



Technological Institute of the Philippines
COLLEGE OF BUSINESS EDUCATION

STARBUCKS CORPORATION

A Business Case Study Analysis
Presented to the Faculty of College of Business Education
Technological Institute of the Philippines –
Quezon City

In Partial Fulfillment of the Requirements for the Degree
Bachelor of Science in Accountancy
And
Bachelor of Science in Business Administration

by

**BALADJAY, MA. KHARLA B.
CABRERA, LESLIE MAE L.
DE LEON, LARA MELISSA M.
JIMENEZ, KYLA BIANCA F.
LACAMBRA, KRESSIA C.
MACAUMBOS, LEAMHAR S.
MAKASASA, NORALYN G.
MARIANO, RAQUEL C.
SINOHIN, ANDREA MARIZ L.**

2021



CERTIFICATION

This business case study entitled **STARBUCKS CORPORATION CASE STUDY ANALYSIS** prepared and submitted by **BALADJAY, MA. KHARLA B., CABRERA, LESLIE MAE L., DE LEON, LARA MELISSA M., JIMENEZ, KYLA BIANCA F., LACAMBRA, KRESSIA C., MACAUMBOS, LEAMHAR S., MAKASASA, NORALYN G., MARIANO, RAQUEL C., SINOHIN, ANDREA MARIZ L.** in partial requirements for the degree **BACHELOR OF SCIENCE IN ACCOUNTANCY** and **BACHELOR OF SCIENCE IN BUSINESS ADMINISTRATION MAJOR IN FINANCIAL MANAGEMENT** has been examined and recommended for approval.

Evaluation Committee

Adviser

Panel

Panel

Lead Panel

APPROVAL

Accepted in partial fulfillment of the requirements for the degree Bachelor of Science in Business Administration major in _____.

DR. JOEMY C. LOPEZ
Chair, Business Administration

DR. ANGELES A. DE GUZMAN
Dean, College of Business Education



ACKNOWLEDGMENTS

The researchers would like to express their deepest gratitude to the people who helped complete this study and without them this could not have been possible:

To their supervisor and adviser, Mr. Paul Maria A. Pesito, MBA, PhD, for his critic and brilliant suggestions and recommendations;

To the researchers' families: Baladjay Family, Cabrera Family, De Leon Family, Jimenez Family, Lacambra Family, Macaumbos Family, Makasasa Family, Mariano Family and Sinohin Family, for the continuous support, encouragement and they are the ultimate inspiration who serve as the wind beneath his wings;

Above all, to the Almighty God, Jesus Christ for his unending provision of wisdom, guidance, abundant blessings, and strength throughout the researcher's life and in the fulfillment of this study.



CERTIFICATION OF ORIGINALITY

This is to certify that the work presented in this business case study entitled STARBUCKS CORPORATION CASE STUDY ANALYSIS for the degree Bachelor of Science in Accountancy and Bachelor of Science in Business Administration at the College of Business Education, Technological Institute of the Philippines - Quezon City embodies the result of original and scholarly work carried by the undersigned. This paper does not contain words or ideas taken from published sources or written works that have been accepted as the basis for the award of a degree from any higher education institution, except where proper referencing and acknowledgement were made.

BALADJAY, MA. KHARLA

MACAUMBOS, LEAMHAR

CABRERA, LESLIE MAE

MAKASASA, NORALYN

DE LEON, LARA MELISSA

MARIANO, RAQUEL

JIMENEZ, KYLA BIANCA

SINOHIN, ANDREA MARIZ

LACAMBRA, KRESSIA

Authors
June 03, 2021



TABLE OF CONTENTS

	Page
STARBUCKS CORPORATION -----	I
CERTIFICATION -----	II
ACKNOWLEDGMENTS -----	III
CERTIFICATION OF ORIGINALITY -----	IV
TABLE OF CONTENTS -----	V
LIST OF TABLES -----	VII
LIST OF FIGURES -----	VIII
EXECUTIVE SUMMARY -----	1
I. VISION AND MISSION -----	3
II. TIME CONTEXT -----	4
III. VIEWPOINT -----	4
IV. STATEMENT OF THE PROBLEM -----	4
V. STATEMENT OF OBJECTIVES -----	4
VI. AREA OF CONSIDERATION -----	7
A. ORGANIZATIONAL STRUCTURE -----	7
B. SWOT ANALYSIS -----	10
C. SWOT MATRIX -----	15



D.	PORTER'S FIVE FORCES ANALYSIS-----	18
E.	PESTEL FRAMEWORK -----	21
F.	COMPETITIVE PROFILE MATRIX (CPM) -----	35
G.	EXTERNAL FACTOR EVALUATION (EFE)-----	36
H.	INTERNAL FACTOR EVALUATION (IFE) -----	39
I.	QUANTITATIVE STRATEGIC PLANNING MATRIX (QSPM) -----	40
a.	Based on PESTEL -----	41
b.	Based on SWOT -----	42
J.	FINANCIAL ANALYSIS -----	44
VII.	ALTERNATIVE COURSES OF ACTION (ACA) -----	51
VIII.	RECOMMENDATION -----	54
IX.	DETAILED ACTION PLAN -----	55
X.	CONCLUSION-----	63
	REFERENCES -----	65
	APPENDICES-----	68
	APPENDIX A: FINANCIAL STATEMENT OF THE COMPANY-----	68
	APPENDIX B: STARBUCKS CORPORATION'S FINANCIAL RATIOS ----	71
	APPENDIX C: CURRICULUM VITAE-----	73



LIST OF TABLES

Number	Title	Page
1	SWOT Analysis	10
2	SWOT Matrix.....	15
3	Competitive Profile Matrix	35
4	External Factor Evaluation	38
5	Internal Factor Evaluation	39
6	QSPM based on PESTEL	41
7	QSPM based on SWOT	42
8	Financial Ratios.....	44
9	Detailed Action Plan.....	55



LIST OF FIGURES

Figure	Title	Page
1	Starbucks Corporations Current Organizational Chart.....	7
2	Proposed Organizational Chart for Starbucks.....	8
3	Porter's Model.....	18
4	PESTEL Framework	21
5	Current Ratio	45
6	Acid Ratio	46
7	Debt to Equity Ratio	47
8	Gross Profit Margin	48
9	Net Profit Margin	49



EXECUTIVE SUMMARY

Starbucks Corporation is the largest coffeehouse chain in the world. It is known for its finest coffee with excellent customer service that continues its dominance in the industry. It was founded in 1971 where it opened its first store in Seattle's Pike Place Market, by Jerry Baldwin, Gordon Bowker, and Zev Siegel. The company is known for its progressive expansion strategy, where they continue to expand without considering proper caution of actions. Thus, it resulted in a decrease in sales as not all of their stores performed well.

This case study analysis aims to provide a feasible strategy that will suffice to the company's goals and objectives. It used the following analysis models like SWOT Analysis, SWOT Matrix, Porter's Five Forces Analysis, PESTEL Framework, Competitive Profile Matrix, External and Internal Factor Evaluation, and Quantitative Strategic Planning Matrix (QSPM). The analysis models are utilized to find which strategies they should sustain and which strategies they should improve and implement. Moreover, the strategies that they can implement through these models can help the company optimize its competitive advantage and improve its position in the market.

In this study, the proponents formulated three alternative courses of action such as Market Development, Product Development, and Market Penetration that can support the company's objectives for the coming years. As



a result of the data collected from the analysis models used, the proponents selected Market Development as the strategy to be implemented but to be used with caution and proper consideration of external factors. This is to address Starbucks' primary concern and to achieve its mission and vision, as well as its objectives.



I. VISION AND MISSION

Existing Vision:

To inspire and nurture the human spirit— one person, one cup, and one neighborhood at a time.

Existing Mission:

N/A

Proposed Vision:

In the year 2014, Starbucks will be the world's leading coffee shop that continuously serves the highest quality coffee—while providing outstanding services to its customers, partners, and neighborhood.

Proposed Mission:

Making things a little better with every cup, Starbucks Corporation is committed to constantly seek the finest coffee beans at a reasonable price possible by adapting to the latest technological advances. To deliver Starbucks experience with a remarkable taste that warms the soul of every customer globally as we expand our business, ensuring financial stability while maintaining a healthy working atmosphere for our employees and operating in an environmentally friendly manner.



II. TIME CONTEXT

In the first quarter of 2009.

III. VIEWPOINT

HOWARD D. SCHULTZ, *President and Chief Executive Officer of Starbucks Corporation.*

IV. STATEMENT OF THE PROBLEM

Starbucks sales are boosted by the company's US markets, International outlets and Global Consumer Products (CPG) where both domestic and foreign customers consider them to be their "coffeehouse of choice" however not all of their stores are successful in the countries they expanded, thus resulting in a decrease in revenue of 7% to \$4.95 billion, 72% decrease in net income and Moody's Investors Service downgraded Starbucks' credit ratings, despite these challenges they still ought to grow.

V. STATEMENT OF OBJECTIVES

Long-term Objectives

1. To continue progressive expansion through cautious action and a well-defined strategic plan.



2. To increase Starbucks' annual net profits by 10% from 2009 to 2014
3. To increase the company's market share by 2% starting in year 2 in the coffee industry
4. To focus on innovating high-quality and low-cost coffee ingredients to meet the demand of budget-conscious consumers in the existing markets and as the market grows.
5. To strengthen the good reputation among the communities where they operate.

Short-term Objectives

1. To focus on developing a strategic plan for progressive expansion. (LTO 1)
2. To incorporate the competitive advantage of its competitors for expansion strategy. (LTO 1, LTO 2, LTO 3)
3. To expand the number of licensed retail stores. (LTO 1)
4. To build an adaptive product mix to the location of the retail store. (LTO 1)
5. To invest more in Research and Development to innovate a new coffee product that will appeal to the taste of the global consumer base. (LTO 1, LTO 2, LTO 3, LTO 4)
6. To integrate the latest trends to effectively deal with customers' changing tastes and food preferences. (LTO 2, LTO 3)



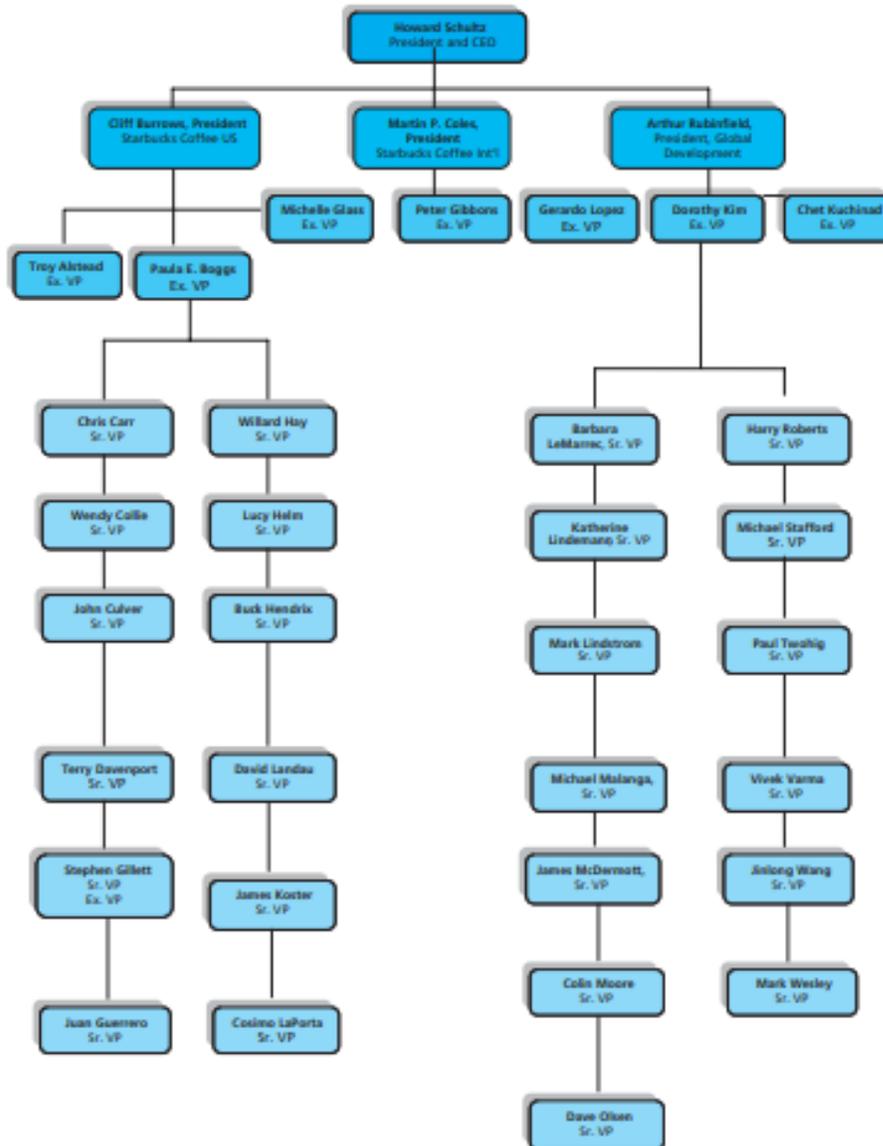
7. To create a low-priced, high-quality coffee product that is affordable for the budget-conscious consumers. (LTO 2, LTO 3, LTO 4)
8. To promote Starbucks to the global market through use of the internet and be recognized. (LTO 1, LTO 2, LTO 3)
9. To seek out other suppliers who can supply low-cost yet high-quality ingredients. (LTO 4)
10. To establish additional farmer support centers in other countries to strengthen ethical sourcing efforts. (LTO 4, LTO 5)
11. To maintain and improve outstanding customer service and support in order to increase customer value. (LTO 5)
12. To provide people in each region with job opportunities. (LTO 5)

