

STARBUCKS

Final UXR Report

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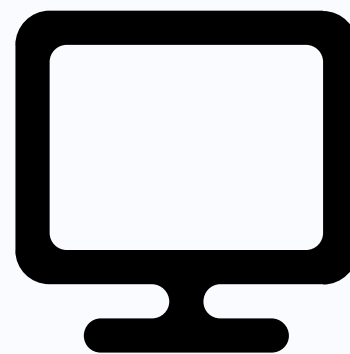
TM

Who & What?

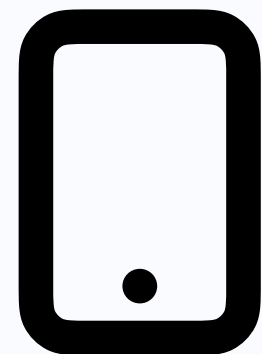
Starbucks is a leading global coffeehouse chain specializing in **roasting, marketing, and retailing specialty coffee and providing a community space.**

Surfaces

Desktop



Mobile



Watch



How?

Starbucks offers its products through a blend of **in-store and in-app experiences**, where customers can enjoy **luxury beverages** in **welcoming cafes** or use the **mobile app** to efficiently browse, customize, and order ahead.



Target Users

-  Millennials and GenZ (age 22-60) ¹
-  Middle to high income ²
-  Busy professionals, students, and on-the-go individuals ³ ⁴
Socially and Environmentally conscious individuals

19.4 million monthly active users as of August 2023 ⁵

COMPETITORS

Competitors

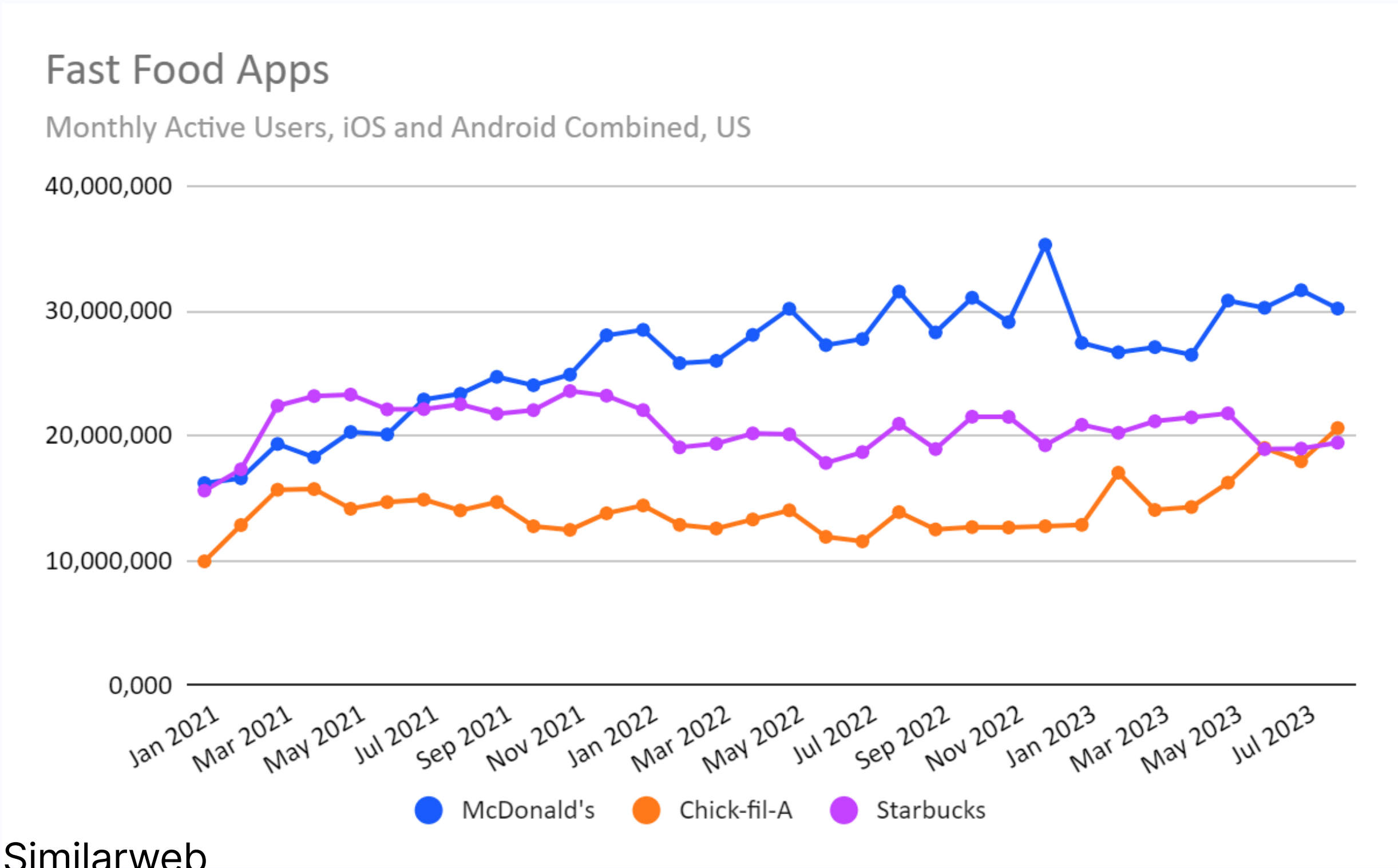
Company	 STARBUCKS [®]	McDonald's	
Launched mobile order on app	2015 ¹	2017 ²	2016 ³
Monthly Active Users on app	19.4 million ⁴	30.2 million ⁴	?
Active Rewards Members	34.3 million ⁵	150 million ⁶	24 million ⁷

