

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF
THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

L'AUDIT MARKETING UNE METHODE DE CONDUITE DE
L'EVALUATION DE LA STRATEGIE MARKETING ET DE LA
PERFORMANCE DU BUSINESS

BOUTAYNA IBN CHEIKH

PhD student at Mohammed V University of Rabat, Morocco

b.ibncheikh@yahoo.fr

LALLA LATIFA ALAOUI

Professor at Mohammed V University of Rabat, Morocco

lalla.latifa.alaoui@gmail.com

Date de soumission: 16/08/2019

Date d'acceptation: 26/11/2019

Date de publication: 27/11/2019

DOI : <https://doi.org/10.5281/zenodo.3553100>

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

ABSTRACT

This article aims to highlight the benefits of the marketing audit through the Starbucks case study in order to act on the systematic evaluation of marketing plans and strategies as well as the organizational structure, while signaling the role crucial components of the marketing audit and the entity's valuation methods. A recent study has provided a broader conceptualization of the effectiveness of using marketing auditing to highlight the general and different aspects of marketing auditing that can help the organization understand its strengths and weaknesses, and use it as a driving method to evaluate the entire marketing system in order to scrutinize the company's performance through Starbucks' strategic approach that any company desiring a success story can learn from it. and strategic.

KEY WORDS : marketing audit, marketing and managerial decision, marketing performance and evaluation strategy

RESUME

Cet article vise à mettre en évidence les avantages de l'audit marketing à travers l'étude de cas de Starbucks afin d'agir au niveau de l'évaluation systématique des plans et stratégies marketing ainsi que la structure organisationnelle, tout en signalant le rôle crucial des composantes de l'audit marketing et des méthodes d'évaluation de l'entité. Une étude récente a arboré une conceptualisation plus large de l'efficacité de l'utilisation de l'audit marketing qui souhaitera mettre en lumière les aspects généraux et différents de l'audit marketing qui peuvent secourir l'organisation à connaître ses forces et ses faiblesses, et l'utiliser comme une méthode de conduite permettant d'évaluer l'ensemble du système marketing afin de scruter la performance de l'entreprise grâce à l'approche stratégique de Starbucks que toute entreprise désirant une success story puisse en tirer des enseignements managériales et stratégique

MOTS CLÉS : audit marketing, décision marketing et managériale, stratégie de performance marketing et d'évaluation

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

INTRODUCTION

The significant success of any business across the world depends on the strength of its marketing strategy. Even though, a company may have plentiful resources such as a talented, innovative and creative minds management team and hardworking employees meticulously and passionately performing their tasks. The growth of a business is closely linked to how its image is developed and presented to the market, and the ability to establish a presence in that market. To accomplish that, there is a need to work on creating and increasing its brand awareness, which inescapably leads to increased profitability and enhanced growth.

The million-dollar question that comes to our mind is; what goes into the development of a strategic audit marketing?

Businesses dedicate a lot of time, energy and resources in shaping a strategy that will help propel the company toward its goals. Numerous factors are considered, and more than one or two processes are undergone. One of these activities or processes is a marketing audit.

The marketing audit (MA) is a practice aimed at evaluating the performance of marketing functions by instituting the efficiency and effectiveness of the so-called process and all those activities deployed in the fulfillment of accomplishing a marketing plan. Furthermore; the marketing audit was defined by Kotler (1999) as a very complex, systematic, independent and periodic examination of the environment, main objectives, marketing strategies and activities. Its purpose is to identify opportunities and/or threats and to offer the company a viable plan of action to improve its performances. The marketing audit is a generally accepted method of evaluation and a control mechanism of business performance. It also suggested the process and the organization as well as the potential problems in conducting an audit. This work has become a major source of reference for many authors who contributed to the further development of the marketing audit. Consumers change of tastes and preferences, accelerating technological breakthroughs, and the increasing intensity of competition in many

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

and especially growing industries necessitated a change of attitude and direction by some companies to incorporate more attacking and defensive measures in the planning and implementation of their marketing efforts. Moreover; an audit turns your marketing strategy inside out, exposing all its strengths and weaknesses. It's basically a SWOT analysis of how you go to market. By evaluating the objectives, tactics, processes, activities and propositions that comprise your marketing strategy, you gain newfound insight into the core systems of your business and your brand. Upon the accomplishment of a marketing audit, you should have actionable takeaways of how to improve your 4 Ps and 4Cs of Marketing. And you should more fully understand your offline marketing, like business referrals, word of mouth, trade shows and other traditional sales-enablement strategies.