VI. AREA OF CONSIDERATION

A. Organizational Structure

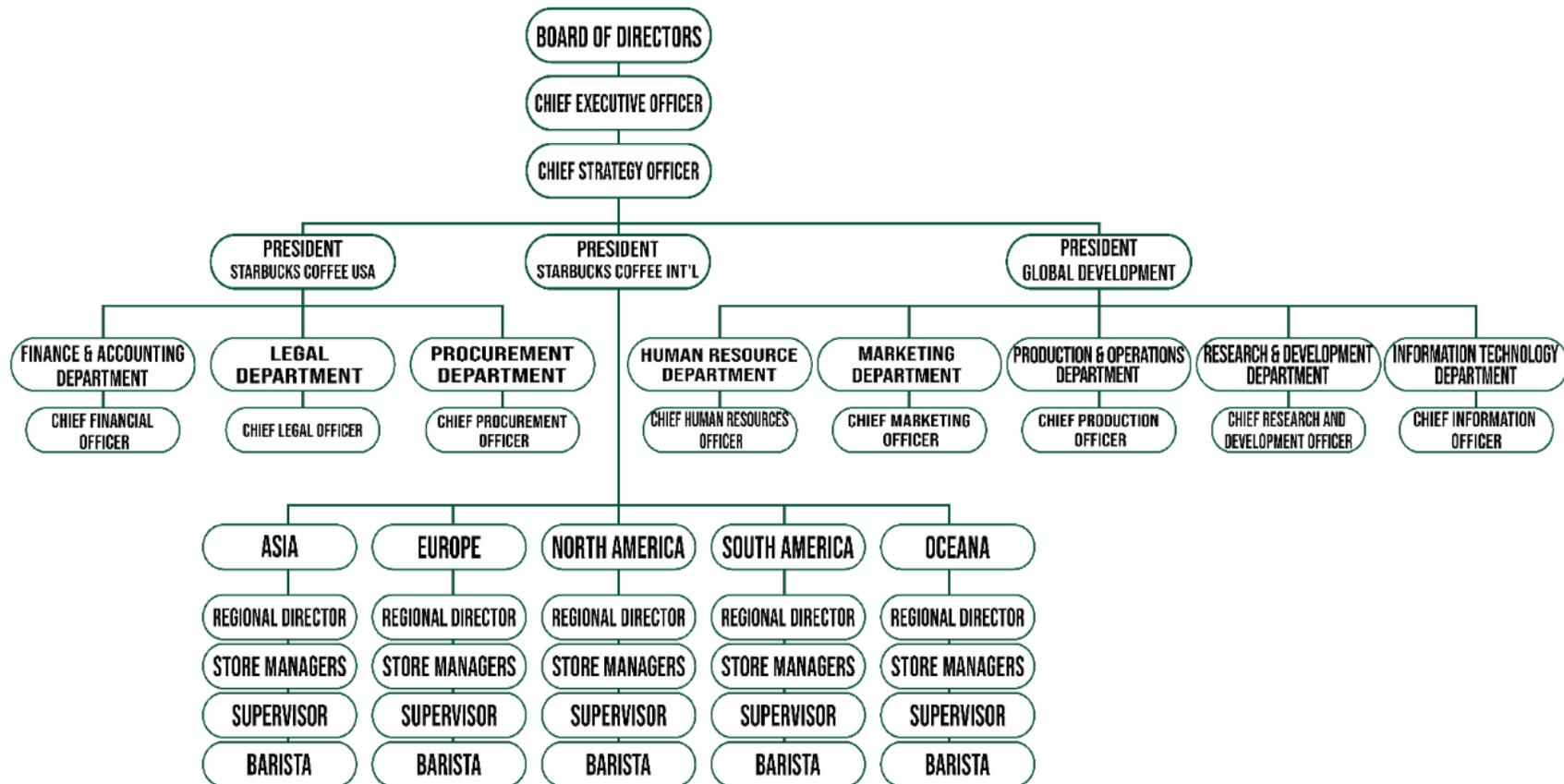
a. Current

Figure 1: Starbucks Corporations Current Organizational Chart



b. Proposed (Functional structure, Divisional structure by Geographic area)

Figure 2: Proposed Organizational Chart for Starbucks





The proposed organizational structure aims to attain the Starbucks Corporation's goals and objectives. Since it is a global company, the proponents employed a reengineering method to properly assess all levels of an organization's business processes, make a more decisive competitive advantage in the marketplace, and increase its sales. Therefore, it is a combination of a functional and divisional structure by geographic area. The proposed design includes a Board of Directors, which evaluates the overall direction and strategy of the business to protect shareholders' interests, establish policies for management, and oversee the corporation. The Chief Executive Officer follows it whose primary responsibilities are developing and integrating the strategic direction. It is the primary point of communication between the boards and corporate management, including accountability for all aspects and departments of a company. Under the CEO is the Chief Strategy Officer who's responsible for executing and sustaining corporate strategic initiatives. Under this are the three market segments. The USA segment comprises different functional departments, including Finance and Accounting, responsible for the internal audit; Legal for the compliance with laws and regulations; and Procurement Department for purchasing materials.

On the other hand, the Global Development segment includes Human Resource, which is responsible for the sake of the employees; Marketing for the advertising and promotion; Production and Operation for the distribution of

products. Research and Development responsible for market analysis; and Information Technology Department for maintaining computerized information systems. Furthermore, the International Division is divided into regions: Asia, Europe, North America, South America, and Oceania, with each area consisting of a Regional Director, Store Managers, Supervisors, and Baristas.

B. SWOT Analysis

Table 1: SWOT Analysis

STRENGTHS	WEAKNESSES
1. The corporation has a strong brand image being one of the most powerful and well-known brands in the world.	1. Uncautious progressive expansion resulting in several losses.
2. Offering high-quality products such as coffee and ready-to-drink beverages.	2. High price points that maximize profit margins but reduce the affordability of its products.
3. Their stores are intended to make customers feel comfortable, with outlets and, in some cases, wireless internet access.	3. The taste of Starbucks coffee will not appeal to all customers in all countries. They lack the adaptability to certain cultures.
4. Values not just its customers, but also its community and employees.	4. Starbucks products are imitable.



5. Products are accessible in various stores, including convenience stores, supermarkets, department stores, movie theaters, businesses, schools, and even airports.

6. They have a website that customers can use to register their Starbucks cards, get nutritional information about the company's products, shop online, look for jobs, and much more.

OPPORTUNITIES

THREATS

1. The annual growth rate of coffee consumption is expected to return to the levels of between 2.0 and 2.5%.

1. Competitors offer less expensive coffee.

2. Expansion into emerging markets which boosts revenue.

2. Emergence of substitute products like milk tea.

3. High demand for organic coffee in the market.

3. Customers' changing tastes and food choices.

4. Establish alliances and partnerships to spread awareness among customers about different products and expansion in the product portfolio.

4. Consumers are getting conscious towards their health.



5. 40% of global coffee sales are instant coffee.

5. Economic recession which led to its customers to find cheaper alternatives for coffee.

6. Emergence of social media and continuous increase in the number of internet users.

Since its founding days in the early 1990s, Starbucks has worked hard to establish a strong brand image by providing consumers with a calm and delightful experience. Starbucks definitely has an edge over its competitors because of its global brand recognition. The brand's immersive aspect has been continuously and effectively executed in all of its outlets throughout the world since the beginning. The company has a rising number of devoted consumers, which contributes to the coffeehouse's stability. As a result, Starbucks is the "coffeehouse of choice" for both domestic and foreign customers. Starbucks has always specialized in purchasing, roasting, and serving the finest coffee in the world while using only the highest-quality coffee beans. Customers are served a delicious cup of freshly brewed coffee by the brand. It aims to establish a brand identity by providing a relaxing and enjoyable experience for its customers, giving them an edge over its competitors. They also design a website where consumers can easily order their goods with a single click that will be able to attract a larger pool of prospective buyers with considerable new investments in



order to use technologies successfully on its website. It simplifies the process for customers, aligns buyer satisfaction through incentive schemes, and assists Starbucks in expanding its end-product distribution services.

Starbucks ventured into an international expansion in which not all operations were as successful as its other branches located in different countries. It experienced its first setback when the Japanese operations posted losses, since Starbucks was founded in Washington, it is natural that it bears an American taste when it comes to coffee and might not be accepted into other countries with different taste and culture that may result in a loss (Tomlin, 2009). Despite the rise of global culture, (Arnould, 2009) claims that consumers do not always share the same preferences or beliefs. Starbucks' products may or may not cater to the preferences of people in that country as it expands globally. As a result, the customer may seek out a suitable substitute based on his or her preferences.

According to the International Coffee Organization, coffee consumption is projected to rise at a rate of 2.0 to 2.5 percent per year. The anticipated increase in consumption will be an opportunity for the company to increase production and revenue. Starbucks may collaborate with various organizations to grow and expand its market in multiple countries. According to Larson (2009), this strategy makes it easier to serve the company's products to different market



segments and increase customer satisfaction. As a result, the company's retail sales and overall profits will rise.

Lastly, in terms of threat, Starbucks suffered a setback after the 2008 economic downturn. It resulted in a loss of customers which eventually led its profit to fall down by 28% (Husain et al., 2014). With this, it is likely to happen again if Starbucks will not be careful about its next actions. During the year 2009, there was a global recession that resulted in a low buying power of the consumers that they opted for a cheaper option for their daily coffee. Coffee replacements pose a serious threat. Taking a cup of tea rather than a cup of coffee is a typical occurrence because of the caffeine content, drinking too much coffee can have negative health consequences. As a result, more coffee drinkers turn to a healthy brew, which has a significant impact on the sales of the coffee industry, such as Starbucks. Many people want to eat a fruit or vegetable smoothie for a healthier diet because it can refresh, improve the immune system, and has other health benefits.

C. SWOT Matrix

Table 2: SWOT Matrix

	Strengths	Weaknesses
	1. The corporation has a strong brand image being one of the most powerful and well-known brands in the world.	1. Incautious progressive expansion resulted in several losses.
	2. Offering high-quality products such as coffee and ready-to-drink beverages.	2. Has high price points that maximize profit margins but reduce the affordability of its products.
	3. Their stores are intended to make customers feel comfortable, with outlets and, in some cases, wireless internet access.	3. The taste of the coffee will not appeal to all customers in all countries. They lack the adaptability to certain cultures.
	4. Values not just its customers, but also its community and employees.	4. Starbucks products are imitable.
	5. Products are accessible in various stores, including convenience stores, supermarkets, department stores, movie theaters, businesses, schools, and even airports.	
	6. Starbucks has a website that customers can use to register their Starbucks cards, get nutritional information about the	

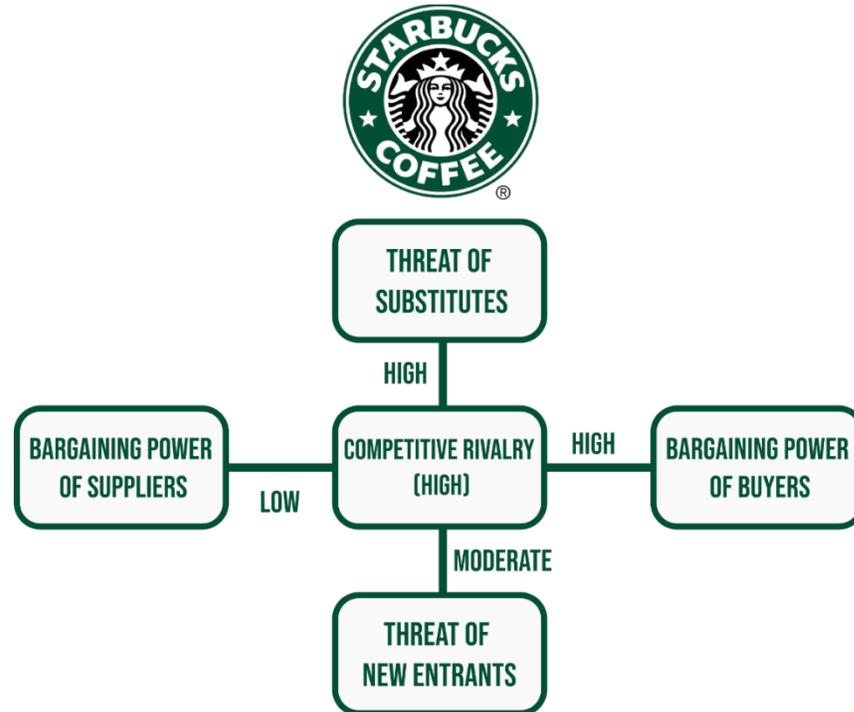
	company's products, shop online, look for jobs, and much more.	
Opportunities	SO Strategies	WO Strategies
1. The annual growth rate of coffee consumption is expected to return to the levels of between 2.0 and 2.5%.	1. Market Penetration through promotions and advertisements S1, S2, S5, O1, O2, O5	1. Cautious expansion to other countries. W1, O1, O2
2. Expansion into emerging markets which boosts revenue.	2. Commit to producing coffee that is 100% ethically sourced S4, O3,	2. Continuous innovation especially on the product development W2, W4, O1, O3, O5
3. High demand for organic coffee in the market.	3. Attract more customers through the use of social media S1, S6, O4, O6	3. Invest more in Market Research and Research and Development W1, W3, O2
4. Establish alliances and partnerships to spread awareness among customers about different products and expansion in the product portfolio.		
5. 40% of global coffee sales are instant coffee.		
6. Emergence of social media and continuous increase in the number of internet users.		
Threats	ST Strategies	WT Strategies
1. Competitors offer less expensive coffee.	1. Introduce products that are budget-friendly but still within the classy	1. Create a pricing strategy which is "Bundle Pricing" W2, T1, T5



	"Starbucks Experience" S1, S2, T1, T5	
2. Emergence of substitute products like milk tea.	2. Improve the ambiance of the stores while providing quality coffee S2, S3, T1, T2	2. Extend their product line considering customer's changing tastes and choices. W3, W4, T3, T4
3. Customers' changing tastes and food choices.		
4. Consumers are getting conscious towards their health.		
5. Economic recession which led to its customers to find cheaper alternatives for coffee.		

D. Porter's Five Forces Analysis

Figure 3: Porter's Model



Competitive Rivalry (HIGH)

- A large number of businesses (strong force)
- Substitutes are widely available (strong force)
- Wide variety of competitors (moderate force)

Starbucks competes with a vast range of companies around the world, including Dunkin Donuts, Caribou Coffee, Peet's Coffee and Tea, McDonalds, and Krispy Kreme, which sells a variety of coffee items labeled as replacements. To stand out in this type of rivalry, Starbucks must have a distinct method of delivering coffee goods to customers that gives it an advantage over rivals.

Bargaining Power of Buyers (HIGH)

- High availability of substitutes (strong force)
- High quality of information (strong force)
- Low switching costs (strong force)

There is a High Bargaining Power of Buyers that affects the overall performance of the Corporation. In this regard, the high availability of substitutes means it allows the customers to have options aside from Starbucks because many competitors offer low-cost coffee, leaving the company with little choice but to develop and expand a range of coffee flavors in order to maintain consumer demand for their product. Moreover, companies in the Coffee Industry are now providing high-quality information to provide nutritional facts about the products and ensure that it is 100% safe to drink their offered beverage drinks. Lastly, consumers are better informed about the options available to them. As Starbucks increases the products' prices, the consumers will then have another substitute for the switching cost is low. Overall, the high Bargaining Power of Buyers affects the purchasing decisions of the consumers.

