



Navigating the Bangladeshi Market: Unlocking Market Entry Opportunities for STARBUCKS

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Case Study

Abstract

Purpose: This study aims to analyze Starbucks' potential entry into the Bangladeshi market, considering its potential for growth and alignment with the company's business model. It evaluates market characteristics and examines Starbucks' strategies for suitability.

Method: The study utilizes market research, industry reports, demographic analysis, and comparative studies of Starbucks' success in similar markets. Key factors including market dynamics, consumer behavior, competition, and strategic partnerships inform the analysis.

Results: Bangladesh presents a promising market for Starbucks, with a growing coffee consumer base, favorable economic conditions, and low labor costs. Millennials and Gen Zs, a significant demographic, show a strong affinity for coffee, offering a sizable target audience. Lower operating costs enable investment in promotional activities and market research, while government initiatives to boost coffee production provide additional opportunities.

Implications: Entering the Bangladeshi market requires Starbucks to tailor its business model to align with local preferences and market dynamics. Strategic considerations include investing in automated systems, understanding local culture, developing customized products and marketing strategies, and fostering strategic alliances with local partners.

Originality: This case study provides a comprehensive analysis of Starbucks' potential expansion into Bangladesh, considering both market potential and strategic implications. By addressing the unique challenges and opportunities in the Bangladeshi market, the study offers insights into Starbucks' ability to adapt its business model and sustain growth in diverse global markets.

Keywords: Entry Strategy, Market analysis, Starbucks Coffee, Bangladeshi market, Millennial and Gen Zs

1. Introduction

Starbucks Corporation, globally recognized for its unwavering commitment to coffee, is continually dedicated to formulating effective growth strategies that go beyond enhancing customer satisfaction to attract new clientele and solidify its competitive position. The company's expansion into new territories is a comprehensive process that meticulously considers various factors, including market dynamics, economic conditions, cultural intricacies, climate, and the preferences of the local customer base.

This case study delves into the potential of Bangladesh as a promising market for Starbucks, drawing parallels with the company's successful ventures in other emerging countries. The analysis explores the feasibility of implementing Starbucks' tailored business model, proven success in India, a neighboring

nation to Bangladesh. This distinctive model emphasizes simplicity, aiming to elevate the customer experience by fostering a welcoming atmosphere, all while strategically leveraging alliances and emphasizing sustainability.

The central inquiry posed by this case revolves around the appropriateness of adopting this business model as the right strategy for Starbucks in Bangladesh. Will this approach not only ensure Starbucks' viability in the Bangladeshi market but also propel it toward greater success? The analysis seeks to uncover the compatibility of Starbucks' established business model with the unique characteristics and demands of the Bangladesh market, offering insights into the company's potential for sustained growth and success within this new and dynamic environment.

2. Company Background

Starbucks Coffee Company, founded in 1971, has been dedicated to ethically sourcing and roasting premium Arabica coffee. As the world's largest roaster and retailer of specialty coffee, boasting nearly 35,000 outlets globally, Starbucks has become one of the most recognizable and valuable global brands. Emphasizing quality, customer appreciation, adaptability, and innovation, the company aligns with its modest mission statement of inspiring and nurturing the human spirit—one person, one cup, and one neighborhood at a time. Starbucks values the promotion of a culture of warmth, collaboration with transparency and respect, and accountable actions.

Under the guidance of its new CEO, Laxman Narasimhan, Starbucks has introduced a reinvention plan and a framework for accelerated earnings growth over the next three years. This plan is supported by improved comparable store sales growth, increased store count growth, continued margin expansion, and disciplined capital allocation. Anticipating worldwide revenue growth of 10% to 12% annually from fiscal 2023 to fiscal 2025, Starbucks is poised for significant expansion and financial success (Starbucks Corporation, 2022).

Starbucks' customer base primarily comprises individuals from the upper socioeconomic tier, given its status as a premium coffee brand, with stores predominantly located in affluent neighborhoods. The high-end clientele falls within the 22–50 age range, representing both genders. Revenue streams for Starbucks are diversified, with 60% generated from the sale of coffee beverages, 18% from food, and 8% from packaged and single-serve coffees and teas. The remaining 14% encompasses royalty and licensing, ready-to-drink beverages, and other sources.