A. RESEARCH AND METHODOLOGY

Throughout this paperwork which results, and recommendations are based on the literature and a recent internship inside Starbucks co for 6 months period at the Financial and Marketing department. We will be looking at the marketing techniques Starbucks uses daily and identify the key techniques that bring them the competitive advantage. Firstly, we will analyze the current marketing strategy, look into detail at their branding, and explain how it brings value to the customer, discuss the ethical engagements and importance of CSR used, and lastly, analyses the relationship between Starbucks marketing strategy throughout PESTEL analysis, Porter's forces and SWOT.

The study was carried out using the method of literature review as mentioned previously in order to find the core pillars of the marketing audit as a process. After identifying the components of a full marketing audit and the auditors tasks for each one of them, the study tried to highlight the advantages and drawbacks of each form of audit in strict correlation to the four characteristics of a marketing audit and finally a sneak peek inside Starbucks in regards of the Marketing audit Strategy and its business performance nowadays.

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

The next few parts of literature review amalgamates my experience inside the Starbucks corporation alongside all that was cited on the books by the authors which aroused my paper and makes it prosperous and full of genuine facts as a premier roaster, marketer and retailer of specialty coffee around world.

B. THE EMERGENCE AND ROLE OF MARKETING AUDIT

The concept of marketing audit emerged and appeared in literature in the eighties last century, especially in the works written by Ph. Kotler, M. McDonald and H. Meffert.

One of the definitions articulates that a marketing audit involves the exploratory examination, which is systematic, independent and periodic. The result represents the four basic pillars of a marketing audit that aims to identify the problem areas, opportunities and recommendations for further action to streamline the company marketing. According to the previous definition implies that a marketing audit comprises the steps systematically and covering all marketing activities and areas of business. After carrying out the analysis, it is significant to create recommendations and plans of action to improve the situation in the field of marketing. This Giving to the definition of Ph. Kotler, we can construe the four basic characteristics of marketing audit. It includes the following:

- Integrated

It covers all activities of the organization in marketing and not just parts which are problematic. It may be undertaken in the form of functional audits. This kind of audit is applicable and can be helpful. However, sources in the detection of problems and failures in organizations are more effective integrated and completed marketing audit.

- Systematic

Marketing audit presents a chronological sequence of phases that include enterprise marketing environment, internal marketing system and marketing activities. The

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

action plan and recommendations contain with short-term and long-term pitches to improve the efficiency of marketing in organizations.

- Independent

It should be carried out by independent experts such as marketing auditors who have the compulsory knowledge. Audit executed by external staff brings benefits of higher flexibility, objectivity, independence and wider utilizing of experience.

- Periodic

Marketing audit serves as a prevention and maintain organization in a favorable position in the market hence it should be executed recurrently. Usually, the audit is associated with the financial side of the business. It is implemented through a defined set of accounting standards that are clear, logical and easily available.



Figure1. Marketing audit Planning cycle

Source : Kotler on Marketing, how to create win and dominate markets,1999.

The existence of the marketing audit is very important in a company strategy which help out to lead towards a significant success; that it is an independent examination of the marketing

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

performance company whose goals are to identify problem areas and marketing opportunities and propose actions to improve the situation by answering the question of where the company is currently on the marketplace. It emphasis on marketing activities and position of the organizations in the market place. The audit can be considered as an independent assessment of proposals, solution provider and routine operation of an information system.

C. THE COMPONENTS OF THE MARKETING AUDIT

There are many different types of marketing audit that firms can engage in today. Marketing audit deals with the six core components that determine marketing situation in the company. Some will choose to emphasis exclusively on a certain part of their marketing campaign with a social media marketing audit or an SEO audit. Others will need something much more wide-ranging however, the 2 most common components are :

- A macro and microenvironment audit : it combines all the factors from external and internal environment in terms of their past development and expected trends which can mean either the opportunities or risks for the organization. For instance, the political environment, the demographic your target, and even the cultural space can affect your marketing , in addition to your staff and their presence in employee advocacy campaigns, and the tools you use to share your message with the world.
- Marketing strategy audits : It examines the feasibility of your current business vision, and the goals you're trying to achieve. During your strategy audit, you'll determine how your goals affiliate with your marketing strategies.

