



Certificate of Higher Education in Employability Skills

Level 4

Module: Problem Solving and Innovation

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Title: A SWOT analysis of Starbucks in the UK

- **Make recommendations - What can you recommend the new CEO do next, as a result of the SWOT analysis?**

Following a SWOT analysis of Starbucks, the subsequent strategic recommendations for the incoming CEO's consideration regarding the company's future actions are presented. I'll break them down based on the key insights from each quadrant of the SWOT analysis.

As part of this company, these are thoughtful recommendations, addressing Starbucks' core areas of improvement and growth. Here are a few additional strategic ideas to support each focus area further:

1. Leverage Strengths:

- **Expand Digital & Loyalty Programs:** Introduce exclusive virtual events or classes for loyalty members, like coffee tasting or barista skill sessions, to deepen engagement. Additionally, expanding partnerships with food delivery services could make the app and rewards more accessible, especially for customers who prefer to avoid in-store visits. (BBC, 6 March 2023)
- **Enhance Premium Experience:** Consider rolling out limited-time-only "Reserve Roastery" experiences in select stores, featuring rare coffee varieties and curated tasting flights to drive foot traffic and create buzz around premium offerings. (Martin Roll, Feb 2021)

2. Address Weaknesses:

- **Improve Employee Satisfaction and Retention:** Implement a transparent feedback loop for employees, where they can voice concerns directly to corporate leaders. This could be complemented by initiatives like career development programs and growth paths for baristas to progress within Starbucks.
- **Streamline Supply Chain Efficiency:** Consider investing in predictive analytics to better forecast demand and manage inventory levels, especially for seasonal ingredients. Additionally, diversifying suppliers and creating contingency plans for supply disruptions can help maintain a consistent customer experience. (Lawrence Gregory, 2024)

3. Capitalize on Opportunities:

- **Expand International Presence:** To successfully adapt to new markets, Starbucks could pilot pop-up cafes in target cities to gauge local interest and tailor products to regional tastes before opening permanent locations.
- **Strengthen Health-Conscious and Sustainable Options:** Introduce a line of plant-based beverages with low sugar and high-protein options, catering to the health-conscious segment. Furthermore, committing to a long-term sustainability goal, such as achieving carbon-neutrality or zero-waste stores, would appeal to environmentally minded customers. (Kate Birch, January 2024)

4. Proactive Strategies to Address Threats:

Competitors worldwide, economic challenges, global disruption as pandemic, health and sustainability all of this can make a big impact in Starbucks' business operations and profitability.

The brand strategy focuses in detail on the experience which the store creates; this has always formed the cornerstone of the company's philosophy and values. In the United States, where it estimates that most of its stores will become drive-through, the company has embraced stunningly appealing design principles to create stores out of unused shipping containers. (Wendy Leigh, 2024)

These strategies could help Starbucks solidify its market position, address evolving consumer expectations, and build a sustainable, global growth path for the brand.

Reference:

How Many Shipping Containers Mini Stores Does Starbucks Have?

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Starbucks to open 100 new stores in the UK this year

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<https://panmore.com/starbucks-coffee-operations-management-10-decisions-areas-productivity>

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[How Starbucks is balancing sustainability targets with rapid growth | Sustainability Magazine](#)

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