Bargaining Power of Suppliers (LOW)

- Large overall supply (weak force)
- High variety of suppliers (weak force)
- Moderate size of individual suppliers (moderate force)



Starbucks is particular when it comes to coffee beans which is why they only buy the best Arabica beans that come from harvested coffee cherries at their peak: red, ripe and perfect. Also, the corporation has farmer support centres on four continents where agronomists test soils, examine samples, and provide free advice to any coffee farmer who asks which makes buying of supplies easy as they already know where to get the supplies.

Threat of Substitutes (HIGH)

- Low switching costs (strong force)
- High availability of substitutes (strong force)
- High affordability of substitute products (strong force)

As the tea industry grows in popularity, it threatens the coffee market as its benefits are being recognized by people. It is also cheap considering the perks it provides to one's health. Also, buyers can easily shift from one store to another due to low switching costs and affordability of similar products. This makes the danger of substitutes high because consumers can easily purchase from rivals rather than the goods sold by Starbucks.

Threat of New Entrants (MODERATE)

- Cost of doing business (moderate force)
- Moderate switching costs (moderate force)

- Brand development is expensive (weak force)

Since the barriers to entry are low and a huge amount of capital is needed to build and sustain a start-up company like Starbucks, the threat of new entrants in the coffee industry is moderate. Also, the skills needed for workers are not highly technical as this can be done through workshops and training which proves to be manageable. With this, it allows new entrants to comfortably join the market and compete with existing related types of businesses. Moreover, some small coffee shops have been able to survive and prosper because of local clients. As a result, Starbucks will face only a minor challenge.

E. PESTEL Framework

Figure 4: PESTEL Framework



POLITICAL

Political Factor is one of the components of PESTEL analysis that determines the influence of government on the business. Starbucks Corporation operates 16,635 stores in more than 50 countries, as a result the company encounters different external factors that affect the operations of its business.

Laws and Regulations

Globalization becomes one of the factors that helps Starbucks Corporation to expand its business internationally. According to Ryan Hart (2011), as the company started to build new outlets in different places during the year 2009, the company encountered a lot of difficulty due to cultural diversity. The company-operated retail outlets experience declining revenue despite opening new stores worldwide. As a result, the Corporation establishes solutions to adapt to foreign nations by considering all aspects of International governmental restrictions and protective measures such as customs duties and tariffs in order to operate freely and implement a strategic operation inclined with global expansion.

Openness of Foreign Investment in Finland

The Finnish Government is open to Foreign Direct Investment, foreign companies or individuals are welcome in doing business in Finland since it is



unrestricted (Bureau of Economic, Energy and Business Affairs, 2009). Most of the restrictions for foreign ownership were removed by the government, thus it will be easy for Starbucks to acquire land in Finland to build their first outlet in the said country. However, there are still some legal requirements for non-European companies or individuals in order to conduct business, such as the safety or health hazards, financial risk, and notification when to start a business. Starbucks Corporation must comply with the said legal requirements for the benefit of the company's operations. In addition, Finland also provides free trade zones for foreign companies to make transactions faster. The free zone areas are regulations coordinated with the European Union by the Community Customs Code (Bureau of Economic, Energy and Business Affairs, 2009). Therefore, the free trade agreement would be an advantage for Starbucks because it increases business productivity.

Market Entry in India

Due to India's administrative and legal reform, new firms had experienced ease of entering the market. As a result, the process became more straightforward and not costly to implement. With that, Starbucks can take advantage of entering the Indian market to widen the customer-based. However, despite the recent efforts in improving business registration, administrative burdens are still high in India. Mainly, foreign firms may experience differences



in terms of practices of local government level, the performance of local branches of national agencies, and variations in local taxes and fees. Additionally, firms must visit five (5) different agencies to register for fees and tax collections. Nevertheless, among the emerging markets, India stands out in its focus on technology. Therefore, continuous improvement on their e-government initiatives and laying the groundwork for electronic registration is implemented to ease the start-up business, particularly for foreign firms such as Starbucks.

ECONOMIC

Economic factors are part of the components of PESTEL that affect Starbucks' success directly or indirectly and in the long run.

Worldwide economic recession

The company's revenue decreased for about 7 percent during 2009 and also affected its net income that resulted in a decline of 72 percent according to the case study given. Since Starbucks is known for having a quality coffee with a reasonable price that not everyone can afford and willing to pay, economic recession is a threat to them. They will need to adjust their prices in response to this crisis in order for them to retain their market position. Different adjustments should be made since it brings a negative impact to the business. Due to this recession, Starbucks is also expected to take advantage of globalization to



extend the company foreign markets in order to truly utilize the company's potential.

Coffee Consumption

According to the International Coffee Organization (ICO), as the economy of the world recovers from the economic crisis, coffee consumption is more likely to revert to the 2.0 - 2.5 % annual growth rate that existed for most of the previous decade. On the other hand, GlobalPost News Desk stated that Finland ranked number 1 in coffee drinking countries in the year 2009 wherein there is an average of 11.8 kilograms of coffee per person per year. It is an indication that Finland should be one of the countries that Starbucks should prioritize for their expansion since a large coffee consumption serves as a great advantage for the company that offers quality coffee as their main product offering. It goes the same to India, as the India Coffee Organization stated that over the last several years, coffee has been immensely popular in India. It is no longer a traditional beverage, but rather fashionable, trendy and to socialize.

ICO also mentioned that consumer perceptions about coffee consumption may be influenced by adverse ideas about the impact of coffee on health, according to market research conducted by the ICO among both general and medical groups. Furthermore, income of the consumers also affects the consumption of coffee, consumers with a higher income expect a higher level of quality or other characteristics in their coffee. This trend explains why specialized

markets, such as those for specialty and certified coffees, have experienced rapid development in recent years. This creates a challenge for Starbucks to help increase the world coffee consumption by having different innovative marketing strategies and to develop coffee development projects that will add value and will improve marketing.

Commodity Price Fluctuations

According to Starbucks corporation fiscal report 2009, Starbucks imports commodity supplies for its operations, such as coffee and dairy goods which are subject to market changes that affect its financial performance. The price has been increasing, not only for the price of coffee, but also because of the supply chain and the global economic condition. Whenever there is an increase in price of a commodity, there are chances that the company will have to increase the price of their products as well and will surely have an impact on its revenue. Despite the fact that coffee prices already have to be increased internationally due to high demand and rising production costs, the coffee industry continues to have a bright future due to its huge customer base.

SOCIAL

This aspect of PESTEL analysis scrutinizes the social environment, cultural conditions and trends influencing consumer preferences and company's decision making that impact its performance.



Customer Preference

Starbucks offers a variety of coffee which will satisfy their customers, as stated in the case study itself there is a new trend that has surfaced that might affect their product offering. There is a request from the company's consumer about organic coffees. They also take into consideration the nutritional content of specialized coffee drinks, and the consumers have also addressed the accuracy of the labeling and calorie information shown on products sold in retail outlets. It puts Starbucks into a challenging position and in order for them to fulfill and respond to their consumer's demands, they will have to offer the best tasting and healthier options for their customers and to target a more health-conscious coffee lover.

In India, on the other hand, according to the International Journal of Agricultural and Statistics Sciences (2009), India is the world's largest producer and consumer of tea, accounting for around 29% of global output. The demand for tea in such areas is extremely high since it is part of their culture. Different preferences by consumers must be acknowledged in the creation of Starbucks offerings in order to meet the request of their customers. Contrarily, Finland people consume 11.8 kilograms of coffee per person per year (GlobalPost, 2009). As a result, the country ranks number one as the top coffee consumer worldwide. Starbucks Corporation can take advantage of this opportunity to

enter the market of Finland to increase its brand awareness and its revenue at the same time.

Online User

According to Statistica.com, the percentage of the global population accessing the internet in 2009 is 25.8%, more than a quarter of the world's population. The increase in online users will benefit the company because online advertisement becomes one of the top marketing strategies of Starbucks Corporation to attract more customers and promote their products worldwide. The company encourages consumers to use its Web site where everyone can access information about the nutritional facts regarding Starbucks' products, shop online, and much more. In addition, it is convenient for the customers to use the Website because they can easily register their Starbucks cards. Thus, the increase of global online users is an opportunity for Starbucks Corporation to advertise their products globally.

TECHNOLOGICAL

In this part of the PESTEL analysis model, technologies and related trends are identified. In today's modern world, it is a must to get technologically adapted to increase efficiency and sustainability.



Technological advances

As the world changes rapidly, technological advances make their way to improve and create a new approach in business strategies. It enables businesses to perform better across all functions, including finance, marketing, supply chain, and even human resources. Starbucks Corporation intends to take advantage of it by improving operational efficiency by capitalizing on the emergence of business automation. With that, the company may diversify its operations by investing in information technology (I.T.) to improve its operations, particularly in e-commerce, to improve brand communication and market through the internet, making it more accessible to customers. Starbucks may also increase its investment in research and development (R&D) to continually innovate and provide high-quality products and services. Furthermore, the company can improve its supply chain efficiency by leveraging new technologies used by coffee farmers. Through this, Starbucks will meet its long-term goal of purchasing 100 percent of responsibly grown and ethically traded coffee, which has been third-party verified or certified, either through Cafe and Farmer Equity (C.A.F.E.) Practices, Fairtrade, or another externally audited system. (Starbucks, 2010)

Administrative, Legal and Technological Reform in India

Expanding and building retail stores in India will be a tremendous advantage for Starbucks, especially that paying stamp duties on company



documents can be done electronically. According to Doing Business (2009), the technological reform reduces the waiting time on registering the property and starting up a business. Additionally, the entry costs of doing business in India are much lower, reducing corruption and encouraging entrepreneurs to enter the market.

ENVIRONMENTAL

The impact of ecological or environmental conditions and changes on business are identified in this part of the PESTEL analysis model. We are all concerned about the environment, which is becoming increasingly contaminated. If the pace of pollution continues to rise at this rate, the globe will become uninhabitable in the near future. Big businesses should come up with environmentally friendly business models and concepts to help with this. Starbucks is not exempted from that.

Environmental Stewardship

Starbucks is committed to being a deeply responsible company in the communities where it does business around the world. Starbucks Corporation is a company that relies on agricultural produce, in order to maintain sustainability and preserve the environment, the company will take corrective measures to lessen environmental impact while providing a high-quality standard of services and products. In 2009, they increased their efforts in a number of coffee-growing



communities to safeguard carbon-absorbing tropical forests. To reduce the Starbucks Corporation's environmental footprint, they have implemented energy reduction, water conservation, and other green building initiatives. In addition, the company took a systems-thinking approach, which means that the cups and other packaging materials are more environmentally friendly and broadly recyclable. Also, in 2008 they announced plans to reduce water consumption and in 2009 they conducted a comprehensive water footprint audit to analyze water use. Lastly, the collaboration of Starbucks Corporation with local governments and other environmental NGOs to address the difficulties and promote a number of important initiatives and activities.

Climate Change

Climate change has far-reaching consequences, and farmers all over the world are particularly vulnerable. Traditional farming methods may not yield the same results, and farmers must now contend with an increasing number of variables that can influence coffee production. With the help of its partners at Conservation International, Starbucks may address these issues by helping farmers address these challenges as they arise through its C.A.F.E. Practice programs. Helping farmers thrive amid a changing climate is fundamental as it helps secure the future of the most passionate thing the corporation is concerned about, the incredible coffee. Starbucks and Conservation International may collaborate on a pilot program to assist farmers in responding to the effects of

climate change without jeopardizing the principles of high-quality, and climate-friendly coffee production.

LEGAL

The legal factors in the PESTEL analysis model are the laws and regulations on business. Starbucks, like any other corporation, has been the target of numerous legal conspiracies in recent years. But one of the most commendable aspects is how quickly they responded to the situation.

Intellectual Property

Starbucks Corporation is a well-known coffee shop for its high-quality coffee and unique Starbucks experience. As the company continues to evolve worldwide, the company has run into problems. It is considered to be an international company. As a result, rival coffee shops begin to establish coffee drinks that copy Starbucks' business operations, name, products, and even its company logo. The company had to employ Intellectual property rights to protect the company's legacy from being copied by competitors globally and to distinguish itself to eliminate customer confusion. In addition, Intellectual property rights become an opportunity because it enhances the market value of the company. However, such external factors are also a threat to the organization because it makes business expansion difficult due to the duration



of the patent, trademarks, and copyrights registrations that vary from different countries.

Caffeine Production

According to Peterson's analysis of caffeine levels from prominent brands, a cup of Starbucks coffee contains more than twice as much caffeine as a cup of McDonald's. The company must ensure that it complies with all applicable laws and regulations in its home market as well as in the countries from which it sources raw materials. It should also be on the lookout for health authorities enacting policies and laws connected to caffeine production and consumption. Also, for the past decade, the consumers have been requesting organic coffees, in which the retailers gave more emphasis on the growing environment. To address the concern of health-conscious consumers, Starbucks may develop a standard that ensures ethical and sustainable sourcing of coffee.

Global Human Rights

Starbucks Corporation has always been more than just a coffee, as it always prioritizes humanity. Therefore, it is a business imperative and a responsibility of the company to foster a welcoming and inclusive culture where everyone is welcomed, respected, and valued. To guarantee that it complies with the laws and regulations, the organization establishes a human right



standard to demonstrate a strong commitment that positively impacts the lives of the people it touches.

Business Ethics and Compliance Program

It has implemented a particular company ethics and compliance program that focuses on employee compliance and ethics training. The corporation focuses on being compliant with the law in all of the countries where it does business. Apart from that, non-discrimination and equitable treatment of all employees are also priorities. It benefits the business while reducing the risk of legal issues.

Global Anti-Bribery Standard

The corporation is committed to conducting business fairly and honestly. Accordingly, partners are not permitted to, directly and indirectly, give or receive bribes or kickbacks of any kind as it would improperly impact the outcome of business transactions globally and may place Starbucks in a position of obligation. (Starbucks, n.d.) To ensure that the standard's circumvention will be eliminated, Starbucks must secure and strengthen its global responsibility policies to stay within the regulations and avoid costly litigation.

