

Strategies for a business

Business



What recommendations would you make to Howard Schultz to sustain the company's growth and support continued strong financial performance in the years ahead? Consider both the US and International strategies. Lower Prices- In order to reach more consumers who may shy away from Starbucks due to their high coffee prices Starbucks may want to think about slightly lowering their prices. This would help to reach more consumers who don't feel comfortable with the current high prices.

Alternatively if the management did not feel comfortable in doing this perhaps by offering new deals such as a buy one get one free offer during obscure hours for example, from 3-6pm on week days. This would help increase the flow into Starbucks during the non-“rush hours”. This would also attract more consumers who perhaps have never tried Starbucks but are interested in the deal. When they taste the high quality of the brew they may be more willing to splurge on a good cup of coffee. K-Cup Availability- The Keurig system has become increasingly popular within the United States.

Especially during the recent recession when consumers are more likely to make coffee at home than buy it on their way to work.

This opens up an opportunity for Starbucks to break further into the at home coffee market. The Keurig machines brew single cups of coffee using their K-Cups, which are easily disposable after use. This system allows you to make coffee mess free and quickly at home. Starbucks could easily partner with Keurig in order to create Starbucks K-Cups for sale. They could start with basic blends of Starbucks coffee for sale in local grocery stores.

Starbucks' competitors such as Dunkin Donuts have already broken into this market, and I believe it would be a golden opportunity for Starbucks to do the same.

International Growth- Although Starbucks is currently located in over 50 countries, I believe the idea Howard Schultz had to expand into Japan and China is a good one. Japan outside of the United States has been the largest consumer of Starbucks products. This opens up the door for Starbucks to open up a multitude of stores in Japan.

Due to China's ever expanding economy and its large ties with the United States it would also be beneficial to open up a large number of Starbucks there. It is important to start opening stores strategically in large cities within these companies and recording their growth. This way the locations that are failing can be shut down, and stores that are thriving can be focused on.

United States Growth- Although the United States has an extremely large number of stores the number of drive thru locations is still fairly small.

In order to cater to the on-the-go American coffee drinkers I believe that more drive thru locations are necessary. This would also allow for quicker customer turnover due to dividing the customers between coming inside to order, and the outside drive thru window. Of course it is imperative that Starbucks with the addition of the drive thru windows keeps the high quality customer experience alive. This would be done through nice flower beddings around the drive thru area as well as training employees how to work efficiently at the window.