



By John Moore
with the
Starbucks Board
of Customers

“I would be devastated, if twenty years from now, Starbucks achieves the penetration, the presence, and the recognition that we aim for at the expense of our core values. If we lose our sensitivity and our responsibility, if we start thinking it’s acceptable to leave people behind in our climb to the top, I will somehow feel that we failed.”

Howard Schultz | “Pour Your Heart Into It” (1997)

“Over the past ten years, in order to achieve the growth, development, and scale necessary to go from less than 1,000 stores to 13,000 stores and beyond, we have had to make a series of decisions that, in retrospect, have lead to the watering down of the Starbucks experience, and, what some might call the commoditization of our brand.”

Howard Schultz | Internal memo (Feb. 14, 2007)

While “devastated” might be too strong a word, it’s clear Howard Schultz, Starbucks Coffee chairman and chief visionary, regrets decisions his company has made for the sake of growth.

In an alarming [internal memo made public](#), Howard expressed his concern that Starbucks is in danger of losing its soul, its uniqueness—its remarkability.

Howard feels the romance and theatre of coffee have disappeared from Starbucks stores because Baristas now use push-button machines to make espresso drinks. That stores no longer smell like coffee. That stores have an uninspiring and cookie-cutter design aesthetic. That customers no longer understand, nor appreciate the passion, skill, and dedication Starbucks takes in sourcing and roasting coffee. That Starbucks stores “...no longer have the soul of the past and reflect a chain of stores vs. the warm feeling of a neighborhood store.”

Howard closes the email by asking his executive team to get smarter about the business and to get more innovative to once again differentiate Starbucks. He explicitly challenges his executive team to guide Starbucks back to its core roots of being a coffee company.

So...how can Starbucks become the coffee company it once was? How can Starbucks reclaim its uniqueness? How can Starbucks make more personal connections with customers?

What must Starbucks do?

That's the question I asked on the [Brand Autopsy blog](#). And you, the Starbucks Board of Customers, provided the answers.

We'll get to your answers soon. But first, I have some background information as well as some HMOs (hot marketing opinions) to share in order to better frame our conversation about the must-do future of the Starbucks business.

I earned my marketing stripes working deep inside the marketing department at Starbucks. From October 1994 until January 2003, I was a Starbucks partner (employee). I began my Starbucks career responsible for serving up three-dollar lattes at store #677 in Dallas, TX and left eight-years later responsible for implementing marketing campaigns designed to generate nearly \$1B in sales.

In 2006, I wrote what I refer to as my *love story* to Starbucks—a company that has forever changed my life and my life in the marketing game. The book, [TRIBAL KNOWLEDGE: Business Wisdom Brewed from the Grounds of Starbucks Culture](#), shared the many lessons I learned firsthand from Starbucks on how to build an endearing and enduring business.

I've also written many *tough love* stories about Starbucks. I litter my blog with oodles upon oodles of constructive analysis directed at Starbucks' marketing efforts and business decisions.

So I was ready to bear arms when I read Howard's battle cry email challenging the company to "...make the changes necessary to evoke the heritage, the tradition, and the passion that we all have for the true Starbucks experience."

Sign me up Howard. Let's redirect the Starbucks ship back to true north and focus on making a great cup of coffee and delivering unparalleled experiences to each and every customer.

But wait. Is this a case of the visionary reveling in the company's history?

After all, the current and foreseeable Starbucks business is relatively healthy. Year-over-year comparable sales growth at its stores are still increasing anywhere from 5% to 8%. Starbucks consistently ranks among *Fortune* magazine's "100 Best Companies to Work For" and "Ten Most Admired Companies in America." And, it's still respected all over the world as being a benchmark business known for balancing the need to drive profits with the need to be an environmentally responsible business.

It seems Howard wants to rekindle the reason why the company began in the first place—to bring great-tasting dark-roasted coffee to the masses. He wants his seven-billion dollar business to behave more like an upstart startup. He wants Starbucks to go back to the future.

Sure, it's going to take some big ideas to make 13,000-plus Starbucks locations spread across nearly 40 countries around the world behave more like an authentic neighborhood spot. However, that's the challenge we've been given. And that's the challenge we're gonna deliver against.

I'll kick-start this sharing of ideas with the first one... **Starbucks must redefine success.**

Currently, Starbucks defines success in terms of profit, margins, sales, and new store count. As a publicly traded company, they have to report financial numbers to Wall Street. And Wall Street demands Starbucks meets their growth expectations. They demand bigger profits, wider margins, higher sales, and more stores. That's success to Wall Street. But those success measurements have caused Starbucks to make decisions which, in Howard's view, have led to the commoditization of the Starbucks brand.

To redefine success, Starbucks must GO PRIVATE. Starbucks needs to free itself of the perpetual pressure to answer to Wall Street's whims. Instead, Starbucks needs to create a situation where the company answers to itself and itself only. Hence...privatization. To go private, Starbucks will need to gain majority ownership of its stock by buying shares back from outside investors. This is a costly endeavor that's risky, but the reward is priceless.

Private businesses are able to operate without the intense scrutiny and growth expectations from Wall Street. That's the main benefit of going private—a company only has to answer to itself, to its internal shareholders.

As a public company, Starbucks would get spanked big-time by Wall Street for putting a pause on its six-store-a-day growth rate to instead focus supremely on solving for customer service issues like beverage quality and other basic customer experience stuff. Wall Street values money measurements more than customer experience measurements. But as a private company, Starbucks could potentially better manage the expectations of internal shareholders and more easily gain support for focusing on fixing the customer experiences rather than continuing full-steam ahead on opening new stores.

