

# [Business policy and strategic management](https://assignbuster.com/business-policy-and-strategic-management-research-paper-samples-2/)

Strategic Control The firm uses different strategies to become more competitive. Theses strategies are: In the first year of expansion of Starbucks in the year 1988, they ‘ more than doubled’ their existing 11 base stores by inaugurating 15 new stores in Pacific North West. They continued to expand and opened up 20 outlets in 1989, 30 outlets in 1990, 32 outlets in 1991 and 53 outlets in 1992, a total of 150 stores in five year period. (Larson, “ Starbucks a Strategic Analysis”). Various operational systems used by Starbucks corporations are: Starbucks buys best quality Arabica coffee beans. The company makes sure that only the best quality beans are used. Starbucks maintains its standard and perform experiment in order to get appropriate balance of taste, and shape. Starbucks manages various roasting and distribution services. The coffee is baked in a strong gas-fired drum roaster for approximately 12–15 minutes. The computer notifies when beans are completely baked (Kotha & Glassman, “ Starbucks Corporation: Competing in a Global Market”). Starbucks put much emphasis on the undertaking of various innovative and entrepreneurial actions with respect to its marketing aspects for making the firm more competitive in the market. Starbuck has set up cafes in hospitals, offices, banks, supermarkets and shopping centers, hotels, and airlines. Starbucks works directly with many countries which produce best quality green coffee beans. It always controls the distribution channel around the globe. It develops personalized customer service to make the customer’s experience special. Starbucks launched packaged tea because of growing demand of tea in the year 1995. Starbucks coffee’s joint ventures with Pepsi launched a unique version of Frappuccino in 1996 (Kotha & Glassman, “ Starbucks Corporation: Competing in a Global Market”). Innovation & Entrepreneurship The two types of innovation used by Starbucks are: Starbuck Corporation develops new products frequently. Every holiday season they launch new unique beverages. The most recent achievement in innovation is the opening of the coffee and non-coffee based Frappuccino, a 400 million dollar franchise (Amate & Et. Al., “ Starbucks”). In November 2001, Starbucks launched a SVC (stored – value card). Starbucks realized 160 million dollar in sales through SVC. The most recent service innovation is T–Mobile’s high speed internet which can be offered at a monthly charge in chosen Starbucks area (Amate & Et. Al., “ Starbucks”). Starbucks is continuously performing research and development for producing new products. The company is always searching for ideas for making customers’ experience more pleasing and enjoyable. For example, Starbuck card, an innovation which helps to decrease the time used to pay for drinks or redesigning of ice scoop which save 14 seconds to prepare the drink (Arola & Et. Al., “ Starbucks: Marketing Plan”). Starbucks also looking to innovate by wanting to reduce the ‘ paper cup’ consumption and replace it with complete use of hand-crafted beverages that are recyclable or reusable by the year 2015 (Starbucks Corporation, “ Starbucks Sponsors Online Contest to Spur Creative Problem Solving”). References Amate, Stephanie. & Et. Al. “ Starbucks”. February 14, 2011. University of Texas Arlington, 2008. Arola, Anthony. & Et. Al. “ Starbucks: Marketing Plan”. February 14, 2011. Pacific Lutheran University, 2007. Kotha, Suresh. & Glassman, Debra. “ Starbucks Corporation: Competing in a Global Market”. February 14, 2011. University of Washington, Business School, 2003. Larson, Ryan C. “ Starbucks a Strategic Analysis”. February 14, 2011. Scribd, 2008. Starbucks Corporation. “ Starbucks Sponsors Online Contest to Spur Creative Problem Solving”. February 14, 2011. Starbucks Newsroom, 2011. Bibliography Pearce, John A. & Robinson, Richard B. Strategic Management Tata McGraw Hill, 2011.