



## Starbucks Births a Bold Green Future

BY THE BRAND COACHES

Just as we were all about to dismiss Starbucks as a legendary yesteryear brand destined to never wiggle its way back into the world's heart of the pocketbook, the "back to basics" seed that Howard Schultz planted in our psyche is just starting to bloom.

There's no question before the new brand started to sprout that we all have had cause for concern - and even cynicism - over many high board missteps that sent opinions and stock values plummeting.

### The Magic Dried Up

First the test of the \$1.00 cup of coffee as a knee-jerk reaction to McDonald's McCafe out-of-the-gates success. The fast food Goliath started breaking into Starbucks' cherished customer base with a mediocre product and advertising with biting and witty lines like, "Four Bucks is Stupid."

Quick on the heels of competitor attacks, Howard released a press announcement of a one-day closing of all North American retail coffee houses to "get back to basics in barista drink preparation and customer service retraining." A whole day to change a sea of green aprons from an epidemic of "Big Brother" corporate lethargy and bland customer service. With critics blasting his bitter coffee in taste tests against McDonald's and Dunkin' Donuts' new specialty coffee, Howard announces the market introduction of his "smooth Pike Place Blend," profiled much like the Seattle's Best Coffee house blend that Starbucks had purchased a couple of years before the business meltdown.

The experiential retail magic that birthed one of the globe's best known and respected brands was gone, and an internal Howard to senior staff memo sharing his worry over losing Starbucks edge leaked out to the international press. Now he was open for a full attack by Dunkin' Donuts, McDonald's and every smart independent and small chain retail coffee operation.

Suddenly we all learn that Starbucks has bought the single serving Clover machine with

intentions of serving expensive origin coffees.

Next bold step: the \$3.99 latte and muffin or pastry “to respond to what America is going through during these tough economic times.”

Okay, enough with the chronology of what seems to be the eventual death of the green giant. Whatever happened to Howard’s clear and humble announcement of “getting back to basics,” rebirthing the magic that birthed a billion dollar plus retail specialty coffee industry?

## **The Birth of a Bold New Starbucks**

Now for some refreshing news. Howard did, in fact, plant his “back to basics” seeds deep in the soul of the brand. As it begins to sprout, we can promise you it is bold, smart, and sensitive to current and future generations of customers worldwide. He calls it “Starbucks Shared Planet.” The line below the new brand-positioning rallying title reads, “You and Starbucks. It’s bigger than coffee.”

On the back of the new beverage menu it reads, “Starbucks is greening our stores as part of the Starbucks™ Shared Planet™, a commitment to global environmental stewardship. Our First Avenue and Pike Street store is registered to be a LEED –CI certified by the U.S. Green Building Council. We used green design to help reduce the energy, water and waste generated by building and operating it. Our goal is that ALL new company-operated stores around the world will be LEED certified by the end of 2010.”

## **Redefining “third place”**

Folks, you have to spend an hour or two, as we have, in the First and Pike store to begin to realize the brilliance and sincerity behind Howard’s “back to basics” brand payoff.

Let’s start with the floors, walls, ceiling, all counter surfaces; plastic and paper cups. Everything the eye can and can’t see has been recycled from other products, with circular medal medallions identifying them posted about the coffee house. Like the leather service counter made from recycled shoes and car upholstery. One of the walls is covered with actual green bean bags from around the world. All the furniture is refurbished, and extremely comfortable.

You sense a bit of Stumptown’s eclectic and minimalist influence, coupled with rich textures and imaginative surfaces. It’s a great new relaxed and laid back “third place” concept.

It in no way looks like the cold, smart Starbucks we have all known since the brand was birthed. We loved it and know you will, too. We understand there will be four different

“Shared Planet” interior designs so that all Starbucks don’t look, but feel, the same.

As for the staff, there was a warmth and pride that beamed from every barista, whether telling us all about the origin coffee and its taste nuances while going through the visual drama in preparing a Clover 16-ounce \$3.75 cup of goodness, or up selling Starbucks “delicious” food selections.

Does this sound like the Starbucks you know? Imagine the following promise being real at the bottom of the new beverage menu, “Our Promise: Love it or Let Us Know. Your drink should be perfect, every time—whether it’s something on the menu or not. And if you don’t get what you expect, let us know and we’ll make it right.”

The promise and the follow through at the First and Pike location is as real and the feel as incredible as a fresh, new brand from the second you cross the front door threshold.

Now we understand both the low prices and higher-than-ever prices on the menu. The new Starbucks is designed to meet the needs of the budget conscious as well as coffee snobs who will pay whatever price for the best coffees of the world.

There are three customer “You” themes on the wall posters: Community First; “Everything We Do You Do” story of ethical and generous relationships with coffee growers around the world; and commitment to actively do its part in being a great earth partner via its over-the-top commitment to recycling.

Kudos to Howard and his brilliant “back to basic” team of planners. You, too, will soon see, taste and celebrate the Starbucks of tomorrow.

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