Those who want to dive deeper into how to conduct a marketing audit can also take their analysis further, by adding more elements to their pattern. For instance, you can look at :

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

- Marketing environment: The position of your company and how it relates to your industry, market, and the competitors around you. This may also include a competitive analysis of people in your niche.
- Marketing organization: How the staff at different levels of your organization perform when it comes to marketing, and the policies you have in place to support their outcomes.
- Marketing functions: This involves looking at the core marketing competencies of your firm, such as your communication channels and salesforce.



Figure 2. The 6 components of a successful digital audit

Source : gobellmedia.com

D. PROCESS OF MARKETING AUDIT AND ITS IMPLEMENTATION

The company upper management agreed to specific audit procedures that typically characterize into the purpose, scope, objectives, information sources, form of final report and the time period for establishing audit. Furthermore, the implementation of marketing audit can be alienated according to the various literature sources into quite a lot of stages. The first stage is to create a plan of marketing audit by auditor where they outline the need for implementing various functional audits and it examines the convenience of needed information resources. The second stage is the implementation which is based on a diagnostic

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

steps, using the methods of logical analysis; that helps out define the problem and carries out the marketing analysis and behavior of the entity.

After all, the auditor will diagnose the mater by means of the analysis of the objective facts that can be derived from past development. For instance, the analysis of marketing cost. It assesses subjective elements. It reviews the questions of employees in the section of the organization and compare them with those of others.

The planning process



Figure3. Marketing audit process

Source : <https://businessjargons.com/marketing-audit.html>

E. STARBUCKS STRATEGIC MARKETING AUDIT AND THE CRUCIAL BENEFITS OF ITS IMPLEMENTATION, STUDY AND RESULTS

1. Company presentation

Today, Starbucks is the largest coffeehouse firm globally with over 30,626 stores as early of 2019 nationwide. The company has a workforce of over 300,000 plus individuals globally and serves over 10 million consumers on a weekly basis. Regular consumers visit Starbucks at least 12 times a month while devoted consumers visit the business at least 36 times monthly (Kumar, 2019). These customers spend a minimum of 80 US dollars every single time they visit

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

the store. Based on this understanding, it is evident that Starbucks holds the market leader position in its area of business.

Starbucks facts and statistics

-CEO: Kevin Johnson (Apr 3, 2017–)

-Founded: March 31, 1971, Pike Place Market, Seattle, WA

-Founders: Gordon Bowker, Jerry Baldwin, Zev Siegl

- Location of the first Starbucks store: Pike Place Market, Seattle, WA

- Starbucks subsidiaries : such as La Madeleine, Teavana, La Boulange, Evolution Fresh, AmRest Coffee, AmRest Kavezo, Bay Bread.

Starbucks Coffee International

With more than 36,000 stores across more than 76 markets, it's clear that the company passion for great coffee, genuine service and community connection transcends language and culture patronizes the openness towards the international market as well. Prashant Avery declares in regards of their international presence "We knew we were onto something when we decided to open our first international coffeehouse in Tokyo back in 1996". The response was extraordinary also about the company daily success, and to this day we're still amazed by how warmly our coffeeshops have been embraced by millions of people around the world who are extremely amazed by our remarkable product and prodigious customer service across the globe.

2. Strategic Marketing audit analysis taken place in Starbucks during the internship

a. Macro environment (PESTEL Analysis)

Political aspect

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

Starbucks faces three core political factors in its external environment. The regional consolidation of markets, the increasing jurisdictional support for infrastructure development, and the administrative red tape in emerging economies. Governmental support plays an immense role for the infrastructure development that can also be regarded as an opportunity since it facilitates the company's access to more markets such as the international one and suppliers. However, the regulatory red tape in most nations is a threat to Starbucks' business since it may hamper its global expansion approach.

