

STARBUCKS



TM

MISSION
TO INSPIRE AND NURTURE THE HUMAN
SPIRIT -
ONE PERSON, ONE CUP AND ONE
NEIGHBOURHOOD AT A TIME

GROUP 5:
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TRIVIA QUESTIONS

1. WHERE WAS COFFEE FIRST DISCOVERED?
 - a. GREECE
 - b. BRAZIL
 - c. USA
 - d. ETHIOPIA

2. WHICH COUNTRY PRODUCE THE MOST COFFEE?
 - a. USA
 - b. BRAZIL
 - c. KENYA
 - d. GUATEMALA



HISTORY



- FOUNDERS: **JERRY BALDWIN, GORDON BOWKER, ZEV SIEGL**
- COFFEE ROASTING ENTREPRENEUR, **ALFRED PEET OF PEET'S COFFEE** was a major inspiration to the founders of Starbucks. He was also the initial supplier of the green coffee beans to Starbucks.
- FIRST STORE: Historic Pike Place Market, **SEATTLE IN 1971**
- GOAL: To sell **FRESH ROASTED COFFEE BEANS and BREWING AND ROASTING ACCESSORIES** to customers from that region.



PROJECT INITIATION



TRIVIA QUESTIONS

1. WHAT NOVEL INSPIRED THE NAME STARBUCKS?
2. WHAT IS THERE IN THE STARBUCKS LOGO?
 - a. PIRATE
 - b. MERMAID
 - c. SEAGULL
 - d. AQUAMAN
3. HOW MANY LOGOS DOES STARBUCKS HAVE TILL NOW?
 - a. 4
 - b. 5
 - c. 7
 - d. 3



PRODUCT DESCRIPTION



- Starbucks, with the help of Howard Schultz started serving **brewed coffee and espresso beverages made from Starbucks® coffee beans in 1987.**
- The company initially had coffee bars in Seattle, Vancouver and Chicago but when **Starbucks went public in 1992**, it opened its first stores in San Francisco, San Diego, Orange County and Denver with a **total store number of 165.**
- Eventually, Starbucks became an international coffee and coffee house chain with **total stores of around 33,000 stores** and **more than 30 blends** and single - origin premium coffees as well as **Starbucks handcrafted beverages and refreshers** for their customers to enjoy in stores, at home and on the go.

TRIVIA QUESTIONS

1. WHEN DID STARBUCKS START THEIR FAMOUS FRAPPUCCINOS?
- a. 1993
 - b. 1995
 - c. 1997
 - d. 1999

2. WHAT DID STARBUCKS START SELLING IN 2008?

- a. SKINNY DRINKS
- b. SALADS
- c. INSTANT COFFEE
- d. NITRO COFFEE



HANDCRAFTED BEVERAGES

Fresh-brewed coffee
Hot espresso beverages
Iced espresso beverages
Teas
Starbucks® Cold Brew
Frappuccino® blended
Starbucks Refreshers®

FRESH FOOD

Baked pastries
Sandwiches
Salads
Protein boxes
Oatmeal
Yogurt
Snacks

MERCHANDISE

Mugs
Travel Tumbler
Coffee Grinders
Coffee Makers
Storage Containers

TRIVIA QUESTIONS

1. WHAT CITY HAS THE MOST STARBUCKS LOCATIONS?

- a. NEW YORK
- b. SEOUL
- c. LONDON
- d. TORONTO



LONDON



NEW YORK

SEOUL | SKYLINE



2. WHEN DID STARBUCKS OPEN THEIR FIRST DRIVE THRU LOCATION?

- a. 1994
- b. 1984
- c. 2001
- d. 2004

3. WHEN DID STARBUCKS OPEN THEIR SKI THRU LOCATION?

- a. 2005
- b. 2009
- c. 2012
- d. 2015



STRATEGIC PLAN



- Focusing on **locally grown taste** when opening a store in the new market.
- **More drive thru** in urban and suburban areas.
- They introduced the app back in 2009, where customers used to learn about coffee, nearest store and make their own drink but with time they allowed people to pay through app and started loyalty program.
- Working and collaborating with other companies gives them a win-win situation.