F. Competitive Profile Matrix (CPM)

Table 3: Competitive Profile Matrix

Critical Success Factors	Weight												
		Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score
Product quality	0.20	4	0.80	3	0.60	4	0.80	2	0.40	3	0.60	3	0.60
Global expansion	0.15	4	0.60	3	0.45	3	0.45	4	0.60	2	0.30	2	0.30
Market share	0.13	4	0.52	3	0.39	2	0.26	3	0.39	3	0.39	2	0.26
Price competitiveness	0.11	2	0.22	3	0.33	2	0.22	3	0.33	3	0.33	3	0.33
Customer service	0.09	3	0.27	4	0.36	3	0.27	2	0.18	3	0.27	3	0.27
Customer loyalty	0.09	4	0.36	4	0.36	3	0.27	3	0.27	3	0.27	3	0.27
Advertising	0.08	3	0.24	3	0.24	3	0.24	2	0.16	2	0.16	2	0.16
Product range	0.05	3	0.15	2	0.10	2	0.10	4	0.20	4	0.20	3	0.15
Financial position	0.05	3	0.15	3	0.15	2	0.10	3	0.15	3	0.15	3	0.15
Employee benefits	0.05	4	0.20	3	0.15	3	0.15	2	0.10	2	0.10	2	0.10
Totals	1		3.51		3.13		2.86		2.78		2.77		2.59



Competitive Profile Matrix (CPM) is a strategic tool that provides necessary information towards a company's internal and external competitive advantages. It allows the business to evaluate its strengths and weaknesses as compared to its competitors. And through this, they will know which factors significantly affect the company's operation and identify which to improve and maintain.

To identify its strengths and weaknesses, Starbucks picked out the following critical success factors: Product Quality, Global Expansion, Market Share, Price Competitiveness, Customer Service, Customer Loyalty, Advertising, Product Range, Financial Position, and Employee Benefits, wherein a rating of strengths and weaknesses is provided ranging from 1 to 4 whereby 4 being a major strength; 3 to a minor strength; 2 to a minor weakness; and 1 to a major weakness.

After conducting the competitive profile matrix, it turns out that Starbucks ranked first with a total score of 3.25 among its five competitors. Dunkin' Donuts ranked second with a total score of 3.13; Krispy Kreme ranked third with a total score of 2.36; McDonald's ranked fourth with a total score of 2.78; Peet's Coffee & Tea ranked fifth with a total score of 2.77, and Caribou Coffee ranked sixth with a total score of 2.59 respectively.



Starbucks appears to have dominated its competitors over product quality, global expansion, customer loyalty, and employee benefits. Price Competitiveness and Market Share seem to be their only weaknesses. Nevertheless, despite the firm's high price points, many consumers still prefer to buy from them as it offers a high-quality product and showcases a strong brand image. As for the *market share*, the company intends to exert tremendous efforts in market penetration. The other critical success factors that Starbucks didn't make as the highest are customer service, which can be improved by developing the Starbucks website and other channels that will merely focus on customer support. *Advertising* and *product range* will be addressed by offering additional menu lists and concentrate on digital advertisements to capitalize on the growing number of social media users. And consequently, the firm's *financial position* will improve when its strategic plan and new marketing techniques increase overall sales. To summarize, all of these critical success factors are the key attributes that will best represent the brand in the market. Providing a high-quality product shows a strong positive association between quality and profitability, resulting in repeat customers and fuel recommendation.

G. External Factor Evaluation (EFE)

Table 4: External Factor Evaluation

Key External Factors	Weight	Rating	Weighted Scores
Opportunities			
Annual growth rate of coffee between 2.0 and 2.5%	0.13	4	0.52
Expansion into emerging markets	0.10	4	0.40
High demand for organic coffee	0.08	3	0.24
Establishment of alliances and partnerships	0.07	3	0.21
40% of global coffee sales are instant coffee	0.07	4	0.28
Emergence of social media	0.05	3	0.15
Threats			
Competitors offer less expensive coffee	0.15	1	0.15
Emergence of substitute products	0.12	2	0.24
Customers' changing tastes and food choices	0.10	2	0.20
Consumers are getting conscious towards their health	0.08	1	0.08
Economic recession	0.05	1	0.05
Total	1		2.52

A rating between 1 and 4 to each key external factor indicates how effectively the firm's current strategies respond to the factor, where:

- 1 – response is poor;
- 2 – response is average;
- 3 – response is above average; and
- 4 – response is superior.

Starbucks' key external factors are either opportunities or threats. The "annual growth of coffee consumption between 2.0 and 2.5 percent" with 0.13

weight is the essential factor to consider in the row of opportunities, indicating that the company has an advantage if consistent action is delivered. On the other hand, the "customer's changing tastes and food choices" and the "consciousness of consumers towards their health" are the most crucial components in the threat that needs consideration. As a result, the company should develop a much better strategy to cater to the customer's demands and preferences. Overall, Starbucks' total EFE weighted score is 2.52, which is higher than the average score of 2.50.

H. Internal Factor Evaluation (IFE)

Table 5: Internal Factor Evaluation

Key Internal Factors	Weight	Rating	Weighted Scores
Strengths			
Strong brand image	0.12	4	0.48
High-quality products	0.10	4	0.40
Comfortable stores with Wi-Fi and outlets	0.08	4	0.32
Value creation	0.08	4	0.32
Product Accessibility	0.07	3	0.21
Digital Platform	0.05	3	0.15
Weaknesses			
Uncautious progressive expansion	0.15	1	0.15
High price	0.13	1	0.13
Starbucks coffee will not appeal to all customers in all countries	0.12	2	0.24
Imitable Product	0.10	2	0.20
Total	1		2.60

A rating between 1 and 4 to each key internal factor indicates how weak or how strong a certain factor is where:



- 1 – major weakness;
- 2 – minor weakness;
- 3 – minor strength; and
- 4 – major strength.

Starbucks Corporation has an above-average overall IFE weighted score of 2.60, indicating strong internal organization. However, it is still essential to address its weakest point, which pertains to its uncautious progressive expansion. Considering retrenchment for the unprofitable stores while focusing on differentiation will boost the company's sales.

I. Quantitative Strategic Planning Matrix (QSPM)

Quantitative Strategic Planning Matrix (QSPM) is a high-level strategic management approach in evaluating best possible strategic factors that could be used in a business. It is presented by putting-up numbers or computation whereby it looks like a more expert and accurate technique. Therefore, QSPM helps a lot in choosing the right and most effective strategy with some justification to make a sound decision.

a. Based on PESTEL

Table 6: QSPM based on PESTEL

Strategic Alternatives							
		1		2		3	
		Market Development		Product Development		Market Penetration	
		Introduce current products to new markets in different countries.		Offer new and diversified products while maintaining its quality.		Promote products through good marketing to increase sales in low-earning stores.	
KEY EXTERNAL FACTORS	Weight	AS	TAS	AS	TAS	AS	TAS
Economical	0.12	4	0.48	3	0.36	2	0.24
Political	0.10	4	0.40	3	0.30	2	0.20
Competition	0.09	2	0.18	4	0.36	3	0.27
Technological	0.08	2	0.16	4	0.32	3	0.24
Social	0.06	4	0.24	2	0.12	3	0.18
Environmental	0.05	4	0.20	3	0.15	2	0.10
KEY INTERNAL FACTORS							
Marketing	0.12	3	0.36	2	0.24	4	0.48
Production/Operations	0.10	3	0.30	4	0.40	1	0.10
Research and Development	0.09	3	0.27	4	0.36	2	0.18
Finance/Accounting	0.08	4	0.32	3	0.24	2	0.16
Human Resource	0.06	4	0.24	3	0.18	2	0.12
Legal	0.05	4	0.20	3	0.15	2	0.10
Total	1		3.35		3.18		2.37

Table 6 illustrates the data from both the key internal and key external factors based on PESTEL that may affect business performance. A

corresponding weight was given to each factor as to how it contributes to the chosen strategy. The three strategies were also rated on a scale of 1 to 4 as 1 being the least attractive and 4 being the most attractive based on how the factors respond to the strategies. QSPM sum total scores based on PESTEL for the three strategies Market Development, Product Development, and Market Penetration are 3.35, 3.18, and 2.37 respectively.

b. Based on SWOT

Table 7: QSPM based on SWOT

		<i>Strategic Alternatives</i>					
		1		2		3	
		Market Development		Product Development		Market Penetration	
		Introduce current products to new markets in different countries.		Offer new and diversified products while maintaining its quality.		Promote products through good marketing to increase sales in low-earning stores.	
KEY FACTORS	Weight	AS	TAS	AS	TAS	AS	TAS
Opportunities							
Annual growth rate of coffee between 2.0 and 2.5%	0.13	4	0.52	3	0.39	2	0.26
Expansion into emerging markets	0.10	4	0.40	2	0.20	3	0.30
High demand for organic coffee	0.08	3	0.24	4	0.32	2	0.16
Establishment of alliances and partnerships	0.07	-	-	-	-	-	-

40% of global coffee sales are instant coffee	0.07	3	0.21	4	0.28	2	0.14
Emergence of social media	0.05	3	0.15	1	0.05	4	0.20
Threats							
Competitors offer less expensive coffee	0.15	1	0.15	4	0.60	2	0.30
Emergence of substitute products	0.12	3	0.36	4	0.48	2	0.24
Customers' changing tastes and food choices	0.10	4	0.40	3	0.30	2	0.20
Consumers are getting conscious towards their health	0.08	3	0.24	4	0.32	2	0.16
Economic recession	0.05	3	0.15	4	0.20	2	0.10
Total	1						
Strengths							
Strong brand image	0.12	4	0.48	3	0.36	2	0.24
High-quality products	0.10	3	0.30	4	0.40	2	0.20
Comfortable stores with Wi-Fi and outlets	0.08	-	-	-	-	-	-
Value creation	0.08	-	-	-	-	-	-
Product Accessibility	0.07	4	0.28	1	0.07	3	0.21
Digital Platform	0.05	3	0.15	2	0.10	4	0.20
Weaknesses							
Uncautious progressive expansion	0.15	4	0.60	3	0.45	2	0.30
High Price	0.13	4	0.52	1	0.13	3	0.39
Starbucks coffee will not appeal to all customers in all countries	0.12	4	0.48	3	0.36	1	0.12
Imitable Product	0.10	2	0.20	4	0.40	1	0.10
Total	1		5.83		5.41		3.82

Table 7 illustrates the data from both the internal (strengths and weakness) and external (opportunities and threats) factors based on SWOT. The corresponding weights were derived from the EFE and IFE Matrix. The three strategies were also rated on a scale of 1 to 4 as 1 being the least attractive and

4 being the most attractive based on how the factors respond to the strategies. QSPM sum total scores based on SWOT for the three strategies Market Development, Product Development, and Market Penetration, are 5.83, 5.41, and 3.82 respectively.

In the conduct of the QSPM, the proponents come up to a conclusion that the strategy that will best fit Starbucks is Market Development as it got the highest total attractiveness score both based on PESTEL and on SWOT as compared to the other two strategies. It shows a more appealing plan, taking into account all important external and internal elements that may influence the strategic decision. Moreover, this indicates that the company should expand to markets in which the company can prosper.

J. Financial Analysis

The financial analysis of Starbucks Corporation focuses on the liquidity ratio, leverage ratio, and profitability ratio. This analysis entails evaluating the company's financial data in order to assist management in making decisions. The financial statements for the years 2005-2009 will be used to analyze the company's financial situation.

Table 8: Financial Ratios

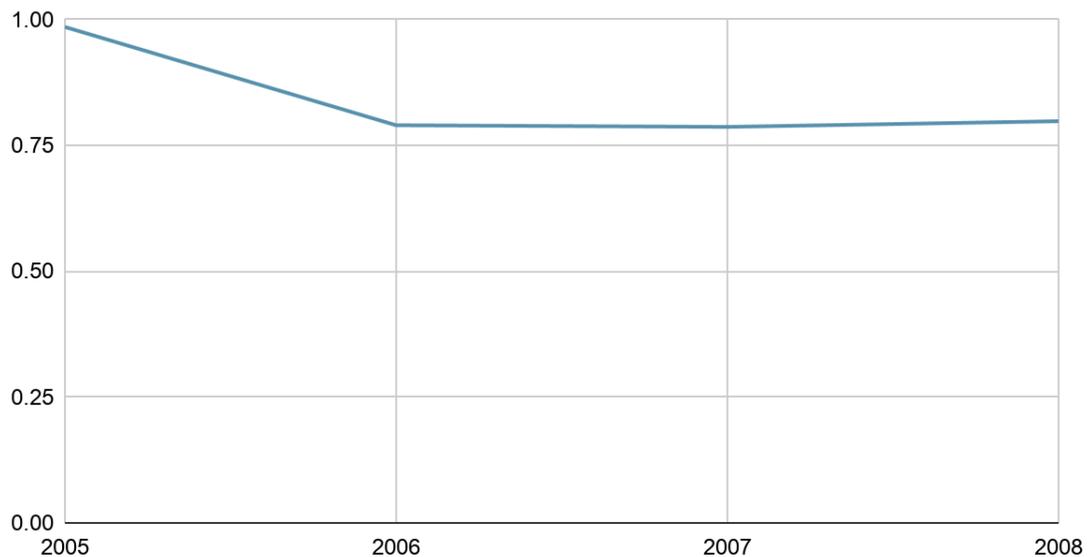
	2005	2006	2007	2008
Current Ratio	0.9856	0.7903	0.7870	0.7983

Quick/Acid Ratio	0.4634	0.3961	0.3971	0.4046
Debt to Equity Ratio	0.6809	0.9874	1.3905	1.2773
Gross Profit Margin	0.5910	0.5918	0.5751	0.5526
Net Profit Margin	7.7633	7.2462	7.1470	3.0386

The table shows the comparative financial ratios of Starbucks Corporation in the year 2005-2008.