Starbucks distinguishes itself with a straightforward Unique Selling Proposition (USP): "Love your beverage or let us know. Every time, we'll make it right." Rather than positioning itself as the cheapest or most luxurious coffee provider, Starbucks focuses on delivering the perfect brew, catering to the preferences of coffee connoisseurs. The business model canvas followed by Starbucks encapsulates its commitment to quality, customer satisfaction, and a unique market positioning strategy.

Starbucks employs a multi-domestic international business strategy, characterized by a robust focus on customer responsiveness. Currently valued at USD 117.16 billion with a share price of USD 102.84 and a market capitalization of USD 118.03 billion, Starbucks stands as the 107th most valuable global company. The company strategically utilizes alliances to drive continuous growth, a key component of its success.

In 1996, Starbucks entered into a pivotal alliance with PepsiCo, contributing to the bottling and distribution of their popular Frappuccino. Furthermore, in 2006, Starbucks forged a strategic alliance with the National Association for the Advancement of Colored People (NAACP), aligning with the NAACP's objectives of promoting economic and social equality. Starbucks has extended its collaborative efforts, establishing alliances with hotel chains and ice cream manufacturers to extend its brand presence.

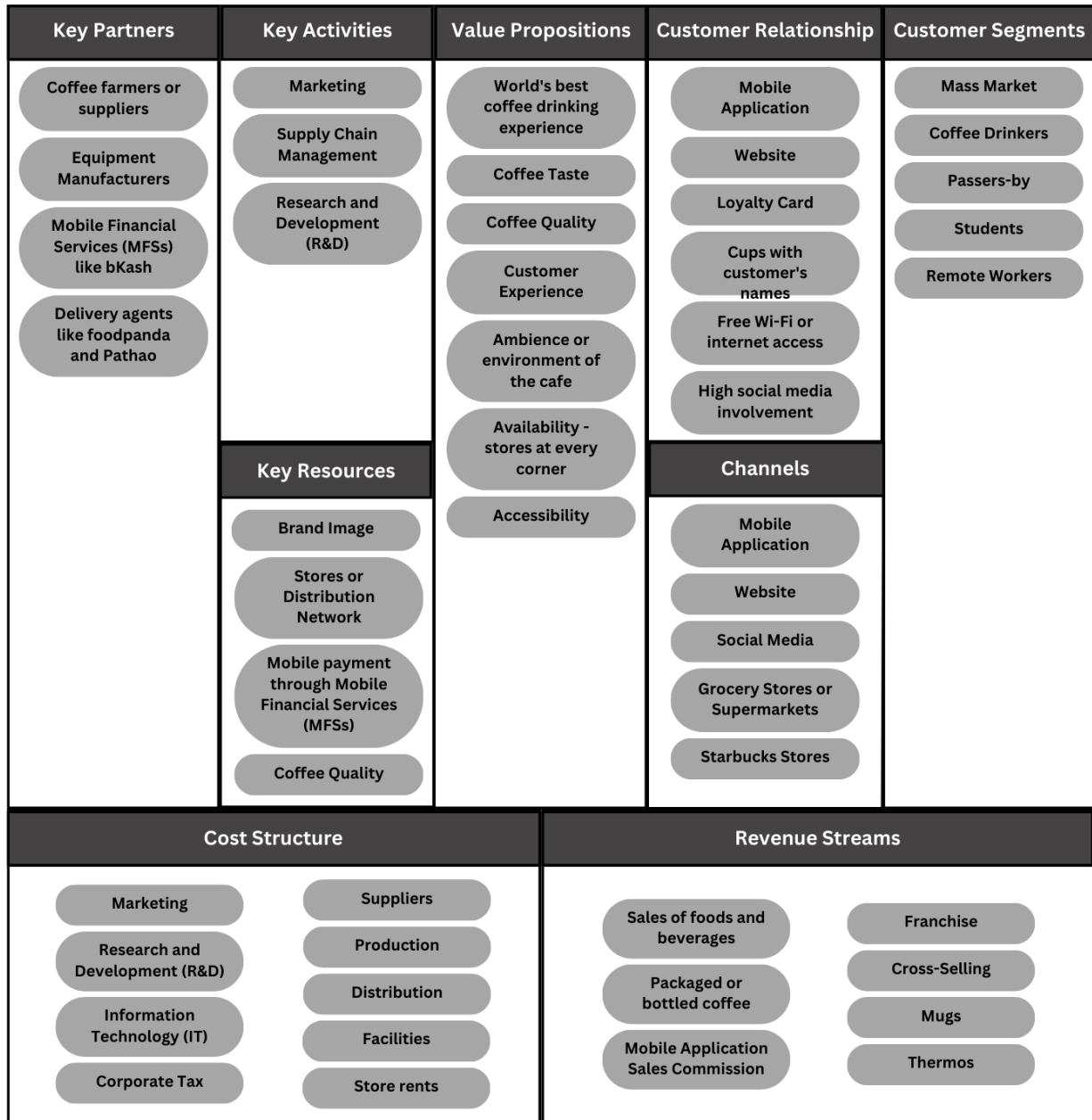


Fig. 1: Business Model Canvas of Starbucks

Source: Pereira (2022)

Partnerships with Kraft Foods have been instrumental in ensuring product availability across mass merchandise outlets and national store chains. Notably, a strategic partnership with United Airlines involves showcasing the Starbucks logo on flights and coffee cups. The company's foray into the music industry has proven to be a notable success, marked by selective curation of music titles and a significant partnership with iTunes, culminating in the "Song of the Week" program. This innovative fusion of music and coffee aligns with Starbucks' overarching goal of delivering a high-quality customer experience, showcasing the company's adaptability and commitment to strategic partnerships (Lingley, 2009).

