



Starbucks Coffee Company is one of the leading retailers, roasters and brands of speciality coffee in the world. It is committed to offering customers the highest quality coffee and the finest coffee experience, while operating in ways that produce social, environmental and economic benefits for the communities in which it does business. Starbucks entered the UK market in 1998 and now employs more than 9,000 'partners' in over 700 coffeehouses.

Market

The branded coffee chain market remained resilient in 2009 despite the recession, although the rate of growth slowed. It is estimated that there were 4,100 outlets in the UK with an estimated £1.6 billion turnover. Starbucks remained the UK's leading branded coffeehouse by turnover, with 33 per cent of the market (Source: Allegra Strategies).

Product

Starbucks coffeehouses offer high quality whole bean coffees; fresh, rich-brewed, Italian-style espresso drinks; a variety of pastries and confections; and coffee-related accessories and equipment. In addition, Starbucks retails whole bean and ground coffees through selected UK supermarkets and has a well established business in the UK foodservice

sector. Starbucks also sells its instant coffee, Starbucks VIA™ Ready Brew, across the UK in supermarkets and its stores as well as on all easyJet flights.

Achievements

Since the company opened its first store, Starbucks has been committed to doing business responsibly. Building on years of expertise, in 2008 it launched its Starbucks Shared Planet™ programme, setting out a series of global goals in the areas of ethical sourcing, environmental stewardship and community involvement.

In the UK, the company made all its espresso Fairtrade in 2009 and served 80 million cups in the following year, helping make the company the world's largest purchaser of Fairtrade



coffee. In addition to its Fairtrade commitment, Starbucks provides agronomy experts, based in Rwanda and Costa Rica, to share technical and environmental expertise with farmers. This investment enables farmers to increase their yields and income, building sustainability into production.

Starbucks also continues its longstanding relationships with humanitarian and development organisation, CARE International, and Conservation International (CI). In a five-year partnership, Starbucks is working with CI to address climate change, contributing to the search for global climate solutions while also aiming to help coffee farmers ensure their coffee is responsibly grown and ethically traded.

Additionally, Starbucks invests in young people; both nationally through five-year partnerships with The Prince's Trust and the National Literacy Trust, and locally through the work its partners (employees) do from stores around the country. Starbucks also has a new partnership with UK Youth, identifying



and investing in young community leaders, equipping and empowering them to make a difference in their communities.

Recent Developments

Starbucks continually strives to innovate and offer customers an even better experience. In December 2009 it became the first national chain to offer a new kind of coffee, the Flat White – a stronger, more intense drink that had become popular with coffee drinkers in London's Soho.

It also launched a new local store design philosophy, allowing designers to create individual stores that closely suit the needs and style of their neighbourhoods. The first was opened in London's West End at Conduit Street and others followed across the country in 2010. The coffee shops are built to an exacting environmental standard, saving both water and energy.

The UK Starbucks Facebook site was also established, allowing customers and fans to share stories, talk about their favourite drink and to initiate a conversation with the company. In just one year 350,000 people have become 'friends' with Starbucks. The website mystarbucksidea.com gives customers another way to be heard, and the number of ideas submitted to Starbucks through the site topped 100,000 in 2010.



In terms of products, 2010 saw the national launch of Starbucks VIA™ Ready Brew, a rich, flavourful instant coffee that is available in thousands of supermarkets across the UK as well as in Starbucks coffee shops and on easyJet aircraft. In total, nine million servings



were sold in the first six months of its launch. The coffee is made with the highest quality, ethically sourced 100 per cent arabica beans and is produced by a natural process that includes micro-grinding the coffee in a way that preserves its essential oils and flavour.

The company made a significant investment in its partners, offering them the chance to take externally recognised NVQ qualifications and launching a fund for personal development. Baristas were also taken to Africa to learn more about ethical sourcing and to meet Starbucks farmers, instilling enthusiasm and encouraging them to spread their knowledge to customers and colleagues.

Promotion

Storytelling is key to the Starbucks culture and, as part of a non-traditional marketing model,



the success of the company's communication strategy is rooted in its partners' passion for and involvement in its innovative product and experience.

The company has established seasonal favourites in the UK and Ireland, promotes individual beverage customisation and has been at the forefront of innovating the coffeehouse experience in the UK over the last 10 years. Starbucks coined the phrase the 'third place' – a restful environment between home and work in which to relax, take time for yourself and enjoy a freshly brewed cup of high quality coffee. Partnerships with BT OpenZone and the Guardian newspaper further enhance the Starbucks experience.

Brand Values

The Starbucks mission is to 'inspire and nurture the human spirit – one person, one cup, and one neighbourhood at a time', which is supported by a passionately held set of principles that guide how partners in the company live every day.



Things you didn't know about Starbucks

Starbucks is the largest purchaser, roaster and distributor of Fairtrade Certified coffee in the world, offering it in 28 countries.

Starbucks offers more than 87,000 possible drink combinations.

Starbucks buys only the finest arabica coffee beans and selects only the top 10 per cent of these, which are grown at an altitude of between 900 and 1,500 metres.



1971	1982	1991	1998	2000	2003
Starbucks is founded in Seattle by three friends who met at the University of San Francisco in the 1960s.	The first store is a success and catches the attention of Howard Schultz, who joins the company. With the backing of local investors he purchases Starbucks in 1987.	'Bean Stock' is introduced – a stock option scheme for all employees to make them 'partners'.	Starbucks enters the UK market through the acquisition of 60 stores from Seattle Coffee Company.	The Starbucks Christmas Bookdrive is first launched with the National Literacy Trust. In the same year, Starbucks begins to sell Fairtrade Certified coffees in-store.	The Starbucks Coffee Master Programme is launched.

2006	2007	2009	2010
Starbucks is awarded a Business in the Community Big Tick for excellence in corporate social responsibility – for the second consecutive year.	Starbucks is named one of the Great Place to Work® Institute's top 10 Best Workplaces in the UK. The following year, Starbucks Shared Planet™ launches.	Starbucks Card Rewards and Starbucks VIA™ Ready Brew are introduced. Starbucks is ranked as one of the 100 Best Companies to Work For by Fortune.	Starbucks celebrates a year of offering 100 per cent Fairtrade espresso by taking baristas to Tanzania to meet farmers and learn more about coffee.