Starbucks was one of the **first food chains to have a full in-app ordering experience** to great effect and while Starbucks was once far ahead of competitors in mobile ordering capabilities, the gap has narrowed as other chains have developed their own sophisticated mobile solutions.

CHALLENGE

Challenge

Customer satisfaction with the mobile app has plateaued, senior leadership of Starbucks has said that they need to increase adoption of mobile ordering and mobile payment.



What, if anything, **could be improved** about Starbucks current app experience to **retain current customers and attract new customers?**

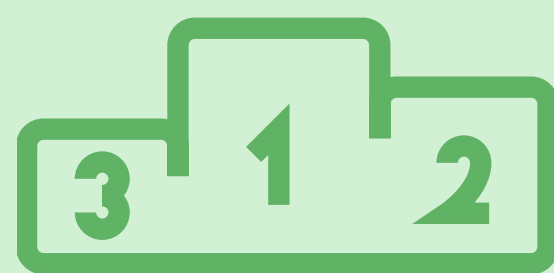
UXR Methodologies

Desk Research



34 questions researched, over 50 sources cited

UX Competitive Teardown



We explored 10 CUJs across McDonalds and Starbucks

Ethnography



2 hour observation at the Starbucks on Broadway and Baseline in Boulder, 15 pages of notes recorded

In Depth Interviews



30 minute interviews conducted with 7 participants

Usability Interviews



30 minute interviews conducted with 8 participants

DATA COLLECTION

Data Collection

How much do people utilize the e-gift feature (what features does a constant user not use as much)

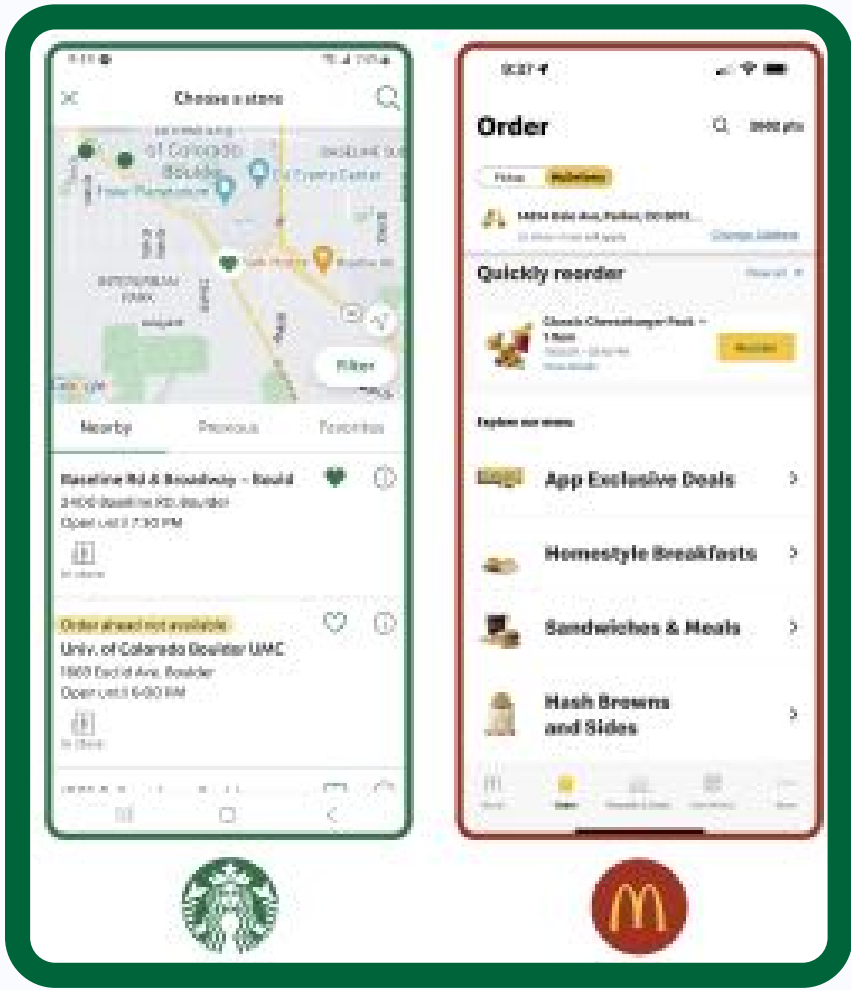
Hard to find information specific to e-gift cards. Here are a couple related articles
<https://intelligence.coffee/2024/09/gift-cards-whos-gifting-whom/>
<https://www.nm.com/quick-service/starbucks-u-s-sets-records-for-sales-gift-cards-and-mobile-app-downloads-in-q1>