3. Global Coffee Industry Attractiveness

Coffee caters to individuals seeking stress relief after a demanding workday, desiring a serene and relaxing environment to fulfill their needs. This demographic includes those in the higher-income bracket aged 25-50, as well as individuals aged 18-24 from affluent families (Shastri, 2023).

In the United States, the daily consumption of coffee by Americans stands at an impressive 400 million cups (Ariela, 2023). The current market size of the US coffee industry is estimated to exceed USD 54.5 billion, supported by a network of 38,411 coffee shops nationwide (IBISWorld, 2023; Statista, 2022). This industry contribution reaches 1.6% of the USA's GDP, amounting to USD 28 billion, and employs approximately 1.69 million individuals (Ariella, 2023). The anticipated annual growth of the US coffee industry is pegged at 3.51%, translating into a revenue projection of USD 95.58 billion (Statista, 2023). Noteworthy players in the American market include Starbucks, McCafé, Tim Horton, Dunkin' Donuts, and Costa Coffee.

Globally, the coffee industry's market value reached around USD 126.38 billion, boasting a compound annual growth rate (CAGR) of 4.82% from 2018 to 2022. Forecasts indicate a continued upward trajectory with an expected CAGR of 6.7% during the forecast period of 2023-2028 (Expert Market Research, 2022). Leading the global market are prominent entities such as Starbucks Corporation, Gloria Jeans Coffee, Tim Horton, Dunkin' Donuts, McCafé, Costa Coffee, Nestlé, JM Smucker Company, The Kraft Heinz Company, Dr. Pepper Snapple Group, Gaviña Gourmet Coffee, JDE Peet's, AMT Coffee Ltd, and Trung Nguyen (Maximize Market Research, 2023).

An emerging trend indicates that the cafe industry is gearing up for increased global competition in the coming years. Capitalizing on this, Starbucks has strategically expanded into untapped and burgeoning markets in Asia, seizing a greater market share in these geographic locations where competition is limited, reaping additional benefits.