PROCESS DESIGN



- REQUEST
- NEGOTIATION
- PERFORMANCE
- ACCEPTANCE
 - The customers are allowed to ask the Barista to remake the coffee if it is not up to their taste or expectations.
 - Secondly, they have a food section with cakes, pastries as well as sandwiches for the customers
 - Lastly, they provide different kind of seatings from which the customers can choose as per their comfort. They also have music to entertain the customers.

SELECTION FACTORS



- Improve better Customer experience - providing sophisticated taste & friendly decor
- Improving customer accessibility - with strategizing locations in busy neighbourhoods.
- Increasing customer base with Quality food and drinks - expanding food and beverages line and their quality & taste
- Customer base loyalty - Adding up new products to their product chain constantly to remain customer's favourite.

Trivia Questions

1. What color aprons do Starbucks "coffee masters" wear?
 - a. Blue
 - b. Black
 - c. Green
 - d. Red

2. Starbucks makes sure they buy and serve high-quality coffee that is responsibly grown and ethically traded. To do this they set up a set of standards called C.A.F.E.
 - a. True
 - b. False

INVESTOR INFORMATION

- Starbucks went public on June 26, 1992 at a price of \$17 per share (or \$0.27 per share, adjusted for subsequent stock splits) and closed trading that first day at \$21.50 per share.
- Starbucks was incorporated under the laws of the State of Washington, in Olympia, Wash., on Nov. 4, 1985.
- Starbucks Corporation's common stock is listed on NASDAQ, under the trading symbol SBUX.

STAKEHOLDERS



- **Investors.**
 - Starbucks must address investors as stakeholders.
 - Starbucks' global expansion and continued dominance in the coffeehouse industry indicates high financial performance.
- **Governments.**
 - Starbucks must address the interests of numerous governments as stakeholders, considering the company's global presence.
 - In general, Starbucks complies with rules and regulations.



STAKEHOLDERS



- **Customers:**
 - The interests of this stakeholder group are high quality service and products, such as coffee and related beverages.
- **Employee:**
 - Starbucks prioritizes employees in its corporate social responsibility efforts.
 - As stakeholders, employees typically demand for better working conditions, job security and higher wages
- **Suppliers:**
 - The main interest of this stakeholder group is compensation and a growing demand from Starbucks.
 - Farmers aim to increase coffee yield to generate more revenues.
- **Environment:**
 - Starbucks has corporate social responsibility programs for environmentally sound business.
 - The company's CAFE program has led to higher biodiversity and shade quality in certified coffee farms.

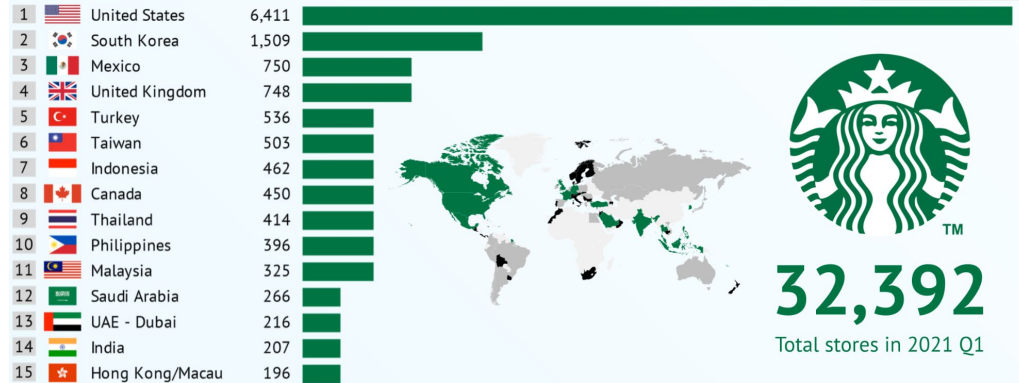
POTENTIAL BENEFITS

- Strong brand image
- Strong financial performance
- Growth in stores
- Strong Loyalty Program
- Extensive international supply chain
- Acquisitions
- Quality, Taste and Standardization



