



Case Study on Starbucks

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Executive Summary

In 1971, Starbucks Coffee Company, first opened in Seattle's Pike Place Market. It was not until 1981, however, that Howard Schultz, the current CEO of Starbucks, retiring this year, walks into this store. The very next year, he decides to join Starbucks "as director of retail operations and marketing" (Starbucks Company Timeline, 2016). Schultz traveled to Italy and received different ideas that inspired him to bring back to implement into Starbucks to make it more of a place of social gathering. Starbucks has always set out to be different from other coffee shops in a way that brought a connection with their customers. Starbucks has shown this by keeping up with what is valued by their customers, maintaining an ethical standard, providing services to their communities, acquiring ingredients and products that complement their consumers, establishing a strong presence globally, and ease of access to their locations. As of June 28, 2015, Starbucks has a total of 22,519 stores, which has probably increased within the past year (Starbucks Company Timeline, 2016). This case analysis will encompass a report on the Starbucks Corporation as a business by considering all factors listed earlier and implementing them into different matrices that I will strategically analyze.

Existing Mission

The current mission statement for Starbucks corporation is, “to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time (Company Information, 2016)”.

Objectives

The 2015 objectives of Starbucks Corporation state that, “Our objective is to maintain Starbucks standing as one of the most recognized and respected brands in the world. To achieve this, we are continuing the disciplined expansion of our global store base, adding stores in both existing, developed markets such as the U.S., and in newer, higher growth markets such as China, as well as optimizing the mix of company-operated and licensed stores in each market. In addition, by leveraging the experience gained through our traditional store model, we continue to offer consumers new coffee and other products in a variety of forms, across new categories, and through diverse channels. We also believe our Starbucks Global Responsibility strategy, commitments related to ethically sourcing high-quality coffee and contributing positively to the communities we do business in, and being an employer of choice are contributors to our objective (Starbucks Corporation Fiscal 2015 Form 10-K).”

Strategies

Starbucks corporation is one of the most recognized coffee companies and this is largely due to multiple successful strategies. Two major strategies observed that Starbucks uses is their Global Responsibility strategy and actively expanding their business Starbucks Corporation (Fiscal 2015 Form 10-K). Starbucks has their own Global Responsibility strategy which gives

them an ethical standard that they must meet to obtain their coffee and providing for the communities that their business resides in. Another strategy Starbucks implements is expanding their global retail business by increasing their market share, opening stores in new and current markets, increasing sales, and supporting long-term objectives.

A New Mission Statement

“We exist to make a difference in our consumer’s lives by providing high-quality service, ingredients, ethics, and an impact in their communities.”

Analysis of the Firm Structure

Starbucks uses a matrix organizational structure, which is a combination of multiple organizational structures, but the four main structures that Starbucks uses in their matrix are functional, geographic, product-based divisions, and teams. Functional structure is used to organize a company based on their business function and authority is split horizontally on that level. Their Geographical divisions are split into 3: China and Asia-Pacific, Americas, and Europe, Middle East, Russia and Africa, in the U.S., however, it is split into the western, northwest, southeast, and northeast divisions, and each division has a senior vice president.

“Each Starbucks manager reports to 2 supervisors: the geographic head and the functional head” (Meyer, 2016). The product-based divisions, meaning each division focuses on the product they are assigned to whether that would be coffee, baked goods, or mugs. In their team divisions, they are most recognized in the lowest organizational levels interacting and serving customers in an effective and efficient manner.

SWOT (TOWS) Analysis (Appendix A)

There are several external and internal factors that affect the way a business functions annually. In a SWOT analysis, it analyzes a business' internal strengths and weaknesses and external opportunity and threats by matching them together to consider different strategies that can be implemented into operations.

For example, in appendix A, a SWOT analysis for Starbucks shows the many strategies that can be put into consideration. Some major strategies in the SWOT analysis show that the most effective opportunities to Starbucks would be, new products related to their market entering, having many partnerships with other firms, and expanding their business overseas. The entrance of new products complement the strength Starbucks has that their products will be high-quality, will add to their already vast variety of products, and will help with brand loyalty. It could also help fight their weaknesses of high product prices by offering a cheaper alternative and could combat some difficulties of growth by offering a more attractive product to their audience.