4. Trends in Emerging Markets in Asia

Starbucks remains a global leader in the coffeehouse and roastery industry, upholding its brand image while strategically investing in high-growth Asian markets, all while staying true to its founding principles (Goel, 2023). The company has learned valuable lessons from past failures, particularly in Vietnam and Israel, where overlooking the importance of local customization proved detrimental.

In Vietnam, known for its vibrant cafe culture and coffee production, Starbucks initially neglected to recognize the preference for traditional Vietnamese iced coffee, *cà phê sữa đá*, which uses robusta beans with 2.7% caffeine. This contrasted sharply with Starbucks' milder arabica beans containing up to 1.5% caffeine. This oversight led to challenges in attracting clients in Vietnam's lucrative USD 1 billion coffee market (Saini, 2020). Similarly, Starbucks faced challenges in the Israeli market by not thoroughly studying and adapting to the country's distinct cafe culture, a vital aspect of the local concept of coffee culture where they prefer espresso, macchiato and flavored Turkish coffee over typical American filtered coffee. (Bond, 2022).

However, Starbucks has demonstrated success in overcoming cultural challenges in Asian markets through meticulous market research. In these regions, the company engaged local businesses to handle personnel and assess customer preferences, while retaining control over employee development, coffee roasting, and quality assurance. Starbucks also showcased adaptability by introducing regional items; for example, in Taiwan, it offers various Chinese traditional teas like "Oriental Beauty Tea" and "Fancy Black Tea," and in South Korea, traditional drinks such as "Sik-hye" and "Sujungghwa" are available at Insa-dong cafés. This approach has enabled Starbucks to effectively capture the consumer base in tea-centric nations like China and Taiwan.

India, despite being traditionally inclined toward tea consumption, presented a promising growth opportunity for Starbucks due to its booming economy, rising consumer spending power, and flourishing cafe culture. Starbucks, anticipating a potentially more challenging business environment for single-brand

FDI than multi-brand retail, had to patiently wait for the lifting of restrictions (Burke-Spraker, 2013). Even after the FDI limit increased to 100%, Starbucks took a strategic approach by forming a 50-50 joint venture with Tata in January 2012. This collaboration, named the "Starbucks Coffee Tata Alliance" (Rajasekaran, 2015), aimed to gain a deeper understanding of the Indian palate. Starbucks also engaged in a partnership with Tata Global Beverages, supplying coffee beans specifically to the southern provinces of India—a region renowned for both the production and consumption of coffee (Gopalakrishna, 2016). This approach allowed Starbucks to navigate the Indian market effectively, leveraging the expertise and insights of a local partner while contributing its global coffee expertise. After the successful joint venture, Starbucks marked its official entry into the Indian market by opening its inaugural establishment in Mumbai on October 19th, 2012. Over the subsequent years, the company has expanded its footprint with flagship stores located in key cities such as Mumbai, New Delhi, Pune, Bengaluru, Hyderabad, and Chennai (Bhattacharya, 2019). This strategic expansion has firmly positioned Starbucks as a premium coffee brand in India, a status reinforced by its multiple outlets. As of 2020, Starbucks boasts a substantial presence in the country, with more than 271 outlets spread across over 55 cities. This extensive network reflects the brand's commitment to catering to a diverse and widespread customer base in India (Jakhar, 2022). The widespread distribution of Starbucks outlets showcases the brand's successful integration into the Indian market and its ability to meet the demands of coffee enthusiasts in various regions across the country.

Table 1: Top 10 states with the most Starbucks stores in India

State/ Territory	Number of Stores	Population	Population per store
Maharashtra	105 (34%)	123.14M	1.17M
Karnataka	37 (12%)	67.56M	1.83M
Delhi	27 (9%)	18.71M	693.00K
Haryana	22 (7%)	28.20M	1.28M
Uttar Pradesh	17 (6%)	237.88M	13.99M
Telangana	15 (5%)	38.51M	2.57M
Tamil Nadu	14 (5%)	77.84M	5.56M
Gujarat	13 (4%)	63.87M	4.91M
Punjab	12 (4%)	30.14M	2.51M
West Bengal	9 (3%)	99.61M	11.07M

Source: ScrapeHero (2023)

Starbucks employs a comprehensive vertical supply chain system, meticulously monitoring the journey of raw materials from the fields to production. The company is dedicated to utilizing Fair Trade coffee, establishing stringent requirements for farmers to meet Coffee and Farmer Equity (C.A.F.E.) standards and Coffee Sourcing Guidelines. These standards prioritize transparency, social and economic accountability, and quality in the sourcing process (Thomas, 2019). In a strategic move to embrace the tea-drinking culture in India, Starbucks acquired Teavana in 2012, aligning with the local preference for tea over coffee (Sen, 2017).

