



STRATEGIC ANALYSIS OF STARBUCKS CORPORATION

BETWEEN TORONTO (CANADA) & SEOUL (SOUTH KOREA)



CONTENTS

1. INTRODUCTION

- A. DISCUSSION OF THE BACKGROUND
- B. DATA ACQUISITION AND CLEANING

2. METHODOLOGY

3. RESULTS

4. DISCUSSION

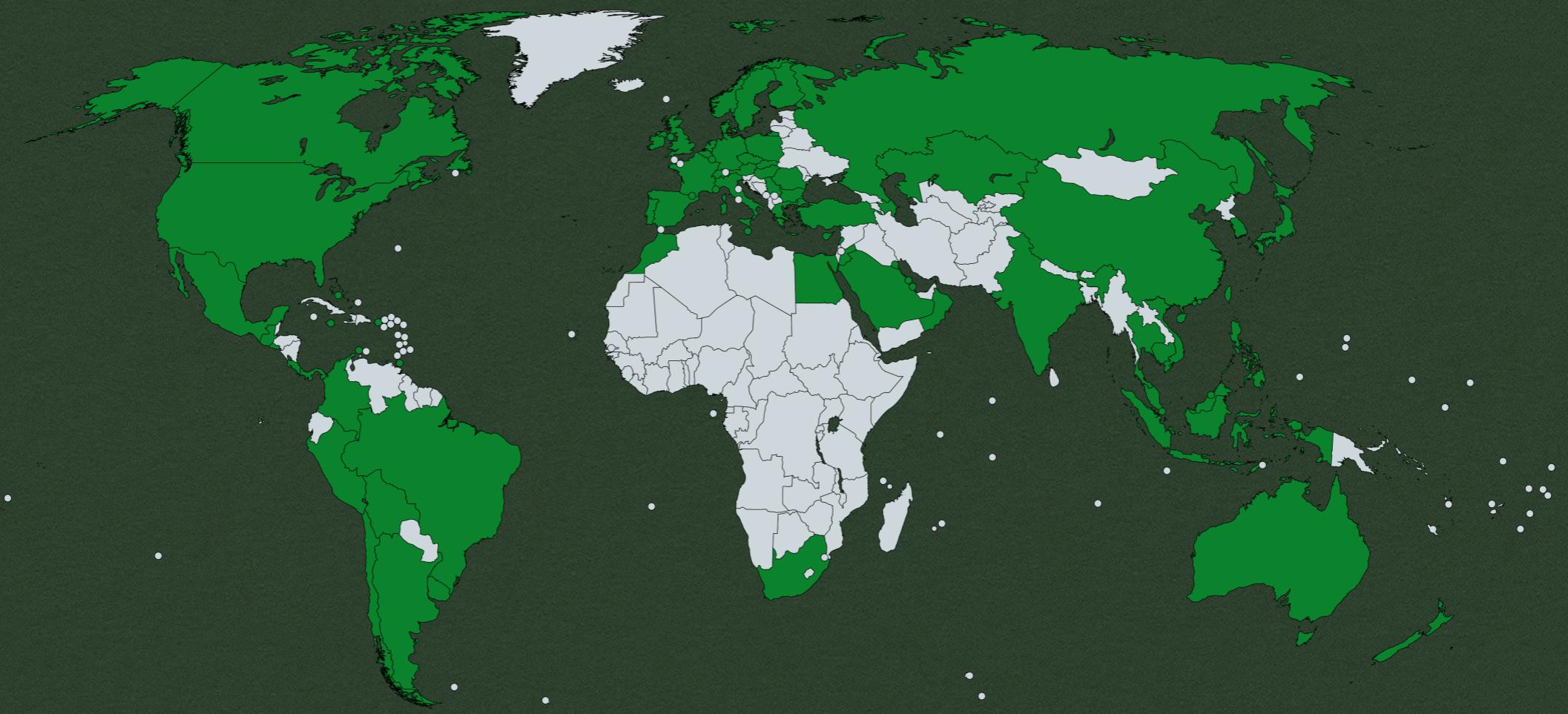
5. CONCLUSION



INTRODUCTION

A. DISCUSSION OF THE BACKGROUND

- Starbucks has differentiated strategies from country to country.
- This project is for analyzing regional characteristics of Starbucks





INTRODUCTION

B. DATA ACQUISITION AND CLEANING

- I found correlations between variables below
 - a) Population by neighborhood
 - Seoul : [Data source](#)
 - Toronto : [Data source](#)
 - b) The number of Employee by neighborhood
 - Seoul : [Data source](#)
 - Toronto : [Data source](#)
 - c) Average annual income by neighborhood
 - Seoul : [Data source](#)
 - Toronto : [Data source](#)
 - d) The number of Starbucks stores by neighborhood
 - Seoul : [Data source](#)
 - Toronto : [Data source](#)



INTRODUCTION

B. DATA ACQUISITION AND CLEANING

- Data downloaded or scraped from multiple sources were combined into one table in each country
- There were no missing values in Seoul because there are Starbucks in all their neighborhoods
- But Toronto only has Starbucks in certain neighborhoods, in that case, there were missing values in data
- Both cities used the latest available data
(Seoul - 2019, Toronto - 2016)



METHODOLOGY

DATA COMPONENTS

- Used Google Colab in this project
- Master data which has the main components *Total Population*, *The number of employee*, *Average annual income* and *The number of Starbucks stores* informations of the neighborhood.

