurants Low switching costs
- Full breakfast and boutique shops

SWOT Analysis

- · Good work environment
- *Luke from Starbucks
- · Quality customer experience
- · Brand recognition and equity
- · Quality of Product



- High coffee prices
- · High calorie/fat content
- · Experience is a commodity
- · Length of time to produce order
- · Lack of traditional advertising



- Grow global market
- Customer convenience · Product development
- · Expansion into retailers
- · Technology (apps, wifi)
- Healthy food/drink choices





- · Other/Cheaper coffee prices at competitors

 Cheaper alternatives at supermarkets
- · Dependent on supply chain



Competitive Advantage

- Relational Advantages
- Product Advantages
- Organizational Advantages

Strategic Focus

- Capitalize on high traffic stores
- Go back to basics
- Take advantage of external opportunities

Marketing Goals and Objectives

- Physical Plant
- Employee Engagement
- New products
- Establish National Dominance
- Expand globally

Marketing Strategy

Primary (and Secondary) Target Markets

- Men and women, age 25-40 who have a higher disposable income
- Young adults, age 18-24 who are working to maintain a "cool" image

Marketing Strategy

Overall Branding Strategy

- Quality
- Location Hubs
- Licensing agreements
- Accessibility