To enhance the customer experience in India, Starbucks introduced an electronic payment option through a mobile app, allowing customers to place orders and make payments seamlessly. Features like "Shake to Pay" have proven popular among Indian customers. The launch of the "Starbucks e-Card" and "My Starbucks Rewards" further contributed to convenience and customer retention. This app is accessible on both iOS and Android platforms. Additionally, Starbucks India has partnered with popular food delivery platforms such as Swiggy and Zomato, expanding its reach through home delivery services across the country (Tata Consumer Products, 2017). To increase acceptance in India, Starbucks actively sources coffee beans from local farms, benefiting from reduced import taxes and gaining a competitive edge over rivals who rely on imports (Starbucks Stories & News EMEA, 2022; Goel, 2023).

Starbucks in India has adopted various business models, including the Franchise Model, involving licensing the Starbucks business model to third parties; the Partnership Model, exemplified by the 50:50 joint venture with TATA coffee; the Social Enterprise Model, emphasizing eco-friendly practices and waste reduction; and the E-commerce Model, as evidenced by Starbucks' use of e-commerce platforms, showcasing the potential for further growth in this digital space. These diverse approaches underscore Starbucks' adaptability and strategic initiatives to thrive in the Indian market.

5. Bangladesh as a Potential Market for Starbucks

5.1. The attractiveness of the Bangladeshi Coffee market

In Bangladesh, where approximately 48.94% of the population falls within the working age groups of 15-54 years, the majority comprises Millennials and Gen Zs. According to a survey by The Food Institute, 65% of Millennials and a growing 46% of Gen Zs are regular coffee consumers (Garwood, 2021). The coffee consumption trend among Gen Zs has seen a continuous uptick, with a notable 10% increase just two months after the initial survey.

Gen Zs in Bangladesh, often characterized by their disposable income and preference for an affluent lifestyle, frequently patronize local cafes. These young adults are inclined to order customized coffee, aligning with current trends, and utilize coffee houses as spaces for studying, working, socializing, relaxing, or reading. The positive and calm environment of coffee houses resonates well with this demographic. With a target audience of over 31.56 million people (19.11% of the total population of 165.16 million) in Bangladesh, a firm planning to establish operations in the country has access to a substantial consumer base (Bangladesh Bureau of Statistics, 2019).

The favorable business environment in Bangladesh, marked by lower rent and significantly lower labor costs (approximately 15 times less than in the USA), presents an opportunity for cost-cutting for businesses like Starbucks. This cost advantage enables the redirection of funds towards enhanced promotional activities and continuous market research in Bangladesh. Furthermore, the relatively unsaturated coffee market in the country provides an opportunity for Starbucks to capitalize on the growing coffee culture.

The burgeoning coffee industry in Bangladesh, with around 2,000 farmers has been cultivating Arabica and Robusta-style coffees across seven districts, particularly in high-altitude areas. A government initiative, backed by a 2.11 billion BDT project, aims to accelerate coffee production, distributing 700,000 coffee plants in 2023 alone.