EXAMPLE) MASTER DATA IN SEOUL

eng name	Total population	the number of employee	average annual income	the number of stores
Gangnam-gu	546436	955553.0	69642773	84
Gangdong-gu	446887	111424.0	38071813	13
Gangbuk-gu	313289	40465.0	28179687	5
Gangseo-gu	590419	221810.0	36323785	17
Gwanak-gu	499587	74556.0	30757580	11

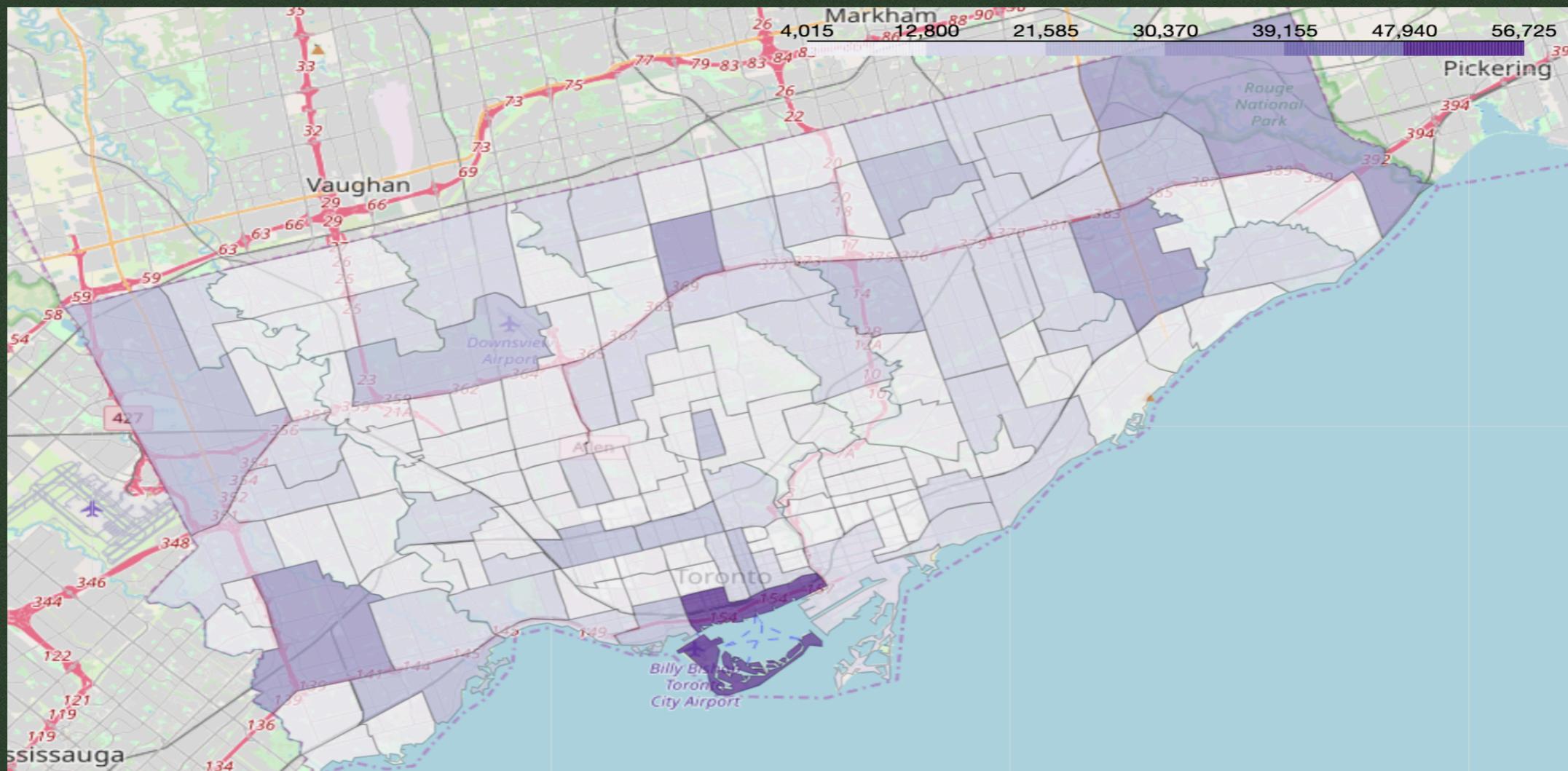


METHODOLOGY

DATA VISUALIZATION

- Used python **folium** library to visualize geographic details of both cities

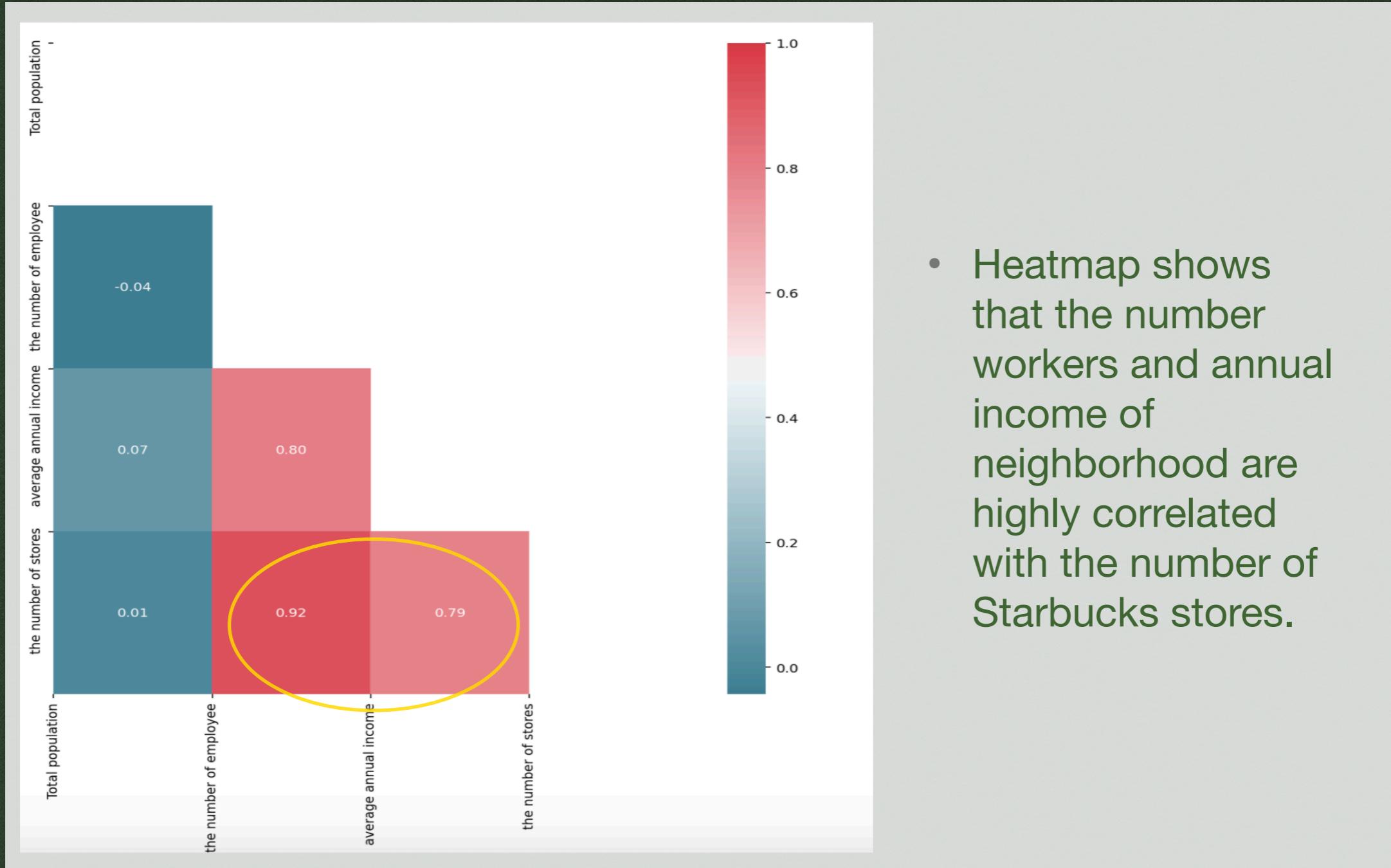
EXAMPLE) POPULATION BY NEIGHBORHOOD IN TORONTO





