

# Cataracts' product

Business



What is Cataracts' product? Cataracts' Corporation is the world's largest coffee retailer and has continued its phenomenal growth into 2014.

Cataracts product line includes more than 30 blends and single-origin coffees, espresso, blended beverages, Taco teas, a line of bottled production coffee drinks and Cataracts Doubles. In addition it offers an exclusive line of Cataracts Barista home espresso machines, coffee brewers/grinders, freshly baked pastries, a line of super-premium ice cream, chocolate, sandwiches, salad, coffee mugs and coffee accessories.

It also offers a highly successful Cataracts Card, a releasable stored-value card, which allows consumers to prepay the purchase of Cataracts products.

2. What changes in society have helped Cataracts be successful? Cataracts success is based on a recent study found that there are over 166 million coffee drinkers in the United States, and the number of them has increased steadily since the mid 1980s.

A significant trend in U.S. coffee drinking has been the increase in the amount of coffee drinking in the out-of-home segment. However, while more consumers are drinking coffee in the workplace, they are increasingly getting their coffee from outside the office. This means the percentage of at-work coffee being sourced from within the workplace has declined dramatically.

Schultz also attributes the company's success to the 96,700 employees working worldwide. 3. What strategic factors account for Cataracts success in developing brand equity?

Cataracts has made coffee drinking a social phenomenon by offering consumers a comfortable atmosphere in which to drink a premium beverage while either chatting with friends, reading a newspaper and magazine, or working on their laptops. The company has created a place between home and work where people can go for a time out or to relax with friends- Cataracts has been established as the premier purveyor of the finest coffee in the world and apply highest standards of excellence to the purchasing, roasting and fresh delivery of the coffee.

The result of this process develops enthusiastically satisfied customers all the time.

Many people would now go to Cataracts for a coffee rather than in a bar for beer. Cataracts success is also attributed to its employees who treat customers with a lot respect and treat all individuals with respect and dignity. The company has highest employee loyalty and lowest turn over percentage in the industry. The employees acts more like a knowledgeable coffee experts (rather than a order-takers) who also educates customers how to brew the perfect coffee cup at home. 4.

What opportunities and threats face Cataracts?

Cataracts should place its emphasis on store growth in international markets where its business remains robust. With over 166 million coffee drinkers in U. S. And a significant increase in number of coffee drinker every year and the amount of coffee drinking in the out-of-home segment, Cataracts should take this opportunity and keep increasing the market share of this ever-growing out-of-home coffee drinking market segment. Cataracts may have reduced

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the quality of the purchase and use experience which is a potential threat for the company's image for producing high quality products.

. What are the advantage of the Cataracts Card to the company and to customers? The advantage of the Cataracts Card to the company and customers is Cataracts offer a highly releasable stored-value card, which allows consumers to prepay the purchase of Cataracts products. The card can then be used and reloaded with funds when needed either at Cataracts store or at Cataracts. Com. This card has been hugely successful with over 27 million cards in use and over \$400 million in sales in he first quarter of 2008 alone.

The card is so successful it is being launched internationally with initial rolls in Japan and Greece. The card provides convenience to consumers but does not offer any discount for prepayment. 6. What should Cataracts do to continue growing its revenues and earnings? Cataracts should continue growing its revenues and earnings by offering the same high quality coffee products served in comfortable and classy environment prepared by knowledgeable coffee experts. The degradation of any of the said factors would result in loss of the company exclusive image and hence competitive advantage.

The introduction of drive-through windows should be done in small increments and then carefully analyzed by the company to find out consumer react to them. If drive- through stores are attracting potential new customers and sales then the program can be pushed forward otherwise it should be pushed back. If Cataracts exploits its superior branding and

advertising program, Cataracts should be able to retain their core customers and might be able to attract millions of customers with their high quality products and sensory environment. 7. Evaluate Cataracts' mission statement and guiding principles, What do they suggest about the company?