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Threats of Starbucks

Even though Starbucks is a big coffee company, it faces threats in the UK market that can impact its success. Here are the main threats in Starbucks' external environment:

Increasing competition – Other companies might learn from Starbucks and copy what it does well. Changes in the economy and customer preferences are challenges that Starbucks must address.

Competitive Landscape

The biggest risk for Starbucks in the UK is tough competition from other coffee chains. Brands like Costa Coffee and Caffè Nero have become popular with local customers. According to Smith (2023), Costa has a large share of the market in the UK because it has many stores and offers good prices that customers like. Also, many small coffee shops have opened in cities, as people want high-quality and unique experiences. This means Starbucks needs to provide something special to compete effectively.

Economic Factors

Changes in the UK economy also present a big threat to Starbucks. The economy has seen important changes, such as Brexit, which affects how products are imported and exported, inflation, and currency changes. Starbucks gets some of its ingredients from other countries, so when the currency value drops, it costs more to buy these supplies, hurting profits. Additionally, inflation makes goods and services more expensive, so customers might not spend money on luxury items like specialty coffee (Brown, 2023). These economic challenges could lower the number of customers and sales at Starbucks, leading them to choose cheaper options.

Health and Environmental Concerns

Growing awareness of health and environmental issues puts Starbucks at risk in the UK. Customers and regulators are more concerned about healthy eating, so many might avoid Starbucks products that are high in sugar and calories. These products are linked to Starbucks' profits, and the sugar tax could impact sales. Customers also expect environmentally friendly and sustainably sourced products. Starbucks has made efforts in this area, but there are still

complaints about disposable cups and recycling. If Starbucks does not improve, it could hurt its brand image.

Technological Adaptation

Starbucks faces challenges related to technology and the need to invest in digital tools. To keep up with fast-changing technology, the company needs to invest in things like mobile ordering and digital payment systems. If Starbucks does not improve its technology, customers might go to competitors that offer better digital services, especially since online ordering is becoming more common (Martin, 2023). might go to competitors that offer better digital services, especially since online ordering is becoming more common (Martin, 2023).

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