RESULTS

OVERVIEW - SEOUL

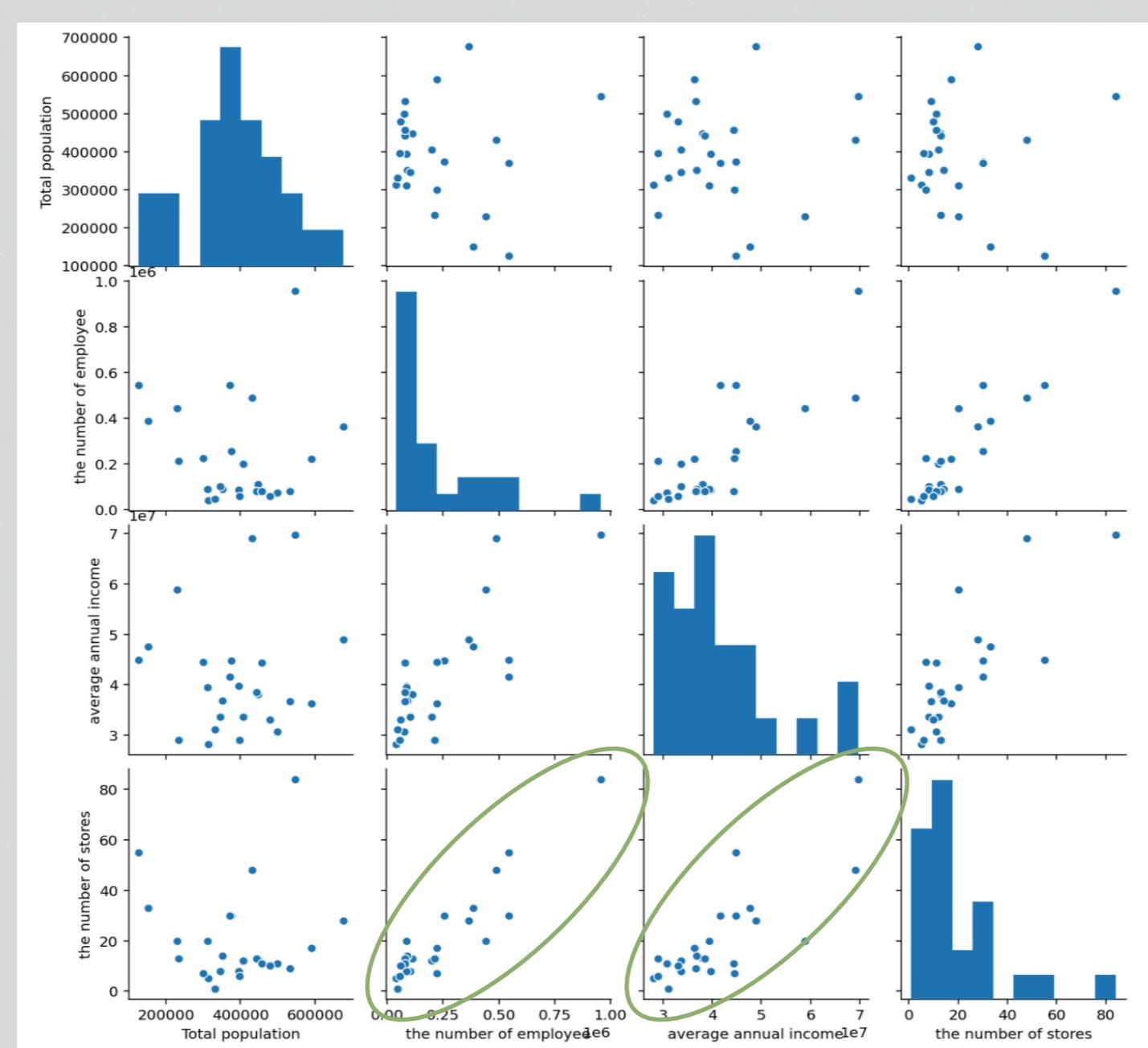


- Heatmap shows that the number workers and annual income of neighborhood are highly correlated with the number of Starbucks stores.