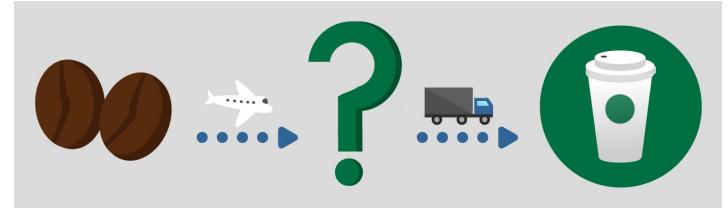
Number of Starbucks Stores Globally

Data Driven



POTENTIAL RISKS

- High product prices
- Product recalls
- Supply chain problems
- Rise in raw coffee bean prices - Global competition



TRIVIA QUESTIONS

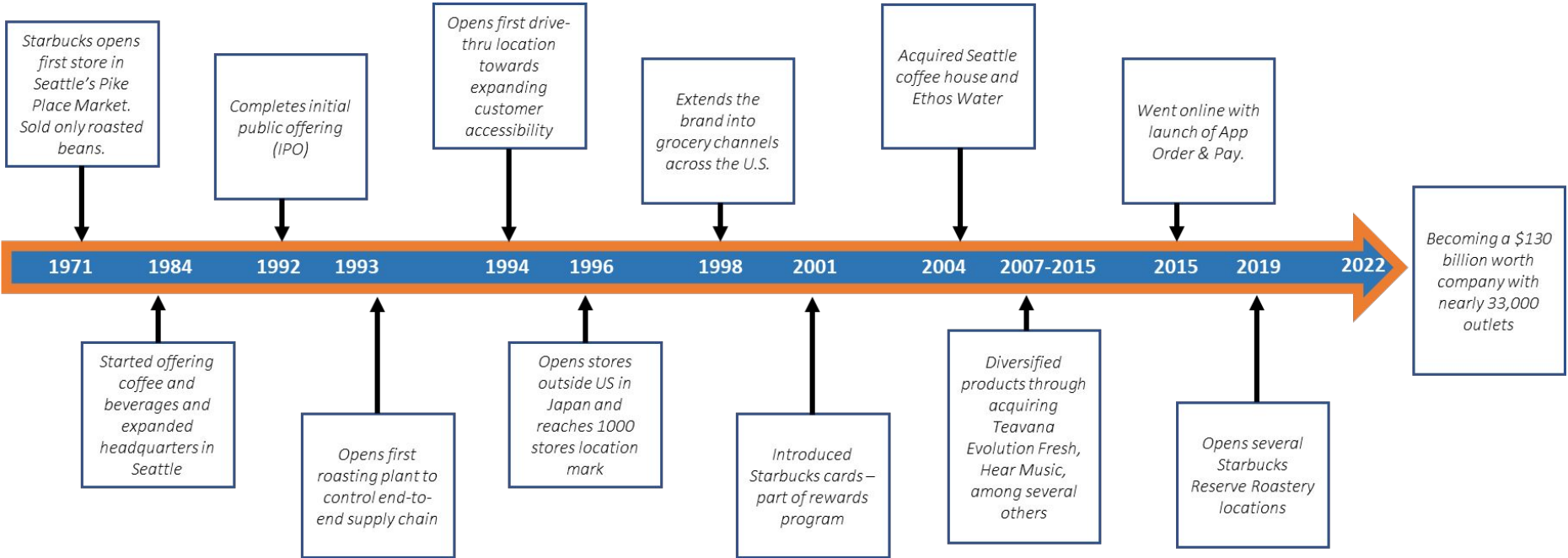
1. HOW OFTEN DOES THE AVERAGE STARBUCKS CUSTOMER VISIT THE STORE EACH MONTH?
 - a. 12 TIMES
 - b. 9 TIMES
 - c. 6 TIMES
 - d. 4 TIMES

