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MGT 431

Executive Summary:

Our comprehensive strategic analysis of the Starbucks Corporation along with our innovative team led to recommendations aimed at utilizing current Starbucks strengths in order to exploit opportunities and minimize weaknesses and potential threats. Our proposed partnership with YETI coolers will utilize Starbucks' advantage in leverage capacity, and its reputable name to seamlessly integrate these two vastly different markets. Our idea is to sell YETI tumbler coffee mugs in retail stores will not only increase consumer reach, but also bring the highest quality tumblers into stores for customer satisfaction and additional awareness about the Starbucks reusable cup program. The second recommendation revolves around minimizing a threat that impacts where 75% of Starbucks profits derive from. The coffee rust epidemic affects over half of the coffee producing regions, and has on average decreased coffee production in these regions by around 20% each. The plan is to donate \$.05 for every Tall-sized coffee, \$.10 for every Grande-sized coffee, and \$.15 for every Venti-sized coffee in order to purchase white fungus. This effective microorganism is a reliable coffee rust cure, and will be given to coffee farmers not only to minimize a loss in coffee production, but also to improve the livelihood of these farmers who are being heavily impacted by this disease. Our third and final recommendation addresses the biggest weakness points Starbucks is currently facing, evening traffic and food sales. We will utilize the Starbucks ice cream line already in existence, and serve this ice cream past 5pm each day to encourage both evening traffic and food sales. By implementing our teams strategic proposal, Starbucks

will be able to solve current problems it is facing, and invest in new areas for potential growth.