Economic

No matter what it is the company size ; the financial aspects remain the most concern especially in regards of its macro-environment which include heightened growth in developing countries. The first two factors present opportunities for the organization to ensue more profits from a wide range of markets across the globe. Yet, the final factor is a threat to the company because it raises the firm's expenses in terms of buying ingredients since the company acquires most of its coffee from third world countries.

Social

Across the globe, the coffee culture is the significant social factor that Starbucks need to address. The heightened healthy living awareness, as a well as a growing middle class. Starbucks has the prospect of raising more income based on the increased demand for specialty coffee. Moreover, the fact that snowballing the mid-class income; it is another opportunity for the company to gain new consumers who will upsurge the firm's yields (Dess, McNamara & Eisner, 2016). Finally, an increased healthy living cognizance is also another opportunity for the company because it can branch out its products to charm health-conscious and mindful customers.

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

Technological

Nowadays, you can place an online order and pay ahead over the Starbucks application downloaded on your mobile for free, receive the rewards points that are usable and cumulative and pick up your order within less than 5 min at any location and anytime you desire. That means you can walk in and without waiting in line, ask a barista for your freshly made order at the pickup area.

This aspect includes a crucial rise in mobile-based purchasing which is called e-purchase. For this reason, the first factor is an opportunity in that the company can design applications and other linked services to capitalize on mobile purchases. Besides, the firm has the chance of enhancing its supply chain trustworthiness because of the new technologies available to the farmers. Though, the last factor is a risk to the organization's operations since it improves the availability of alternatives to Starbucks' goods (Geereddy, 2012).

Ecological

All the following three factors present opportunities for the company to take advantage of since the business sustainability trend emphasizes the need for business activities that have a reduced impact on the environment. The core environmental factors that the company needs to meet include the business sustainability trend, increasing support for responsible sourcing, as well as increasing clamor for ecologically friendly products in order to protect the nature and contribute in a ecological environment by using recyclable cups and tissues.

Legal

Product safety laws, genetic modification regulations outside the US, and heightened staffing rules represent the core factors that the company needs to oversee. Regarding, the first two aspects, the company can be considered as fetching in what is expected. Nevertheless, they present openings for it to surge its performance. On the other hand, the increasing regulations

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

in relation to employment present a threat to the company since they bound the firm's access to labor markets especially in the developing economies (Kim et al., 2002).

b. Microenvironment (Porters 5 Forces Analysis)

Threat of New Entrants

Nowadays the coffee segment is a vast market. This factor is moderate in that the barriers to investment are not lofty to put off new players. As such, the opening outlay for new firms is not substantial since they can hire outlets and paraphernalia pointing to a modest level of expense. Nonetheless, the relatively stress-free entry is canceled out by the big companies that enjoy brand recognition and image among the consumers who have attained economies of scale through the minimization of costs and enhancing efficiency with a large significant market share (Lingley, 2009).

Threat of Substitutes

There is a wide variety of substitute drinks to coffee, which includes tea, fruit squashes, fresh water, and soda which could be healthier. Furthermore, taverns that retail alcohol-free refreshments could be a substitution for the social ambiance that is associated with Starbucks (Wu, 2013). Furthermore, consumers can have homemade coffee because of the increasing availability of coffee-making machines for home use which are currently available and affordable at lower prices for everyone, no matter what are their income range.

Bargaining Power of Buyers

The price discussion is meagerness in this sector where a miscellaneous range of customers resulting in a situation, they are unable to demand a markdown in the coffee segment. Since the products in this industry are vertically differentiated in addition to the consumer base being diverse, the upshot is low volume purchases, which eliminates the power of buyers (Nguyen, 2016). Moreover, customer's exhibit restrained concern regarding first-rate coffee

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

selling since they are inclined to pay prices above the market average for products with heightened quality. After all, the customer could spend a lot of money just to get the quality expected of the product desired no matter what the price is.

Bargaining Power of Vendors

Coffee beans and first-class Arabica coffee are the core resources for the Starbucks supply chain which is cultivated in specific areas across the globe. This aspect allows any company to discuss the price markdown in order to swap between alternative merchants who is reasonably reduced. Because of its corporate magnitude, the company can exploit its providers. Nevertheless, the company engrosses in a Fair Trade Certified Coffee under which is a component of its Coffee and Farmer Equity program, which accords suppliers a good partnership status.