Along this thinking of redefining success, Starbucks could also put other success measurement goals ahead of revenue growth or new store growth.

For example, Starbucks could measure success by how much money it generates for coffee farmers. Here's how this could play out. For every one-pound bag of whole bean coffee sold, Starbucks generates, let's say, two-dollars which goes directly to the coffee farmer. For every grande cappuccino sold, Starbucks generates, say, fifty-cents which goes to the coffee farmer. This idea is about finding ways to measure the impact Starbucks has in contributing to the lives of customers, suppliers, farmers, partners (employees), etc. And not about the impact of opening six new stores a day.

Next idea...**Starbucks must worry less about monetizing customer traffic and frequency, and worry more about making great-tasting coffee.**

44-million customers visit Starbucks every week and they each spend, on average, four-dollars per visit. That's impressive. What's more impressive is that many of these 44-million customers visit Starbucks multiple times in a single day. Because of this, Starbucks challenges itself to find creative ways to increase revenue from every customer visit. If one out of every 10 customers purchases a \$2.50 muffin along with their coffee, then the average ticket per customer visit goes up. Better yet, if one out of every 30 customers purchases a \$15 music CD, then the average ticket increases further.

I mention the music CDs for a reason. In the last 10 years, Starbucks has increasingly focused on selling music CDs to increase revenues. The company operates its own music label, its own satellite radio station, and operates a handful of hybrid coffeeshop/music stores. The music strategy at Starbucks was born out of the idea of monetizing customer traffic and visit frequency.

But as Geoffrey Moore, business book author and venture-capitalist, says...*"If Starbucks is just trying to find more ways to monetize the traffic that comes through, this is a bad idea. At some point the customers will start to feel abused."* (*Fast Company*, July 2004)

Starbucks must stop spending its time and talents on how to sell CDs, books, and movies to customers. Instead, Starbucks must use its time and talents to sell more great-tasting coffee.

Go all out and bombard customers with new drinks—introduce a new tasty coffee beverage every month. Allow stores to create and actively promote special, home-made coffee drink concoctions. Create city-specific coffee blends. Brew its most intense coffee, the Starbucks French Roast, in-store on a regular basis. Get innovative and find ways to brew coffee that tastes more like coffee from a French Press and not from a drab drip brewer.

While we're talking about coffee, here's my final idea...**Starbucks must remember—It's not about the brand, it's about THE COFFEE.**

In many ways, the Starbucks brand has taken over the coffee experience. 10 years ago when two people sat down to enjoy a conversation over coffee at their neighborhood Starbucks, it was a quaint, relaxing, and comforting experience. They did not have to endure hearing a marketing pitch for satellite radio playing overhead, nor did they have to endure a sales pitch for a dual Starbucks/Visa card. It was just two friends connecting over coffee. Nothing more, nothing less.

Starbucks has changed the in-store conversation from being about the coffee to being about the Starbucks brand. No longer is it a customer experience inside Starbucks—it's become a customer's "Starbucks Experience." In marketing-speak terms, Starbucks is guilty of promoting the brand, not the category.

If Starbucks truly wants to return to its roots of being known and revered for the highest-quality coffee in the world, then it need stop talking about the brand and start talking about the coffee. Start scooping coffee beans from bins and grinding whole bean coffee in-store again. Bring back in-store coffee seminars. Put the 12-cup French Press for 2 back on the menu boards. Bring back the old school customer coffee passports. And by all means, stop heating fancy breaded egg sandwiches in ovens. Customers expect great coffee at Starbucks, not semi-toasted mediocre breaded egg sandwiches.

(Phew. That felt good.)

Those were my HMOs about what Starbucks must do to become the coffee company it once was. Now it's the *Starbucks Board of Customers'* turn. What say you?...



from Kristopher Patel

St. John's University (Marketing '09)

“ **PERSONALIZATION IS KEY.**

The coffee is still as good as ever, the flaw is in the ambiance. The interior of each Starbucks location is growing more and more placid; meaning it needs SOUL. I recall a Starbucks in Kent, Ohio where students from the nearby university would gather on all nights of the week to reminisce, relax, and enjoy coziness away from school life. The employees were students as well and they joined their classmates in discussions while still doing their job. The atmosphere at this Starbucks was warm in the winter and vibrantly cool in the summer.

Being a college student who has recently moved to New York City, I have noticed a slight similarity in the Starbucks locations here—the interiors are all the SAME. It could be that the general method of Manhattan-ites is “In quick to get my coffee and go”, but I am not always in a rush and would like some identity as a consumer. I want to be able to say, “It’s MY Starbucks and they are MY Baristas.”

from Richard Hodges

Great Britain

“ **IT’S NOT ABOUT THE PEOPLE, IT’S ABOUT THE PRODUCT.**

I go to a coffee house for good coffee. I want it at a reasonable price. Give me that, and I’ll forgive an awful lot. The coffee has to be special—there are enough alternatives for me to choose something else. So that means a good choice of beans, perfectly roasted and well ground. But there’s more to it than that. I also want the froth on my cappuccino to be stiff enough to stand my spoon in. And I want the pastries and other foods to taste great and be fresh as a daisy.

Whatever Starbucks does, it’s the product that makes the biggest impact. If it’s consistently special, we’ll come back.

I WANT MY COFFEE NOW!

I'll wait for you to lovingly prepare that wonderful brew—that 60 seconds is part of the deal. But I want your attention the moment I reach the bar. And why should I be kept waiting for other customer's coffee? Focus on speed of service, but without compromising the quality of the product.