However, the SWOT analysis also shows the major threats that can hurt the business so that the firm may be able to come up with strategies to battle these threats. For example, a major threats to the Starbucks Corporation would be the insanely competitive industry of coffee because these competitors could take advantage of their higher prices or could try to imitate their products. Each strength that Starbucks has can combat the threat of competitors because these strengths help differentiate Starbucks from their competitors. Although, the threat of competitors can really capitalize on their weaknesses of high product prices and operating costs, imitable products, and their lack of focusing on their internal difficulties. However, if Starbucks can

foresee this, through the SWOT analysis, they will be more prepared ahead of time to combat these threats in an effective and timely manner, compared to as if their business were to not have this tool.

Five Forces Analysis

Bargaining Power of Supplier

Suppliers do not have that much power in the process of trying to sell their products to Starbucks, especially if they are coffee beans because Starbucks supply chain is very diversified, meaning that they acquire their beans through many different suppliers. Therefore, if a supplier proposed an offer Starbucks did not comply with, then Starbucks could just go to a different supplier.

Bargaining Power of the Buyer

Buyers do not have any bargaining power as well because Starbucks has set prices on their items that they do not negotiate with. Even though their prices are higher than a local coffee shop in the area, customers will still go to Starbucks because of the quality and differentiation that they bring to their products, as well, as the brand loyalty that their customers have for the corporation.

Threats of Substitutes

The threat of substitutes affect Starbucks greatly due to the fact the coffee is an easily obtainable product that is sold almost everywhere. With other big name coffee companies, such as, Peet's Coffee, Coffee Bean & Tea Leaf, or Dutch Bros, customers can easily go to these suppliers of coffee if Starbucks is not available or not meeting the customer's demands.

Threat of New Entrants

New entrants do not really impose a threat on Starbucks because the industry is massive and Starbucks is one of the biggest corporations within the industry. Starbucks has already established themselves within the industry as well, so a new entrant is not going to quickly steal Starbucks's customers due to brand loyalty yet again.

Industry Rivalry

Starbucks has a number of major rivals within the coffee industry that they must compete with. The coffee industry is easily accessed by competitors whether it is diners, fast food restaurants, or other local coffee shops.

Confrontation Matrix (Appendix B)

The confrontation matrix uses the SWOT analysis and shows which internal strengths and weaknesses are the most affected by the external opportunities and threats. This allows the corporation to determine which aspects to heavily focus on whether it would be taking advantage of an effective strength or dealing with a potentially harmful weakness. The strength of having high-quality goods resulted as the strength that best responded to the opportunity and threats. If Starbucks continues to provide high quality goods to their customers, they will continue to effectively use their opportunities and combat their threats. The weaknesses of high product prices was the biggest weaknesses seen in reaction to the opportunity and threats. If Starbucks had the ability to lower their prices to a price consumers would be more willing to buy at, they could now compete at the same price level as the lower price competitors, but now with a competitive advantage through their differentiated edge, customer loyalty, and high-quality products.

Impact/Probability Matrix (Appendix C)

The impact/probability matrix is used to identify how much of an impact the opportunities and threats have on a firm, as well as, the probability these opportunities and threats might occur. The impact/probability matrix in appendix C, shows the opportunity with the highest impact and probability is the domestic expansion opportunity, which makes sense considering there is normally a Starbucks at every street corner in a big city. The threat with the highest impact and probability is the competitive industry threat, which also makes sense because of the size of the industry and the competitiveness of the other top producers in the industry. The opportunity with the least likelihood and impact would be the entrance of a new market because Starbucks has already established themselves with the products they decide to sell, so attempting to go into another market would require a new branch within their firm structure and would just seem very complicated and unlikely, and would probably take a while for that branch to become successful. The threat with the least amount of impact and likelihood is the international difficulty threat because Starbucks has done business in plenty of countries and seem to run operations just fine abroad, or if a culture does not match well with what Starbucks stands for, it is not going to hurt Starbucks detrimentally.

Positioning Map (Appendix D)

The positioning map shows the relationship between the price and the quality of the products of the competitors within an industry. In appendix D, Starbucks has been placed to be compared to its competitors of The Coffee Bean and Tea Leaves, Peet's Coffee, and McCafe. In the map, it shows a trend between price and quality, with Starbucks in the top-right quadrant

meaning it is the most expensive, but the highest quality and with McCafe in the bottom-left quadrant, meaning it the most inexpensive, but at the cost of quality.