Intensity of Competitive Rivalry

Starbucks is enjoying the monopolistic form as well as the greatest market share, while its competitors also have a substantial amount of the market share. This aspect creates the high pressure on Starbucks since consumers do not sustain any costs in switching to other competitors (Reinhard, 2015), by maintaining a specific precaution that is considered as a competitive advantage through the differentiation of its products by offering premium goods and amenities, which moderates the intensity of the rivalry.

c. Internal Environment (7s Model)

Shared Values

The greatest characteristic value for the company is the 'Starbucks Experience.' As such, This distinctive provides guidance for organizational decision-making and also provide a kind of

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

ethical compass for organizational action. The shared value allows Starbucks usually to develop her leadership on the top management side and then adopt by the other members of the company (Sales, managers, accounting etc)

Strategy

Starbucks has grown hostilely in North America as well as across the globe. This aspect is reinforced by the fact that the number of the company's retail outlets increased by 77percent in the last decade. To spread the Starbucks Experience globally, the firm has opted to focus on its core competency, which is coffee (Adamy, 2008).

Structure

The organization of the company is regarded as being functional in that it can be considered as being unstructured. This assertion high quality by the fact that the firm emphasizes on the development of new ideas in addition to encouraging staff input to its structural processes (Brooks, 2012).

Systems

The company has a diversity of systems that facilitate the successful management of the organization. However, the company's core systems focus on product knowledge as well as product development (Collet Miles, 2013).

Skills

Starbucks creates a unique competitive edge by ensuring that their front-line staffs are knowledgeable and friendly. Additionally, the Starbucks Coffee Experience is propagated by the cultivation of strategic alliances with the principal grocery outlets, hotels, and airline companies (Kumar, 2016).

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

Staff & Style

One of the company generous benefits incentives in addition to implementing a comprehensive training for its employees is the presence of high-quality staff for the company in a retail setting by providing the right training and coaching monitored by professionals. In the other hand the other conventional retailers are facing numerous problems such as employee turnover and motivation are minimized (Alteker, Dwivedi & Vashisht, 2016). Starbucks' style can be termed as inventive, dynamic, and team-oriented (Alstete & Meyer, 2011).

Competitor Analysis

Starbucks faces both a fierce direct and indirect competition locally and internationally since it has the largest market share in the coffee sector. As such, the core competitors include quick-service restaurants and specialty coffee shops. As such, Starbucks' indirect rivals are supermarkets and quick-service stores that retail whole bean coffees, which form the company's core business. On the other hand, Starbucks's direct rivals comprise of the growing number of specialty coffee outlets (Brizek, 2014).

a. Dunkin Donuts

This represents one of Starbucks' direct competitors for both the local and international market. The company has over 50,000 retail stores sited across the USA and some international locations as well. In the 2018 fiscal year, the company announced sales of up to 15 billion US dollars (Brooks, 2018). Yet, over time, the company has embarked on adding new products to its portfolio. The additions include bagels, muffins, breakfast toasties, and Pizza. In its quest to compete with specialty coffee stores such as Starbucks, Dunkin Donuts has increased its coffee products to incorporate flavored coffee lattes, coolattas, flavored hot chocolates, as well as tea (West, Ford & Ibrahim, 2015).

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

b. McDonalds

Although Starbucks holds the leading position in terms of market share in the specialty coffee business, competition from McDonald's was heightened after the company decided to upgrade its coffee offerings in 2006 (Adamy, 2008). Today, the company offers specialty coffee drinks in all its 14,000 stores across the US with most of its products attracting former Starbucks customers. It should be noted that McDonald's boasts of a bigger consumer demographic compared to Starbucks since it caters for children, teenagers, and adults based on its well-recognized menu offerings. Furthermore, it has an enhanced volume of traffic over Starbucks.