Put all your effort into getting these two foundations right, then (and only then) can you consider the experience. If the coffee's not right, or the service too slow, I'm not going to be around long enough to appreciate the ambience or the friendliness of the staff. Starbucks needs to reconsider how it's performing on the basics.

from Kevin M. Dugan

prblog.typepad.com

“ At the heart of successful brands like Starbucks is usually [a story](#). So how can Starbucks tell one story 13,000 times? Here are a few ideas:

LEAVE THE BREW ALONE

Howard Schultz is worried his stores do not smell like coffee anymore. Good. Smell is one of the more powerful ways to differentiate a brand (scent or odor for that matter). Over the long term, Starbucks needs to weigh any changes to its brew very carefully and worry less about [add-on merchandise](#).

REDEFINE THE STORE EXPERIENCE

There are many opportunities to redefine the store experience that aren't as permanent or as costly as 13,000 new store layouts or 13,000 new interior makeovers. For example, look at how Starbucks transformed its stores to promote [Akeelah and the Bee](#). Or check out how [Anthropologie](#) employees use simple elements to transform their stores through visual merchandising. It can be done.

RETELL THE STARBUCKS STORY

While [pop-up retail](#) gets [all the attention](#), more locations are not the answer to this problem. A fleet of mobile marketing vans can help bring “Starbucks Theatre” to a strategic mix of locations. These vans will be staffed by the same passionate people that help Starbucks get high marks in customer service. What will they do? Entertain, engage, hand-out free stuff, and surprise customers. It will all serve as a reminder of why they like Starbucks.

GIVE UP THE BRAND

Everything from Starbucks seems tightly-controlled and edited. “[The Way I See It](#)” is an example. Regional “The Way I See It” competitions would be a cost-effective way for Starbucks to get local quotes onto its cups.

13,000 is a mind-boggling number of stores. But take the average number of customers in one day and multiply it by 13,000 and it gets even more mind-boggling. Starbucks needs to let its mind-boggling number of customers [express](#) the Starbucks brand. This involves [some risk](#). But just think of the [stories](#) customers can tell to help [reinforce](#) this iconic brand.

from Gianandrea Facchini

bizandbuzz.blogspot.com

“ STOP DILUTING THE EXPERIENCE

If a business creates a real experience, it is not necessary to have a shop at any corner. A customer willing to try this experience or satisfied after the first experience, will get to your store anyway—even if he/she has to walk a little more.

CLOSE SOME STORES

You cannot keep the same quality with such a huge number of stores. Bigger and bigger is not equal to being better and better. Allocate people from the closed stores to the remaining stores. This will help in getting customer's their coffee faster (but not "hurry fast") and more employees will be able to keep the stores cleaner.

GO BACK TO THE BASICS

Stop stocking the store with so much merchandise. Concentrate on your business. Reduce the pace. Coffee is not about running; it's about stopping to relax with smiling Baristas asking how your day is going.

from Jamey Shiels

jameyshiels.com

“ AUTOMATED ESPRESSO MACHINES—BAD MOVE

One of my biggest complaints, and the reason I don't go to Starbucks very often anymore, is the switch to the automatic machines. It removed the taste of fresh, custom-made espresso drinks. It doesn't require the Barista to know and experience how the drink is made. I miss the rich coffee flavor and texture that is now watered down and inconsistent from store to store.

JUST AS NEIGHBORHOODS ARE UNIQUE, STORES NEED TO BE UNIQUE

I think Starbucks can grow and maintain its core values, its soul if you will, and allow for each store to create a unique ambiance. Neighborhoods are different and if you want a neighborhood store, there needs to be flexibility to adapt and customize for the consumer. Starbucks can function this way as long as the core values are at the center of the issues. To do that, they need to get back to

their roots of being a coffee house with the smell of coffee and where fresh, custom-made drinks are prepared the old fashioned way. That's what made Starbucks.

from Joshua Fertik

[Marx Fertik](#)

“ STARBUCKS IS NOT ABOUT COFFEE

It's about making people feel good about overpaying for a commodity. The staff is the only way to consistently make people feel good about their purchase. Starbucks can achieve this by:

1. Train and only hire staff that honestly LOVE to engage customers, that smile, that truly care.
2. Remove quick serve pressure on staff but increase output by having two Barista stations.
3. Keep the place immaculate.
4. Walk around with free drink and food samples on a tray several times a day.
5. Learn customers' names, repeat them aloud and celebrate them when taking orders, filling them and delivering them.

from Mike Gardner

tpmlog.blogspot.com

“ IT'S ABOUT THE COFFEE

Bring the aromas back, put beans in bins in the stores, grind to order, and get rid of the music CDs along with other items for sale that dilute the brand.

I do like the improved speed of the stores under the current direction. However, I think adoption of Lean Enterprise practices might enable Starbucks to bring back the unique feel of the single store without sacrificing quality, freshness, and their (misplaced) economy of scale.

from Chris Gonzalez

alaskanseafood.org

“ BRINGING BACK THE LA MARZOCCO ESPRESSO MACHINES

The flavorlock packaging issue is small-time compared to the removal of the La Marzocco machines. Installation of the automatic machines finally severed the brand from the art of coffee, an unexpected business move considering the Starbucks mantra.

Two easy suggestions. First, strategically re-implement the La Marzocco espresso machines and maintain the push button machines at the locations with the highest volume of patrons. Sell the remaining push button machines to McDonalds. Second, continue with the “My Starbucks” branding using [über-limited edition t-shirts](#) and products.

