

# [Example of swot analysis: starbucks essay](https://assignbuster.com/example-of-swot-analysis-starbucks-essay/)

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One of the most renowned global corporations of contemporary times is Starbucks. Its origin could be traced 42 years ago in 1971 with the establishment of a single store located in Seattle’s Pike Place Market . Currently, it boasts of having established and operated a total of 17, 651 stores as of July of 2012 . The strengths, weaknesses, opportunities, and threats that impinge on the business is hereby enumerated below:

## Strengths:

- Exceptional product in more than 30 different blends made from premium coffee beans;
- Voted among World’s Most Ethical Companies ;
- Exemplary leadership who leads the organization into unprecedented growth;
- It generated as much as $13. 3 billion in net revenues in 2012 and an operating income of $1, 997, 000 for the same period .

## Weaknesses:

- The organization’s main core competence and focus on using premium coffee blend which could only cater to the medium to high income customers;
- The need to pursue ventures into international markets using current resources and competencies might necessitate greater understanding of cultural awareness and diversity.

## Opportunities:

- Venturing into other global and emerging markets to further expand global market shares in the premium and specialty coffee market segment;
- Launching new products and services that cater to an increasingly discerning and sophisticated clientele could spur new growths in discovering new coffee blends or food items to be offered;
- Making acquisitions or forging alliances with existing establishments which offer similar products and services.

## Threats:

- Increasing competition in local and international markets due to the lucrative potentials for financial success;
- Changing preferences and perceptions of customers regarding focusing on more healthy drink alternatives, other than coffee;
- Greater entry restrictions for global organizations to venture into other foreign markets could pose challenges in address them.

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