Multinational coffeehouse chains like Gloria Jeans Coffees and local establishments such as North End Roastery and Café, Nerdy Bean Coffee Haus, Tabaq Coffee, and Arabika Coffee have already entered the market, indicating the potential for Starbucks to further diversify and establish its presence in Bangladesh. North End has embraced locally produced coffee, marketing it as 'Hill Tract Blend,' supporting and promoting coffee farming in hilly regions. Expansion beyond these hilly areas into Tangail, Rangpur, and Nilphamari districts signals the potential for widespread local coffee production. Notably, a substantial 89% duty rate on roasted and unroasted coffee bean packages weighing up to 2.5 kg stresses the local industry's need for protection. substantial market size of coffee in Bangladesh, growing 11 times faster than tea, with an annual demand of around 2000 tonnes and sales totaling 6 billion BDT, exhibiting an impressive annual growth rate of approximately 56%. This situation presents an opportunity for Starbucks to leverage local production, tailoring menus to align with Bangladesh's cultural preferences, as is customary in other markets (Milad, 2023).

5.2. Low-cost labor

The comparison of minimum wages between the USA and Bangladesh over the past six years reveals a significant disparity. The minimum wage in the USA has remained relatively constant at an average of USD 7.25 per hour, amounting to USD 1160 per month. In contrast, Bangladesh's minimum monthly wage has also exhibited stability, hovering around BDT 8000 or USD 76.11. Considering the current exchange rate

of USD 1 to BDT 105.12, the minimum wage in Bangladesh is approximately 15 times lower than that of the USA.

This substantial difference in labor costs provides a notable competitive advantage for businesses operating in Bangladesh. The lower cost of labor allows companies to exploit this advantage, enabling them to allocate funds that would have otherwise been spent on higher wages in the USA. This cost-saving can be redirected towards various strategic initiatives such as promotional activities, the development of new product lines, improved offerings, and other business expansions in Bangladesh.

For businesses, particularly multinational corporations like Starbucks considering operations in Bangladesh, the lower labor costs offer an opportunity to enhance competitiveness and potentially gain a greater market share. By leveraging the cost advantage, companies can strategically invest in areas that contribute to business growth, innovation, and overall market success in the context of Bangladesh's economic landscape.

Table 2: Minimum Wage in the USA and Bangladesh, 2018-2023 (USD/Month)

Year	United States	Bangladesh
2018	1120	50.42
2019	1160	76.11
2020	1160	77.06
2021	1160	76.11
2022	1160	76.11
2023	1160 (estimation)	(no data available yet)

Source: Trading Economics (2021)

5.3. Market Competition

As of 2023, the coffee industry experienced a remarkable 56% annual expansion, boasting a robust 6 billion BDT in yearly sales and meeting demand for over two thousand tonnes of coffee (Milad, 2023). Despite approximately 50 popular cafes serving nearly 160 million consumers in the country, only four are international coffee chain establishments, namely Gloria Jean’s Coffee, North End Coffee Roasters, Coffee World, and Barista Lavazza. The remainder consists of local shops like Tabaq, Arabika, Crimson Cup, Peyala, and others. However, even amid such fierce competition, a survey revealed that 37% of consumers expressed a preference for Starbucks as the international coffee chain they’d like to see in the country (LightCastle Partners, n.d.).

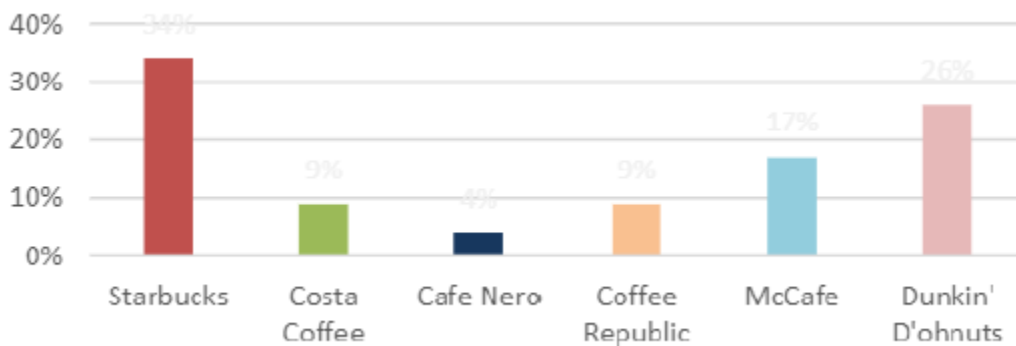


Fig. 2: International coffee chain Bangladeshi consumers would like to see in the country

Source: LightCastle Partners, (n.d.)