The damage to the Starbucks brand may be irreversible. Given the current practices at Starbucks they will soon deploy street-side coffee vending machines (if they haven’t already). Of course, it would need to make double tall soy mochas.

from Jame-Ane Ervin

homepage.mac.com/jame96

“ MAKE IT WARM AND COZY

A local Starbucks near me has a fireplace and looks like a great lounge—this is awesome! More Starbucks should have cozy, open fireplace lounges.

THERE ARE TOO MANY STARBUCKS

It was OK when there were some. Not now. Just today I noticed a new Starbucks on my work commute. Hmm, let me count the number of Starbucks or other Starbucks-branded locations on my eight

mile commute to work: there's one Drive-thru location, three in Albertson's, one 24-hour Starbucks (2 blocks from Albertson's), one inside Target, and two more standalone Starbucks within a 4 block radius of each other and the Target outpost. And there are no large office parks on my drive! In fact only a handful of people work on this route! Clearly this is far too many Starbucks!

from Brian Armstrong

startbreakingfree.com

“ STOP CHARGING FOR WI-FI

I think Starbucks needs to embrace free Wi-Fi. All they have is that silly T-mobile pay service. When there are several other coffee shops nearby that offer free wireless, I avoid Starbucks.

from Mia Dand

Marketingmystic.typepad.com

“ FIRST, RE-DEFINE THE STARBUCKS BRAND

Starbucks needs to answer these questions: What does Starbucks stand for? What should it stand for? What do your customers think it stands for? Is there a misalignment in brand perception in what Starbucks, the company, thinks it stands for and what the customers think? Why?

SECOND, CLEARLY IDENTIFY THE STARBUCKS BRAND ELEMENTS

To do this, Starbucks must answer these questions: What are the elements that define the brand? Is the customer paying for a cup of coffee or for the experience? And what defines that experience? Is it the comfy chairs, music, smell of coffee, Wi-Fi, friendly neighborhood feel, etc? Are these missing in some/all stores? If so, why?

THIRD, INVENTORY STORE ATTRIBUTES

Take a detailed inventory of all the Starbucks stores (painstaking, yes). Are the stores too small, too cookie-cutter, not enough comfy chairs, surly Baristas, no fresh coffee beans, etc? Then ask, how can you deal with these brand experience dilutors?

FOURTH, “REJUVENATE” THE STARBUCKS BRAND

Once the brand/core essence has been (re)defined and branding elements identified, then begins the arduous task of strengthening the brand and dealing with the issues that are diluting the brand experience. Starbucks should start with fortifying the brand elements and get rid of all the clutter diluting the brand (more chairs, fewer displays, local artist performances, etc). It should get rid of the stores that do not project its brand well or re-design them to better reflect the Starbucks brand.

FIFTH, LAUNCH A DISTINCT SUB-BRAND

It’s time to introduce a new distinct brand under the Starbucks umbrella that can be used for businesses that don’t reflect the Starbucks core experience. Or perhaps, to launch new businesses that diverge from the core. For example, create “Starbucks Express” for drive-through stores and a distinct brand for airport stores. This will re-align the brand perception with the brand offering by adjusting people’s expectations.

Growing revenues while staying true to your core is a huge challenge. It requires a keen understanding of your core, willingness to make tough decisions, and putting long-term success ahead of short-term revenue goals. Howard Schultz scores very high on the first aspect, it will be interesting to see how he fares on the remaining two.

That’s a rookie’s take on what Starbucks/Schultz should do and it all starts with Schultz’s own words...“Let’s get back to the core.”

from Lisa

Starbucks Partner (employee)

“ **START WITH THE FRONT-LINE BARISTAS**

To reclaim its uniqueness Starbucks must start with the front-line Baristas. Over the last two-to-three years we have been staffing the stores with folks who really don't care about the place and only want to work a few hours a week to get their benefits. They don't want to put the energy out to be exceptional at what they do when they are on the job. We have been hiring folks who think it's an easy no-brainer job and it's absolutely not.

HIRE PEOPLE WITH PASSION FOR COFFEE AND THE STARBUCKS CULTURE

We also have the situation that many of the managers are hired from outside of Starbucks and they really miss the point of the company's mission statement, green apron program, and guiding principles. From my experience, about one out of every three Baristas hired by Starbucks do not even drink coffee. Try asking those folks to learn about coffee and believe me, they have no interest, let alone the enthusiasm for tasting coffee or talking about coffee with customers.

TRAIN BETTER AND HIRE BETTER

We have also let the quality of training and staffing store leadership positions erode to a point that the procedures and standards are not adhered to uniformly amongst the stores. To correct this, we should start by calling out the less qualified Baristas to relearn their job or move on. Managers also need to start improving their hiring and training skills. The unenthusiastic Starbucks partners should seek employment where they will find more personal interest.

from Toby Bloomberg

[Diva Marketing](#)

“ BE MORE NEIGHBORLY

Starbucks built its success on the warmth of the experience more so than the excellence of its coffee. The neighborhood coffee shop where “everyone knows your name” or your coffee of choice must begin with the Baristas and end with the Baristas. The in-between details are the foam on the java that should reinforce the sense of local community.

My suggestions begin at Marketing 101—understanding your customers and their needs. That might result in jazz nights with area musicians or cookies from an area bakery instead of a corporate procured cookie. Or it might mean a play area for kids with moms at one neighborhood store or more outlets for laptops in another store. It might even mean giving up some of the ‘corporate’ cookie-cutter standardization.

I wonder if Starbucks is really ready to “be” that neighborhood shop once again?

from Rebecca Roskell

Vancouver, British Columbia

“ SLOW DOWN

Everything needs to slow down at Starbucks. It’s becoming a fast food restaurant because the employees are letting it. There needs to be more of a welcoming in-store feeling where people can enjoy a coffee without a lineup of 30 people and employees yelling “triple skinny latte!”