SELECTION MATRIX

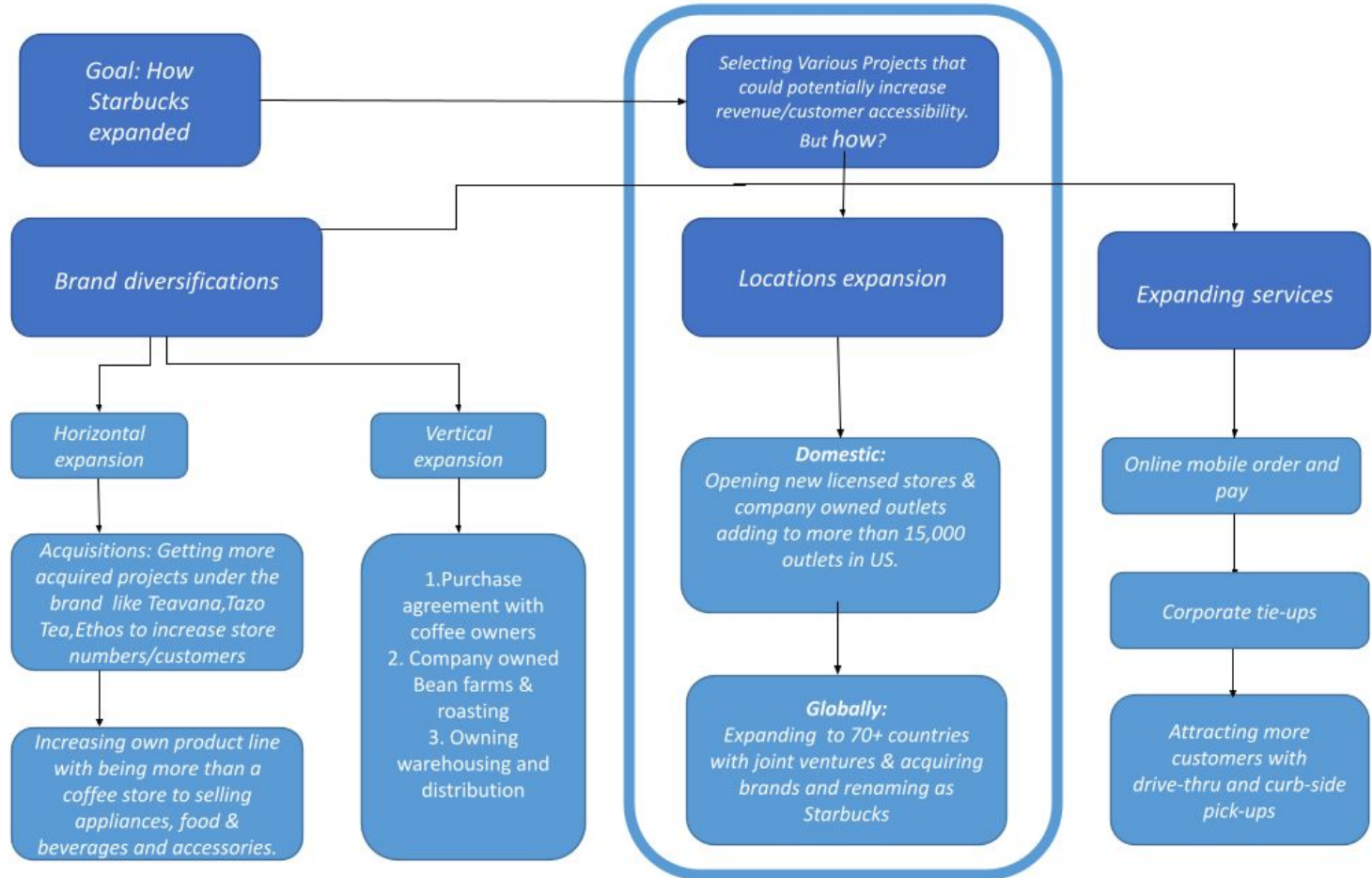


Option	Definition	Pros	Cons
Selecting product	Starbucks sources their coffee beans from multiple locations to get top notch quality of beans	High quality	More Expensive by compared to other coffee beans
Location expansion	Starbucks started in Seattle and expanded all over the world. Internationally there are 33000 stores and globally there are 16700 stores	Increase in revenue	Real estate and operational expenses.
Service expanding	Starbucks started expanding services in multiple ways.	We can order coffee from anywhere and get the coffee from the nearest store.	It takes time and expense to roll out.