External Factor Evaluation (EFE) Matrix (Appendix E)

The external factor evaluation matrix analyzes the external opportunities and threats of a firm. The EFE matrix in appendix E shows the weight that the opportunities and threats has on Starbucks and then is rated to obtain each factor's weighted score. Each weighted score is then added together to obtain a total weighted score, in which Starbucks scored 2.8, which shows how effective Starbucks is able to respond to their external factors.

Internal Factors Evaluation (IFE) Matrix (Appendix F)

The internal factors evaluation matrix analyzes the internal strengths and weaknesses of a firm. In appendix F, the IFE matrix shows how much Starbucks strengths and weaknesses affect the firm. Each strength and weakness is rated to calculate the weighted score and then added together to obtain the total weighted score. Starbuck's total weighted score came out to be 2.75, which is the extent to which Starbucks responds to their internal factors.

IE Matrix (Appendix G)

The internal/external matrix uses the scores from the IFE and the EFE matrices. In appendix G, the IE matrix shows the strategic position of Starbucks in a 9 quadrant graph with the EFE matrix as the Y-axis and the IFE as the X-axis. With an EFE score of 2.8 and an IFE score from 2.75, it places Starbucks within quadrant 5 which is the center quadrant. However, Starbucks is almost on the border of being in the stronger quadrants, which gives reason to believe that they are on the right track and could use a bit of improvement.

Strategic Factor Analysis Summary (SFAS) Matrix (Appendix H)

The Strategic Factor Analysis Summary Matrix looks at all the major factors from the IFE and EFE that affect the corporation. It also offers the duration and comments about each factor and gives a new adjusted weighted score, where Starbucks came out to be 3.05.

Competitive Profile Matrix (CPM) (Appendix I)

The Competitive Profile Matrix (CPM) uses the major internal strengths and weaknesses and compares them to the major competitors in the industry. I have identified some major competitors as The Coffee Bean & Tea Leaf and Peet's Coffee. The weighted score for Starbucks came out to be 3.1 compared to its competitors scores of 2.4 for The Coffee Bean & Tea Leaf and 2.65 for Peet's Coffee. According to this matrix, Starbucks is more competitive in the market than it's competitors.

Assessment of Firm Functional Areas

Starbucks breaks down their organizational structure through functions, whether that would be a department in human resources, a marketing department, or finance. The authority is split horizontally and all function separately within the organization.

BCG Matrix (Appendix J)

The BCG matrix analyzes the market growth rate and the market share of a company and places the company within one of four quadrants. The four quadrants are labeled, stars, cash cow, question mark, and dog. The star shows a high growth rate and high market share, cash cow shows low GR, but high MS, question mark shows high GR, but low MS, and dog shows low

GR and MS. According to the BCG matrix in appendix J, Starbucks would fall into the question mark quadrant because it had a relative market share of 42.4% in an industry with a growth rate of 16.35%. The BCG offers different strategies to companies depending on where they are in the matrix.

GE/ McKinsey Matrix (Appendix K)

The GE/McKinsey Matrix uses specific business units and factors of industry attractiveness and analyzes the weights of each of them, in order to rate them, to obtain a weighted score. The weighted scores are added up to achieve a total weighted score that is plotted onto a nine celled graph that shows industry attractiveness and the business unit strength. In appendix K, the GE/McKinsey Matrix shows that Starbucks is in the left middle quadrant with an industry attractiveness of 3.25 and a business unit strength of 2.95, meaning that Starbucks should invest more within their corporation.

Industry Life Cycle (Appendix L)

The industry life cycle determines a company's position in their stage of existence. The five different stages are (E) Emergence, (G1) Accelerating Growth, (G2) Decelerating Growth, (M) Maturity, (D) Decline. According to the industry life cycle in appendix L, Starbucks seems to be in M, or the maturity stage. This is because Starbucks has established their corporation to the public for quite some time now and have establish norms within their own company, which was when they were probably experiencing more rapid growth in the G1 and G2 stage and now they are slowing down, but still doing well. Therefore, in order to maintain themselves within the industry, Starbucks must continue to expand and present new innovations within their corporation.

SPACE Matrix (Appendix M)

The SPACE Matrix has four quadrants that determine what strategy a corporation should take. The four different quadrants are aggressive, conservative, defensive, and competitive. Within appendix N, Starbucks has a x-axis score of 2.6 and a y-axis score of .8, that puts them in the aggressive quadrant which would tell them to use Market Penetration, Market and Product Development, and Diversification in order to continue to increase their market share in the industry.