RESULTS

OVERVIEW - SEOUL

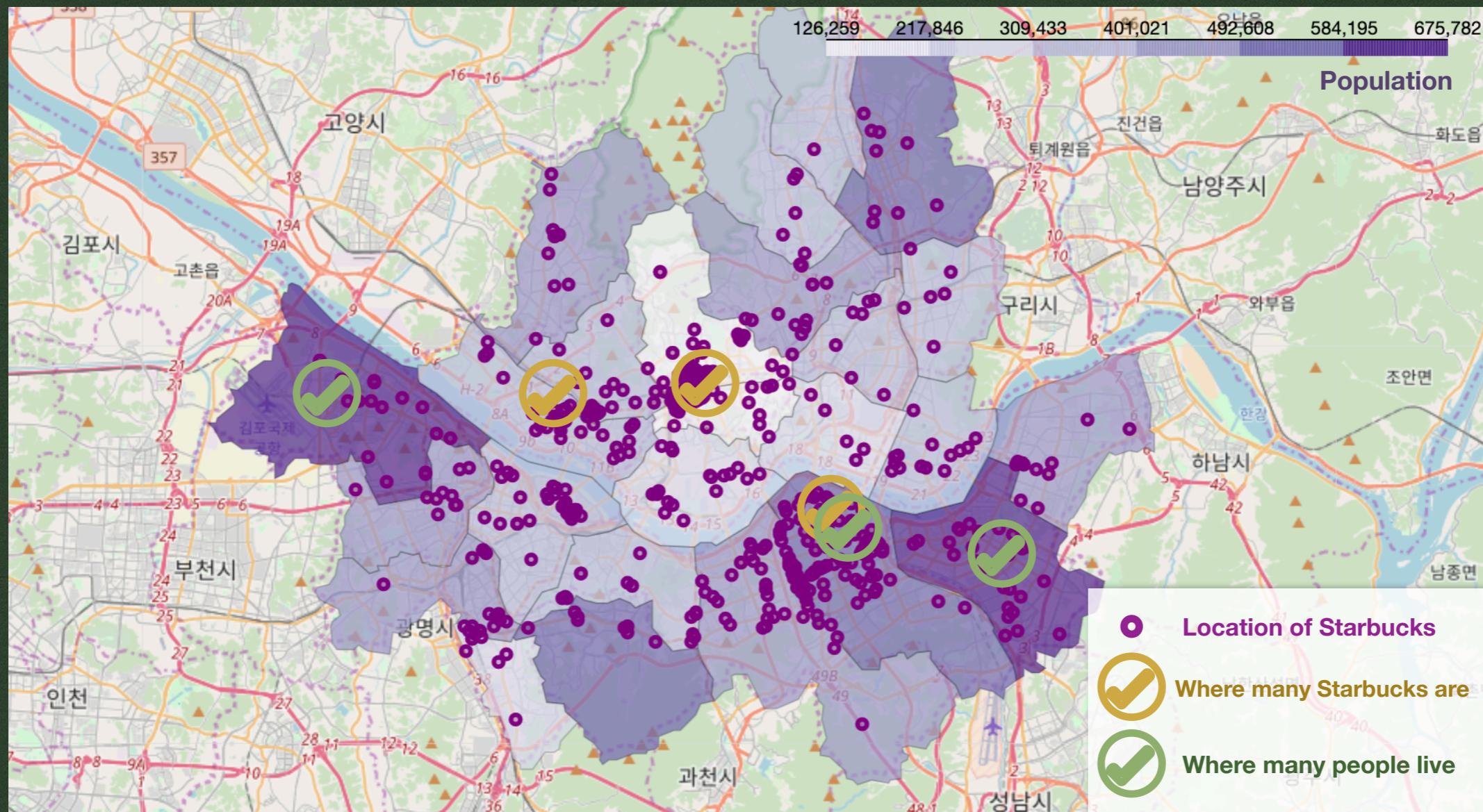




RESULTS

RELATIONSHIP BETWEEN POPULATION AND STARBUCKS

- There was **no significant relationship** between population and the number of Starbucks in Seoul