What makes people more likely to complete a purchase in the app? Do they come just to look at the menu or do they order?

A “mid-teens percent” of mobile orders went uncompleted, according to Narasimhan. Customers said long wait times and lack of product availability made them abandon their orders.

- More than 1/8 mobile orders
- Piloted overnight hours, saw business double
- No open stores with mobile order available at time they want to order

<https://www.businessinsider.com/starbucks-says-mornings-are-too-busy-leadin-g-to-abandoned-orders-2024-4#:~:text=%22We%20saw%20a%20mid%2Dteen%20revenue%20forecasts%20in%20half>



UX Competitive Teardown

Critical user journeys from Starbucks & McDonald's were compared for improvements via screenshots.



Ethnography

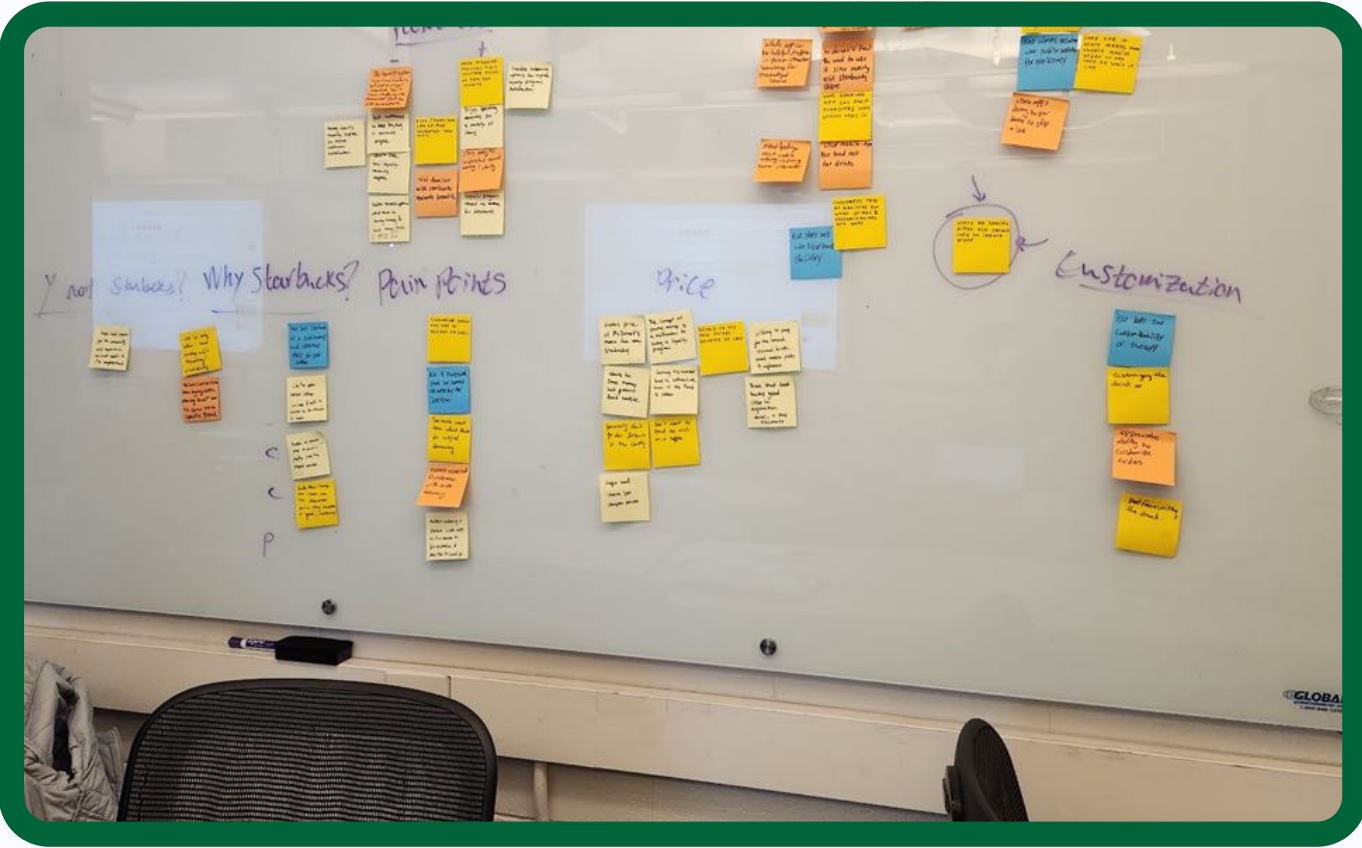
In-store **observations** were analyzed as a team.