Grand Strategies Matrix (Appendix N)

The Grand Strategy Matrix has four quadrants which holds different strategies within them. In appendix o, Starbucks is seen in the first quadrant. The first quadrant which is along the axis of high rapid market growth and a strong competitive position entails the strategies of market development, market and product development, forward, backward, and horizontal integration, and related diversification. This means that Starbucks is in a good place within their industry and that they should be continuing to grow.

QSPM Matrix (Appendix O)

The Quantitative Strategic Planning (QSPM) Matrix uses a firm's internal strengths and weaknesses and external opportunities and threats and gives them each a weight according to market and product development to calculate their attractiveness scores. The attractiveness scores are then added up to determine which aspect a company should focus on. In appendix O, Starbucks is seen with an attractiveness score of 5.8 in Market Development and 4.39 in Product development, meaning that Starbucks should focus more on furthering themselves in the market rather than trying to make new products.

Alternative Strategies

Through analyzing Starbucks Corporation through different matrices I was able to come up with a couple different strategies that Starbucks could implement within their corporation.

1. Lowering Costs

If Starbucks is able to lower their operating costs, expansion costs, and the prices of their inventory that they order, while maintaining the same amount of quality on their products and service, they could potentially rid themselves of 3 major weaknesses in their company. This also allows them to compete in the same level with their low cost competitors.

2. Further Their Differentiation

Starbucks' products are not very different from other coffee companies, other than their quality. If Starbucks provided a new type of drink that could not be easily imitated by the public then that would increase their customer base because there would be another option on the menu that no one could obtain anywhere else.

Specific Strategies and Long-Term Objectives

The two main aspects of Starbucks Corporation that they could improve on are lowering their costs and setting themselves apart from their competitors. To lower their costs, they could purchase cheaper ingredients, while maintaining the same quality in their products and lower their costs in operations or land. This could lead to a lowering in their products for customers, which could lead to customer growth and market share growth within their industry. Secondly, Starbucks could come up with a new drink that has never been thought of. This leads to differentiation within their industry and will also cause consumer growth because, assuming the new product is a massive success, and will also lead to growth in their market share.

Current Firm Ratios

	2015	2014	2013
GPM (Gross Profit Margin)	59.36%	58.30%	57.14%
NPM (Net Profit Margin)	14.39%	12.57%	0.06%
Quick Ratio	0.64	0.81	0.71
Current Ratio	1.19	1.37	1.02
Debt/Equity Ratio	1.14	1.04	1.57
ROI (Return on Investment)	31.38%	26.81%	0.14%
ROE (Return on Equity)	97.87%	79.23%	0.43%
ROA (Return on Assets)	72.63%	59.23%	0.31%
ROCI (Return on invested Capital)	42.32%	50.27%	0.40%
EBITA (in thousands of US Dollar)	4,907,300	3,972,200	453,800
EPS (Earnings per Share) (in US Dollar)	1.85	1.35	0.01

Pro-Forma Financial Statements

	2015	2014	2013
Total Revenue	19,163	16,448	14,867
Cost of Revenue Total	13,199	11,497	10,668
Total Operating Expenses	15,232	13,367	15,069
Operating Income or Loss	3,931	3,081	-202
Income Before Taxes	3,903	3,160	-230
Income After Taxes	2,759	2,068	8.80

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Appendix A

Swot Analysis of Starbucks Corporation

SWOT (TOWS) Analysis	Strengths	Weaknesses
	1. High-Quality Goods	1. High Product Prices
	2. Variety of Products	2. Easily Imitable Products
	3. Excellent Customer Service	3. High Operating Cost
	4. Brand Loyalty	4. High Cost for Expansion
	5. High Availability	5. Difficulty in Growth
	6. High Ethical Standards	6. Lack of Internal Focus
Opportunities	SO Strategies	WO Strategies
1. Entrance of New Products	S1, O1, O5, O6	W1, O1, O5, O6
2. Partnerships with other Firms	S2, O1, O2, O5, O6	W2, O1, O2, O6
3. Global Expansion	S3, O2, O3, O4	W3, O5
4. Domestic Expansion	S4, O1, O2, O3, O4, O6	W4, O3, O4
5. Growing Product Demand	S5, O3, O4	W5, O1, O2, O3, O4, O6
6. Entering New Markets	S6, O2, O5	W6, O3, O4
Threats	ST Strategies	WT Strategies
1. Competitive Industry	S1, T1, T2, T4, T5, T6	W1, T1, T2, T4, T5
2. Low-Cost Competitors	S2, T1, T2, T3, T4, T6	W2, T1, T4
3. International Difficulties	S3, T1, T2, T3, T4	W3, T1, T2
4. Imitating Competitors	S4, T1, T2, T4, T6	W4, T3
5. Rising Market	S5, T1, T2, T4	W5, T5
6. Other Differentiated Products	S6, T1, T2, T4	W6, T1

