# Starbucks reports mixed global sales with decline in US and growth overseas



Starbucks has reported a 1% decline in global same-store sales for its second quarter, exceeding the anticipated decrease of 0.26%, reflecting growing economic pressures, particularly in the US market. This downturn underscores a challenging environment for the coffeehouse giant as consumer spending in North America contracts amid ongoing economic uncertainties.

The company’s North American sales fell by 1%, a steeper drop than the expected 0.24%, primarily due to US consumers becoming more cautious with their spending on premium-priced coffee products. This trend has been influenced in part by current trade policies that contribute to economic jitters. In China, Starbucks’ sales stagnated for the first time in a year. This plateau can be attributed to increasing competition from less expensive local coffee brands that have gained greater market share. Despite these setbacks in two of its key markets, Starbucks’ international sales saw a 2% increase, beating forecasts that predicted a 1.13% decline. This resilience outside the US highlights some areas of strength for the company on a global scale.

However, the overall financial picture reveals significant challenges. Starbucks experienced a drop in gross margins by 590 basis points, indicative of increased costs or pricing pressures. Furthermore, its adjusted earnings per share (EPS) were reported at 41 cents, falling short of the forecasted 49 cents, signalling that profitability is under strain.

The financial performance and sales trends suggest a notable shift in consumer behaviour in the US, where economic conditions and policy dynamics are driving a reduction in discretionary spending. This poses a risk to Starbucks’ premium brand positioning in its largest market. Conversely, growth in international markets points to the importance of strategic diversification as the company seeks to offset domestic challenges.

The Finimize is reporting on these developments, highlighting that Starbucks’ mixed results reflect broader global economic fluctuations. While the US market faces policy-related uncertainties and China is becoming more competitive, Starbucks’ ability to exceed expectations abroad offers some potential for future operational adjustments and investment strategies. This could indicate a strategic shift towards expanding presence and strengthening performance in international locations to better navigate the uneven global landscape Starbucks currently encounters.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.ft.com/content/fc867e34-ae2a-4f29-874d-4d47d2162869> - This article reports that Starbucks experienced a 1% decline in global same-store sales for Q2 2025, exceeding the anticipated decrease of 0.26%, highlighting the economic pressures affecting the company.
2. <https://apnews.com/article/084641cd0786394e93d87d59689b8806> - This source discusses Starbucks' 2% revenue increase to $8.76 billion in Q2 2025, but notes that adjusted earnings per share fell to 41 cents, below the forecasted 49 cents, indicating profitability challenges.
3. <https://www.reuters.com/business/starbucks-posts-bigger-than-expected-drop-global-sales-2025-04-29/> - This article highlights that Starbucks' North American sales fell by 1%, a steeper drop than the expected 0.24%, primarily due to U.S. consumers becoming more cautious with their spending on premium-priced coffee products.
4. <https://www.ft.com/content/fc867e34-ae2a-4f29-874d-4d47d2162869> - This source mentions that Starbucks' international sales saw a 2% increase, beating forecasts that predicted a 1.13% decline, indicating resilience in international markets.
5. <https://apnews.com/article/084641cd0786394e93d87d59689b8806> - This article notes that Starbucks' adjusted earnings per share were reported at 41 cents, falling short of the forecasted 49 cents, signaling that profitability is under strain.
6. <https://www.reuters.com/business/starbucks-posts-bigger-than-expected-drop-global-sales-2025-04-29/> - This source discusses how Starbucks' financial performance and sales trends suggest a notable shift in consumer behavior in the U.S., where economic conditions and policy dynamics are driving a reduction in discretionary spending.
7. <https://news.google.com/rss/articles/CBMimwFBVV95cUxOYzVoTjI3NUtlX2hlSTNlTEpKTVRaUDFfYkxXalZZYmtqRjVET1NFVllxYzdxbFJ4bkQyekw4MzA1eklrZHVzUGNDM0NWYTY3dkRTanp3MERNdGJqWG5SWWtYand6MXhQbkhNOTlfa0xUT1dmdnQ0QUMyVS1ZRHg1U09YbkV1bjZHdUliSVBhVER2QnBvb2NQUVFsbw?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data