

# Macro and mission analysis

Business



Starbucks Macro and mission analysis Starbucks is one of the most recognized brands in the world. It is respected for many reasons, and one of them is providing customers with the best coffee experience. It is also a company that values its employees and acknowledges that it could not have achieved the competitive advantage that it currently enjoys without them. Starbucks company macro forces: First, Starbucks Company faced socio-cultural forces when Chicago people didn't like dark-roasted coffee as fast as Schultz had.

In addition, Starbucks menu is adapted to local cultures for example, the menu in North America include selection of muffins, but stores in France have French pastries and no muffins. Secondly, economically Starbucks had a decline in its profit because of the economic down term in 2008 – 2009. Also, Starbucks adapted some of the political legal in some countries. For instance, in Saudi Arabia there is a legislation says that stores have to close in the prayer times, and Starbucks could adapt this legislation and get along with it.

Technologically, Starbucks introduced Starbucks VIA Ready Brew- Packets of roasted coffee in an instant form, in the fall of 2009.

Starbucks supply themselves; Howard Schultz -CEO of Starbucks- has said: “ people sometimes fail to realize that almost unlike any restaurant, we are completely vertically integrated. We source coffee from 30 countries we have a proprietary roasting process. We distribute to company owned stores, and finally serve the coffee. Others are resellers of commodity-based

coffee”. The Starbucks buyers are regular costumers, hotels, ospitals, and airlines.

Starbucks has 10% market share in the United State and 1% in the world.

Starbucks’ competitors are Coffee Bean, Dunkin Donuts, and other small shops. There are some substitute products such as soft drinks, power drinks, and fresh Juice. Costumers’ loyalty to their coffee brand is the biggest threats of new firms entering the industry. SWOT analysts: rs o a , Starbucks company nas a lot ot strengths such as: the company centralized buying, developed standard contract and fix fees for certain items, and onsolidated work under those contractors who displayed good cost control practices to better control average store opening cost.

Also, Starbucks Company has made relationships with big companies like Pepsi and craft food.

Second of all, one of the biggest weaknesses that Starbucks Company has is they don’t focus in the market share globally as much as in the United State. In addition, Starbucks Company has many opportunities. For example, opening new stores in Asia clearly represent the most significant growth opportunity and since they are a vertically integrated then he products cost is very low, so they have an opportunity of decreasing the price and we can count it as a competitive advantage as well.

Finally, Starbucks Company is exposed to rises in the cost of dairy products. Starbucks Mission and vision: Starbucks’ mission statement is ‘ Establish Starbucks as the premier purveyor of the finest coffee in the world while

maintaining our uncompromising principles while we grow, and its vision statement is 'Starbucks vision to become a national company with values and guiding principles that employees could be proud of.'