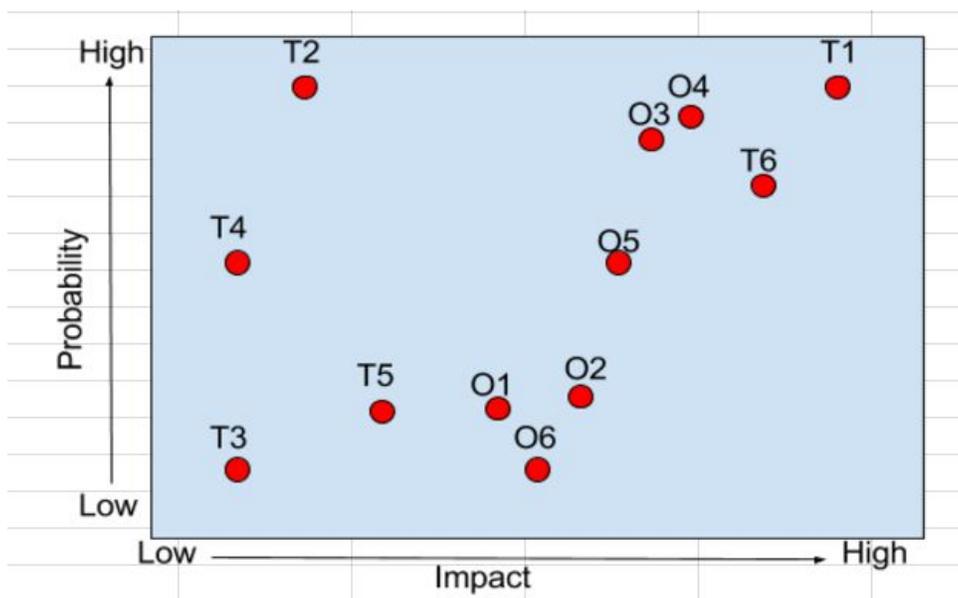
Appendix B

Confrontation Matrix

Confrontation Matrix		Opportunities						Threats					
		O1	O2	O3	O4	O5	O6	T1	T2	T3	T4	T5	T6
Strengths	S1	3				3	3				3	3	2
	S2	2	3				2			2			1
	S3									3			
	S4							3	3		2		3
	S5		2	3	3								
	S6							2					
Weaknesses	W1	1				2		1	2			1	
	W2										1		
	W3					1			1				
	W4		1	2	2					1			
	W5			1	1		1					2	
	W6												