CRITICAL TIMELINE



HIGH LEVEL FLOW- CHART



TRIVIA QUESTIONS

1. HOW MANY CITY HAS THE STARBUCKS RESERVE ROASTERY?

- a. 5
- b. 6
- c. 7
- d. 8

2. WHICH CITY HAS THE LARGEST STARBUCKS RESERVE ROASTERY?

- a. SEATTLE
- b. CHICAGO
- c. NEW YORK CITY
- d. TOKYO



FUTURE POTENTIAL GROWTH

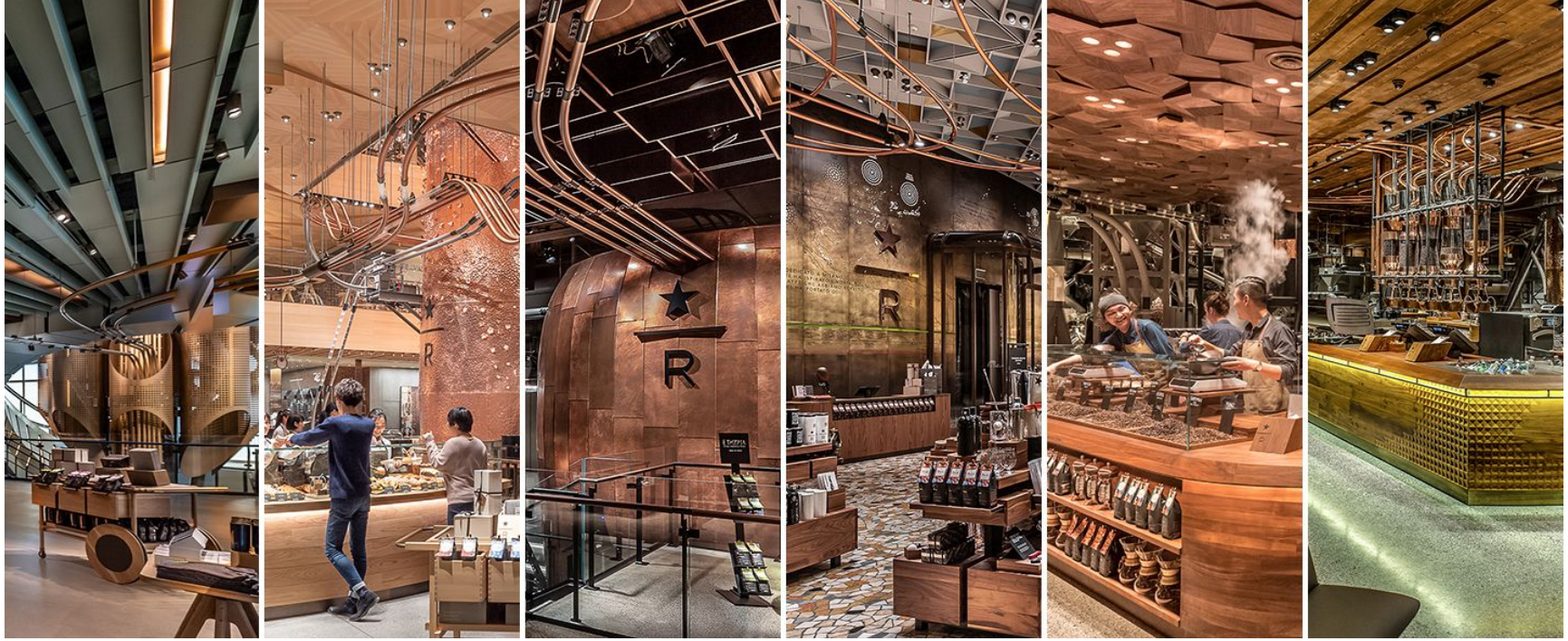


- By 2030, Starbucks aspires to lead the retail industry in decarbonization solutions, including Electric Vehicle charging and onsite solar availability at stores and in adjacent locations. Starbucks plans to continue expanding its solar pilot locations to 55 new stores this year.
- By 2025, Starbucks is aiming to switch to all-smart stores by deploying connected IoT devices across its outlets with machine learning on its app to engage better with its customer.
- By 2025, Starbucks strategies to expand locations to 10,000+ “greener stores” locations across the globe.

STARBUCKS RESERVE ROASTERY



STARBUCKS RESERVE ROASTERY





QUESTIONS?



REFERENCE

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THANK - YOU