Desk Research

Team members researched **themed questions** and discussed key takeaways.

In Depth Interviews

Interviewers **gathered key findings and combined them** in an affinity map to identify themes.



Usability Interviews

Interview notes were **compiled in a grid to highlight themes** and develop insights.

Study Limitations

Desk Research - Starbucks mostly releases information through quarterly business reports and keeps many of their statistics hidden making it hard to find exact user information

UX Competitive Teardown - We compared Starbucks to the McDonalds app do to their similar prevalence, but other competitors such as Dunkin Donuts, which also focuses on coffee, may provide other insights

Ethnography - We only observed once, at one time, at one location. The store we observed at was also near a college campus which may have customer population different than that of the average Starbucks. Finally, limited sight lines to registers made it difficult to consistently track information on forms of payment.

In Depth Interviews - Our participant pool was limited to fellow classmates and it was difficult to ensure unscripted follow up questions were not leading or close ended.

Usability Interviews - Our participant pool was limited to friends and family instead of screening for target participants and remote interviews came with the occasional technology issue.

Executive Summary



The Problem

While Starbucks has a large customer base, **their app adoption has plateaued.** Despite its overall well liked UI, there are a **number of friction points along the customer journey** of ordering through the app that should be addressed to improve user attraction and retention.

Leaving these pain points unaddressed **risks causing frustration for new and existing users, turning them away from the app** and decreasing the frequency with which they order through Starbucks.

Our Findings

Customers value:



Time



Efficiency



Convenience



Their health



Their wallets



The input of the barista

Current friction points:

- Prices are **not listed in the app**
- Nutritional information is **not available** for customizations
- The current user flow can **slow down users** wanting to quickly place an order
- Users feel the Starbucks app is **not secure for storing payments**
- Users **cannot ask** for suggested drinks or customizations in the app
- Mixing in-store and mobile order pickup causes a **backed up and chaotic pickup** area and inconveniences both sets of users

The Solution

1

List **prices for drinks** similar to how they are listed on in store menus.

2

Improve security of the app so customers feel they can safely provide their card information.

3

Include nutritional information, such as calories and sugar, for customizations.

4

Create a chat bot that mimics interacting the with barista allowing users to ask for recommendations and clarifying questions.

5

Make the app **open to the order section** and allow users to set their primary order screen, **defaulting to the menu**, to speed up the ordering process.

6

Separate the mobile and in store pick up areas, moving the mobile **pick up area closer to the door**, so mobile users have minimal friction when picking up their drink and minimally impede on the experience of in store customers.

