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SWOT Analysis of Starbucks in
the UK



A introduction of SWOT analysis advantages and disadvantages

Team members

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Strengths

- Starbucks is one of the organizations that was established in Washington 1971 with a passion for coffee lovers and that is the best part of it not just coffee.
- Starbucks is a leading coffee chain with a global presence and strong brand recognition
- is it a worldwide company covering over 35.000 locations in over 70 countries
- Starbucks can adapt the extensive menu by the locals' favourites spices for everyday customer and Christmas specials.
- (Starbucks annual report)



Opportunities



THE EXPANDING OF NEW MARKETS IN
MORE REMOTE AREAS AND HOME
DELIVERY.



MAKE A CHANGE IN THE PRICE LIST ADAPT
TO MOST CONVENTION PRICES FOR ANY
PEOPLE TO AFFORD A COFFEE OR
REFRESHING DRINK.



GROWN TO BECOME ONE OF THE MOST
RECOGNIZED AND RESPECTED COFFEE
BRANDS IN THE WORLD.

(business insider)



Threats

- The first step that Starbucks can suffer is competitions, such like, costa coffee, Dunkin doughnuts
- The independent coffee shops are also a threat the Starbucks coffee mainly because it could be remarkably close to other people's houses or in other cases better quality or locally sourced.
- people grab breakfast from McDonalds they have cheap delas with hot coffee or cold coffee

(Harvard law)

STARBUCKS

SWOT Analysis

STRENGTHS

- ☛ Strong brand reputation
- ☛ Wide international existence
- ☛ Strong customer loyalty
- ☛ Excellent financial result

WEAKNESSES

- ☛ High prices
- ☛ Limited menu options

OPPORTUNITIES

- ☛ Growth in developing markets
- ☛ Expansion of drive-thru and delivery
- ☛ Collaboration with other brands

THREATS

- ☛ Competition is fierce
- ☛ Employee satisfaction and labor concerns
- ☛ Consumer tastes and preferences
- ☛ Easily replicable



STARBUCKS

BACKGROUND, HISTORY
AND CURRENT STATUS





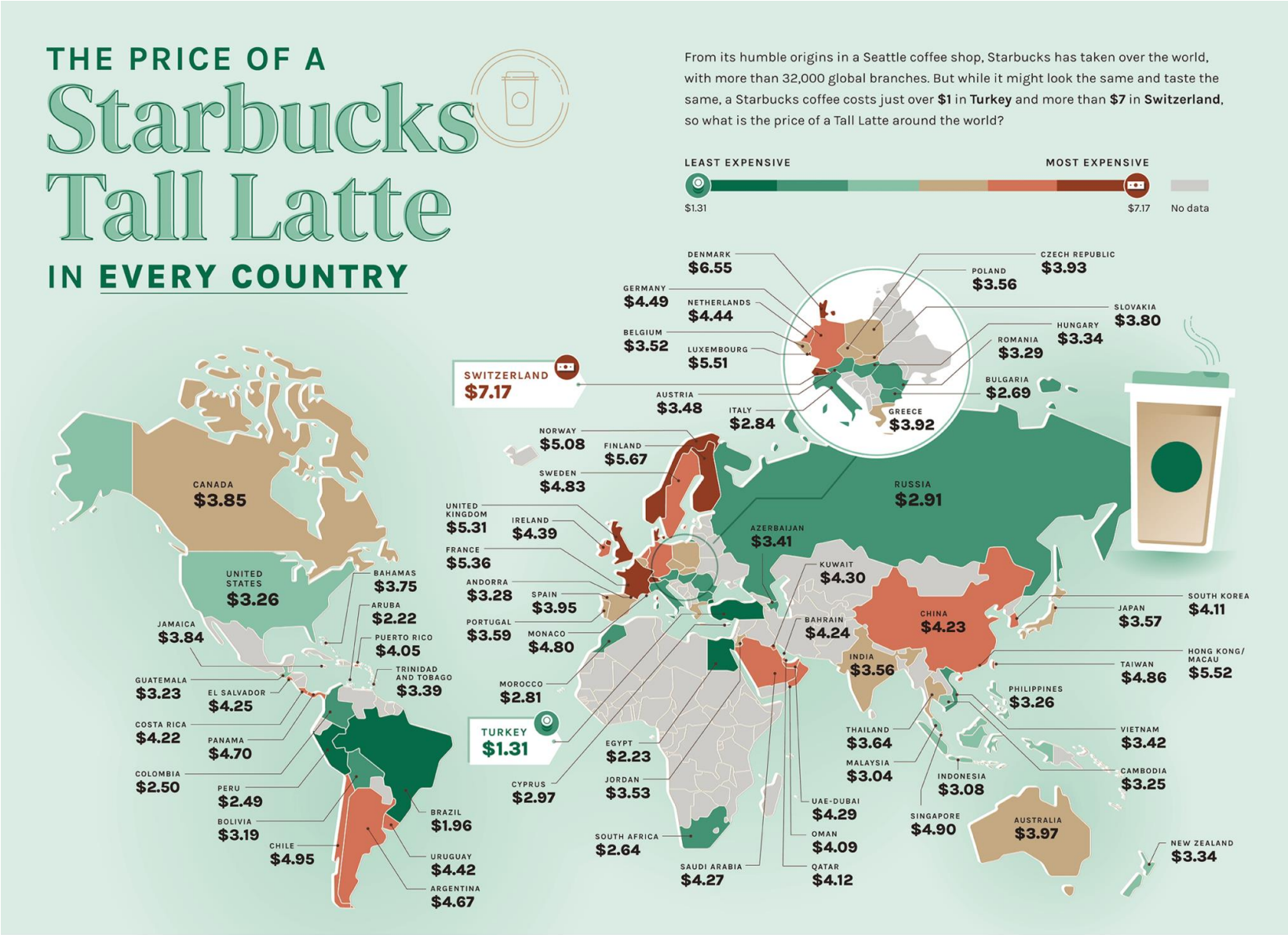
How did everything begin and the expansion

