**TECHNOLOGICAL ADVANCEMENT IN STARBUCKS**

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Technological Advancement in Starbucks

**Introduction**

In this digital age, technology has transformed the way many companies carry out their businesses. It has helped the small companies to flatten the playing ground with larger firms. Small companies use a collection of technologies to help them develop a competitive advantage (Sokolowsky, 2019). Many companies, therefore, small or big, have benefited greatly through the competitive advantage gained through the implementation of e-commerce technology. Starbucks is one of the companies that have utilized changes in the digital age to its advantage. Starbuck has become innovative in introducing electronic commerce into their daily practices, which has enabled the company to remain competitive in the market.

**Benefits of Implementation of E-Commerce Technology**

Customers have a preference for comparing the prices of the products while buying. Cost reduction is one of the solutions to a successful retail company. Implementing e-commerce technology helps retail companies to maintain their supply chain while reducing labor and stores. Thus, it has enabled Starbucks to realize price competitiveness (Sokolowsky, 2019). Customers can buy products online or through their mobile app without visiting the store. Also, consumers can look for prices information from various local and online retailers and other alternative products.

Additionally, business proprietors can take advantage of e-commerce to enhance safe locations that help maintain information that seems delicate regarding commerce and the customers. Many business technologies are understandable, and it helps the companies' proprietors who have little background in information technology to utilize their features and tools. Also, e-commerce helps businesses to improve their communication processes. For instance, texting, emails, apps, and websites facilitate better communication with customers. Companies can saturate the financial market with their message through the various types of information technologies. Technology also helps to improve interoffice communication. Increased employee productivity is another benefit of e-commerce (Sokolowsky, 2019). Business software and computer programs help employees to process extra information in comparison to manual methods. Implementing technology also helps business owners to cut the cost of the workforce. Lowering the delivery cost permits small companies to keep away from paying the labor cost, among other employee benefits.

Further, technology enables even small companies to arrive at new levels of financial markets. Instead of doing business with customers in the local market, they can spread to national and global markets through retail websites (Vitez, 2019). They represent an option of low-cost, and consumers can access their services and goods at any time. Using internet advertising is also a significant way that helps to reach many customers and new markets.

**E-commerce information systems implemented in Starbucks**

Starbuck uses a decision support system (DSS) in its parent company, Oracle, in the USA. Oracle makes monthly reports where significant decisions are made. Through the implementation of this system, Starbuck has managed to enhance various business processes. For instance, the use of AI (Artificial Intelligence) in the deep brew is a major initiative in Starbucks that helps to drive the personification engine of the brand, run inventory management in the company, and optimize labor allocations of the store (Sokolowsky, 2019). Deep brew work with technologies of the internet of things (IoT) which not only streamline operations but also helps to humanize the experience of the customers.

To improve its business processes, Starbucks uses the technology of acquiring knowledge known as reinforcement, a kind of machine learning whereby a system acquires knowledge in making decisions. Technology plays a great role in providing enhanced personal knowledge to individuals using the Starbuck mobile app (Vitez, 2019). Clients can obtain their requested orders made through this platform of technology made within the app. Members receive profound recommendations from the app regarding drinks and food based on weather, popular selection, daytime time, community preference, local store inventory, and the previous orders. Starbucks is using blockchain to share the journey of coffee with its customers through innovative ways in which the customer can discover the coffee they take where it comes from and link individuals who grow it to those who drink it. The innovative technology helps show information regarding their packed coffee, where it is produced, and how it supports farmers from those regions.

Overall, e-commerce technology is beneficial to businesses at all levels. Companies, both small and big, need to apply e-commerce in their development practices to ensure efficient incorporation while creating an opportunity for the upcoming development. Also, companies are required to take the old brick-and-motor enterprise and move about to including an e-commerce part of the business. Due to the turning into a digital and social enterprise, Starbuck has boosted its appeal to customers and enhanced the company's performance.

References

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