Detailed Findings



Waiting in Line

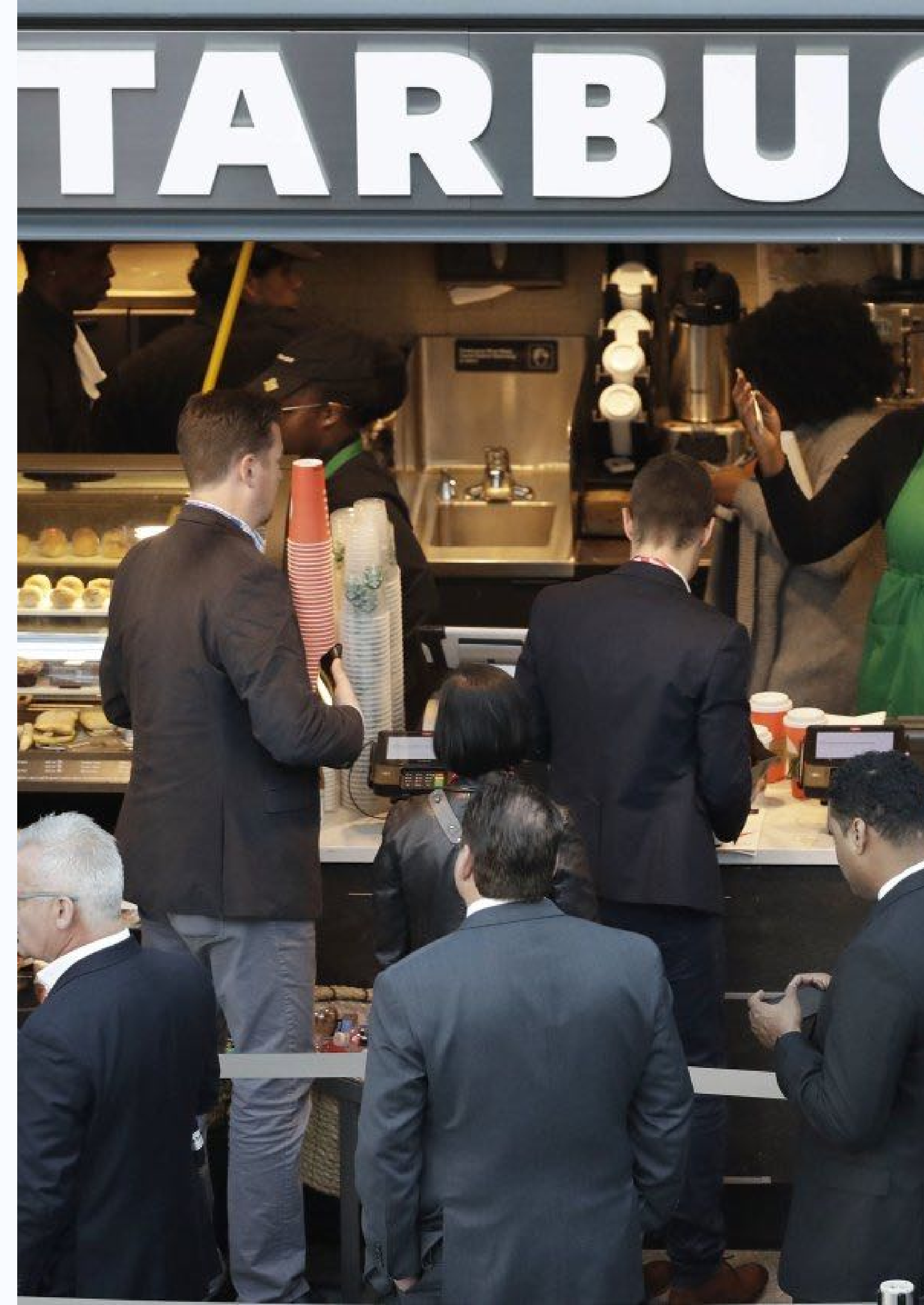
- From our ethnography, we have gathered that some individuals **use the app to look at** current offers and a detailed **menu in store**
- A few participants mentioned **turning to the app to order** or to peruse the menu **when there was a long line** in store

Opportunity

How might Starbucks **encourage users to use the app while waiting in line** to speed up the ordering process?

Recommendation

Post QR codes for the app near the line



Ordering via the Barista

- The **baristas offered** in store customers **suggestions** or clarifications for their orders
- This experience might be better for those who are not sure what to order and may help prevent customers from ordering something different than what they actually want

Opportunity

How might Starbucks **mimic the barista** recommendation **experience** in the app?

Recommendation

Create an **AI barista chat bot** that users can ask questions to discover drinks and drink customizations

[W]hy I don't use Starbucks' application is because I really have no idea about drinks as all, so I just go to the counter and ask about 'What drinks is good? What do you suggest' ... I can't ask suggestions in applications