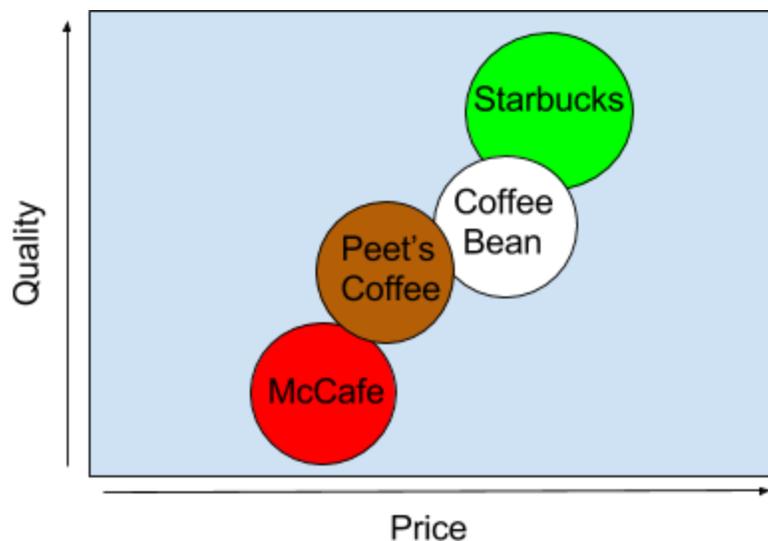
Appendix C

Impact/Probability Matrix



Appendix D

Positioning Map



Appendix E

External Factors Evaluation (EFE) Matrix

	Weight	Rating	Weight Score
Opportunities			
1. Entrance of New Products	0.05	1	0.05
2. Partnerships with other Firms	0.05	2	0.1
3. Global Expansion	0.1	4	0.4
4. Domestic Expansion	0.15	4	0.6
5. Growing Product Demand	0.1	3	0.3
6. Entering New Markets	0.05	1	0.05
Threats			
1. Competitive Industry	0.15	4	0.6
2. Low-Cost Competitors	0.1	2	0.2
3. International Difficulties	0.05	1	0.05
4. Imitating Competitors	0.05	2	0.1
5. Rising Market	0.05	1	0.05
6. Other Differentiated Products	0.1	3	0.3
TOTAL	1.00		2.8

Appendix F

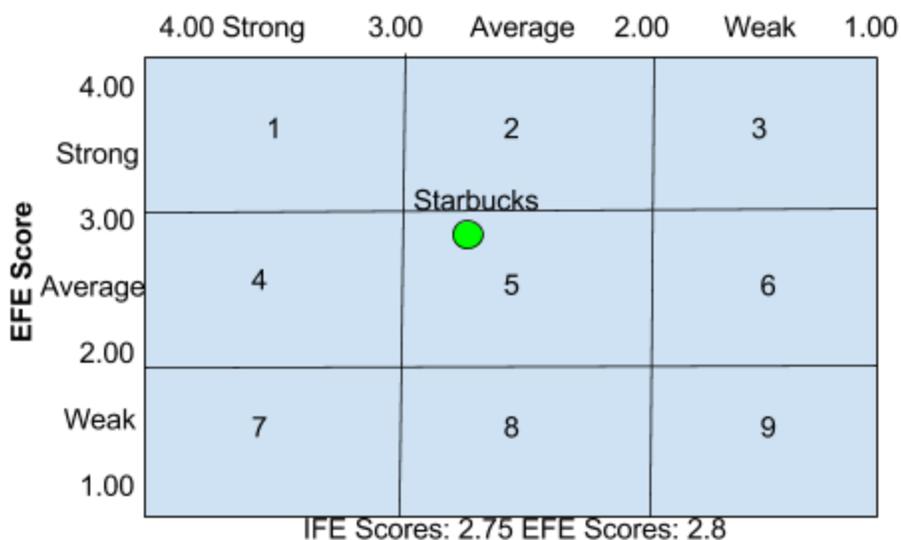
Internal Factors (IFE) Matrix

Internal Factor Evaluation (IFE) Matrix			
Key Internal Factors	Weight	Rating	Weight Score
Strengths			
1. High-Quality Goods	0.15	4	0.6
2. Variety of Products	0.10	4	0.4
3. Excellent Customer Service	0.05	3	0.15
4. Brand Loyalty	0.10	3	.3
5. High Availability	0.10	3	0.3
6. High Ethical Standards	0.10	3	0.3
Weaknesses			
1. High Product Prices	0.10	2	0.2
2. Easily Imitable Products	0.05	1	0.05
3. High Operating Cost	0.10	2	0.2
4. High Cost for Expansion	0.05	2	0.1
5. Difficulty in Growth	0.05	2	0.1
6. Lack of Internal Focus	0.05	1	0.05
TOTAL	1.00		2.75

Appendix G

IE Matrix

IFE Score



Appendix H

Strategic Factor Analysis Summary (SFAS) Matrix

Strategic Factors	Weight	Rating	Weighted Score	Short	Intermediate	Long	Comments
O4: Domestic Expansion	.20	4	.8		x	x	Gradual expansion is constant
T1: Competitive Market	.20	4	.8	x	x	x	The market will always be very competitive
S1: High-Quality Products	.20	3	.6	x	x	x	Starbucks does not settle for less than high quality
S2: Variety of Products	.15	3	.45	x	x	x	Continues to offer variety to consumers
O3: Global Expansion	.15	2	.3		x	x	Gradual breaking of global barrier
O5: Growing Product Demand	.05	1	.05		x	x	The coffee market is increasing
T6: Differentiated Products	.05	1	.05	x	x	x	Other competitors have their own niche
Total	1.00		3.05				

