

Intro to business



Institute: Introduction to business One business that keeps going in all conditions and stays on even during political disturbances, economic slowdown or other unfavorable conditions is the food and beverage industry. Although their sales and production may show slightly low, they do not reach a state of close down, if well organized and well planned. A classic example in this sector that has seen almost four decades of business is the Starbucks Coffee Company, started in 1970 in Seattle. Starbucks, in the specialty of food and beverage, targeted the largest segment of disposable income spending i. e., food and beverages, and recorded a steady growth; in a way it invented a new market structure through its monopolistic structure, a thorough competitive activity, industry costs and capital structure, all achieved through a systematic approach and healthy business practices. Its journey from Seattle to other parts of the United States and then rest of the world is said to have begun in the 1990s (Starbucks Coffee Company, par. 1). Although Starbucks' main products include a variety of coffee, they also provide food services within the same outlets. Their main business objectives include production of high quality product, aim for customer delight, ensuring utmost employee satisfaction and strategic business performance. Operating in multiple locations across the globe requires a great deal of effort, excellent team of executives and an effective leadership. Starbucks' leaders infused this culture into every employee through healthy management practices such as team working, training, empowerment of employees, alignment to the mission and vision of Starbucks, appropriate performance measurement and feedback system. From a business perspective, their supply chain network is highly established and well managed through practices such as Coffee and Farmer Equity (C. A. F. E)

program, supplier certification, and robust product evaluation mechanisms. It also abides by all the social, legal, ethical responsibilities towards environment and State through appropriate practices (Starbucks Corporation, p. 22). Starbucks has laid much stress on continuous improvement, which includes a continuous identification of areas of improvement; taking up these areas as opportunities to perform better and has successfully implemented Total Quality Management (TQM) system in all sectors (Starbucks Corporation, p. 11).

The advantages of such business include potential to attract more customers, continuous revenue generation, increasing popularity and can attract best human capital in the market. However, it has to be noted that following such practices in different parts of the world may have different effects, owing to the cultural differences, customer preferences of taste and quality of the product, economic and environmental factors; leadership and employee management also vary with national and cultural influences; product quality and cost of transportation are other factors that impact revenue generation. Although Starbucks is known to have started more than 15, 000 outlets all over the world, closure of some of the outlets due to failure of business cannot be ignored.

In conclusion, learning from Starbucks' story provides great insight into what are the requirements of doing a business and sustaining its performance. For instance, the three main components of business include product and its quality, people working for the business and leadership that makes strategies for performance. In addition to these, national and cultural influences, environment, and customer segment also have to be kept in mind in order to set appropriate expectations and derive desired results.

Works Cited

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