Current Strategic Approaches

Offering the unique products in the market is allowing Starbucks to implement a differentiation strategy on its current activities by ensuring on the leverage of its brand image to attract customers in addition to providing high-quality coffees at premium prices. Furthermore, the company lays emphasis on excellent customer service with its 'Starbucks Experience' approach to business (Mathew, 2014) and the ecommerce through the Starbucks application for the order that you can place easily online. The upper management literally announced that " adding 14 million new digitally registered customers with the digital flywheel app since april 2019; active starbucks rewards members up 19 percent year-over-year to 18 million.three newer major digital initiatives will contribute approximately 2-4% attributable comps in fy20.raises target for cash returned to shareholders to \$25 billion through fy20, including a 20 percent increase in the company's regularly scheduled quarterly dividend" by prashant avery.

- sharpens focus on optimizing store footprint, anticipates lower net new store growth in the u.s. for fy19 – further concentrating growth in under penetrated markets
- decisive steps being taken by leadership to address an anticipated 1 percent growth in q3 fy18 global comparable store sales

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

- announces plans to drive g&a efficiency
- will provide additional detail with respect to fy18 guidance during investor presentation

Also he proclaimed a set of strategic significances and corresponding operational initiatives to hasten growth and create long-term shareholder value. Starbucks details three strategic priorities to regain revenue and earnings momentum:

Accelerating growth in the U.S. Middle East and China, the company's targeted long-term growth markets;

Expanding and leveraging the global reach of the brand through the Global Coffee Alliance; and Sharpening the focus on increasing shareholder returns.

Summary (SWOT Analysis)

In the context of the SWOT analysis model, this condition creates a challenging business environment where the company needs to use different sets of competencies that match various industries. Strategic consideration for the internal and external factors shown in this SWOT analysis can help increase Starbucks Coffee's success in competing against various coffeehouse firms and other food service business. This component of the SWOT model below deals with the internal factors that the company can use as strengths to address

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

weaknesses and protect the business against competition.

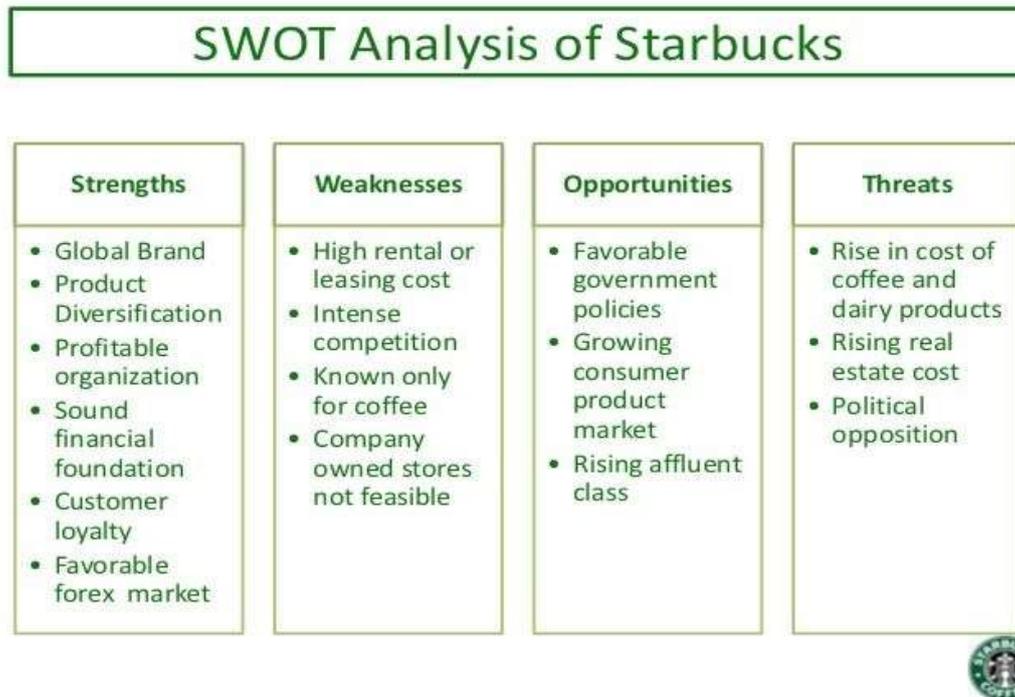


Figure4. SWOT analysis of Starbucks

Source By the authors

Strengths

As Starbucks enjoys the largest market position in addition to having international brand recognition and image. This aspect is highlighted by a 37 percent market segment in the US and establishments across 60 nations worldwide. Furthermore, it took position 91 in the list of the best global brands in 2013. This aspect has enabled the company to have a substantial competitive advantage over its rivals (Grant, 2016). The other strengths of the company include the provision of high-quality products, several promotions going on during the year such as the Buy one handcrafted drink get one free after the 24 hours, the reward program, the effective human resource management strategies, the consumer loyalty, and a diverse product mix.