Figure 5: Current Ratio

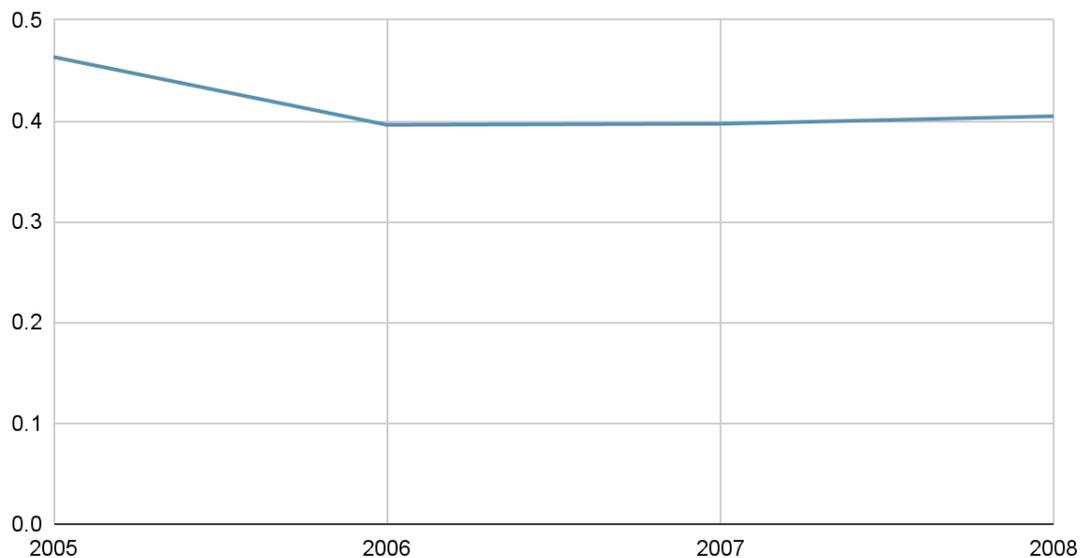
Current Ratio



The current ratio assesses a company's ability to meet short-term obligations within a year. The current asset is divided by the current liabilities to arrive at this figure. Regarding Starbucks' current ratio, from the year 2005-2008, it never passed or even approached 1.0 which is not a favorable result in terms of liquidity. The decrease is partly attributable to the declining economy that significantly affects the specialty coffee industry.

Figure 6: Acid Ratio

Acid Ratio

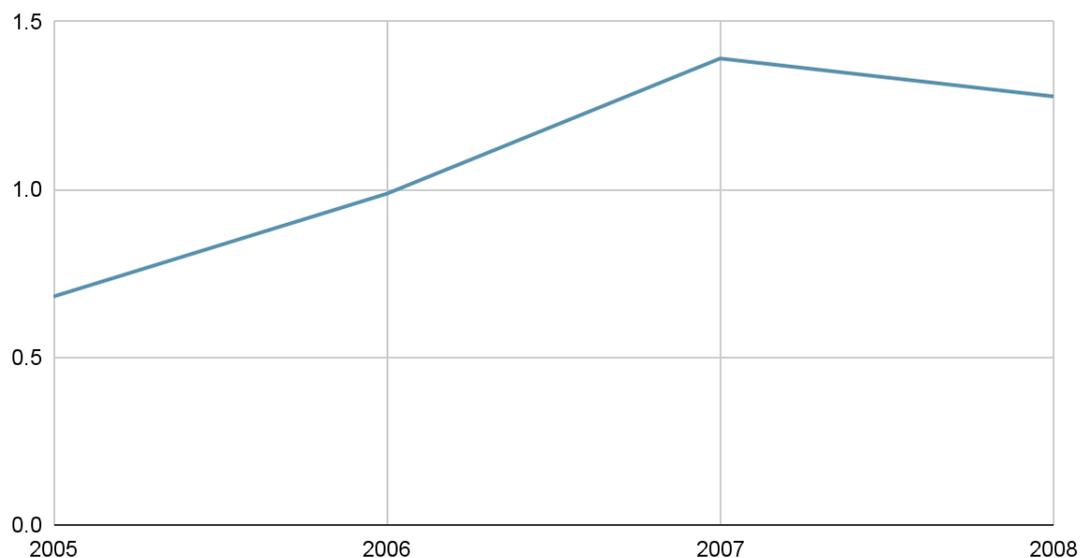


The acid-test ratio, just like the current ratio, measures a company's most short-term assets to its short-term liabilities to determine whether it has enough cash to pay its immediate obligations. The acid-test ratio only contains the most

liquid current assets, which is the difference between the two ratios. As seen in the graph above, as the current ratio, it never passed or even approached 1.0. The results of the liquidity ratio review indicated that the business is not liquid. The current assets are insufficient to cover the company's current obligations when they become due. In light of this, the company will consider retrenchment in the United States segments for unprofitable stores. Starbucks will be able to decrease expenses and prioritize stability with this strategy. When the company has already recovered from its losses, it will continue to strategy execution of market development.

Figure 7: Debt to Equity Ratio

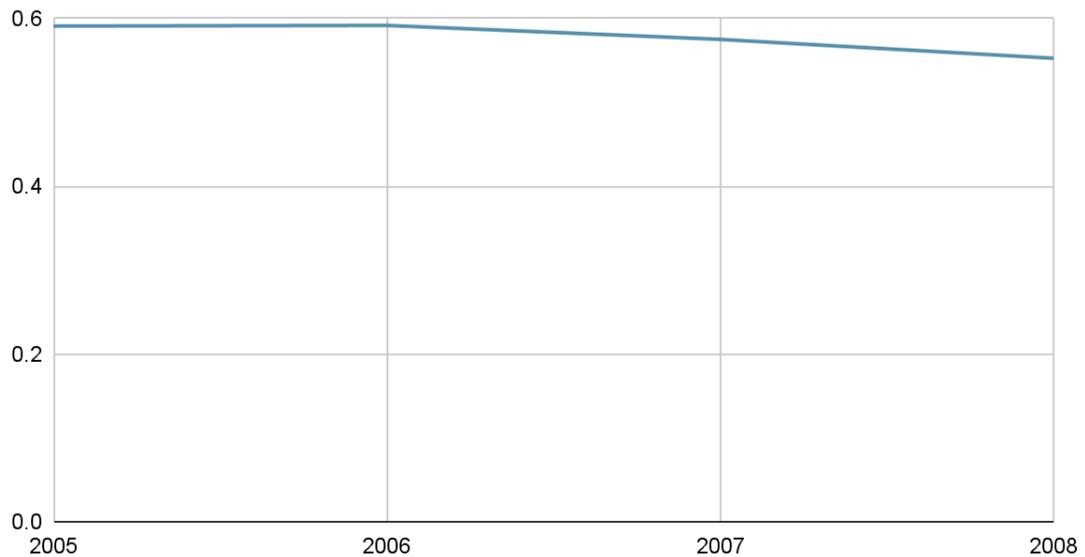
Debt to Equity Ratio



Between 2005 and 2007, Starbucks Corporation's debt-to-equity ratio increased. It increased from 0.68 in 2005 to 1.39 in 2007. This increase indicates that the company has acquired more debt in relation to equity. This may be a dangerous trend because creditors are funding the business rather than internal positive cash flow. The company's debt-to-equity ratio fell from 1.39 to 1.28 in 2008. The decline in the ratio means that the proportion of debt-financed by lenders is decreasing.

Figure 8: Gross Profit Margin

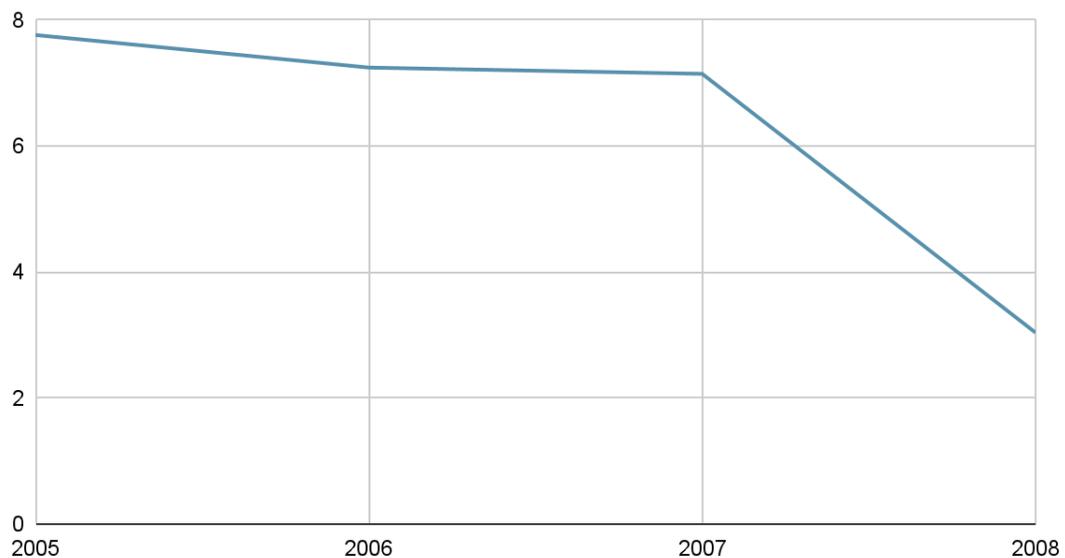
Gross Profit Margin



The gross-profit margins measure how effectively a company's operations are managed. It's a ratio that measures a company's sales output based on the efficiency of its production process. From 2006 to 2008, it is clear that the ratio is decreasing considering the company's performance. It increased by .0008 between 2005 and 2006, which is not a significant increase in ratio as Starbucks is considered as an international company.

Figure 9: Net Profit Margin

Net Profit Margin



Another ratio to measure profitability is the net profit margin, this measures how much net profit is earned as a percentage of revenue. A high net profit margin indicates that a corporation can efficiently manage all costs,



including other expenses other than the cost of sales. Starbucks' net profit margin has been declining since 2005. Between 2005 and 2008, it dropped by more than half of NPM, with a ratio of 7.76 and 3.04, respectively. Considering the data from the GPM and NPM, the company has a problem with profitability. Starbucks has faced difficulties in promoting their product before and during the global recession that occurred in 2007-2008. In the continuous decline in profit, a retrenchment strategy will also be able to address this problem. Starbucks' outlet closures will reduce income while simultaneously lowering expenses. Since the company will consider closing stores that are operating at a loss, the impact on gross profit and net profit will be favorable. After ensuring that the company will be profitable enough to support market development, the company will proceed to its execution.

Considering the graphs of financial ratios, Starbucks has a problem with its liquidity, leverage, and profitability. The company's current ratio fluctuated from 2005 to 2008, but this rise and fall didn't approach the usual current ratio of above 1.0. The acid-test ratio is similar in that it also means that the assets are not liquid. The debt-to-equity ratio also shows that the business has taken on more debt throughout these years. The GPM and NPM have been steadily declining as the company have suffered a series of setbacks and is experiencing a global economic downturn.



For the year 2008, the company's sales have been steadily increasing, but earnings have dropped by 47% this year. Starbucks' revenue fell 7% to \$4.95 billion in the second quarter of 2009, while net income fell 72 percent to \$89.3 million. United States, International, and Global Consumer Products are the company's three reportable operating segments. The decline in revenue for the United States segment is largely attributed to lower revenues from company-operated retail stores. Furthermore, restructuring charges of \$106.8 million were incurred during the time, which contributed to the decrease. For the International segment, the decline in revenues is due to the effect of a stronger US dollar compared to the British pound and Canadian dollar. A 3% drop in comparable-store sales, with the UK and Canadian markets reporting negative comparable-store sales for the quarter, also contributed to the drop in international revenues. International operating income fell to \$6.0 million in the second quarter of fiscal 2009, down from \$17.8 million the previous year. Lastly, the Global Consumer Products segment's decline is primarily attributed to lower margins on packaged coffee sales as a result of discounting and lower volume to the trade.

VII. ALTERNATIVE COURSES OF ACTION (ACA)

The strategies identified herein can be used to leverage on internal strengths of this company and its external opportunities while mitigating the external challenges and addressing internal vulnerabilities.

ACA #1: Market Development by generating revenues through new market segments and international store openings: Expanding into other countries, the company can offer its current products to a wider range of customers.

Advantages:

1. This will increase product recognition in a worldwide setting.
2. Gains a competitive advantage in a new market where their competitors do not operate, allowing them to create significant customer brand awareness.
3. Provides the opportunity to conquer new territories and reach a larger number of these potential consumers.
4. Help to increase potential investors and business partners.
5. Adaptation of new cultures will influence the product-improvement processes.

Disadvantages:

1. The need to understand and follow new corporate, employment, political, legal, tax law, and financial implications of an international institution.
2. Requires capital investment in expansion in which expenditures will be higher.
3. It requires to increase its size, employees and production which results in additional costs.



ACA #2: Product Development by improvement of current product:

Introducing and offering a new variety of coffee menu that will cater to consumers who are budget-friendly and health conscious.

Advantages:

1. It will attract and cater more customers.
2. This will meet the demands of its customers.
3. It will provide more options of coffee flavor.
4. It will result in a more competitive advantage.
5. Sales volume will increase.

Disadvantages:

1. It is probable that the product development has already been launched by rivals, results to be less appealing to the market.
2. The company will gain more expenditures in this product improvement.
3. This will result in operations for further procurement of raw materials and sourcing of suppliers.

ACA #3: Market Penetration by increasing market share for current

products: Continuous efforts to develop the Starbucks website, advertising through different digital platforms and creating a channel that focuses on customer support.



Advantages:

1. Easily accessible to address the concerns of the customers.
2. It showcases brand consistency and will increase brand awareness.
3. It can help in building social currency.

Disadvantages:

1. Possibility of security and data privacy issues.
2. Negative feedback or criticism about the brand can be seen by the audience through social media and review websites.

VIII. RECOMMENDATION

We, therefore, recommend **ACA #1: Market Development by generating revenues through new market segments and international store openings**. It is the best alternative course of action and our preferred method to attain the company's strategic operation. Moreover, it is inclined to the company's stated vision, mission, and objectives since increasing international presence and exposure through entering new markets and opening stores are preferable than improving and creating a variety of products and growing market share for current products. In addition, the more stores throughout the world, the more loyalty and familiarity can be built among its existing and potential customers, which can positively impact the company's sales on food, beverages, and other merchandise.

