Unit 2 – Individual Project

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Organizing

With major players in the coffee shop business in the United States, Caribou Coffee can be classified to be among one of the companies that have over three decades of experience in the industry. With this experience, the company has been able to open its branches in multiple locations in different states within the United States. Caribou Coffee has also established itself as an international brand has opened its branches in 11 different countries, which gives it a competitive advantage over other companies.

The current customers of Caribou Coffee are those individuals who are willing to buy high-quality gourmet coffee, espresso-based beverages, and other coffee-related products, such as whole beans and unique teas. A typical 1 lbs. bag of coffee from Caribou Coffee is approximately five dollars more compared to other products. Therefore, current customers of Caribou Coffee are those customers that are willing to pay a few extra dollars to get that higher quality. Most of the current customers of Caribou Coffee may not drink coffee to stay awake, but they may also drink coffee when they are socializing with their friends and family and appreciate the unique blend of Caribou Coffee (Han et al., 2018).

Potential customers of Caribou Coffee include those individuals looking for premium coffee products. With coffee being one of the most consumed products in the world, many consumers are in search of high-quality coffee that will satisfy their thirst and taste buds. Caribou Coffee seeks those customers that seek customers who want to experience excellent customer experience. The company also targets those individuals who seek to enjoy a comfortable atmosphere when gathering or relaxing with friends and families (Kim et al., 2018).

Some of the products by Caribou Coffee Company include coffee, specialty tea, espresso-based beverages, baked goods, premium hot tea, whole bean coffee, and other branded merchandise. The company always seeks to develop innovative products that will improve the customer’s experience and increase their satisfaction. Caribou Coffee Company aims at offering an exceptional experience to the customers, thus attracting more customers. The company has a vast distribution empire that is global in scope. The reason for this is because the company has expanded massively in recent years to the extent of opening retail outlets in other countries. The company has access to distribution chains that are used by corporate giants, which has enabled Caribou Coffee Company to rise above many of its competitors.

**Controllable factors**

Internal factors such as the strength of the employees are essential in the company’s operations. The employees play a crucial role in ensuring that the products are produced to the highest quality and that the customers enjoy an excellent service. Ensuring that the employees are motivated and happy with their roles is vital in ensuring the human resources department improves its efficiency and effectiveness. Other internal factors comprise financial resources such as sources of income, investment and funding opportunities. For Caribou Coffee Company to expand across the entire United States and even in other countries, the company must have excellent financial resources.

Physical factors such as the company’s equipment, facilities, and location play a crucial role in the company’s success (Karande & Kalbande, 2015). The headquarters of Caribou Coffee Company is located in Minneapolis, Minnesota, which is a strategic position in the United States. The company has also expanded into significant cities in the US, which gives the corporation a competitive benefit. Being located in major cities and states in the United States makes the corporation have a competitive gain over other companies in the same industry.

**Non-controllable factors**

Political factors are one of the considerable factors that can significantly affect a company’s operations. Although the company put a lot of effort to ensure that it is compliant with government policies, some policies may be affected without the company being prepared. For instance, the introduction of the disabilities act significantly affected most company's operations. The company has put up necessary measures to ensure it remains compliant with government policies all the time. Economic factors, such as the recent inflation that occurred in the United States, significantly affected many companies adversely. Economic factors such as inflation can affect the income rates of customers, which can result in decreased sales, thus resulting in declining profitability (Bouazza et al., 2015).

Social factors also play a crucial role in the company’s operations. While the society of America is highly passionate about coffee, companies that produce coffee need to understand the needs of the customers if they want to succeed in the market. Coffee is not only considered a stimulant, but it is also considered to play a crucial role in maintaining social gatherings. In most meetings and gatherings between friends and families, coffee is consumed as a drink to freshen their day. Understanding the social needs of the consumers can go a long way in ensuring the company produces products that meet the customer’s needs (Castaño et al., 2015). Another external factor is a technological factor, which is developing and changing every day. Caribou Coffee Company is on the frontline of using technological advancements and innovation to their advantage. In doing so, the company can improve its production process, thus improving the quality of coffee it produces to its customers.

**Porters five C’s**

Customers are an essential factor in any profit-making business. Determining the needs of the customers is essential for Caribou Coffee Company since its products are aimed at satisfying customer’s needs. Coffee customers expect high-quality coffee from the company. Caribou Coffee Company arrogances itself on being a high-quality coffee producer, which gives it a competitive advantage over other players in the industry.

Determining the position of the company in facing its threats and weaknesses, as well as its ability to meet the customer’s needs, is crucial. Understanding the company’s strengths and weaknesses are crucial to any company. For instance, the company’s opportunities include a new international market, producing a new product, and rebranding old products.

Competition is a factor in the success of any company. Understanding the strengths of competitors is critical in understanding areas of improvement. Understanding their weaknesses is critical in identifying opportunities the company can seize. It is also essential to determine any collaborators for the company, who may help in the growth of the company, such as distributors and suppliers. It is essential to understand the context of the company’s limitations due to external factors such as political issues, economic and social impacts. Having this knowledge can allow the company to make the necessary changes to improve its status.

References

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