

ABSTRACT

This research analyzed the background of 50/50 venture as entry mode for Starbucks Coffee internationalization in India, where it is known that Starbucks has never begun its internationalization in Asia using big involvement modes. The problem formulation is then analyzed with explanative-qualitative method, with the standpoint that there is a correlation between a chosen entry mode and the business strategy in which the company is oriented, where the market creation attempt developed by Starbucks is supported by objective conditions in India, as a result of country risk assessment.

Throughout this research is derived that the 3 components developed by Starbucks for its market creation were based on country risk assessment in India. Firstly, product creation. A number of product creation steps made by Starbucks were based on Indian taste. Secondly, brand universality. Awareness and eagerness of Indian towards the presence and consumption of internationally recognized products are supporting Starbucks logo redesign. With the new logo, Starbucks can increase its brand recognition and establish positive response from Indian. Thirdly, organization restructuring. Unique consumption pattern of Indian encouraged Starbucks to perform changes in their management. Through the submission of new organization structure, Starbucks hopes to accelerate the growth of its stores in India.

This research also figured that partnership with Tata Group has encouraged Starbucks to decide on 50/50 venture mode. This is because Tata Group is a massively networked local company in India, which as a result can bring success to Starbucks' internationalization in India.

Keyword: Starbucks Coffee, Entry Mode, 50/50 Venture, Country Risk Assessment, India