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

Weaknesses

The core weakness of the enterprise lies in no Markdown price aspect. Although they have a proven quality, in tough economic times such as during the recent recession, consumers are likely to go for substitute products at lower prices particularly the low income families. The saturation of the market became another challenge due to its belligerent expansion strategy. This problem is pertinent in the US where the company runs over 800K plus stores. Finally, the coffee culture that Starbucks tries to perpetuate may not be widely accepted internationally as it is in the US.

Opportunities

The need to expand into emerging markets represents one of the key possibilities for the company especially with concerns over its over-reliance on the US market. As such, the company has made good moves abroad with North Africa, Middle east and India being one of the countries added to the list of new markets. Another opportunity is presented by the need to diversify its product offerings. This has been emphasized by the company's smart acquisitions to venture into the tea and fresh juice markets. Finally, the field of technology represents another opportunity for the enterprise with the Starbucks mobile application facilitating mobile purchases from consumers (Stinson, 2014).

Threats

The biggest threat to Starbucks is the increase in competition especially from direct rivals such as McDonald's and Dunkin Donuts that are offering specialty coffees at discounted prices. Additionally, the volatile nature of prices in the international coffee market presents another threat for the company since it has no capacity to influence these fluctuations. Finally, changing consumer tastes and pivot towards healthy products is a threat to the sustainability of Starbucks in the future since there is a risk of the coffee culture being a passing trend (Marques, Camillo & Holt, 2015).

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

RECOMMENDATIONS

The biggest growth forecasts for Starbucks lie in the international market in emerging economies such as North Africa, Brazil, Australia, South Africa, and Mexico. The vital characteristic of these countries that Starbucks needs to exploit is the increase of the middle-class population, which provides a significant number of new customers for the firm. Although it has made inroads in China, and recently in India, it still needs to venture to the other new markets to establish an early foothold in the coffee market. However, it also needs to stay vibrant in the US to facilitate its growth in the emerging economies.

The second strategy recommendation involves the issue of fluctuations in the international price of coffee beans, which is a fundamental input in the company's value chain. To deal with this risk, the company can employ a hedging plan regarding future contracts to ensure that its estimated quantity of inputs is maintained at a low swing price. This aspect will make sure that future outlays can be controlled to some extent.

The third point is that Starbucks needs to focus on her main weakness such as the price markdown in order to reach all incomes range in the US and internationally exclusively in the developing countries where cost for living is extremely less than the US or any other developed nation so that Starbucks coffee would be affordable by any individual no matter is his annual income.

The last and the fourth fact is unifying the same marketing strategy either for differentiation or expansion for the company globally so that It can ensure the worldwide expansion for instance Starbucks US or Europe is wholly different than the middle east locations; the coffee cups used in the USA or EU are following the year trend like Christmas, New year etc., as well as the Starbucks reward application or the online free pickup order is absent in other countries ;North Africa and Middle east.

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

CONCLUSION

To sum up my own experience with Starbucks that any business could consider as an example of a victorious large company worldwide and could be a success story. It is that any business could get inspired from thanks to its unique marketing strategies ; as well as following its footsteps in regards of its marketing and management strategy that allows it to accomplish its growth plan. Starbucks current strategic approaches that has been identified through my internship and which has been proven by its audit marketing must be a method of conduct followed by any organization looking for a success, market position and brand image that leads to a significant business performance. Performing a steady PESTLE analysis can help pinpoint external factors and the determination of these factors that could present future opportunities for a company to capitalize on and any business looking for a tangible performance. Starbucks' head management and any business must stay aware of recent trends while working to grow with these trends to stay relevant. Companies such as Starbucks are the first ones in the market with trend-centric products, become recognizable leaders and gain loyal consumers with brand loyalty.