BECOME MORE “FULL-SERVICE”

Perhaps offering a few select dine-in coffee services? I know this is bold and very different, but I feel like it reflects the luxury Starbucks is trying to convey. Having a full-service coffee place also allows

for people who go to meet up for a coffee somewhere a little special to relax and chat without all the hustle and bustle. It'll give a little revamp to the image, and hopefully upgrade it a bit.

IMPROVE CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Starbucks needs an image revamp. It needs to make its corporate social responsibility (CSR) efforts congruent to the company's desired perspective. And, they need to make their CSR activities well known!

from Chris Weyers

goloosecannon.com

“ #1 SIMPLIFY THE ORDERING SPACE

Going to a Starbucks is like going to a bank. You have to order through a little hole between the latest CD's, fancy mints, and other items that are put within your grasp. I want to see my server and see my coffee being made. Having to peer around the corner and over the cash register to see a face makes that impossible.

#2 SHOW ME THE LATTE

The clutter and counter layout keeps the customer from enjoying the experience of having a custom coffee drink made for them. You place your order and you see someone disappear behind the giant metal back of the espresso machine. If you're lucky you might be able to step to the side and see a bit of the process.

Put the machine in plain sight against a back wall so customers can see the business end of things. That's half the fun. While you're at it, line the coffee grinders up next to the brewing equipment. (Even if you don't always use them.)

#3 TALK ABOUT THE COFFEE

When a customer orders a coffee drink, like a Venti latte, ask them a few questions. “Double or Triple Shot?” “Short or Long Pull?” “Skim or Whole Milk?”

I get asked these questions at my local coffee shop every time I go in. When I go to Starbucks I’m expected to deliver the information to the server. Isn’t the server supposed to be the expert?

#4 MAKE GOOD COFFEE!

The quality of coffee at my Starbucks is inconsistent. When it comes to my lattes, it’s wildly inconsistent. I get weak shots and under steamed milk on a regular basis. A good Barista should throw out a bad shot rather than serve it to a customer.

#5 MOVE THE FOOD

Re-work the store layout so that the food is easily accessed BEFORE you’re in the serving line to order your coffee. I don’t know about other Starbucks locations, but all the Starbucks in my area force you to step in-line to order your coffee then step aside to grab a bite. This holds up the line and creates confusion.

#6 SIMPLIFY THE MENU BOARDS

Make the menu boards hanging behind the counter about coffee FIRST—everything else second. When I look up at a Starbucks menu board, I don’t see the coffee of the day or anything hinting at “custom” coffee. I see what looks like a mass produced menu. Simplify the design so you have a clear “coffee” panel with slide in/out planks that highlight the flavors of the day/week/month. At the least, make me THINK there’s something special to be had.

#7 SIMPLIFY THE FURNITURE

Ditch the comfy couches and heavy overstuffed chairs. What puts the “community” in coffee shop is the ability to move the furniture around to fit the needs of the people who hang out there. It brings life to the place when a larger group moves a couple of tables together and slides in a few extra chairs. All the furniture at my Starbucks is too heavy to move. It’s almost like no one in the place wants to be within six-feet of anyone else. (Maybe they don’t?)

#8 HANG A BULLETIN BOARD

Nothing says community better than a bulletin board with local events and lists of lost dogs and cell phones.

#9 GO RETAIL

Break out the merchandising side of the business into a separate brick and mortar location with its own branded experience. It’s okay to have a few “essential” coffee drinking and making items in the store, but you should never feel like you’re shopping at Target.

Why not create a separate retail Starbucks experience? If you can have a Starbucks in a Target why not have a Starbucks branded aisle in a Target as well?

from James Smith

McLean, Virginia

“ BARISTAS ARE THE KEY

Starbucks needs Baristas who can: (a) pull an espresso with skill; (b) prepare a beverage with care; and (c) take time to make a customer feel like a guest.

The Starbucks experience is now barely distinguishable from the McDonalds experience, in terms of the products and the people.

from Dave Klonke

doesyourbusiness.com

“ **THREE CHANGES ARE NEEDED**

First, Starbucks needs to concentrate on the stores they have and not on the corners where they want to be. Second, they need free wireless like all the other coffee shops around them. Third, Starbucks needs better Venti cups/lids because every time I purchase a large coffee it leaks.

While I do enjoy Starbucks coffee, these are the reasons I sometimes consider going elsewhere.

from Marla Erwin

marlaerwin.com

“ **GET BACK TO COFFEE AND GIVE ME FREE WI-FI**

Starbucks must stop pushing books, movies, and CDs. Sell coffee. By the way, the main reason I go somewhere else? I don't want to pay for Wi-Fi.

from Bill Green

makethelogobigger.blogspot.com

“ **#1 GET SPECIAL**

It's hard to feel special as a brand when there's a store everywhere and the product is also in grocery stores. Caribou in Minneapolis is trying hard to be the next Starbucks. Eastern seaboard is Dunkin' Donuts territory, as is Au Bon Pain in certain metros like Washington DC, Boston, and New York City.

Granted, those places have different audiences. Still, what's special about Starbucks if I'm a customer at those places?

Maybe they can't go back to their specialness, but it's clear other brands are trying to. (Like the former Au Bon Pain leadership team who left to start Panera Bread and improve on its model.)

#2 UNWIND

Starbucks should be the place to drink and think. Get back to that and reinforce it more.