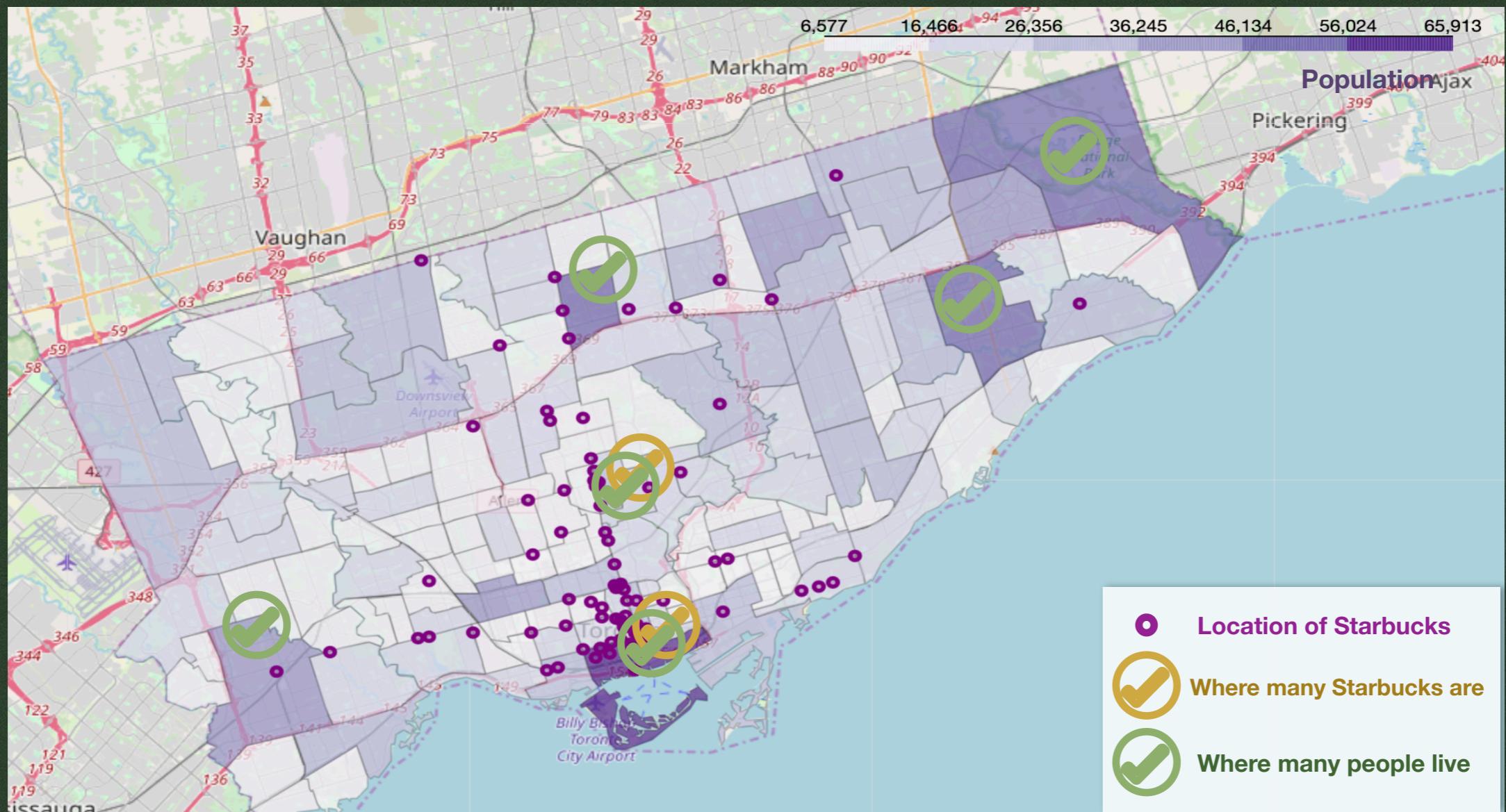




RESULTS

RELATIONSHIP BETWEEN POPULATION AND STARBUCKS

- There was **weak positive relationship** between population and the number of stores in Toronto

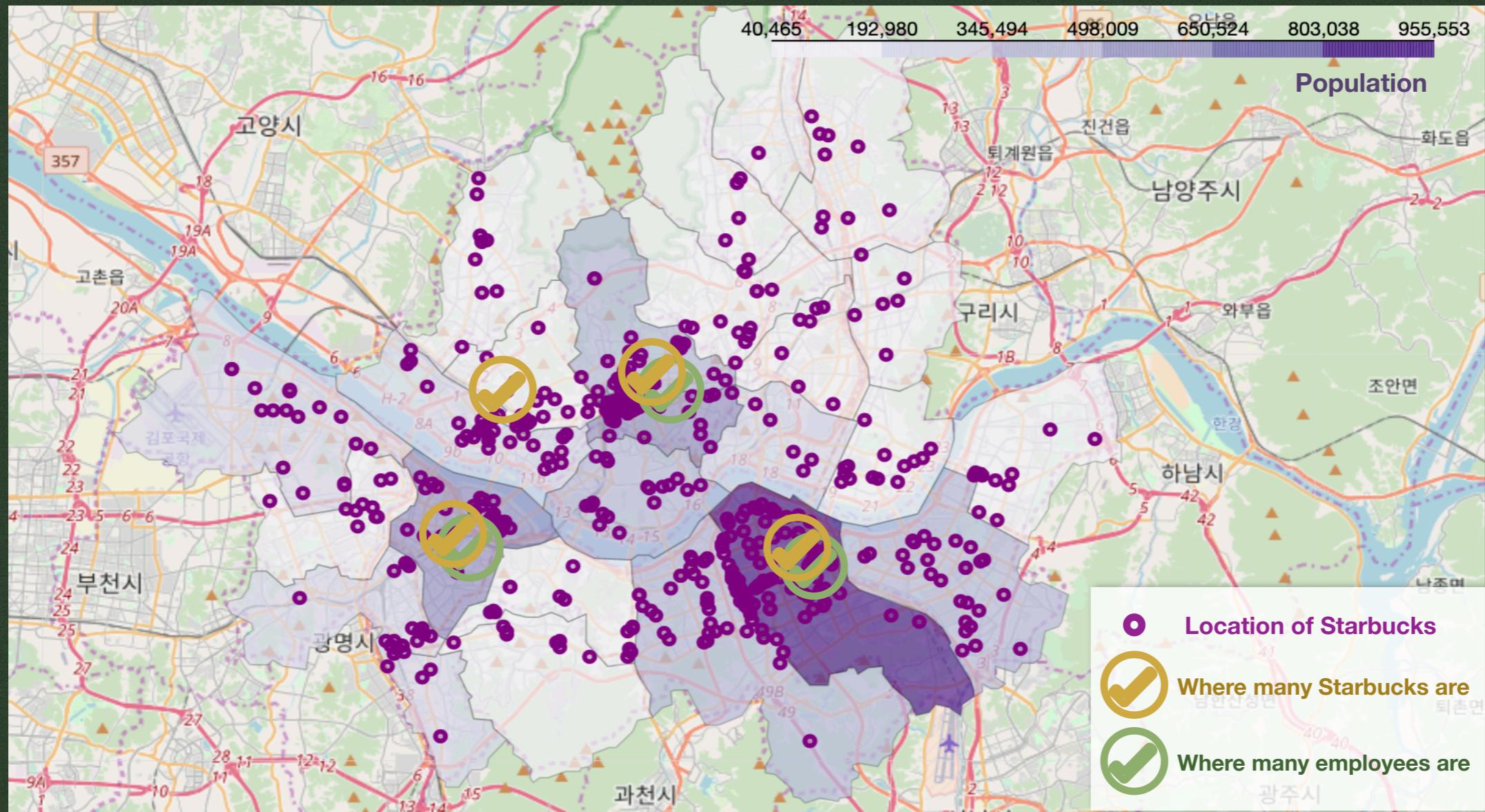




RESULTS

RELATIONSHIP BETWEEN EMPLOYEE AND STARBUCKS

- There was **strong positive relationship** between the number of employee and stores in Seoul