Appendix I

Competitive Profile Matrix

Critical Success Factors	Weight	Starbucks Corporation		The Coffee Bean & Tea Leaf		Peet's Coffee	
		Rating	Weighted Score	Rating	Weighted Score	Rating	Weighted Score
High-Quality Goods	0.15	4	0.6	3	0.45	3	0.45
Variety of Products	0.15	4	0.6	3	0.45	3	0.45
Brand Loyalty	0.10	3	0.3	2	0.2	2	0.2
Availability	0.10	4	0.4	2	0.2	1	0.1
Ethical Standards	0.05	4	0.2	3	0.15	3	0.15
Product Prices	0.15	2	0.3	3	0.45	4	0.6
Operating Cost	0.10	2	0.2	2	0.2	2	0.2
Cost for Expansion	0.10	2	0.2	2	0.2	3	0.2
Growth	0.10	3	0.3	3	0.3	2	0.3
TOTAL	1.00		3.1		2.4		2.65

Appendix J
BCG Matrix

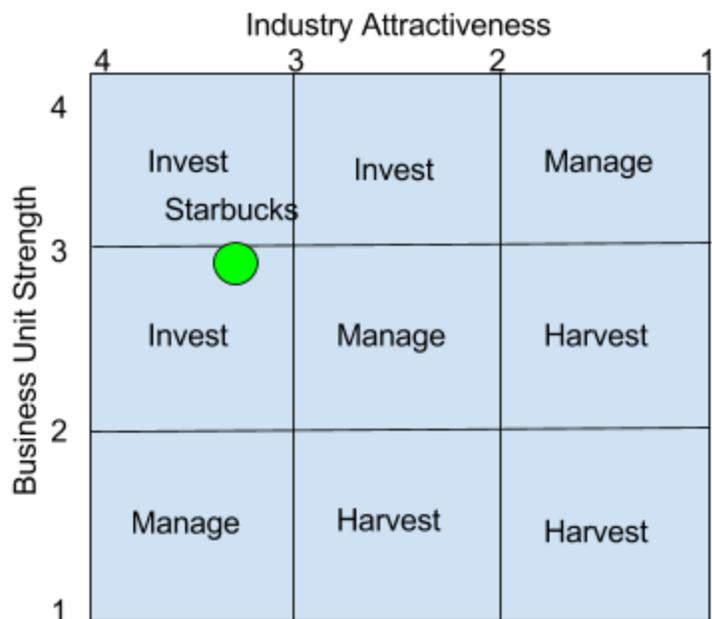


Relative Market Share = 42.4%
Market Growth Rate = 16.35%

Appendix K

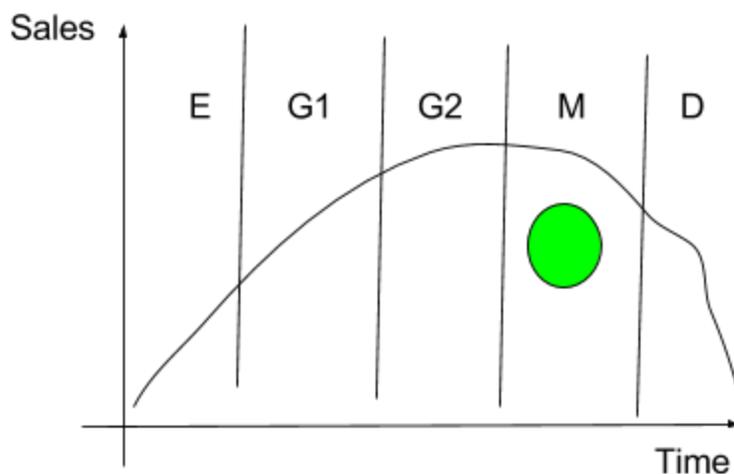
GE/ McKinsey Matrix

Industry Attractiveness	Weight	Rate	Weighted Score
Market Growth Rate	0.20	3	0.60
Global Opportunities	0.15	4	0.60
Industry Rivalry	0.20	2	0.40
Industry Profit	0.25	3	0.75
Market Size	0.20	3	0.60
Total	1.00		2.95
Business Unit Strength	Weight	Rate	Weighted Score
Supply Chain Management	0.25	4	1.00
Brand Image	0.15	4	0.60
Profit Margin	0.25	3	.75
Production Capacity	0.20	3	0.60
Market Share	0.15	2	0.30
Total	1.00		3.25