Conversely, these cafes encounter indirect competition based on factors such as coffee and service quality, geographic location, affiliations, café ambiance, and facilities (LightCastle Partners, n.d.). Maintaining superiority in coffee quality, utilizing the finest beans available, and delivering exceptional service are key strategies for these cafes to maintain their market dominance. Service quality encompasses various aspects,

including the duration customers are allowed to remain in the café without placing additional orders, the friendliness and efficiency of the staff, responsiveness to customer feedback and complaints, and overall cleanliness standards. Regarding geographic location, targeting young adults, corporate professionals, and business leaders, the optimal areas for café placement in Dhaka, the capital city of Bangladesh, are Dhanmondi, Banani, and Gulshan, with potential expansion into other areas like Uttara and Mirpur. Subsequent expansion could extend to cities such as Chittagong, Sylhet, and Khulna (Risan, 2024).

In addition to affiliations with e-commerce platforms, partnerships with concerts, sporting events, corporations, and corporate events enhance their market visibility. Furthermore, the café's environment, ambiance, and facilities significantly influence the success of a coffee shop. These factors may include appropriate music selection, inviting ambiance, complimentary Wi-Fi access, tasteful décor, consistent thematic elements, and more (LightCastle Partners, n.d.). Rather than solely focusing on menu customization, Starbucks should devise a strategic framework that tackles both direct and indirect competition, positioning itself as a market leader in Bangladesh's coffee industry.

6. Strategic Considerations to Expand in Bangladesh

Expanding into Bangladesh presents Starbucks with numerous strategic considerations to ensure a successful entry into this dynamic market. Here are key strategic considerations for Starbucks to expand in Bangladesh:

Firstly, Starbucks should make strategic investments in automated systems that integrate innovative processes to enhance the overall customer experience at Starbucks stores. This includes initiatives such as enhancing staff knowledge through better training, implementing improved store layouts, and utilizing data analysis to gain insights into customer preferences and behaviors. These insights can be instrumental in tailoring products and services to the local market, creating relevant promotions, and effectively targeting the customer base. Furthermore, data analysis can aid in determining optimal locations for new stores, optimizing supply chain operations, and measuring the effectiveness of marketing campaigns. Additionally, data can guide decisions regarding new product development, pricing strategies, product offerings, and distribution channels.

Starbucks can leverage advanced technologies, such as artificial intelligence (AI) and machine learning (ML), to establish a robust online presence. This approach can facilitate reaching a broader audience and enable the delivery of personalized offerings and experiences, thereby driving sales and fostering customer loyalty. Another strategy involves launching new products based on data collected from Point of Sale (POS) technology and the Starbucks mobile application. Starbucks, utilizing Oracle Symphony POS for daily transactions, can further integrate this technology into its app. Investing in mobile technologies to enable flexible ordering and payment options for customers is also recommended. Additionally, creating a dedicated website and social media channels tailored to the Bangladeshi market can enhance Starbucks' digital presence.

Secondly, Starbucks should conduct thorough research into the local culture of Bangladesh to understand current coffee trends. A customized strategy, similar to successful adaptations in other regions, should be developed. Starbucks can offer unique products, decor, music, and other aspects tailored to the local culture. Building relationships with local businesses and farmers can increase visibility and accessibility. This includes offering localized products, creating campaigns relevant to the local market, and customizing store designs. Hiring and investing in the training and development of local employees are crucial for building strong connections with the local community and ensuring a positive customer experience. Introducing new menu items, such as grab-and-go breakfast and lunch items, can appeal to students and expand product offerings. Offering value-added services like free Wi-Fi, student discounts, subsidized/free printing, and loyalty programs can cater to the preferences of the local population. Partnerships with universities and colleges, as well as hosting events with local influencers or celebrities, can further enhance Starbucks' presence.