#3 REINTRODUCE STARBUCKS

There's lots of negative perceptions which label Starbucks as a corporate villain—the next Wal-Mart or Home Depot that comes and takes over a town, as it were. Reintroduce Starbucks all over again so that people can see what it's truly about.

from Clint Laskowski

bluehatsecurity.com

“ 15 IDEAS

1. Free Wi-Fi at every location in metro USA (just like many of Starbucks competitors are doing).
2. Stop selling over-priced crap in every nook and cranny of the store and open it up to so people can sit down, relax, and spread out their stuff. Just make it feel like there is always room for me.
3. Put power outlets all over the place.
4. Provide a free networked laser printer in every location in metro United States. (10 printed pages per visit for free.)
5. Buy meetup.com and encourage all “meetups” to happen at Starbucks locations.

6. Add meeting rooms to Starbucks locations so meetings of 10-20 people can happen. Make it free or very low-cost. Allow people to reserve it online. (Starbucks will have to figure out the logistics so groups don't hoard.)
7. Introduce a premium Starbucks card that displays the balance left on the card.
8. Over-staff stores so I don't always feel like the line will be 20 people deep every time I visit.
9. Free laptops or kiosks to use while at Starbucks. (You want people to stay there and thus, they'll buy more coffee.)
10. Reduce prices.
11. Live music. I've seen/heard live music at some Starbucks and I've always enjoyed it.
12. Storage lockers. If I'm a customer who works at Starbucks a lot, maybe I'd like to have a small locker or file cabinet drawer I can rent to keep some of my stuff there, instead of dragging it back and forth every day.
13. Starbucks and Fedex/Kinkos should merge or form a partnership and put temporary work places together where people could have a desk, a phone, access to a printer and copier, and be able to network with others.
14. Buy [LinkedIn](#) or [Plaxo](#). Help people connect and then meet at Starbucks for coffee.
15. And, last, but not least...get your baked goods back to the high standards they once were.

I hope my comments are not too caustic. I used to really like Starbucks and I marveled at its genius and success. But somewhere, about 12-18 months ago, I lost my respect for Starbucks, partially for some of the reasons listed above. I hope Starbucks can reclaim its leadership. Implement some of my suggestions and I'll be back in a heartbeat.

from Stephen Landau
findingsubstance.blogspot.com

“ HAVE THE BARISTAS BE “CELEBRITIES”

In Portland, OR you can't walk five steps without running into a coffee shop. A lot of Starbucks, and a lot of independent shops. The independent coffee shops build their credibility and reputation based on the coffee beans they use and the artisans that are pulling the espresso shots. And these Baristas show their stuff at the [Northwest Regional Barista Competition](#).

This is a huge source of pride for the local coffee shops to have Baristas competing, and even more so for those that move on to the nationals. If Starbucks had Baristas who were truly artisans and not automatic espresso button pushers, it would bring much of their coffee credibility back to the brand.

Starbucks should celebrate the heritage and skills of Barista artists by encouraging them to enter in competitions like this—or even creating their own competition for Starbucks-only Baristas. Starbucks stores could compete, as a team, in local competitions between different stores, and create a following and fanbase for the Baristas working at these stores, both by co-workers and customers who visit each store.

If you knew your Starbucks was competing against the Starbucks over on NE 44th and Fremont, you're going to support your home team. Then, move on to states, regionals, nationals...an NCAA Basketball “March Madness” for Starbucks Baristas. Create a web site that celebrates these competitors. Maybe there's even an online bracket/betting pool where you can win Starbucks gift cards by picking the winners. Video clips of the competitors. Social networking for people to “join” and support their local Starbucks. Televisе the events at the Starbucks branches, where you can enjoy a latte (hand-crafted, not automatic) and watch your Barista compete along with like-minded Starbucks fans.

from Kirsten Harrell

ipopin.typepad.com

“ TRAIN FOR SKILL. HIRE FOR ATTITUDE.

I have been very disappointed in the quality of Starbucks drinks. Starbucks needs to offer better training to their workers so that there is more consistency in their coffee beverages. It seems that you can't get a true cappuccino in Starbucks anymore unless you request it extra dry and even then, it is often more like a latte.

It would also be nice if the staff would be more personable and friendly to the customers. That way the Starbucks experience could be more like a small hometown coffee shop and not a cold cookie cutter chain feel.

from Gregory Leiby

theleibys.com

“ DECIDE IF STARBUCKS IS INDEED A COFFEE HOUSE

Starbucks has to begin with deciding what they are and what they want to be. If they are a real coffee house, every shop will be different and unique.

The owner of a local roaster/coffee house, when asked by the local paper about a Starbucks going in down the street, said, "I am not worried, we serve a different clientele."

from Brent Lamphier

brentlamphier.typepad.com

“FORGET BEING “LOCAL.” MAKE GREAT DRINKS.

Pretending to be a neighborhood coffee shop is a joke. I live in Seattle. I can sit in my local Starbucks and see two other ones from the window. Nobody goes there for a local feel. They go for great drinks and a fun, comfortable, FAMILIAR atmosphere. Starbucks locations look similar, promoting familiarity, which people like. People who want a local coffee shop go someplace else.

REACH OUT TO THE COLLEGE/YOUNG BUSINESSMAN CROWD

To reach the College/Young Businessman crowd, Starbucks must do three things:

#1 Offer free Wi-Fi. This is a no-brainer. I was going to study at a Starbucks today but did not since they did not have free Internet.