Appendix L

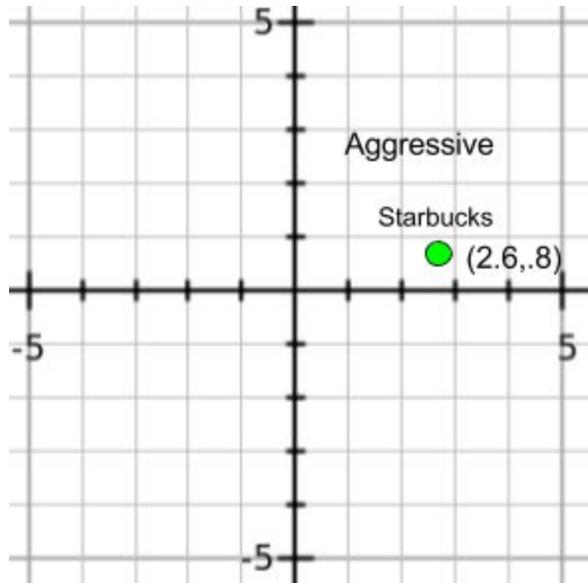
Industry Life Cycle



Appendix M

SPACE Matrix

Internal Strategic Position		External Strategic Position	
Competitive Advantage (CA)		Industry Stability (IS)	
Market Share	-1.00	Growth Potential	5.00
Product Quality	-1.00	Profit Potential	5.00
Customer Loyalty	-2.00	Financial Stability	3.00
Product Life Cycle	-1.00	Industry Rivals	3.00
Brand Image	-2.00	Entry into Global Market	4.00
Average	-1.40	Average	4.00
Total X-Axis Score 2.6			
Financial Strength (FS)		Environmental Stability (ES)	
Current Ratio	5.00	Price of Competition	-4.00
Inventory Turnover	4.00	Demand Variability	-2.00
Profit Margin	4.00	Risk of International Expansion	-2.00
Return on Equity	3.00	Price increase of Coffee Beans	-3.00
Return on Assets	3.00	Competitive Pressure	-4.00
Average	3.80	Average	-3.00
Total Y-Axis Score .8			



Appendix N

Grand Strategies Matrix

Quadrant 2	Starbucks ● Quadrant 1
Quadrant 3	Quadrant 4

Appendix O

QSPM Matrix

Quantitative Strategic Planning Matrix		Market Development		Product Development	
<i>Key Factors</i>	Weight	AS	TAS	AS	TAS
Opportunities					
1. Entrance of New Products	0.08	2	0.16	4	0.32
2. Partnerships with other Firms	0.1	3	0.30	2	0.20
3. Global Expansion	0.12	4	0.48	2	0.24
4. Domestic Expansion	0.15	4	0.60	2	0.30
5. Growing Product Demand	0.05	3	0.15	3	0.15
6. Entering New Markets	0.05	3	0.15	2	0.10
Threats					
1. Competitive Industry	0.15	3	0.45	3	0.45
2. Low-Cost Competitors	0.1	2	0.20	3	0.30
3. International Difficulties	0.02	1	0.02	1	0.02
4. Imitating Competitors	0.08	3	0.24	1	0.08
5. Rising Market	0.02	4	0.08	3	0.06
6. Other Differentiated Products	0.08	3	0.24	4	0.32
Total	1.00				
Strengths					
1. High-Quality Goods	0.15	3	0.45	4	0.60
2. Variety of Products	0.10	4	0.40	4	0.40
3. Excellent Customer Service	0.08	2	0.16	1	0.08
4. Brand Loyalty	0.05	2	0.10	1	0.05
5. High Availability	0.08	4	0.32	2	0.16
6. High Ethical Standards	0.12	3	0.36	1	0.12
Weaknesses					
1. High Product Prices	0.15	2	0.15	2	0.15
2. Easily Imitable Products	0.07	3	0.21	1	0.07
3. High Operating Cost	0.10	2	0.20	1	0.10
4. High Cost for Expansion	0.05	2	0.10	1	0.05
5. Difficulty in Growth	0.03	1	0.03	1	0.03
6. Lack of Internal Focus	0.02	2	0.04	2	0.04
Total	1.00		5.80		4.39