-P9, Potential Starbucks Mobile App User

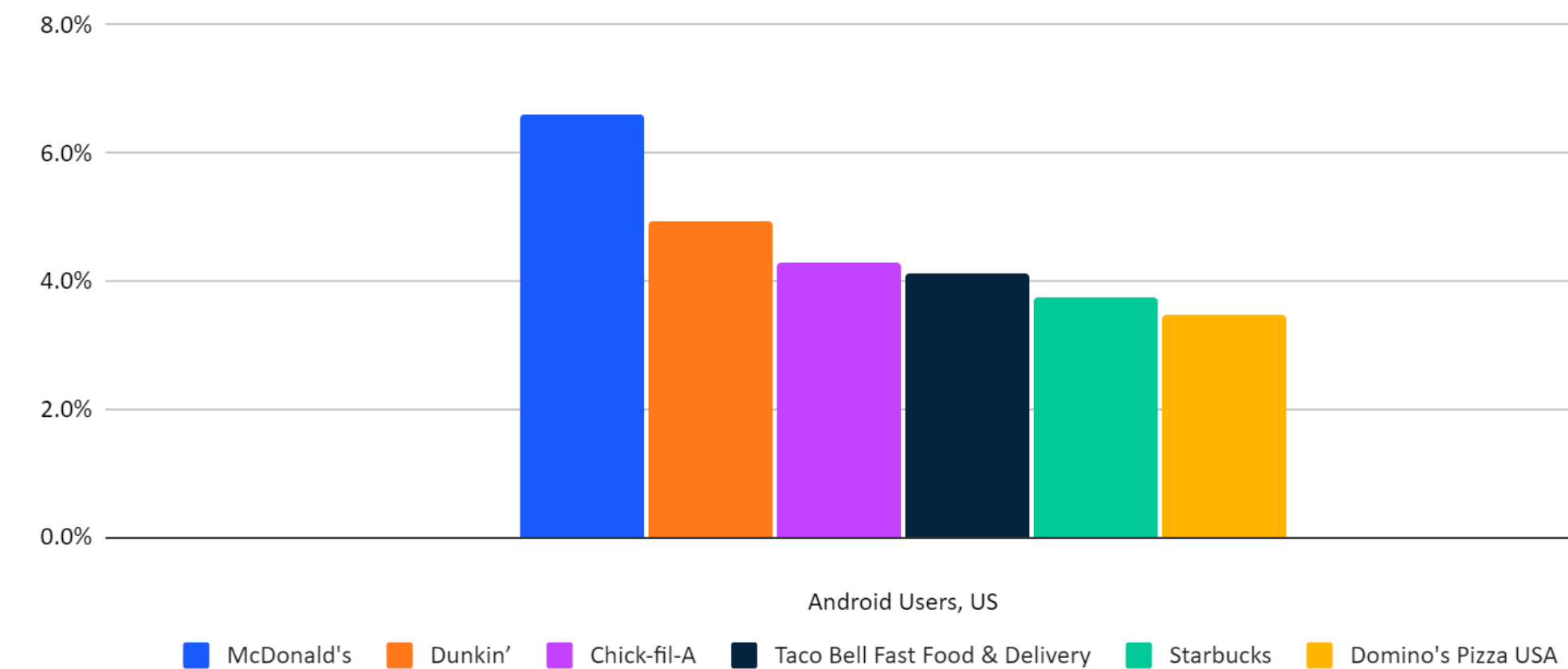
Learnability

- Most users found it **difficult to interact with the app for the first time** but got the hang of it after continued use and help from baristas
- There is a **steep learning curve** for selecting locations or earning/redeeming rewards
- One interview did not find the “Customize” button. They assumed it was an ad and chose to ignore it

Opportunity

How might Starbucks improve onboarding for first time users?