#2 Find the next big coffee or non/coffee drink trend. Starbucks continually tries to add to its offering, but few new drinks stick. Much of Generation Y began their coffee addiction thanks to the cold blended Frappuccino drink that you can now purchase anywhere. What's the next big drink? I think it'll be something non-coffee. Our generation loves energy drinks—so how can we get a similar kick in a better tasting WARM drink without coffee flavoring. Starbucks does this well in the summer, but poorly the rest of the year, with their only real non-coffee offering being tea and the popular Chai Latte.

#3 Treating each store as its own entity. I don't mean with store layout design. Create buzz around each store if you want a local feel. Stores near college campuses should be open 24 hours during finals week, or at least offer free drip coffee during those weeks for anyone with a Student ID. Many small business meetings occur at Starbucks. What are their needs? Wi-Fi, of course. But maybe they also need to be able to reserve space to meet. Let them call in advance to reserve a small, comfortable area in the corner for a set price. Does the area mostly cater to families? Have toys for children to play with while the moms grab a Chai Tea, or free treats if you bring in your dog. Cater to your local crowd, and they'll keep coming back for more.

from Rob Stevens

[Marketsync On-Demand Marketing Blog](#)

“ STOP FOCUSING ON EFFICIENCY. FOCUS ON CUSTOMER INTERACTIONS

Starbucks needs to realize its focus on efficiency is reducing the amount of time people spend interacting with the brand. They need to find creative ways to increase that interaction without making the customer feel like their time is being wasted.

For example, extend the Starbucks brand experience to the drive-thru. What you see at the drive-thru is VERY different than what's in the store. And, find ways to extend the Starbucks brand into the supermarket so that bottled drinks and ice cream are presented in a brand-consistent manner.

Other stuff like the lack of coffee aroma and height of the automated espresso machines are easily remedied. But I also had the idea that Starbucks should start opening conference centers that serve Starbucks coffee and food. People are used to using Starbucks as a meeting place, and this would be the evolution of that.

from Kirsten Osolind

[re:invention](#)

“ A SIMPLE RECOMMENDATION

Stop blasting loud music in Starbucks stores so S.O.H.O. (small office/home office) workers can visit and socialize, think, conduct conference calls, and do business via Wi-Fi.

WHY THIS MAKES SENSE

Nearly half of all U.S. businesses are home-based. And most companies owned by women are home-based. About 56 percent of women-owned ventures are home-based versus 47 percent for men ([source](#)).

from Len Herstein

[ManageCamp Inc.](#)

“ ENHANCE CUSTOMERS’ SELF-WORTH THROUGH CREATING COMMUNITY

The success of Starbucks rests in its ability to create a community—a place where like-minded folks can come in and get a fantastic coffee experience. But also, a place where customers can buy into an identity, a culture, and a community of coffee-lovers and lingerers. This is the key. People can argue all day long about how the coffee is prepared, but all functional things can be copied over time. There was a time when carrying a Starbucks coffee cup as you walked down the street said something very distinct and very positive about you. With ubiquity comes an unavoidable backlash from the folks who long to be special, different, trendy and admired.

The trick now, and in the future, is for Starbucks to figure out ways to continue to give customers the ability to be included in a community that enhances their own self-worth. There will always be functional things they will have to do to remain relevant—such as offering new and different drinks, foods, music, etc. But the real way to win in the long run will be to make the Starbucks cup cool to carry and the Starbucks couch cool to read the Sunday paper on. Make the Starbucks community THE community with which people want to be identified.

The tastes, the scents, the theatre—these are now all costs of entry. The question is—can Starbucks create a ‘cool’ community out of ubiquity?

THINK SMALLER (NOT BIGGER) TO CREATE A MOVEMENT

Maybe the answer lies in thinking smaller again rather than thinking bigger. Maybe the Starbucks locations for the Wall Street types should not be the same Starbucks as for those living in a small college town. Maybe there is an opportunity to sub-brand or line-extend to create ‘cool’ environments for different niches (i.e., the Wall Street Starbucks is about speed, efficiency, etc., while the college campus Starbucks is more independent feeling, relaxed, and culturally relevant).

To do this means Starbucks must decide where its core competency really lies. My assertion would be all the coffee excellence, the coffee theatre, the preparation, the Baristas, customization, are all a means to an end—creating a community.

Anybody can open a coffee shop. But not everyone can be masterfully skilled in creating a movement. That, in my opinion, is the core competency that will allow Starbucks to regain its place atop the coffee world.

from Erik Mazzone

erikmazzone.wordpress.com

“ RETURN TO THE LA MARZOCCO (MANUAL) ESPRESSO MACHINES

While there are a lot of changes (many of them noted in Howard Schultz’s email) that would be beneficial to Starbucks recapturing its mojo, in my opinion, the most essential change is to return to the use of manual espresso machines.

This change would be a cultural pinion point for the company and would likely cause a ripple effect of other positive cultural changes in its wake. My reasoning? Four-fold.

1. Manual espresso machines are harder to use to produce great drinks. This would require a greater amount of training for Starbucks Baristas and would help weed out some of the “It’s-Either-Work-Here-or-McDonald’s” portion of its workforce. The increased training requirement would also provide more opportunities for managers to drive the company’s core values into its employees.
2. The manual La Marzocco espresso machines would return a Barista to his/her former status (and current status in coffee-geek approved cafes everywhere) as an artisan and skilled producer of hand-crafted drinks. The need for, and subsequent appreciation of, skill on the part of the Barista to create these drinks would increase the pride a Barista feels in his/her work as well as the specialness the customer feels in receiving the product.

3. Manual espresso machines may be too slow for use with a drive-thru, and the drive-thru is a weak point in the Starbucks experience. Drive-thru locations prioritize convenience over community and speed over quality. The customer gets his drink but doesn't feel like he's been to Starbucks. The transaction feels more like buying fast-food than great coffee. The return to manual La Marzocco machines would force Starbucks to do one of two things: either improve the drive-thru experience to be in keeping with its brand promise or abandon it altogether.

