

STARBUCKS LOST  
**\$40 BILLION**  
IN JUST 4 YEARS

THE  
**COFFEE**  
EMPIRE THAT



**FORGOT ITS  
PROMISE**

Swipe to learn more →



[www.indiserve.ai](http://www.indiserve.ai)



98747 09182



32, Chowringhee Road, OM TOWER, 7th Floor,  
Unit No - 706, Park Street, Kolkata 700071



## **In 1987, Howard Schultz had a vision in Milan...**

---

- He saw people gathering, not just drinking coffee
- Coffee shops as community spaces, not transactions
- Bought Starbucks with Bill Gates' father's investment
- Created the "Third Place" - not home, not office, but YOUR space

Swipe to learn more →





## The magic formula that built an empire:

---

- Comfortable sofas, soft music, free WiFi - stay as long as you want
- Smiling baristas who knew your name
- Customize your coffee exactly how you like it
- Premium price? Yes. But you paid for the EXPERIENCE
- Holding a Starbucks cup became a status symbol

Swipe to learn more →





## **Then 2021 hit. Valuation: \$140 billion. Success was intoxicating.**

---

- Frappuccino brought non-coffee drinkers (76% sales now cold drinks!)
- China expansion: 7,700 stores in a tea-drinking nation
- 40,000+ stores worldwide
- Everything was perfect... until COVID changed the game

Swipe to learn more →





## **The pandemic "solution" that destroyed everything:**

---

- Launched drive-thru + mobile app ordering
- Sales exploded! 70% orders via app/drive-thru
- Same 2 staff, but 3x more orders
- Management thought: "We found a goldmine!"
- But they forgot WHY people paid premium prices...

Swipe to learn more →





## The "Third Place" vanished overnight:

---

- Big comfy sofas → Hard chairs without armrests
- Peaceful music → Loud machine noises
- Spacious cafes → Cramped spaces for more drive-thrus
- Customers paying \$4-5 for coffee but getting McDonald's experience
- "If I'm just picking up coffee, why not pay \$1 elsewhere?"

Swipe to learn more →





## **The barista nightmare no one talks about:**

---

- Same wages, triple the workload
- 30,000+ customization combos to remember
- Orders like "Iced venti caramel macchiato, 15 pumps vanilla, heavy cream, barely any ice..."
- Wait times: 5 min → 30+ minutes for some customers
- Exhausted staff, frustrated customers, broken promise

Swipe to learn more →



## Competitors smelled blood in the water:

---

- **Luckin Coffee (China):** Opened 8,000 stores in 1 year, charges 1/3 price
- **Starbucks China market share:** 42% → 14%
- **Dutch Bros, McDonald's, Dunkin':** All offering \$1 coffee
- **Independent cafes:** Bringing back the REAL "Third Place"
- **Starbucks stuck in no man's land:** Expensive but no experience

Swipe to learn more →



## The damage report is brutal:

---

- \$140B → \$100B valuation (Lost \$40 billion)
- **Australia:** 70% stores closed
- 10,000+ baristas threatening strikes
- Sales collapsing globally
- Sold 60% China business - admitted defeat

Swipe to learn more →



## Can they come back?

- New CEO promises "return to roots"
- Simplifying menus, retraining baristas
- Prioritising dine-in over app orders
- But 40,000 stores can't change overnight...

The lesson? When you chase volume over values, you lose both.

What made you special = What customers paid premium for. Lose that, lose everything.

Swipe to learn more →