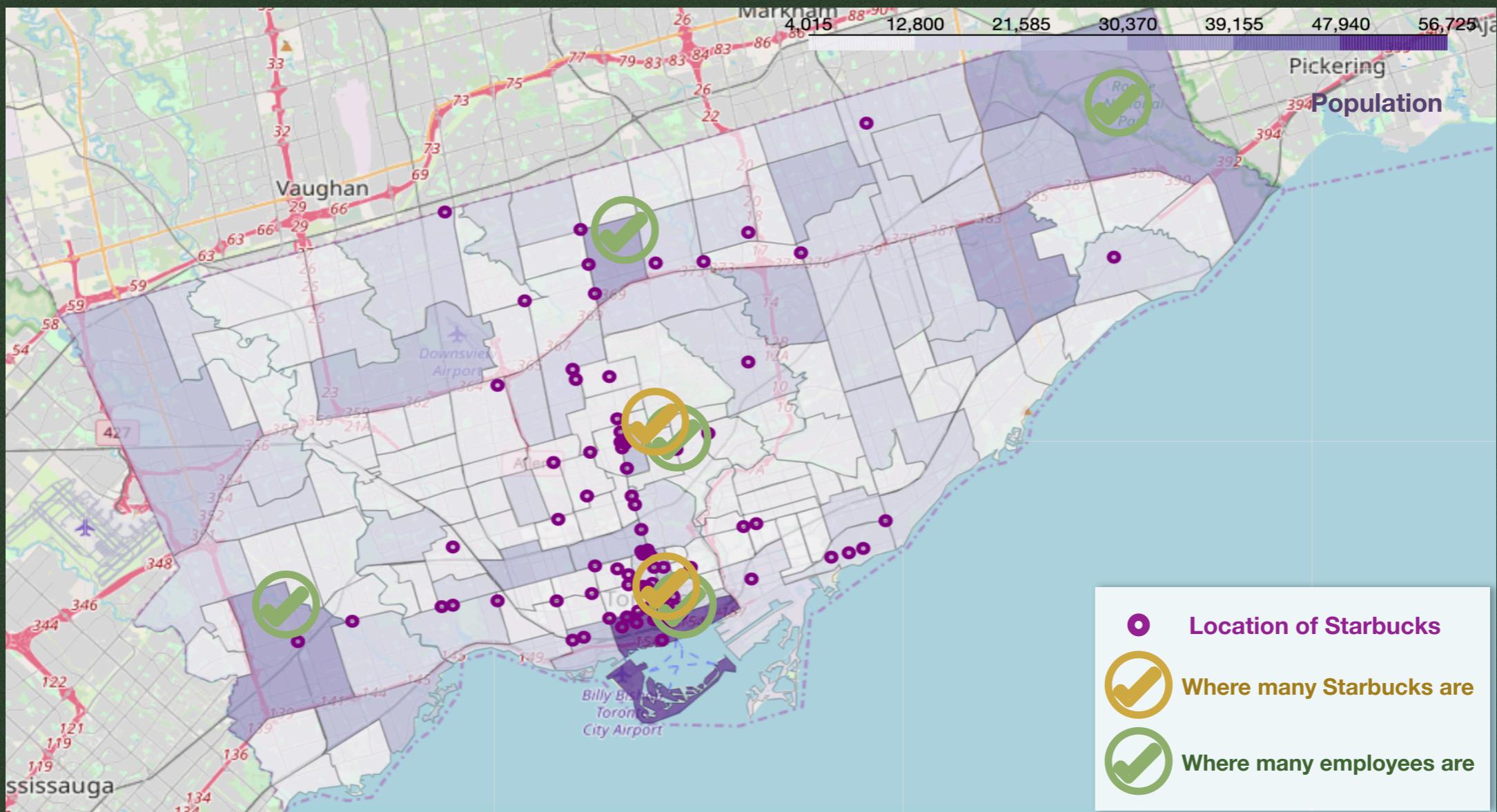




RESULTS

RELATIONSHIP BETWEEN EMPLOYEE AND STARBUCKS

- There was **weak positive relationship** between the number of employee and Starbucks in Toronto