4. Most importantly, the return to the manual La Marzocco espresso machines will restore Starbucks' bona fides in its ambition (if not its success) to be a growing company that is serious about great coffee. Right now, it feels more like a coffee company that is serious about great growth.

from May Flaum

Vacaville, CA

“ BRING BACK ACTUAL COFFEE

Nobody at Starbucks is scooping coffee beans? It's just a store front now, not a coffee shop.

BETTER MERCHANDISE

Just a few years ago I remember Starbucks selling lots of fun seasonal goodies, mugs, etc. Now there's next to nothing...even at Christmas time.

HIRE BARISTAS THAT CARE

Last week I had to argue for three minutes with two Starbucks Baristas that I ordered and PAID FOR a Venti (not a Grande). Then she finally looked at my order—indeed I ordered a Venti. No apology, nothing pleasant. She just silently re-made my drink and said, “Here.”

BETTER BAKED GOODS

The cupcakes are gross. Most of the afternoon baked goods in fact are not worth eating. Ugh.

THROW IN A SOFA OR TWO

The Starbucks I enjoyed most were in Savannah, GA and Providence, RI. Those locations have couches and more of a lounging, relaxing atmosphere. I don't see that here with Starbucks locations in California. Instead, it's get in, get out, or sit on a metal chair.

RESPOND TO CUSTOMER COMPLAINTS

Over the last 3 years, I've complained at least five times to both local Starbucks stores and equally to Starbucks headquarters via starbucks.com. I've never once been responded to.

ELIMINATE "FAKE" STARBUCKS LOCATIONS

If the locations inside stores (such as Target) aren't "real," then take them OUT. I have had workers at these locations tell me, "We're not a real Starbucks."

from Steve Johnson

Mount Vernon, WA

“ USE ITS SIZE AND CLOUT

I live in the Pacific Northwest and have become a coffee snob. Starbucks has set the bar for an excellent and reproducible cup of java. However, they have gotten too big and too predictable (the latter is part of their appeal). Starbucks can use its size and clout in several positive ways. One is to improve the lives of the people who actually grow the coffee. I know Starbucks Corporate is trying, but how about a little of Bill Gates' passion for the impoverished from Howard Schultz.

At least do a better job of publicizing the positive endeavors Starbucks is doing for the farmer (not the middle man).

SHARE ITS COFFEE KNOWLEDGE

In addition, Starbucks has an incredible knowledge of coffee and could share this in new ways with customers. Their highly trained, black-aproned Barista specialists could offer courses to customers in certain stores. I know they do this for their employees, how about a customer-oriented education course? It will “hook” even more folks into the store and their interest will mean more purchases of Starbucks coffee.

from Phil Gerbyshak

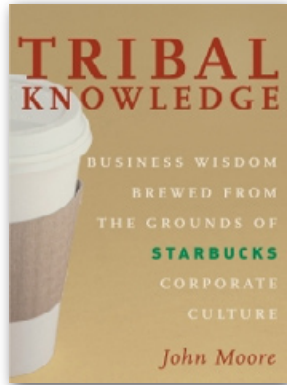
MakeltGreat.org

“ THINGS STARBUCKS MUST DO TO MAKE IT GREAT! (AGAIN)

1. Ask and use customer’s names, not names of the drinks, for orders. People love to hear their name. I do. (Especially if it’s said lovingly after making my coffee.)
2. Have customer’s help you come up with some new drinks and give them the customer’s names. This would rebuild a community of people offering recommendations about what they want to drink. Offering the “Phil Gerbyshak - Milwaukee WI” in Seattle might entice folks to say “Hey, you can only get my beverage in Milwaukee...or Seattle!” would allow folks to buzz about their stuff.
3. Do the same as #2 with the quotes on the cup. Take the ideas right at the stores, and take a picture of the customer with their note on a chalk board. Send it to corporate, and print at least one for that customer, or send them a little note from Howard Schultz that says, “Thanks for caring about Starbucks enough to share your insights.”

4. Free Wi-Fi, comfortable chairs, and let the customers select the music. Don't force corporate music on us. How about some local bands?
5. Know your customers again—if I go to the same store every day, get to know me. Understand what I drink. Learn my name (and my drink).
6. Starbucks Baristas should smile because they WANT to smile, not because they have to.





BUY THE BOOK

For more details or to buy a copy of John Moore's *Tribal Knowledge Business Wisdom Brewed from the Grounds of Starbucks Corporate Culture* [click here](#).

ABOUT THE AUTHOR

For the past decade, John Moore has made his mark in the marketing world by creating, championing, and implementing marketing ideas and branding ideals for Whole Foods Market and Starbucks Coffee. As the Director of National Marketing for Whole Foods Market, John focused his team on engaging in activities which were less about using traditional advertising and more about using the influential power of customers as the advertising vehicle. At Starbucks, John led countless highly successful in-store and out-of-store marketing promotions as a Retail Marketing Manager. Today, through speaking engagements and through his Brand Autopsy Marketing Practice, John shares business and marketing advice with companies aspiring to become the next Whole Foods or Starbucks. He has been recognized by *Fast Company* magazine as a “leading practitioner of the arts of customer service and marketing” and serves as a Standards Council Advisory Board Member with the Word of Mouth Marketing Association. John is also the author of the [Brand Autopsy blog](#) and the author of [Tribal Knowledge](#), a business management book from Kaplan Publishing.

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