Fast Food: 30-Day App User Retention



Similarweb

Mobile Ordering User Flow

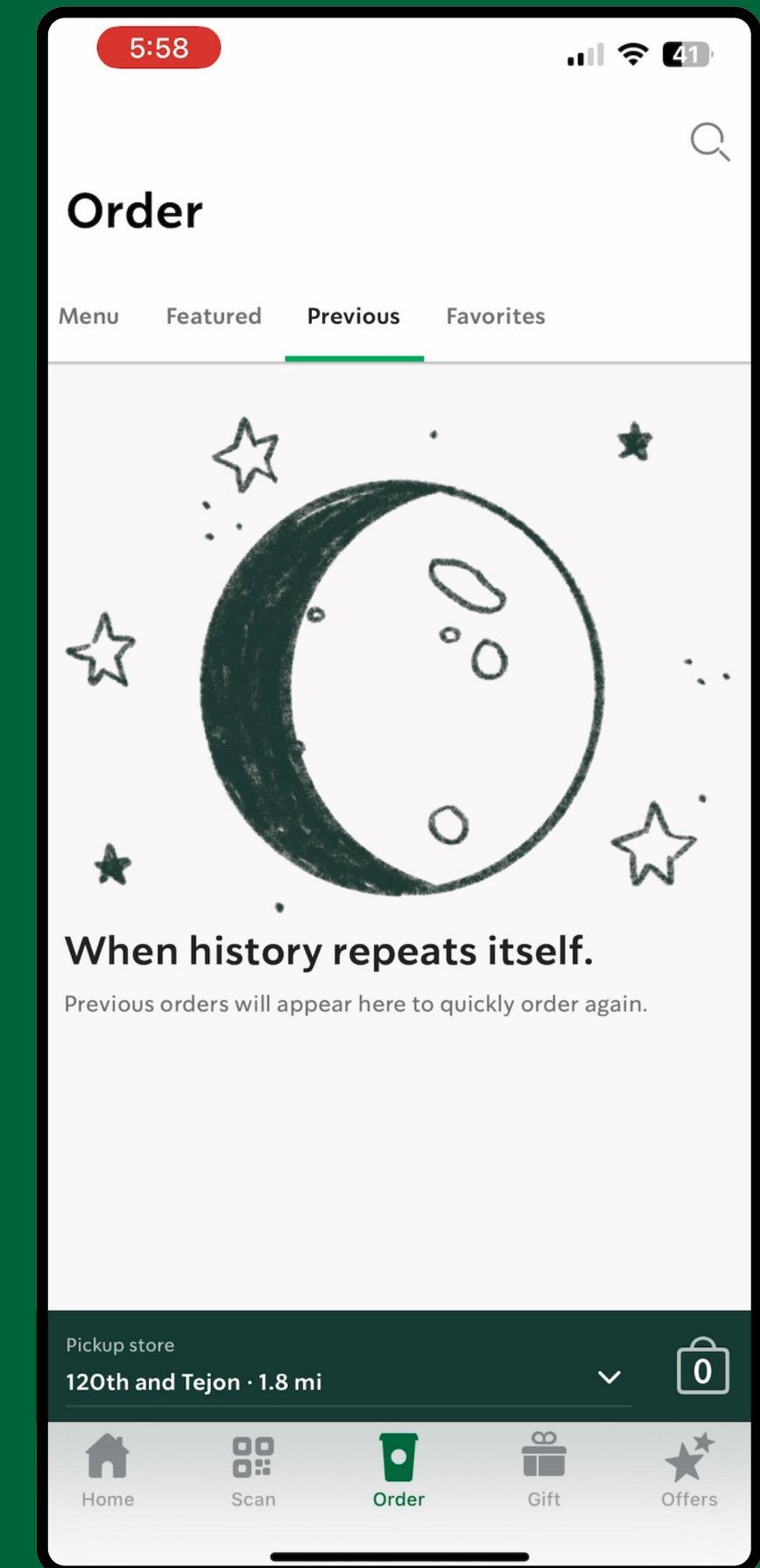
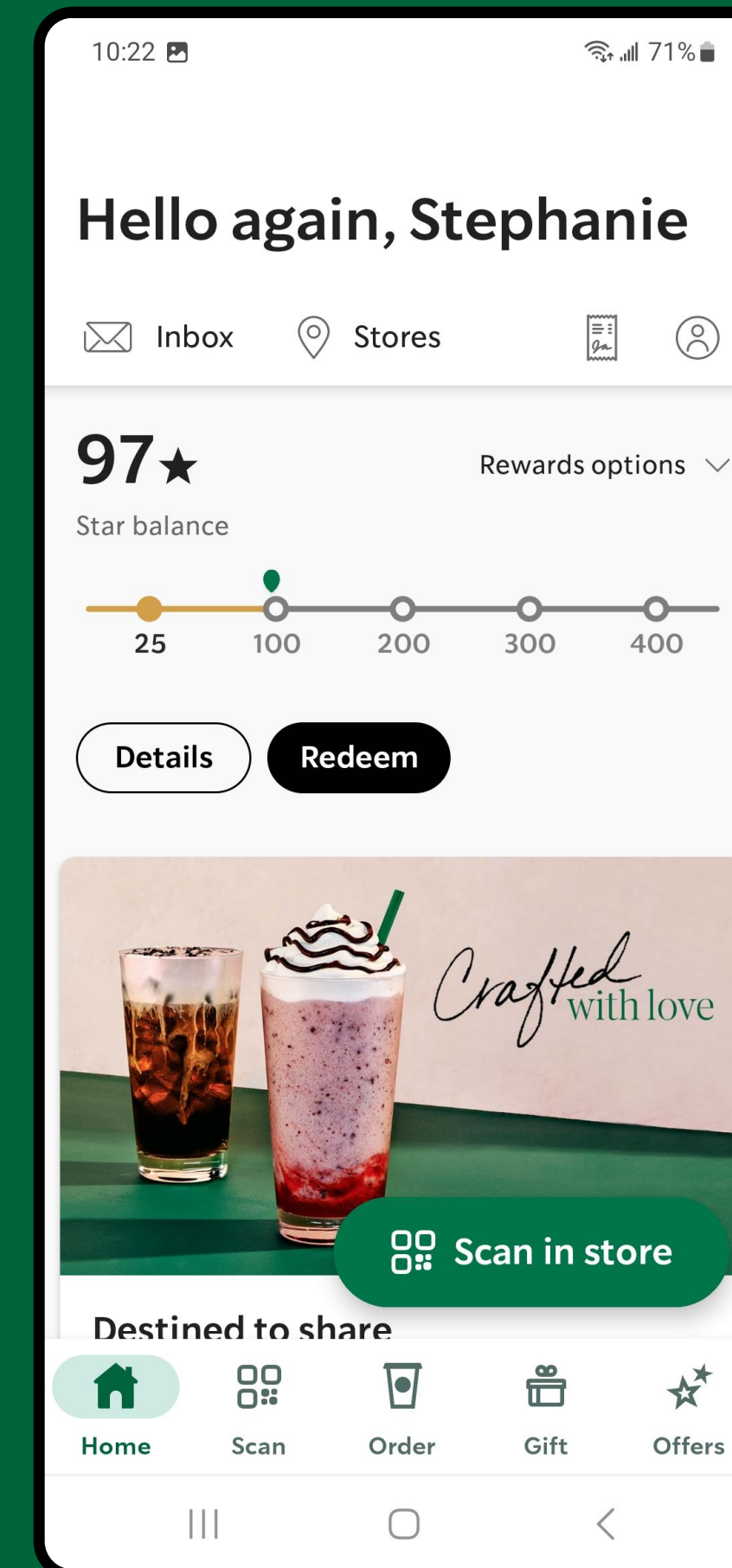
- A few users stated they would **prefer a different user flow** when ordering in the app because they **utilize certain ordering tabs more** frequently than the promotional information Starbucks currently prioritizes
- When placing an order, the app first takes you to the “previous” order screen even when you have no prior orders

Opportunity

How might Starbucks **improve** the **tab flow** for in app ordering?