IX. DETAILED ACTION PLAN

Table 9: Detailed Action Plan

	Time Frame	Person/ Department	Activities	Estimated Cost \$
Year 1	1 month	Board of Directors, Chief Executive Officer	Conduct a meeting to address the company's current problems. <ul style="list-style-type: none"> ● Identify the problem's root cause. ● Deliberate the ideas and suggestions to address the issue. 	\$50,000
	1 to 2 months	Board of Directors, Chief Executive Officer	Develop a strategic plan. <ul style="list-style-type: none"> ● Gather inputs and assess your current strategy. ● Conduct an External and Internal Analysis. ● Identify Strategic Issues. ● Develop a clear statement of vision, mission, and objectives that align with the company's goals. ● Specify the ways in achieving the company's goals. ● Restructure the organizational chart. ● Proposal of the consolidated solution for the problem. ● Segregation of duties per department. 	\$25,000- \$50,000

	1 to 2 months	Finance & Accounting Department	<p>Budget planning</p> <ul style="list-style-type: none"> ● Review Strategic Plan ● Perform Financial Analysis for the past operation years. ● Proposal of the financial budget. ● Review of proposal financial budget. ● Approval of the proposed budget 	Not Applicable
	2 to 3 months	Research and Development Department	<p>Conduct a Market Analysis</p> <ul style="list-style-type: none"> ● Perform a market research to investigate the current market environment, new trends, analyze customer segment, and preferences in the coffee industry. ● Compare the company's competitive advantage. ● Conduct a market mapping to locate the countries with price-insensitive consumers. ● Analyze the findings and put it into action. ● Focus on the countries with price-insensitive consumers that value quality over prices. 	\$7,500,000
	Yearly	Legal Department	<p>Compliance with laws and regulations</p> <ul style="list-style-type: none"> ● Ensure compliance with all laws and regulations in the countries where the business will operate be it legal, political, or environmental. 	\$70,000,000

	1 to 2 months	Human Resources Department	<p>Creating equal opportunities</p> <ul style="list-style-type: none"> • Diverse hiring for additional employees. • Provide careers for the youth and farming communities. • Conduct a community service. 	\$50,000 per year
	1 month	Corporate Strategy Department	<p>Address the existing uncautious expansion.</p> <ul style="list-style-type: none"> • Perform retrenchment for some unprofitable stores in the U.S. segment. 	Not Applicable
	1 month	Research and Development Department	<p>Customer analysis in the existing markets</p> <ul style="list-style-type: none"> • Survey on consumers' satisfaction on existing products and services. • Analysis on consumers' feedback. 	\$20,000
	6 months	Production/operations Department	<p>Product Development in existing markets</p> <ul style="list-style-type: none"> • Create new flavors of drinks and pastry. • Prepare necessary ingredients. • Ensure that the coffee ingredients are of good quality and reasonable cost. • Produce samples of proposed products. • Perform test marketing. <p>List of additional products:</p> <ul style="list-style-type: none"> • Iced Matcha Tea Latte 	\$100,000

			<ul style="list-style-type: none"> • Boston Crème Doughnut 	
	2-3 months	Marketing Department	<p>Launching and commercializing new products</p> <ul style="list-style-type: none"> • Introduce the new products to the existing markets. • Develop a direct marketing campaign. • Increase Starbucks social media engagement. 	\$100,000,000
Year 2 to 3	1 month	Legal Department	<p>Preparation of business documents</p> <ul style="list-style-type: none"> • Submission and filing of the documents needed for business registrations for the expansion. • Review of necessary laws that must be complied with. 	\$500,000
	2 years	Marketing Department	<p>STRATEGY EXECUTION: Market Development</p> <ul style="list-style-type: none"> • International expansion through joint venture and licensing in the countries the business plans to operate. Year 2. Finland (Product Licensing Agreement) Year 3. India (Joint Venture with Tata Company) • Construction of the additional retail stores and branches. 	\$150,000,000 per year
	2 years	Production/Operations Department	Product Development/Production of high-quality products	

			<ul style="list-style-type: none"> • Ensure ethical sourcing of high-quality, sustainable products. • Conduct product-improvement process of beverages that will cater to the demand and preferences of the customers. • Creating a product for best value. 	\$75,000,000 per year
	2 years	Marketing Department I.T. Department	<p>Market Penetration/Marketing efforts to increase the market share.</p> <ul style="list-style-type: none"> • Invest in a great marketing team through outsourcing. • Focus on digital advertising. • Invest in information technology (I.T.) to develop the website and other channels for customer support. • Innovate the customer loyalty program by offering Starbucks rewards and other incentives 	\$80,000,000 per year

	Continuous	Procurement Department	<p>Ensure the proper flow of procurement of raw materials and other supplies.</p> <ul style="list-style-type: none"> • Established a good relationship with the global suppliers. • Monitoring of supplier's performance through the Starbucks Suppliers Guidelines and Standards • Provide timely and appropriate resources to mitigate food safety risks. • Ensure that suppliers will deliver the proper volume of raw materials and other supplies on time. 	Not Applicable
	Continuous	Chief Production Officer	<p>Ensure that the products offered have the best price-value and are high quality.</p> <ul style="list-style-type: none"> • Examine the products to see whether they fit the standards. • Check and see whether the product meet all of the specifications. • Ensure that the products are affordable for the budget-conscious consumers. 	Not Applicable
		Store Manager	Preparation for the stores, and necessary equipment.	Not Applicable

	Continuous	Production/Operations Department	<p>Store opening and introducing of new products along with a new pricing strategy.</p> <ul style="list-style-type: none"> • Opening of the retail stores and branches globally. • Offer the varieties of beverages that undergo the process of improvement. • Continuous improvement of products based on the trends and preferences of the consumers. • Introduce bundle pricing as a new pricing strategy wherein the products are grouped and offered at discounted prices. <p>List of additional drinks:</p> <ul style="list-style-type: none"> • Strawberry Banana Smoothie (Finland) • Light Roast Instant Coffee (Finland) • Darjeeling Tea (India) • Masala Tea (India) 	\$10,000,000
Year 4 to 5	Yearly	Finance & Accounting Department	Evaluate the financial impact on the wider enterprise.	Not Applicable
	Yearly	Production/Operations Department	<p>Continuous expansion in Finland and India</p> <ul style="list-style-type: none"> • Opening approximately 40-50 stores. 	\$450,000,000

	Yearly	Marketing Department	<p>Boost the sales in the three market segments.</p> <ul style="list-style-type: none"> ● Promotion through advertisements and commercials. ● Find a brand ambassador to persuade a wide range of customers. 	\$95,000,000
	Yearly	Finance & Accounting Department	<p>Ensure the efficient financial management of the organization.</p> <ul style="list-style-type: none"> ● Conduct financial planning annually for efficient provision, investment, and use of funds. ● Preparation of annual financial statements. ● Preparation of management accounting reports. ● Review the design and maintenance of the financial system. 	Not Applicable
	Yearly	Board of Directors and other chief executives	<p>Strategy Evaluation</p> <ul style="list-style-type: none"> ● Quarterly monitoring of the overall performances per department. ● Determine the effectiveness of the strategy in the company's growth. ● Reassess and review the internal and external factors in the industry. ● Take corrective actions if necessary. 	Not Applicable

X. CONCLUSION

Starbucks Corporation has been known as one of the best coffeehouses in the World. Primarily, it offers the finest fresh brewed coffee, in-line with providing greater customer experience as well by having the best accommodation in each store. However, due to uncautious progressive expansion the company's sales decreased. Therefore, Starbucks should implement a new strategy to get their market position.

- As a result of closure of some of the company outlets due to the economic recession in 2008, it is vital for the management to create strategies of replenishing and reinvesting in countries for new market segments like Finland and India.
- In order to develop an effective and efficient strategic plan, different elements must be addressed like the current position of the company itself as well as the factors that will affect its decision making.
- From 2005 through 2009, the company's current liabilities have constantly exceeded its current assets. Also, since 2005, their net profit has been declining. As a result, given the company's financial situation, retrenchment will be implemented initially before the Market development strategy.



- To come up with a more effective strategy, using figures and computations through Quantitative Strategic Planning Matrix (QSPM) and Competitive Profile Matrix along with taking into consideration assessments like SWOT Analysis, SWOT Matrix and PESTEL Analysis will be helpful for making a sound decision.
- By conducting thorough market research, it can now determine new market potentialities in order to minimize future losses due to a lack of clear market research and analysis to identify how productive niches are.
- By implementing Market Development as a strategy, Starbucks Corporation will continuously provide high-quality coffee while expanding to other countries to attain the company's objectives.
- The company will offer various products depending on one's culture to the countries wherein they will expand.
- Starbucks is committed to creating equal opportunities through diverse hiring of employees and providing employee compliance and ethics training.
- Focusing on digital advertising and continuous efforts in developing the website and other channels for customer support will increase brand awareness and attract a wide range of customers.

REFERENCES

- 2009 Investment Climate Statement - Finland*. (2009, February). Retrieved May 28, 2021, from The Office of Website Management, Bureau of Public Affairs, : <https://2009-2017.state.gov/e/eb/rls/othr/ics/2009/117431.htm>
- Arnould, E. (2009). Consumer Culture. Retrieved from International Marketing: <http://www.uwyo.edu/sustainable/recent-research/docs/global%20consumer%20culture%20arnould.pdf>
- Carter, J. (n.d.). *TCGen*. Retrieved from <https://www.tcgen.com/product-development-process>
- Doing Business. (2009). Doing Business - Comparing Regulation in 17 Cities And 181 Economies. *Doing Business in India 2009*, 9. Retrieved from DB09-Sub-India.pdf
- Emeryville, C. (2009, July 28). *Peet's coffee & tea*. Retrieved from https://m.marketscreener.com/quote/stock/PEET-S-COFFEE-TEA-INC-10432/news/PEETS-COFFEE-TEA-nbsp-Peet-s-Coffee-Tea-Inc-Reports-Second-Quarter-2009-Results-13218332/?fbclid=IwAR12tm_MzvZVhxkltPgV11-XyCGDQ-yimnbwbNEvo5BAFpb6SFFaO8Dy660
- Ge, C. (2009, September 28). *5 INSPECTION STEPS WHERE QUALITY CONTROL CHECKLISTS ARE VITAL*. Retrieved from intouch: <https://www.intouch-quality.com/blog/how-product-inspectors-use-quality-control-checklists>
- Geereddy, N. (2013). Strategic Analysis Of Starbucks Corporation. Retrieved from https://scholar.harvard.edu/files/nithingeereddy/files/starbucks_case_analysis.pdf?fbclid=IwAR1_tag-fChz_HSoN4iR7GjFDQwDpucCFb2cZVO1ITAVfNinrFduH-qhzJA
- GlobalPost News Desk. (2009, December 22). *Top-10 coffee-drinking countries*. Retrieved from GlobalPost: <https://www.pri.org/stories/2009-12-22/top-10-coffee-drinking-countries>
- GlobeNewswire, I. (2009, August 4). Retrieved from Intrado GlobeNewswire: <https://www.globenewswire.com/news-release/2009/08/04/402206/0/en/Caribou-Coffee-Reports-Second-Quarter-2009-Results.html?fbclid=IwAR2-XXfS9QaHDPxm3Hck0sEvvyLizLfcdNPmqDQSBLw1KxcaUdzuUaMBe>
- Goad, M. (2009). Changing consumer tastes. Retrieved from Current Events: <https://hmcurrenthevents.com/changing-consumer-tastes/>
- Hart, R. (2011, September 28). *The Globalization of Starbucks and its Effect On the World - To Be Presented*. Retrieved from INTERNATIONAL IP

POLICY:

https://siulaw.typepad.com/international_ip_policy/2011/09/the-globalization-of-starbucks-and-its-effect-on-the-world-to-be-presented-ryan-hart.html

Husain, S., Khan, F., & Mirza, W. (2014, September 28). *How Starbucks pulled itself out of the 2008 financial meltdown*. Retrieved from Business Today: <https://www.businesstoday.in/magazine/lbs-case-study/how-starbucks-survived-the-financial-meltdown-of-2008/story/210059.html>

India Coffee Organization. (n.d.). *Coffee Consumption in India – 2009*. Retrieved from Indiacoffeeorg: [https://www.indiacoffee.org/Publications/Coffee%20Consumption%20in%20India%202009%20for%20web%20\(1\).pdf](https://www.indiacoffee.org/Publications/Coffee%20Consumption%20in%20India%202009%20for%20web%20(1).pdf)

International Coffee Organization. (2009). *ICO Annual Review 2009/10*.

Johnson, J. (2021, January 27). *Global internet access rate 2005-2019*

Published by Joseph Johnson, Jan 27, 2021 In 2019, it was estimated that 86.7 percent of people living in developed countries used the internet, compared to 44.4 percent of individuals living in developing markets. Th. Retrieved May 19, 2021, from Statista: <https://www.statista.com/statistics/209096/share-of-internet-users-in-the-total-world-population-since-2006/>

Larson, R. C. (2008). Retrieved from <http://www.slideshare.net/TL327/starbucks-a-strategic-analysis-rlarson-honors-2008-2607618>

Pajankar, V. D. (2009, June). CONSUMPTION AND EXPORT OF TEA IN INDIA. *International Journal of Agricultural and Statistics Sciences*. Retrieved from https://www.researchgate.net/publication/299103685_CONSUMPTION_AND_EXPORT_OF_TEA_IN_INDIA

Pasaribu, I. F. (2009). Retrieved from https://www.scribd.com/doc/304375907/Paper-Krispy-Kreme?fbclid=IwAR1C_F2R5zqVUHjKgpEKMyaGV7eIFPkF5AivAPCrLtVJQoVZw9a2-eLkEjY

Queensland Government. (n.d.). Retrieved from <https://www.business.qld.gov.au/running-business/growing-business/becoming-innovative/developing-products/new-products/launching-commercialising>

Starbucks. (2010, April 19). Starbucks Releases 2009 Global Responsibility Report. *Starbucks Stories and News*. Retrieved from https://stories.starbucks.com/stories/2010/starbucks-releases-2009-global-responsibility-report/?fbclid=IwAR1BLesDYgVuvgnPiiAifZBQDYUjnf6qqIz_G1IK5hHXfFbCor17ImzD_KE

Starbucks. (2010, April 19). Starbucks Releases 2009 Global Responsibility Report. *Starbucks Stories and News*. Retrieved from https://stories.starbucks.com/stories/2010/starbucks-releases-2009-global-responsibility-report/?fbclid=IwAR1BLesDYgVuvgnPiiAifZBQDYUjnf6qqIz_G1IK5hHXfFbCor17ImzD_KE

Starbucks. (2010, April 19). Starbucks Releases 2009 Global Responsibility Report. *Starbucks Stories and News*. Retrieved from https://stories.starbucks.com/stories/2010/starbucks-releases-2009-global-responsibility-report/?fbclid=IwAR1BLesDYgVuvgnPiiAifZBQDYUjnf6qqIz_G1IK5hHXfFbCor17ImzD_KE

Starbucks. (2010, April 19). Starbucks Releases 2009 Global Responsibility Report. *Starbucks Stories and News*. Retrieved from https://stories.starbucks.com/stories/2010/starbucks-releases-2009-global-responsibility-report/?fbclid=IwAR1BLesDYgVuvgnPiiAifZBQDYUjnf6qqIz_G1IK5hHXfFbCor17ImzD_KE

Starbucks. (2010, April 19). Starbucks Releases 2009 Global Responsibility Report. *Starbucks Stories and News*. Retrieved from https://stories.starbucks.com/stories/2010/starbucks-releases-2009-global-responsibility-report/?fbclid=IwAR1BLesDYgVuvgnPiiAifZBQDYUjnf6qqIz_G1IK5hHXfFbCor17ImzD_KE



- Starbucks Corporation. (2009). *Starbucks Corporation Fiscal 2009 Annual Report*. Retrieved from http://media.corporate-ir.net/media_files/irol/99/99518/sbux_ar.pdf
- Starbucks. (n.d.). *Starbucks Global Anti-Bribery Standard*. Retrieved from Public Policy & Internal Standards: <https://globalassets.starbucks.com/assets/a437b089175f4415800028b1eb4d3faf.pdf>
- The World*. (2009, December 22). Retrieved May 29, 2021, from Top-10 coffee-drinking countries: <https://www.pri.org/stories/2009-12-22/top-10-coffee-drinking-countries>
- Tomlin, S. (2009). Starbucks Corporation - 2009. In *Strategic Management Concepts a* (13th ed.). Pearson Education, Inc.



