

**Case Title:** Starbucks Corporation

**Unique ID:** MHE-FTR-042-1259927628

REV: January 4, 2017

**Abstract:** With more than 25,000 stores in 75 countries and \$21 billion in annual revenues, Starbucks is the largest roaster and retailer of specialty coffee in the world. Howard Schultz's strategic leadership was critical in turning Starbucks around. He is now hoping that his second retirement from the company he built from the ground up will be his final one. In the meantime, Kevin Johnson, the new CEO, faces several challenges. In particular, the question of maintaining core competencies and how to achieve future growth, both domestically and internationally is central to the case. The case also focuses on diversification, as Starbucks is branching out in new areas such as menu extensions including offering alcohol as well as rolling out coffee bars with high-end offerings such as a \$12 cup of coffee.

**Concepts:** Vision, Mission, and Values; Strategic Leadership and Succession; Core Competencies; Positioning Strategy; Maturing Domestic Market, International Growth Opportunities; Diversification: Product-Market and Geographic; Implementation of Strategic Initiatives

**Context:**

- Protagonists: Howard Schultz (CEO) and Kevin Johnson (COO)
- Countries: USA, China
- Sector: Roaster and retailer of specialty coffee; Restaurant industry
- Company Employee Count: 254,000, thereof 84,000 outside USA
- Company Revenues: \$21 billion
- Ticker Symbol: SBUX
- Event Year Begin: 2008
- Event Year End: 2017