In order for a company to achieve a concrete performance after being done with an audit marketing , it should heavily bank on unconventional marketing strategies like word of mouth and social media strategies and get inspired from Starbucks in terms of providing high quality to customers while delivering delicious taste at premium prices; in-store atmosphere which is the most important at Starbucks brand to deliver world class coffee experience. Furthermore, we cannot disregard the technology aspect that any business should not neglect and which Starbucks is taking care of and hardly trying to be unique by a Master Example of Mobile Retention and App Rewards as well as making its way through a high efficient marketing strategy through the success flywheel which is the easiest way to decipher and identify the success of a company is to apply the try-and-true framework. Thus, all mega-successful companies have to figure out the Flywheel principle in order to become an unstoppable juggernaut in its own field.

MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING STRATEGY AND THE BUSINESS PERFORMANCE

REFERENCES

- Adamy, J., 2018. McDonald's Takes on a Weakened Starbucks—Food Giant to Install Specialty Coffee Bars, Sees \$1 Billion Business. *Wall Street Journal*.
- Alstete, J.W., and Meyer, J.P., 2011. Expanding the model of competitive business strategy for knowledge-based organizations.
- Altekar, S., Dwivedi, S. and Vashisht, A., 2017. Internal Branding: A Strategic Perspective. *International Journal of Scientific Research*, 5(5).
- Brizek, M.G., 2018. Coffee Wars : The Big Three: Starbucks, McDonald's and Dunkin' Donuts. *Journal of Case Research in Business and Economics*, 5, p.1.
- KOTLER, Ph. ARMSTRONG, G. Marketing. Praha: GRADA PUBLISHING, 2004. ISBN 80-247-0513-3
- Kotler, P. (1999). Evaluarea și controlul performanței în marketing p.204 In : Kotler despre marketing, Iasi.
- KOTLER, Ph. Marketing management. Praha: GRADA PUBLISHING, 1998, ISBN 80-7169-600-5
- KOTLER, Ph., JAIN, D. C., MAESINCEE, S. Marketing v pohybu. Nový přístup k zisku, růstu a obnově . Praha: MANAGEMENT PRESS, 2007. ISBN 978-80-7261-161-4
- LORAT, N. Marketing Audit and Analysis, Nordestedt : DRUCK UND BINDUNG, 2005, ISBN 978-3-640-43889-1
- PARMERLEE, D. Auditing Markets, Products, and Marketing Plans. CONTEMPORARY PUBLISHING GROUP, Inc., 2000, ISBN 0-658-00133-7
- ŠALGOVIČOVÁ, J., PRAJOVÁ, V. Marketing communications in the twenty-first century. In: Annals of DAAAM and Proceedings of DAAAM Symposium. - ISSN 1726-9679. - Vol. 20, No. 1 Annals of DAAAM for 2009 & Proceedings of the 20th international DAAAM symposium "Intelligent manufacturing & automation: Focus on theory, practice and education" 25 - 28th November 2009, Vienna, Austria. - Vienna : DAAAM International Vienna, 2009, s. 1751-1752. ISBN 978-3-901509-70-4
- Reinhard, K., 2015. Differentiation as the key to success. A marketing plan for Starbucks.
- Schultz, H. and Jones Yang, D., 2009. Pour your heart into it: How Starbucks built a company one cup at a time. Hyperion.
- Stinson, L., 2014. With Stunning New Stores, Starbucks Has a New Design Strategy: Act Local. *Wired*, January, 8
- WILSON, A., The Marketing Audit Handbook. Glasgow : BELL and BEIN Ltd, 2002. ISBN 0-7494-3753-9
- Wei, C., 2016. Marketing Strategy for Setting Up An Own Coffee Shop In China: Using Starbucks as a case study.
- Werbach, A., 2013. *Strategy for sustainability: A business manifesto*. Harvard Business Press.

**MARKETING AUDIT A METHOD OF A CONDUCT EVALUATION OF THE MARKETING
STRATEGY AND THE BUSINESS PERFORMANCE**

- West, D., Ford, J. and Ibrahim, E., 2015. *Strategic marketing: creating competitive advantage*. Oxford University Press.
- Wu, C.L., 2013. The Research of Brand Image, Experiential Marketing, Customer Satisfaction and Customer Loyalty-Example of Starbucks Coffee.