APPENDICES

Appendix A: Financial Statement of the
Company



FINANCIAL STATEMENTS (2005)

CONSOLIDATED STATEMENTS OF EARNINGS

In thousands, except earnings per share

<u>Fiscal Year Ended</u>	<u>Oct 2, 2005</u>
Net revenues:	
Company-operated retail	\$5,391,927
Specialty:	
Licensing	673,015
Foodservice and other	<u>304,358</u>
Total specialty	<u>977,373</u>
Total net revenues	6,369,300
Cost of sales including occupancy costs	2,605,212
Store operating expenses	2,165,911
Other operating expenses	197,024
Depreciation and amortization expenses	340,169
General and administrative expenses	<u>357,114</u>
Subtotal operating expenses	5,665,430
Income from equity investees	<u>76,745</u>
Operating income	780,615
Interest and other income, net	<u>15,829</u>
Earnings before income taxes	796,444
Income taxes	<u>301,977</u>
Net earnings	<u>\$ 494,467</u>



CONSOLIDATED BALANCE SHEETS

In thousands, except share data

<u>Fiscal Year Ended</u>	<u>Oct 2, 2005</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 173,809
Short-term investments — available-for-sale securities	95,379
Short-term investments — trading securities	37,848
Accounts receivable, net of allowances of \$3,079 and \$2,231, respectively	190,762
Inventories	546,299
Prepaid expenses and other current assets	94,429
Deferred income taxes, net	70,808
Total current assets	1,209,334
Long-term investments — available-for-sale securities	60,475
Equity and other investments	201,461
Property, plant and equipment, net	1,842,019
Other assets	72,893
Other intangible assets	35,409
Goodwill	92,474
TOTAL ASSETS	<u>\$3,514,065</u>
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities:	
Accounts payable	\$ 220,975
Accrued compensation and related costs	232,354
Accrued occupancy costs	44,496
Accrued taxes	78,293
Short-term borrowings	277,000
Other accrued expenses	198,082
Deferred revenue	175,048
Current portion of long-term debt	748
Total current liabilities	1,226,996
Deferred income taxes, net	—
Long-term debt	2,870
Other long-term liabilities	193,565
Shareholders' equity:	
Common stock (\$0.001 par value) and additional paid-in-capital — authorized, 1,200,000,000 shares; issued and outstanding, 767,442,110 and 794,811,688 shares, respectively, (includes 3,394,200 common stock units in both periods)	90,968
Other additional paid-in-capital	39,393
Retained earnings	1,939,359
Accumulated other comprehensive income	20,914
Total shareholders' equity	2,090,634
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$3,514,065</u>



Appendix B: Starbucks Corporation's Financial Ratios



	2005	2006	2007	2008	2009
CA	1,209,334	1,529,788	1,696,487	1,748,000	2,035,800
CL	1,226,996	1,935,620	2,155,566	2,189,700	1,581,000
Current Ratio	0.9856	0.7903	0.7870	0.7983	1.2877
CA-I-PE	568,606	766,692	856,072	886,000	1,223,700
	1,226,996	1,935,620	2,155,566	2,189,700	1,581,000
Acid Ratio	0.4634	0.3961	0.3971	0.4046	0.7740
Liab	1,423,431	2,200,435	3,059,761	3,181,700	2,531,100
Equity	2,090,634	2,228,506	2,284,117	2,490,900	3,045,700
Debt2Equity Ratio	0.6809	0.9874	1.3905	1.2773	0.8310
NS	6,369,300	7,786,942	9,411,497	10,383,000	9,774,600
COGS	2,605,212	3,178,791	3,999,124	4,645,300	4,324,900
total	3,764,088	4,608,151	5,412,373	5,737,700	5,449,700
Gross Profit Margin	0.5910	0.5918	0.5751	0.5526	0.5575
NI	494,467	564,259	672,638	315,500	390,800
R	6,369,300	7,786,942	9,411,497	10,383,000	9,774,600
multiply 100					



Appendix C: Curriculum Vitae

MA. KHARLA BALADJAY

ACCOUNTANCY

Technological Institute of the Philippines (TIP) QC

Address: Blk 5 Kaingin 1, Brgy Pansol Quezon City

Email Address: gmkbbaladjay@tip.edu.ph

Cellular No.: +639451107390



CAREER OBJECTIVE

To share my knowledge and skills with regards to accounting works.

DESIGN PROJECT COMPLETED/ RESEARCH

Economic Effects of Eco-Tourism to the Residents of Tibiao, Antique

We conducted this research to know if the tourism that arised in our area helps for the improvement of our town.

ON-THE-JOB TRAINING/ PRACTICUM/ INTERNSHIP EXPERIENCE

- General Manager Taishty
Brgy. Poblacion, Tibiao, Antique February 05, 2018 - March 09, 2018
This was our On-The-Job Training for our course Business Enterprise Simulation.

KNOWLEDGE, SKILLS AND ATTITUDE

Having graduated from TIP with its orientation towards outcome-based education, I have acquired and can demonstrate the following student acquire outcomes (knowledge, skills and attitudes) necessary to the practice of the computing profession:

- *Analyze complex problems and identify and define the computing requirements appropriate for solution. Use modern techniques and tools of the computing practice in complex activities.*
- *Understand professional, ethical, legal, security and social issues and responsibilities relevant to professional computing.*

LEADERSHIP ACTIVITIES

1. SFNES SG President (2011-2012)
2. LHS Grade 9 Class Mayor (2014-2015)
3. LHS Business Manager (2015-2016)
4. LHS Grade 11-ABM Class Mayor (2016-2017)
5. LHS Grade 12-ACAD Class Vice Mayor (2017-2018)
6. Business Enterprise Simulation Group Leader-Taishty (2017-2018)
7. T.I.P. QC-JPIA Assistant Treasurer (2019-2020)
8. T.I.P. QC-JPIA Assistant Secretary (2020-Present)

SEMINAR/S AND TRAINING/S ATTENDED

- Rotaract Conference
Great Eastern Hotel, Quezon City May 01, 2018
- Business Conference 2020 – TIP QC College of Business Education Technological Institute of the Philippines, Quezon City
February 24, 2020
- A Colloquium: Blockchain Experience in 2021
Zoom Cloud Meeting, Saxion University of Applied Sciences and Universitas Islam Indonesia February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- Maharnilad Cup 2021 Champion
February 2021

OTHER SKILLS

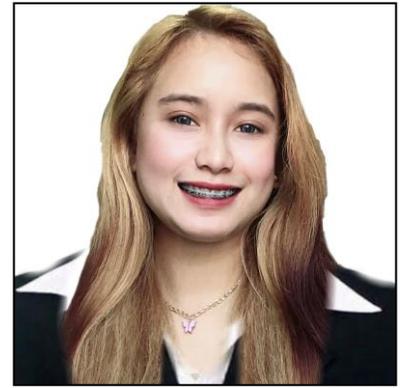
1. Able to work under pressure
2. Have good interpersonal relationships
3. Hardworking, flexible, and disciplined

REFERENCES

Susan Francisco Corporate Relations Officer
Philippine Business for Social Progress shfrancisco@yahoo.com 09062394801

LESLIE MAE L. CABRERA
Bachelor of Science in Accountancy
Technological Institute of the Philippines (T.I.P.),
Quezon City S.Y. 2020-2021

Address: Lot 17 Blk 2 Saint Martin de Porres St. Antipolo City
Tel. No.: N/A
Email Address: qlmlcabrera@tip.edu.ph
Cellular No.: 09155452360



CAREER OBJECTIVE

Secure a responsible career opportunity to utilize my knowledge and accounting skills, while making a significant contribution to the success of the company.

DESIGN PROJECT COMPLETED/ RESEARCH

- “Awareness of Senior High School Students of Technological Institute of the Philippines – Quezon City in Observing CLAYGO as an Effective Way of Managing the School Canteen”
- Allowance allocation of Grade 12 ABM Students of Technological Institute of the Philippines towards different kinds of Business Academic Year 2017-2018
- Instashop, Business Plan, 2017
- Road to Competency: A Study on the Skills Acquired by the Bachelor of Science in Accountancy graduates of Technological Institute of the Philippines - Quezon City in Relation to their Competency in the Practice of Accounting Profession, 2021
- Pencil of Life, Feasibility Study, 2021

KNOWLEDGE, SKILLS AND ATTITUDE

- Analytical and Problem Solving
- Computer Literacy: Proficient at MS Word, MS Excel, and MS PowerPoint
- Hardworking and Flexible
- Analyze complex problems and provide solutions
- Able to work under pressure
- Well - disciplined
- Good Communication Skills (English, Filipino)
- Listening Skills
- Interpersonal Skills

LEADERSHIP ACTIVITY/IES

- Officer District 2 of BE GLAD (Bobby Eusebio Grupo ng Kabataan Laban at Ayaw sa Droga)
- YES-O Grade 10 Representative (Science Club)
- Year Level Representative of Red Cross (SHS)
- Supreme Student Government Committee (Grade 7-10)

SEMINAR/S AND TRAINING/S ATTENDED

- BE GLAD Anti-Drug Abuse Seminar
- Basic HTML: Getting Started Seminar and Workshop
- CPA Testimonial, august 15, 2018

- Annual Business Conference 2019
- Career Talk 2019
- A Colloquium: Block chain Experience in 2021 dated February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- MTAP representative, Grade 8
- Math Quiz Bee 2nd place, Grade 9
- Filipino Quiz Bee, Champion Grade 10, S.Y 2015 – 2016
- Photo Journalist of Science Organization, Grade 10, S.Y 2015 – 2016
- Sayawit ESP Competition Regional Champion, Grade 10, S.Y 2015 – 2016
- Consistent Achiever, with honor Grade 10, S.Y 2015 – 2016
- Consistent Achiever, with honor Grade 11, S.Y 2016 – 2017
- Consistent Achiever, with honor Grade 12, S.Y 2018 – 2019
- Outreach Program: Feeding program for NSTP, March 2019

OTHER SKILLS

- Able to work under pressure
- Computer Literate
- Research-oriented skills
- Basic Knowledge in HTML
- Entrepreneurial Skills

LARA MELISSA M. DE LEON
BACHELOR OF SCIENCE IN ACCOUNTANCY
Technological Institute of the Philippines (T.I.P.) Quezon City

Address: 134 Antazo Subdivision Dalig Batingan Binangonan, Rizal

Email Address: deleonlaramelissa17@gmail.com

Cellular No.: +639108266057



CAREER OBJECTIVE

To establish a career in the accountancy field where I can demonstrate my exceptional knowledge and ability by providing ideas and making a significant impact that will contribute to the company's success and my personal growth.

RESEARCH/ES UNDERTAKEN

Factors Affecting the Academic Performances of Accounting Students in ICCT College Cainta, 2018

Chia Seeds Facial Foam Feasibility Study, 2021

KNOWLEDGE, SKILLS AND ATTITUDE

- Analyze complex problems and provide solutions
- Good Communication Skills (English, Filipino)
- Can easily adapt with new working environment
- Goal-oriented
- Computer literate

SEMINAR/S AND TRAINING/S ATTENDED

- Arise-Zaleño: Achieving Career Preparedness to Unleash Your Very Best – Confluent Learning, Angono Rizal
- RTU-JPIA: Accountancy Congress – RTU Mandaluyong City
- Accounting Symposium: Scaling Up the Pursuit – TIP Quezon City
- Start-Up: Exploring Business Opportunities in New Beginnings – TIP Quezon City
- Business Conference: Paradigm Shift – “Cultivating Entrepreneurial Mindset towards Future Sustainability” – TIP Quezon City

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- Participant in Metrobank-MTAP-DepEd Math Challenge, 2013 - 2016
- Regional Qualifier for Regional Schools Press Conference in Filipino (Pagsulat ng Artikulong Agham), 2016
- Member of Junior Philippines Institute of Accountant – 2018 - Present

OTHER SKILLS

- Able to work under pressure
- Research-oriented skills
- Basic Accounting Knowledge
- Entrepreneurial skills
- Multi-tasking skills
- Good time management

REFERENCES

Khalil Joy Dumagat
Office Administrator (UNILAB)
09454263152

Colleen Mikaela Sicut
Accounting Assistant (Fern Inc.)
09183000659

Clark Jordan Sison
Bank Employee (RCBC)
09089385409

KYLA BIANCA F. JIMENEZ
Bachelor of Science in Accountancy
Technological Institute of the Philippines (T.I.P.),
Quezon City S.Y. 2017-2018

Address: Purok 4 Marist Apitong Street Marikina Heights, Marikina City
Email Address: qkbfjimenez@tip.edu.ph
Cellular No.: +639451121151



CAREER OBJECTIVE

To establish a career in the fields of Business Education and Administration where I can enhance my my skills and develop my potential in business field.

KNOWLEDGE, SKILLS AND ATTITUDE

- Good Communication Skills
- Can work with minimal supervision.
- Research-oriented skills
- Basic Knowledge in Microsoft office.
- Basic Accounting Knowledge
- Entrepreneurial skills

SEMINAR/S AND TRAINING/S ATTENDED

- Business Conference 2020 – TIP QC College of Business Education
Technological Institute of the Philippines, Quezon City
February 24, 2020
- A Colloquium: Blockchain Experience in 2021
Zoom Cloud Meeting, Saxion University of Applied Sciences and Universitas Islam Indonesia
February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- JPIA CUP JR. 2017: Beauty of Basic Accounting
Finalist
December 2017

WORK EXPERIENCE

STUDENT ASSISTANT (2019-Technological Institute of the Philippines)

- It was an opportunity to develop skills in communicating with my co-workers, administrative staffs and supervisor in the workplace.
- It taught me the importance of having work ethic and obeying the rules in workplace.
- This experience let me gain an excellent multitasking and time management abilities.