Thirdly, Starbucks should cultivate a flexible workforce with multilingual capabilities and knowledge of local customs and cultures. Investing in training and development programs for employees, encompassing language training, cultural understanding, and international business etiquette, is essential. Embracing diversity and inclusion in the workforce, providing equal opportunities, family-friendly policies, and flexible work hours contribute to a more inclusive environment. Starbucks' commitment to making every employee a "partner" through various benefits reinforces a positive work culture.

Finally, fostering collaboration between teams in different markets through video conferences, virtual meetings, and shared workspaces is crucial. Implementing a global leadership program can encourage collaboration among leaders from different countries. Quality control procedures at every stage of production, along with regular inspections by an independent third party, ensure consistent product quality across all global locations. Monitoring customer satisfaction through surveys, focus groups, and interviews is imperative for ongoing improvement.

7. Strategic Alliance to Create Leverage

Creating strategic alliances can indeed provide significant leverage for Starbucks, which was well-evident in markets like China and India. Starbucks' success in China, despite initial challenges with local preferences, serves as a valuable lesson in adapting to diverse markets. By understanding and catering to Chinese tastes, collaborating with local farmers, and emphasizing sustainability, Starbucks has become a trusted participant in China's growing coffee market. Similarly, the alliance with Tata Global Beverages in India showcases the importance of cultural fit, ethical sourcing, and worker welfare standards in building strong partnerships. These partners not only operate stores but also contribute to innovation, tailored beverage offerings, and market expansion. By strategically forming alliances with local entities in China and India, Starbucks can create a strong foundation for success in these diverse and dynamic markets. Starbucks' licensing strategy, with over 17,000 licensed stores worldwide, highlights the importance of licensees as integral business partners.

Taking the lessons from Chinese and Indian markets, Starbucks must focus on being customer-responsive at a low cost and leverage strategic alliances for sustained success when it contemplates entering the Bangladeshi market. In the context of entering Bangladesh, Starbucks can leverage strategic alliances to navigate the competitive market and cater to local preferences. Affiliations with prominent e-commerce platforms such as Daraz, Chaldal, Rokomari, Shajgoj, Ajkerdeal, and partnerships with popular mobile financial services like bKash, Nagad, Upay, and Rocket can enhance transaction options and market reach. Collaborating with book cafes such as Bookworm, Batighar, Bengal Boi, and The Reading Cafe provides opportunities for localized presence through pop-up cafes.

Starbucks' licensing strategy, with over 17,000 licensed stores worldwide, highlights the importance of licensees as integral business partners. These partners not only operate stores but also contribute to innovation, tailored beverage offerings, and market expansion.

The optimal entry window for Starbucks into Bangladesh is considered to be within the next three years, up to 2026. Even if there are possibilities for Starbucks to enter the Bangladeshi market, how can Starbucks focus on being responsive to customers at a low cost? How can Starbucks leverage its strategic alliance and innovation? How could the company adapt its business model to build and sustain its success in its chosen market?

Thriving in the global market poses notable challenges for Starbucks, requiring the company to navigate various complexities. The key considerations extend beyond merely aligning with regional tastes and preferences; Starbucks must also adopt a cost-effective approach, especially as it strives to propagate its distinctive coffee culture in Bangladesh. The expansion into the Bangladeshi market holds substantial

societal implications for Starbucks, necessitating a nuanced understanding of the local landscape and a strategic approach to address cultural, economic, and social dynamics. Success in this endeavor involves not only adapting products to suit local palates but also ensuring operational efficiency, resonating with the values of the Bangladeshi consumer base, and contributing positively to the local community. Thus, Starbucks faces the dual challenge of maintaining its global brand identity while being adaptable and responsive to the unique demands and expectations of the Bangladeshi market.

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Authors' Contributions:

Proma Quadir and Tazrian Binte Ansar conducted secondary research and analyzed Starbucks' strategies. Sardauna Abdul-Sobur Dembo provided an outsider's perspective, contributing significantly to the paper's development. Tasfia Zaheen's ongoing research updates on the market, products, and sales enhanced the paper's substance. Khadiza Afroz Raisa's discussion offered a comprehensive view of the market strategy's overarching framework.

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