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### Coffee Choreography: Starbucks' Formula for Success

There was probably a time when there was no such thing as an iced latte or a “Venti triple no-whip mocha”, but most people don’t remember it. Starbucks is one of those brands like McDonald’s, Nike, or Microsoft whose recognition transcends the mere products it represents. Not everyone likes Starbucks, but the brand loyalty among the millions who do is virtually unmatched by any other company in the world, and even among its detractors, Starbucks is held up as the standard which competitors must match or surpass. Starbucks has achieved astonishing success and growth – even in the current economically-troubled times, the company is opening new stores worldwide at a rate of nearly eight *per day* (Misonzhnik, 2007) – and none of it has been due to luck, but rather due to a carefully conceived and rigidly-implemented customer service philosophy and process followed with iron discipline in every one of the company’s 15,756 (and counting) stores worldwide. (Starbucks Company Factsheet, February 2008)

### The Starbucks Experience: Coffee Anywhere Else is Just Coffee

The physical layout and appearance of a Starbucks store, the fixtures and furnishings, and even the music that is played to entertain customers is all of a consistent, uniquely recognizable style that can be found in any of the company’s several thousand locations. This, of course, is not an unusual concept, and is a key component of brand recognition for many large retail businesses; a McDonald’s restaurant in Paris, for example, looks pretty much the same as one in Los Angeles, for example. At the heart of the

uniformity that distinguishes the Starbucks brand and makes ordering a drink at Starbucks something more than just buying a cup of coffee, however, is the highly-structured, efficient system for moving customers through the ordering queue.

Typically, a Starbucks outlet operates with a crew of four or five people; sometimes more in particularly busy locations, but based on observation, the customer service process seems to be optimized for the four or five person staff. Three of these workers will be in the counter and production area, while one or two (one is usually the manager or shift supervisor) handle other tasks such as tidying up the customer area. Upon entering the store, the customer is naturally guided in the straightest possible path to the ordering area, an effect that is achieved by simple attention to the layout of the store. A rope barrier is in place in front of the counter area to keep the queue organised; the end marked with a helpful sign that says “Enter Here” is always in front of a glass display case which contains the variety of pastries, sandwiches, and bottled juices and waters the store has to offer.

If the customer has not already been greeted by the “floor” employee upon entering the store (which is the case more often than not), the employee on the opposite side of the glass display will be the first point of contact between the customer and the staff. This employee will greet the customer, suggest a purchase from the case, and usually take a preliminary drink order. If the store is not very busy, this employee will usually announce the order to the one at the back who makes most of the drinks, but not in busy periods. This may seem counter-intuitive, since the purpose of taking a “pre-order” would seem to save time. The real object of this according to Starbucks employees themselves, however, is not to expedite orders but to keep customers’ attention; in busier locations, an employee is sometimes deployed to the floor area equipped with a radio headset to conduct the same “expediter” function among customers farther down the queue. The rationale is that once a customer has actually given his order to an employee, he feels some obligation to stay patiently in line and wait for it. (Spolsky, 2008)

Once the customer reaches the cash register, the most interesting part of the service process takes place. The customer’s order, which can be a simple request from the menu board or a completely-original invention, is translated into what sounds like a foreign language by the cashier as he or she makes the request to the *barista* preparing the drinks. This feature of the Starbucks’ process, which is at the same time intriguing and intimidating to customers, turns a “Large café mocha with three shots of espresso and minus the whipped cream on top” into a “Venti triple no- whip mocha”, a verbal shorthand in a specific word order intended to pass any customized drink order efficiently from the customer to

the *barista*. If there is any part of the process that bears further examination and possible improvement, it would be this curious “*barista-speak*” as it is commonly called – not because it is an obstacle to efficient service, but because it is so unusual and unnerving to some customers that Starbucks has actually published a pamphlet called *Make it Your Drink: a Guide to Starbucks Beverages* explaining the system to customers. (Walker, 2004)

In most Starbucks’ stores, the pick-up area of the counter, where finished drink orders are handed to customers, is usually on the opposite end of the queuing area from the register; in other words, the customer is obliged to back-track in order to pick up his or her drink – which the *barista* announces is ready by calling out the customer’s first name, a nice personal touch. Here again, reversing the customer flow would seem to be counter-intuitive and inefficient, but it has another purpose: the customer is again directed past the glass display case, and in the direction of an area of the store where a number of coffee-related items are attractively displayed, thus increasing the chances for an additional “impulse” purchase.

#### Could Starbucks Be More User-Friendly?

The success of Starbucks is patently obvious, and since that is based, at its simplest level, on the process by which a customer is united with his own particular favorite coffee drink, it is difficult to find fault with the customer service philosophy and regimen the company employs. Howard Schultz’ belief in strong operations management and centralized focus for every aspect of the company’s activities has been successful, and not only is brand loyalty very high among Starbucks’ customers, employee loyalty is very strong as well; Starbucks has an employee turnover rate of only about 60%, compared to about 200% for the rest of the food-service industry. (San Juan, n.d., and Spolsky, 2008)

The customer experience in a Starbucks is almost always a good one, and makes the usual cup of coffee something special. From the design of the store to the careful management of customer flow, the entire focus is on customer satisfaction which, as Starbucks has obviously realised, is highly profitable. But one burr in the otherwise smooth-as-silk process is that curious “*barista-speak*”. It does serve an effective operational purpose, but even the company itself seems to realize there’s something slightly unpleasant about it. In *Make it Your Drink: a Guide to Starbucks Beverages*, the guide to their

own strange language published by Starbucks is the somewhat apologetic caveat, “If we call your drink back in a way that’s different from what you told us, we’re not correcting you.” (quoted in Walker, 2004) Be that as it may, to some people it still sounds condescending; ordering coffee, even if the customer’s personal definition of “coffee” is a bizarre concoction that he alone can imagine, should not require one to learn a new language. Since the “*barista-speak*” is based on a particular word order format to correctly describe a drink order for preparation, an computerized, and therefore silent, ordering system much like those applied in many fast-food restaurants might be an effective alternative.

The other potentially disruptive aspect of Starbucks’ service procedure is the way customers are routed through the queue-order-pickup process. When the store is not particularly busy, the system, which is designed to maximize selling opportunity, works well. When the store is crowded, however, it can become chaotic, all the more so because the process is designed around a single POS. There are a couple possible solutions to this. The first and most obvious solution would be to add an additional register and queuing area, effectively doubling capacity. A second, and perhaps more practical solution, would be to introduce table delivery. Customer flow would then be routed in one direction, eliminating the human traffic jam that sometimes develops in busier stores, particularly when there are several customers waiting near the pick-up counter for their orders. This option would require very little adjustment in staffing, since most stores already utilize a ‘floating’ floor employee, and other aspects of the ordering procedure could remain unchanged.

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