REFERENCES

Liza Riosa
Assistant Chief Librarian
Technological Institute of the Philippines - QC
09286664743

KRESSIA LACAMBRA
BACHELOR OF SCIENCE IN BUSINESS ADMINISTRATION
MAJOR IN FINANCIAL MANAGEMENT
Technological Institute of the Philippines (T.I.P.), Quezon City S.Y. 2018-2021

Address: Blk 13 L5 Moses St. Cielito Homes Caloocan city
Email Address: cpakressia@gmail.com
Cellular No.: +639098280854



CAREER OBJECTIVE

To seek a challenging career that enables me to utilize my learnings, knowledge and skills. Also, looking forward to succeed in a business environment of growth and excellence, fulfilling personal and organization goal.

KNOWLEDGE, SKILLS AND ATTITUDE

- Good Communication Skills (English, Filipino)
- Able to adapt in the fast-paced environment
- Target centric and goal oriented

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- Dean's Lister : 1st year second semester
- Dean's Lister : 2nd year first semester
- VPAA's Lister : 2nd year 2nd semester

WORK EXPERIENCE

- Customer Service Representative **August 2020 – Present**

Sitel Philippines Inc.,

Back Office – Responsible for gathering and process customer's data. Assisting the front office team. Answering customer's random query through email and schedule them a callback whenever they file complaints.

Outbound Calls – Main task is call the customer to promote products and services offered by the Company.

Inbound Calls – Assisting customer's random queries.

- Summer Job 2019 **April 2019 – May 2019**

Board of Assessment Appeals – Quezon City Hall

Task includes filing a data entry, answering phone calls, administrative works and organizing their daily time records

- Summer Job 2018 **April 2018 – May 2018**

City Accounting – Quezon City Hall

Mainly responsible for managing financial records and checking payroll records

OTHER SKILLS

- Able to work under pressure
- Research-oriented skills
- Basic Accounting Knowledge
- Entrepreneurial skills
- Multi-tasking
- Flexible

REFERENCES

Maria Rowena Herrera
Clerk II – Board of Assessment Appeals
09155424255

Ma Celina Fuertes Cezar
School Head at DepEd San Juan NHS
09098280854

Tomas Marimla Jr.
Clerk II – Registry of Deeds
09655505315

LEAMHAR SABERON MACAUMBOS
ACCOUNTANCY
Technological Institute of the Philippines (TIP) QC
Address: Blk 5 Kaingin 1,
Brgy Pansol Quezon City Email Address: qlsmacaumbos@tip.edu.ph
Cellular No.: +639955676836



CAREER OBJECTIVE

To obtain a knowledge and wisdom about research and accounting where exceptional analytical, logical, mathematical, and accounting skills will be utilized.

DESIGN PROJECT COMPLETED/ RESEARCH

Turning an Idea into a Business Start-up: A Guide for ABM Students in TIP-QC

To provide a guide for Accountancy, Business, and Management (ABM) students who wished to start-up a small scale business after Senior High School (SHS).

The Relationship of Demographic Profiles to the Factors Affecting the Spending Behavior of 12th Grade ABM morning students of Technological Institute of the Philippines- Quezon City

To determine the relationship of the profile of 12th ABM morning students to the factors affecting their spending behavior.

ON-THE-JOB TRAINING/ PRACTICUM/ INTERNSHIP EXPERIENCE

Admission and Marketing Office
November 07, 2018- March 26,2019
Technological Institute of the Philippines- Quezon City

KNOWLEDGE, SKILLS AND ATTITUDE

Having graduated from TIP with its orientation towards outcome-based education, I have acquired and can demonstrate the following student acquire outcomes (knowledge, skills and attitudes) necessary to the practice of the computing profession:

- *Analyze complex problems and identify and define the computing requirements appropriate for solution. Use modern techniques and tools of the computing practice in complex activities.*
- *Understand professional, ethical, legal, security and social issues and responsibilities relevant to professional computing.*

LEADERSHIP ACTIVITIES

- SNHS Grade 7-Class President (2012-2013)
- RNHS School Paper News writer (2013-2014)
- Zamboanga Youth Leaders Parliament- School Representative (2013-2014)
- RNHS School Paper Editor-in-Chief (2014-2015)
- RNHS Grade 9- Class Business Manager (2014-2015)
- RNHS Supreme Student Council Vice- President (2014-2015)
- CIS School Prefect of Discipline Officer (2015-2016)
- CIS English Club Secretary (2015-2016)
- TIP-QC Grade 11- Class President (2016-2017)
- TIP-QC Admission and Marketing Office Ambassador (2017-2018)

- TIP-QC CBE Department Student Council Auditor (2019-2020)

SEMINAR/S AND TRAINING/S ATTENDED

- Business Conference 2020 – TIP QC College of Business Education Technological Institute of the Philippines, Quezon City
February 24, 2020
- A Colloquium: Blockchain Experience in 2021
Zoom Cloud Meeting, Saxion University of Applied Sciences and Universitas Islam Indonesia February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

-Red Cross Volunteer
Malanday, Marikina City
2017-2020

OTHER SKILLS

1. Able to work under pressure
2. Have good interpersonal relationships
3. Hardworking, flexible, and disciplined

REFERENCES

Engr. Arturo O. Sudlon Jr. Admission and Marketing, Head
Technological Institute of the Philippines- Quezon City

NORALYN G. MAKASASA
Bachelor of Science in Accountancy
Technological Institute of the Philippines (T.I.P.),
Quezon City S.Y. 2020-2021

Address: Purok 1 Zone 8 Cupang Antipolo City
Tel. No.: N/A
Email Address: qngmakasasa@tip.edu.ph
Cellular No.: 09266201251



OBJECTIVE

Secure a responsible career opportunity to utilize my knowledge and accounting skills, while making a significant contribution to the success of the company.

RESEARCH/ES UNDERTAKEN

- Cause and Reason of Getting Low Grade of the Grade 10 Students in Our Lady of Perpetual Succor College, 2016
- Epekto ng Kakulangan ng kagamitang panturo sa pagkatuto ng mga mag-aaral sa Baitang – 11 ng Our Lady of Perpetual Succor College, 2017
- Ecofume, Marketing Plan, 2017
- Pick n' Play, Business Plan, 2017
- The Effects of Boredom to the Academic Performance of the Grade 12 Students in OLOPSC during the S.Y 2017 – 2018, 2017
- Road to Competency: A Study on the Skills Acquired by the Bachelor of Science in Accountancy graduates of Technological Institute of the Philippines - Quezon City in Relation to their Competency in the Practice of Accounting Profession, 2021
- Pencil of Life, Feasibility Study, 2021

KNOWLEDGE, SKILLS AND ATTITUDE

- Analytical and Problem Solving
- Computer Literacy: Proficient at MS Word, MS Excel, and MS PowerPoint
- Time Management
- Able to work under pressure
- Well - disciplined
- Good Communication Skills (English, Filipino)
- Listening Skills
- Flexible
- Interpersonal Skills

LEADERSHIP ACTIVITY/IES

- Grade 9 Secretary, S.Y 2015 - 2016
- Grade 10 President, S.Y 2016 - 2017
- Grade 11 research leader, The Effects of Boredom to the Academic Performance of the Grade 12 Students in OLOPSC during the S.Y 2017 – 2018
- Grade 12 leader in Business Plan and Simulation, Pick n' Play, 2017
- Current Junior Philippines Institute of the Accountants Member – First – Third Year College

SEMINAR/S AND TRAINING/S ATTENDED

- Human Nature Business Talk, OLOPSC, Marikina City
- Business Simulation, OLOPSC, Marikina City
- CPA Testimonial, august 15, 2018
- Annual Business Conference 2019

- Career Talk 2019
- A Colloquium: Block chain Experience in 2021 dated February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- 1st Place in Filipino Journal Writing, S.Y 2011 - 2012
- Math Quiz Bee, Grade 9 2015
- AP Quiz Bee, Grade 9 2015
- Participated in the OLOPSC Intramurals 2015 - 2016 as a player of the women's volleyball
- Consistent Achiever, with honor Grade 10, S.Y 2015 – 2016
- Consistent Achiever, with honor Grade 11, S.Y 2016 – 2017
- Consistent Achiever, with honor Grade 12, S.Y 2018 – 2019
- Outreach Program: Feeding program for NSTP, March 2019

OTHER SKILLS

- Able to work under pressure
- Entrepreneurial skills

RAQUEL C. MARIANO
Bachelor of Science in Accountancy
Technological Institute of the Philippines (T.I.P.),
Quezon City S.Y. 2020-2021

Address: 62 P. Burgos St. Sto. Nino Marikina City
Tel. No.: N/A
Email Address: qrcmariano@tip.edu.ph
Cellular No.: 09055259746



OBJECTIVE

I am seeking a position where I can apply my accounting abilities, knowledge, and learning to good use while also gaining practical experience and honing my capabilities. I am looking for an opportunity to get experience that will benefit both my personal development and the company where I'll be working. I am committed to working with enthusiasm and commitment to achieve the company's short and long-term goals.

RESEARCH/ES UNDERTAKEN

- **Evaluating Work Efficiency based on Working Schedule of Maintenance Staff in Building 9 Technological Institute of the Philippines Quezon City, 2016**
- **Cause of Gender Difference in Accounting Performance at Technological Institute of the Philippines: Student's Perspective, 2017**
- **InstaShop Business Plan, September 2017**
- **An Exploration of the Effectiveness of Technology Infused Simulation as a TLA for BSA Students, 2021**
- **Feasibility Study: Chia Seeds Facial Foam, 2021**

KNOWLEDGE, SKILLS AND ATTITUDE

- Analytical and problem-solving skill
- Good Communication Skills (English, Filipino)
- Responsible
- Hard-working
- Adaptability
- Optimistic
- Time Management
- Interpersonal Skills

LEADERSHIP ACTIVITY/IES

- Current Junior Philippine Institute of the Accountants Member – First – Third Year College
- Grade 11 research leader, entitled Evaluating Work Efficiency based on Working Schedule of Maintenance Staff in Building 9
Technological Institute of the Philippines Quezon City, 2016
- Grade 12 business plan leader, entitled InstaShop, September 2017

SEMINAR/S AND TRAINING/S ATTENDED

- Pre- Work Immersion Seminar on:
Job Application, November 21, 2017
Behavior in the Workplace, November 21, 2017
Values and Development, November 21, 2017
Common Behavioral Issues, November 21, 2017
- Google SketchUp: Getting Started, March 4, 201
- Fundamentals of Web Development, March 4, 2017
- CPA Testimonial, August 15, 2018
- Annual Business Conference 2019
- Career Talk 2019

- 7th Annual Business Conference 2020, February 18, 2019
- 8th Annual Business Conference 2020, February 24, 2020
- 9th Annual Business Conference 2020, April 22, 2021
- A Colloquium: Blockchain Experience in 2021 dated February 23, 2021

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- Math Quiz Bee Grade 8, 2014
- Outreach Program: Feeding program for NSTP, March 2019

ON-THE-JOB TRAINING/ PRACTICUM/ INTERNSHIP EXPERIENCE

- On-the-Job Trainee in Airecology Inc.
Sta. Elena, Marikina City
December 06, 2017 – February 14, 2018

OTHER SKILLS

- Able to work under pressure
- Research-oriented skills
- Entrepreneurial skills
- Basic Knowledge in MS Word, MS Excel, and MS PowerPoint
- Basic Knowledge in QuickBooks

REFERENCES

Dr. Brenda B. Corpuz
Principal SHS, T.I.P.
911-09-64 loc. 49

ANDREA MARIZ L. SINOHIN
Bachelor of Science in Accountancy
Technological Institute of the Philippines (T.I.P.),
Quezon City S.Y. 2020-2021

Address: 56 Okra St. Brgy. Tumana, Marikina City
Tel. No.: N/A
Email Address: andreasinohin24@gmail.com
Cellular No.: 09295646749



OBJECTIVE

To establish a career in the fields of Business Education and Administration where I can demonstrate the learning outcomes of the courses taken under the program Bachelor of Science in Accountancy of the Technological Institute of the Philippines (T.I.P.).

RESEARCH/ES UNDERTAKEN

- Perception of ABM Students in T.I.P Q.C towards in becoming an Entrepreneur, 2016
- Effectiveness of Basic Accounting Mobile Application as Perceived by Grade 11 ABM Senior High School Students in T.I.P. Q.C., 2018

KNOWLEDGE, SKILLS AND ATTITUDE

- Good Communication Skills (English, Filipino)
- Responsible
- Hard-working
- Well – disciplined
- Able to work under pressure
- Computer Literacy: Proficient at MS Word, MS Excel, and MS PowerPoint

LEADERSHIP ACTIVITY/IES

- Public Relations Officer, Junior Philippine Institute of the Accountants TIP QC (A.Y. 2019-2020)
- Associate, Junior Philippine Institute of the Accountants Associate TIP QC (A.Y. 2018-2019)
- Grade 12 research leader, entitled Effectiveness of Basic Accounting Mobile Application as Perceived by Grade 11 ABM Senior High School Students in T.I.P. Q.C

SEMINAR/S AND TRAINING/S ATTENDED

- Do IT Pioneers on February 23, 2016, Concepcion Integrated School, Marikina City
- Fundamentals of Web Development on March 4, 2017, T.I.P., Quezon City
- Google SketchUp: Getting Started, March 4, 2017, T.I.P., Quezon City
- Pre- Work Immersion Seminar on:
 - Job Application, November 21, 2017, PE Center 1, T.I.P., Quezon City
 - Behavior in the Workplace, November 21, 2017, PE Center 1, T.I.P., Quezon City
 - Values and Development, November 21, 2017, PE Center 1, T.I.P., Quezon City
 - Common Behavioral Issues, November 21, 2017, PE Center 1, T.I.P., Quezon City
- CPA Testimonial on February 18, 2019, Seminar Room A&B, T.I.P., Quezon City
- Accounting Symposium on February 18, 2019, Seminar Room A&B, T.I.P., Quezon City

EXTRA/CO-CURRICULAR ENGAGEMENTS, ACHIEVEMENTS, AND AWARDS

- Participated in the CBE Day Celebration 2018-2019 as a player of women's basketball.
- Outreach Program: Feeding Program for NSTP, March 2019

WORK EXPERIENCE

- On-the-Job Trainee in Phil Nippon Kyeoi Corporation
648 Remedios St, Malate, 1003 Metro Manila
December 14, 2017 – February 08, 2018