Strategic Management Company Proposal

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Tesla Motors, Inc.

* Tesla designs, develops, and manufactures advanced electric cars for everyday consumers and has been building a network of over 90 supercharge stations throughout Europe and North America
* Our teams can see many macro events moving towards electric cars and higher consumer spending after economic recovery, and the government provides tax credits for electric cars
* The industry has been strategically disrupted by Tesla, as the industry previously had a strong focus on gas powered engine sales - With the arrival of Tesla with a first mover advantage, the other high-end car companies attempt to catch up
* Tesla as a firm is unprofitable, with high investments in their network and manufacturing capabilities to build economies of scale - The firm focuses on a Resource and Capability framework
* The reason why we are choosing Tesla is not only because of its promising future but also because of its uniques business model that has not existed before.

Starbucks, Corp.

* Starbucks is one of the most prevailing coffee brand in the United States. It targets customers aging from 18-40.
* Starbucks is expanding both the store and product lines. China is expected to become Starbucks largest market outside of the U.S. in 2014 and is on plan to have 1,500 stores in 70 cities in 2015. Starbucks will have more than 20,000 retail stores on six continents by 2014 and more than 200,000 points of global CPG distribution by 2015. Besides the expansion strategy in traditional coffee market, Starbucks begins to entry new market such as, food and alcohol beverage markets.
* Starbucks, as a origin coffee drinks seller, it now turns into helping customers dig deeper into the coffee experience. Starbucks had open a big new lair on Capitol Hill — a hybrid of a roastery and a cafe, where some of the world’s most exclusive beans will be roasted right in front of the eyes — and noses — of customers.
* the US coffee industry is almost saturated. But, Starbucks’ profit keeps increasing rapidly in the recent two years. Their first-quarter profit rose 82 percent as new food and holiday drinks boosted customer traffic and sales.