

Strategic objective



Starbucks set up its strategic objective in various ways to accomplish its mission and vision. Since July 2009, Starbucks began grinding coffee each time a new pot is brewed, instead of grinding coffee only in the morning. This is because Starbucks wants customers to smell coffee aroma all day long. In 2002 until 2007, Starbucks gained a very large amount of profit because the aroma of its coffee spread around the world. Eventhough at the end of 2007 Starbucks received a great competition from other competitors such as McDonald, managers and workers among Starbucks' company never gave up and strive themselves to achieve company's mission and vision.

Starbucks strives to elevate the simple task of drinking coffee to a new level with its retail outlets seen as a place for socialization, relaxation, and reflection so customers can make themselves comfort anytime. Furthermore, Starbucks sharpen its strategies with a good utilities such as electrical outlets and wireless access for customers, so it can attract customers to visit the restaurant anytime to surf internet and do their jobs there. In response to recent economic times, the company has also adjusted prices on certain of its more popular products in an effort to show responsiveness to the more budget-conscious consumer.

This strategy help the company-customer bonds more attractive and getting closer. Starbucks relies more on its image advertising than traditional advertising as part of the image is how the customer not only views the retail outlet, but how responsible the company is to their communities and employees. Many companies use website strategies to attract customer and spread the information about their business, same goes along to Starbucks. It encouraged the use of its Web site where customers are able to register

their Starbucks' cards, receive nutritional information about Starbucks products, shopping online, and search for careers.

For the long term goal, Starbucks made a Fiscal 2009 targets which expects to add approximately 20 net new stores to its global store base in fiscal 2009. The plan includes closing approximately 425 company-operated stores in the United States and adding of approximately 60 company-operated stores internationally. The strategies are very effective and help the company to gain more profit those years. Among other strategies, the main or the biggest strategies for Starbucks is to have three segments which included United States, International, and Global Consumer Products (CPG). These three segments help a lot Starbucks' companies around the world to survive in this global economic world.

The " SMART" in " SMART criteria" is an acronym that helps a person set business or personal goals. According to the criteria, a person's goal should be Specific, so that anyone can see the objective, and it should be Measurable, so that a person can gauge how close he or she is to completion. It should also be challenging, yet Attainable, and Relevant, so important to the person that he or she is motivated to achieve it. A goal should also be Time-Bound, having a deadline that gives it urgency.

The first term stresses the need for a specific goal over and against a more general one. This means the goal is clear and unambiguous; without vagaries and platitudes. Starbucks highly achieve its objectives by following these criteria to maintain its productivity and profits. The first criterion of SMART which is Specific making Starbucks always focus to the objectives and goals, as example, to comfort their customers, many of Starbucks'

franchise provide some facilities just to attract their customer visit the restaurant. This criterion lead a way for Starbucks' achievement and success in business. Furthermore, they also have introduced the Starbucks' card with the hope of strengthening customer loyalty by improving services and build up many utilities for the customers.

The second term stresses the need for concrete criteria for measuring progress toward the attainment of the goal. The thought behind this is that if a goal is not measurable, it is not possible to know whether a team is making progress toward successful completion. Measuring progress is supposed to help a team stay on track and reach its target dates. For a big company like Starbucks, they have did a brilliant strategy based on this second term as example on Fiscal 2009 targets which they expect to add approximately 20 net new stores to its global store base in fiscal 2009. The plan includes closing approximately 425 company-operated stores in the United States and adding of approximately 60 company-operated stores internationally. This strategy help Starbucks to get capital expenditure in 2009 approximately \$600 million.

The third term stresses the importance of goals that are realistic and attainable. While an attainable goal may stretch a team in order to achieve it, the goal is not extreme. That is, the goals are neither out of reach nor below standard performance, as these may be considered meaningless. As Starbucks gained profit years by years, top managers succeed to increase company's productivity and profits by making three segments as they indicator to operate in world-wide global economy. These three segments

which included United States, International and Global Consumer Products (GCP) help Starbucks to accomplish its mission objectives and goals.

The fourth term stresses the importance of choosing goals that matter. To achieve objectives and goals, there must be a supporter or partner to make those objectives and goals be relevant. Starbucks accept this relevant term as significant one because without partners, neighbourhood, and shareholders they cannot survive and will suffer loss than profits. Starbucks is committed to doing business responsibly and helping communities thrive. They focused on galvanizing a passionate network of our diverse partners, customers, non-profit organizations, businesses and civic leaders for innovative, positive change. Each relationship brings specialized expertise and experience to the table, and they work with Starbucks to create innovative solutions that support commitments to ethical sourcing, environmental stewardship and community involvement. Every one of them plays a part in Starbucks' success, and they're crucial to helping reach the goals.

The fifth term stresses the importance of grounding goals within a time frame, giving them a target date. A commitment to a deadline helps a team focus their efforts on completion of the goal on or before the due date. This part of the SMART goal criteria is intended to prevent goals from being overtaken by the day-to-day crises that invariably arise in an organization. A time-bound goal is intended to establish a sense of urgency. Starbucks' chair and chief executive Howard Schultz said the company would accelerate goals for new openings next year with 1, 300 new locations planned,

including about 600 in the U. S. and another 600 in the China and Asia Pacific region. This year the company netted 1, 063 new stores globally.

Schultz said the 18, 066-unit chain, which is already in 61 countries, was on the way to reaching 20, 000 units on six continents by 2014. He added that Starbucks is well positioned to navigate challenges ahead, despite a fragile economic environment, by appealing to consumers from " all walks of life." Starbucks also raised its earnings-per-share projection for 2013 to a range of \$2. 06 to \$2. 15, up from earlier projections of \$2. 04 to \$2. 14. The company also expects a benefit of \$100 million, or 9 cents per share, in 2013 from declining commodity costs, mostly coffee. So, as the global economy being complicated, top managers of Starbucks play an important role to cover up crisis and economic problems for maintain their level in top world store nowadays.