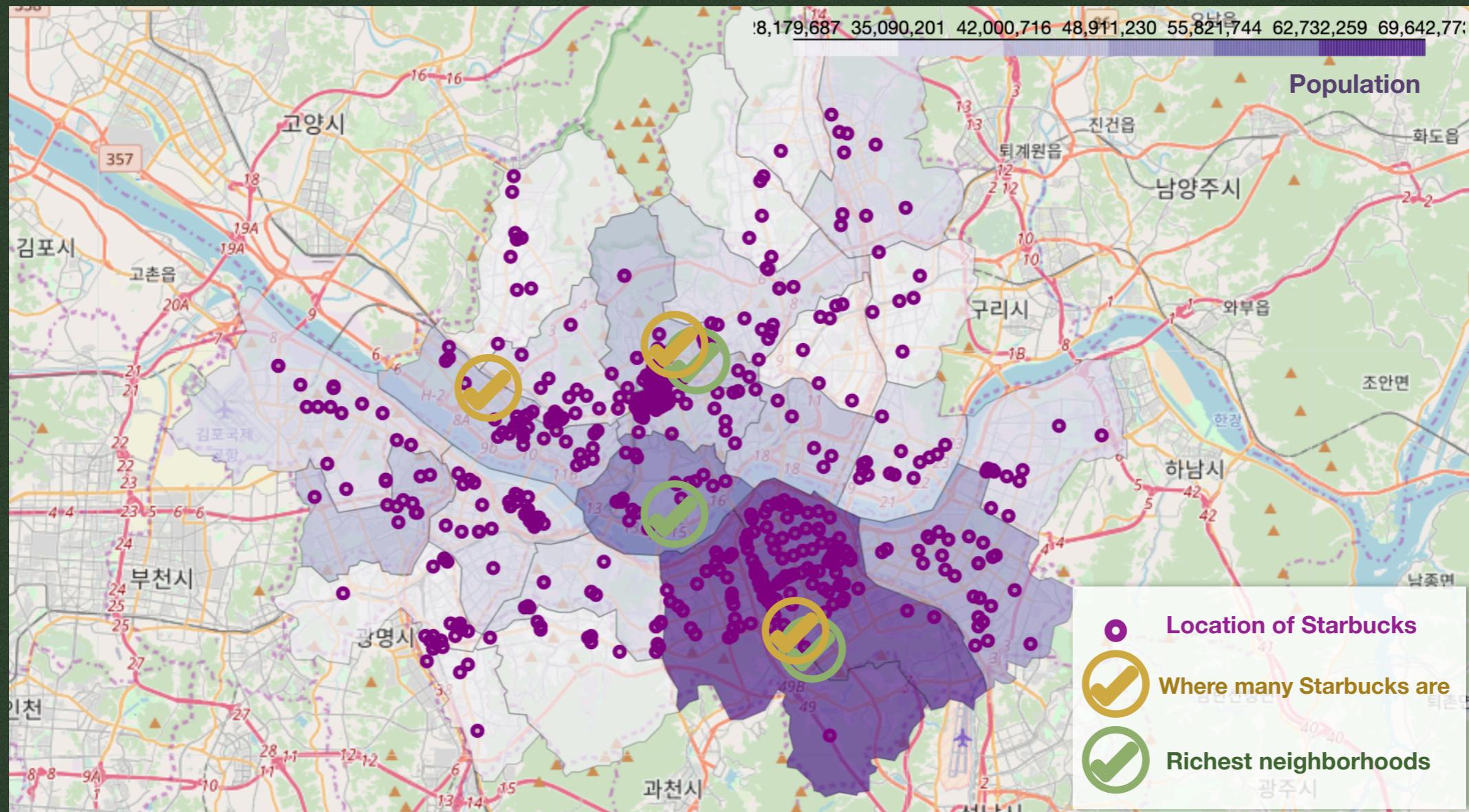




RESULTS

RELATIONSHIP BETWEEN INCOME AND STARBUCKS

- There was **positive relationship** between Annual income and the number of Starbucks in Seoul

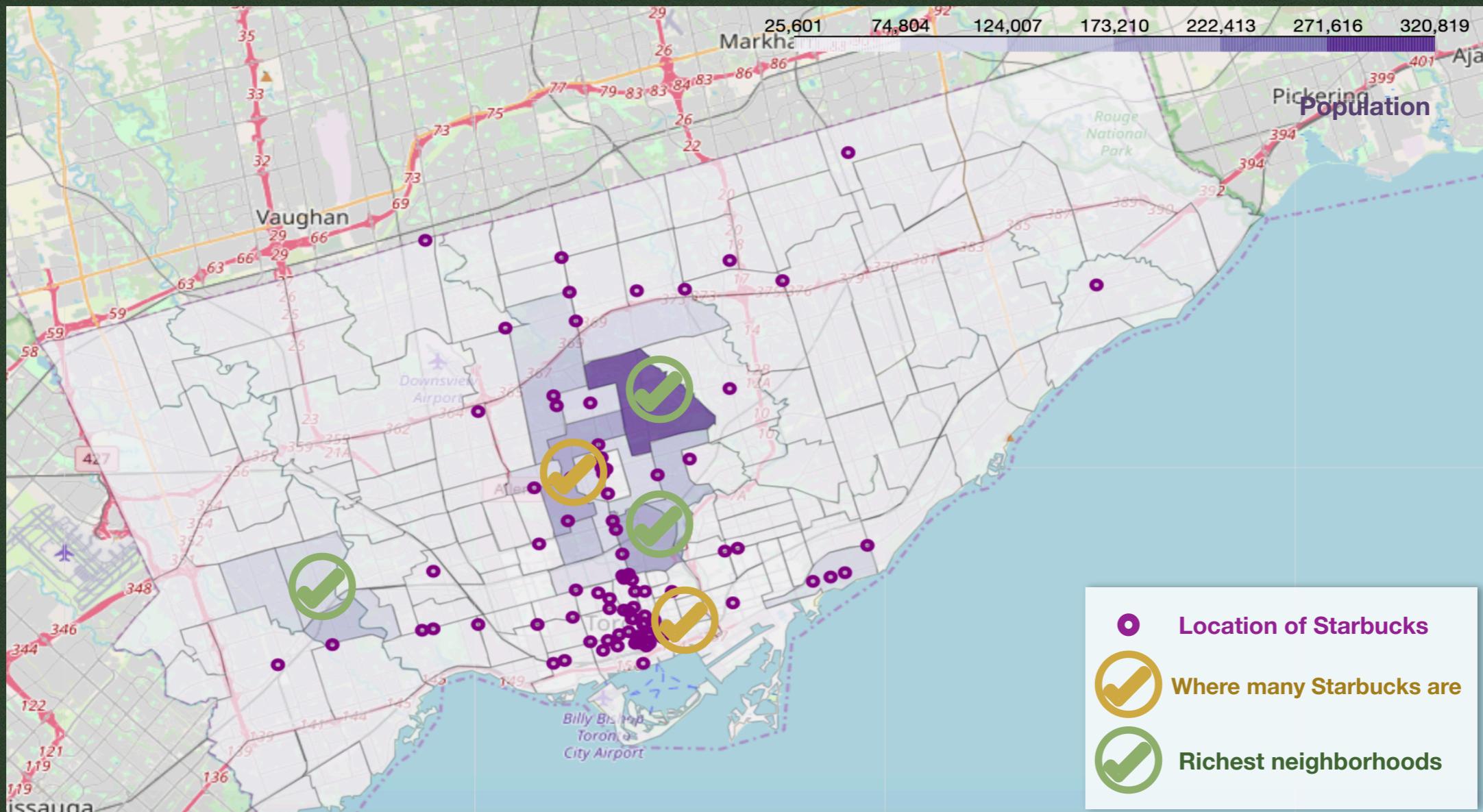




RESULTS

RELATIONSHIP BETWEEN INCOME AND STARBUCKS

- There was **no relationship** between Annual income and the number of Starbucks in Toronto