- In 1971 –Gordon Bowker, -Jerry Baldwin, -Zev Siegl founded Starbucks in Seattle- a small coffee shop in Pike Place Market.
- In 1980s-Howard Schultz-Director of Retail Operations brought the company in a fresh vision being inspired by the Italian coffee culture.
- In 1987, Schultz focused on selling brewed coffee, espresso drinks, and other beverages (Holt,2019).
- In 1996 Starbucks opened its first international store in Japan

Starbucks faces increasing competition from the coffee shops and one of the barrier could be the premium pricing in some markets, especially where consumers are more price-sensitive (Liu,2023).

To respond this challenge, Starbucks:

- has expanded its menu to include more affordable options
- is committed to reduce its environmental impact by using recyclable cups
- continues to expand into emerging markets, from Asia. For example, in China has opened over 5,000 stores and continues to adapt its offerings to local tastes. (Liu,2023).



SOURCES: Deliveroo, Just Eat, Pedidosya, Uber Eats and other local food delivery services.

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By 2023, Starbucks developed into a global powerhouse, with more than 35,000 stores in over 80 countries with a wide range of food items, beverages, and seasonal treats like the famous Pumpkin Spice Latte which has become a symbol of the brand (Dube,2022).



Recommendation for the new CEO of Starbucks

- Improve employee satisfaction and growth paths for baristas (BBC, 6 March 2023).
- Client experience, create memories (Wendy Leigh, 2024).
- Sustainability options: carbon neutrality or zero waste stores, more plant-based drinks options (Kate Birch, January 2024).
- Introduce exclusive events
- Offer coffee varieties and curated tasting to bring more footfall (Martin Roll, Feb 2021).



Recommendation

- Reduce single use packaging and plastic (Allegra, 5 October 2022)
- More transparency in sourcing coffee
- Focus on employee well being
- Collaborate with local partners



In Conclusion

- Starbucks is one of the most recognized brand in the world
- Innovative and successful business
- Aiming in giving the best customer service
- Areas for continued development



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By Kate Birch, January 11, 2024

Starbucks to open 100 new stores in the UK this year

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