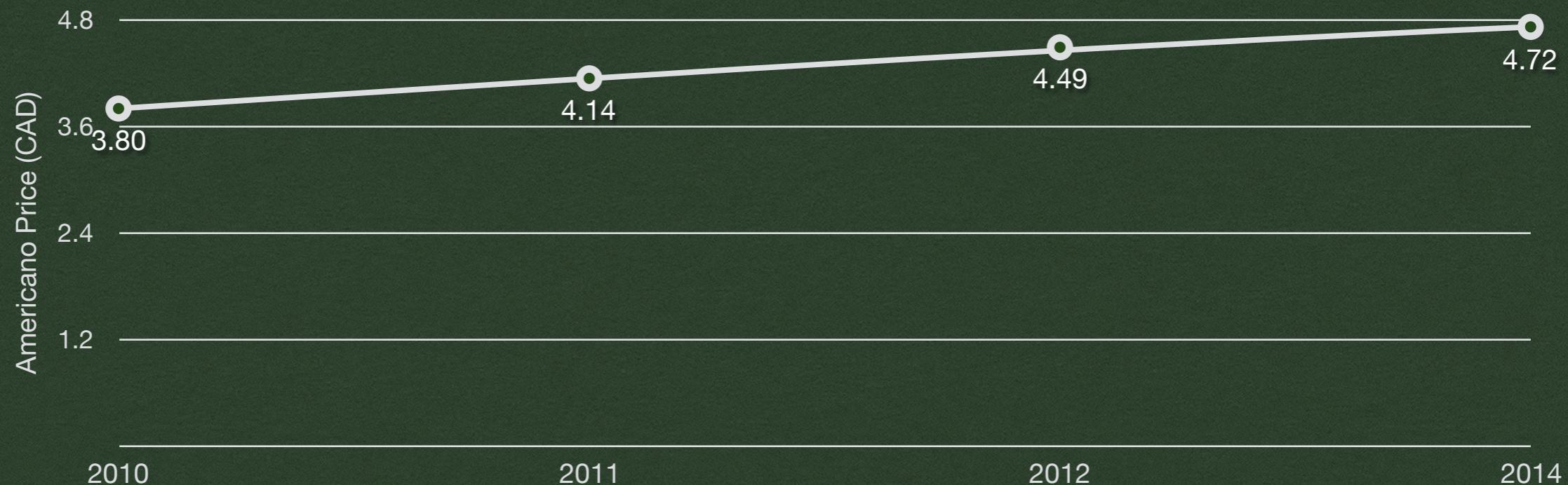


DISCUSSION

IN KOREA, STARBUCKS SYMBOLIZES LUXURY AND PRIVILEGE

- Starbucks stores are mostly located in areas where there is not a large number of population but **a large number of workers who have high annual income** in Seoul.
- It means that Starbucks Korea is **targeting on high-income group**.

ANNUAL PRICE INCREASE IN STARBUCKS KOREA



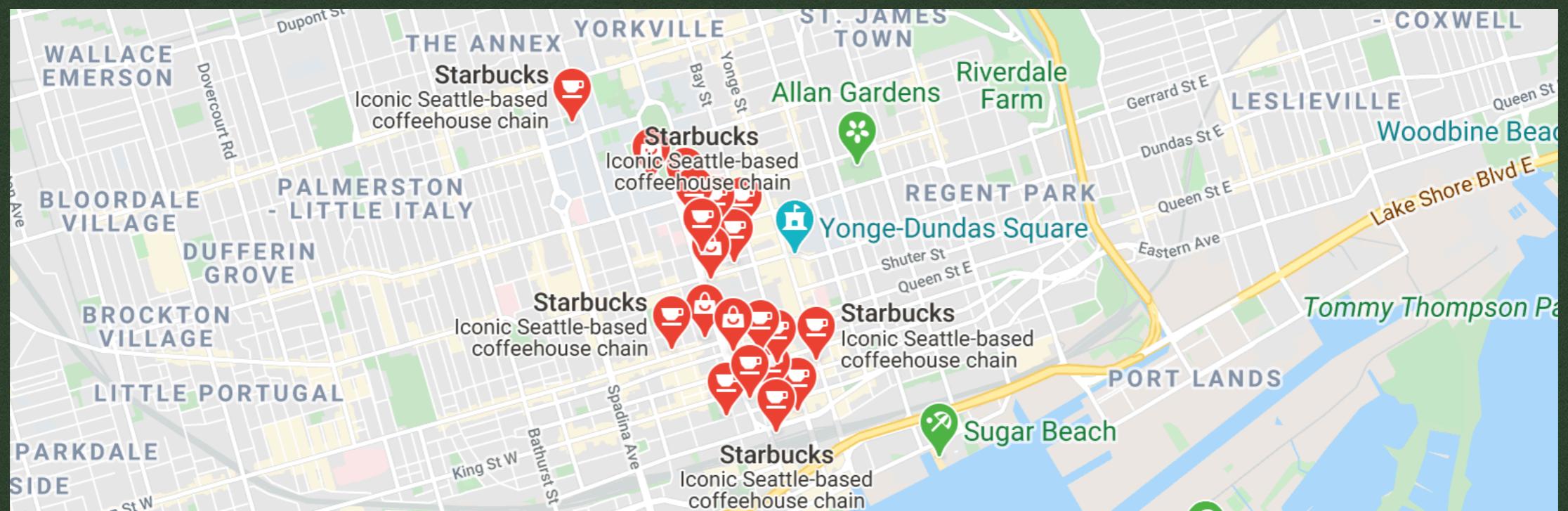


DISCUSSION

IN CANADA, STARBUCKS EMPHASIZES CONSUMER INTERACTION

- In Canada, Starbucks stores are conveniently **located at prime business centers and major universities** where their main consumers are located.
- It means they focus more on **increasing consumer accessibility**.

STARBUCKS ARE LOCATED IN UNIVERSITY AVENUE





CONCLUSION

FINDINGS AND FUTURE IDEAS

- Found difference in strategies between Nation in Starbucks.
- Starbucks stores are located **overall** in Seoul, but there are especially more located in areas with **higher income levels**.
- On the other hand, Starbucks in Canada has a **relatively small regional distribution**. they are more focusing on areas where **many major consumers are**.
- **Future ideas** : Further research was carried out on why such a strategic difference occurred.
ex) Characteristics of Coffee Consumption by Country



THANK YOU

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