Recommendation

- Open to the order screen
- Within the Order section of the app, **allow users to select a starting screen**, defaulting to menu for new users



"If the order tab were the first thing I see when opening the app, I'd really appreciate it since I usually know what I'm ordering."

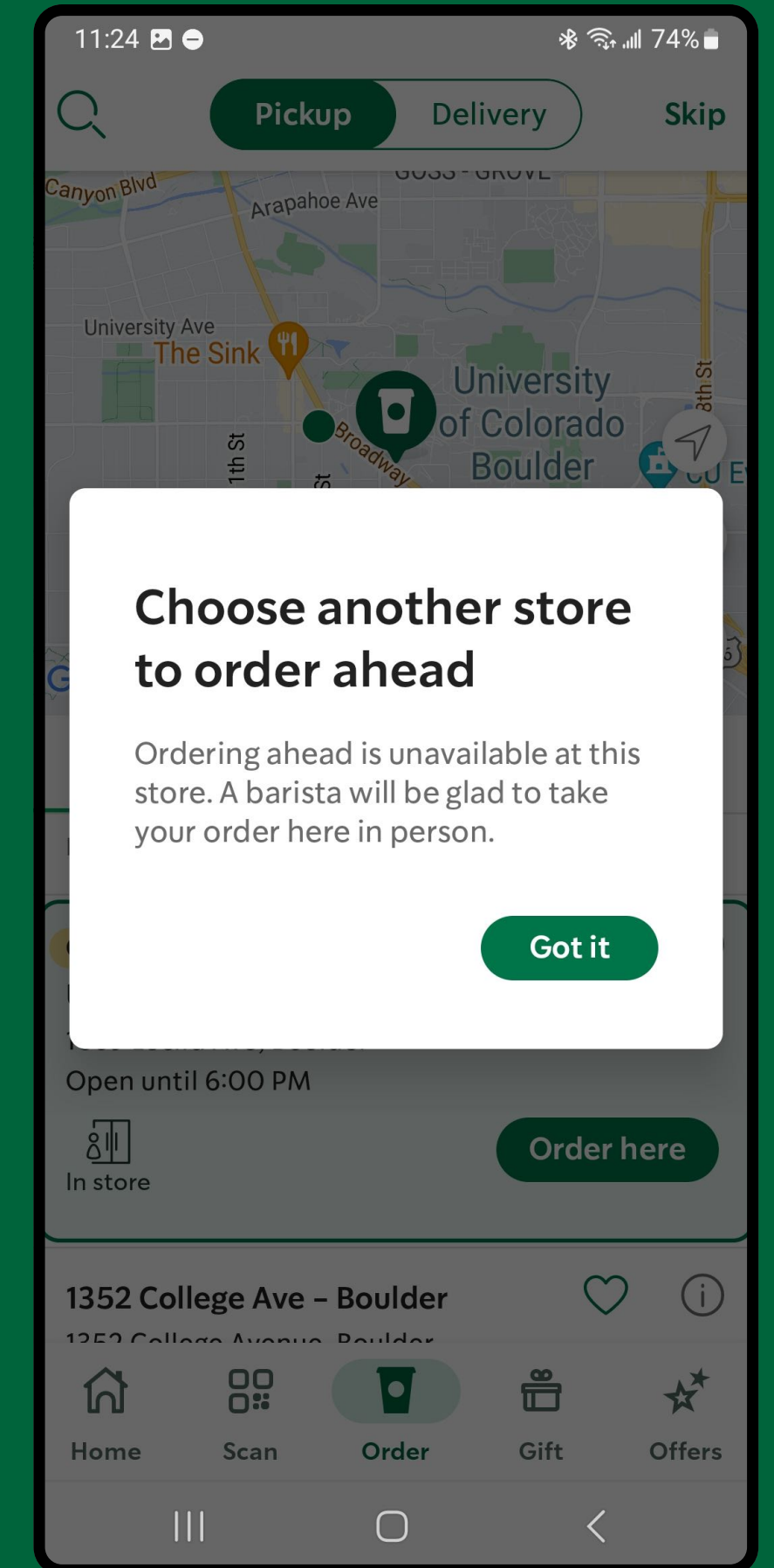
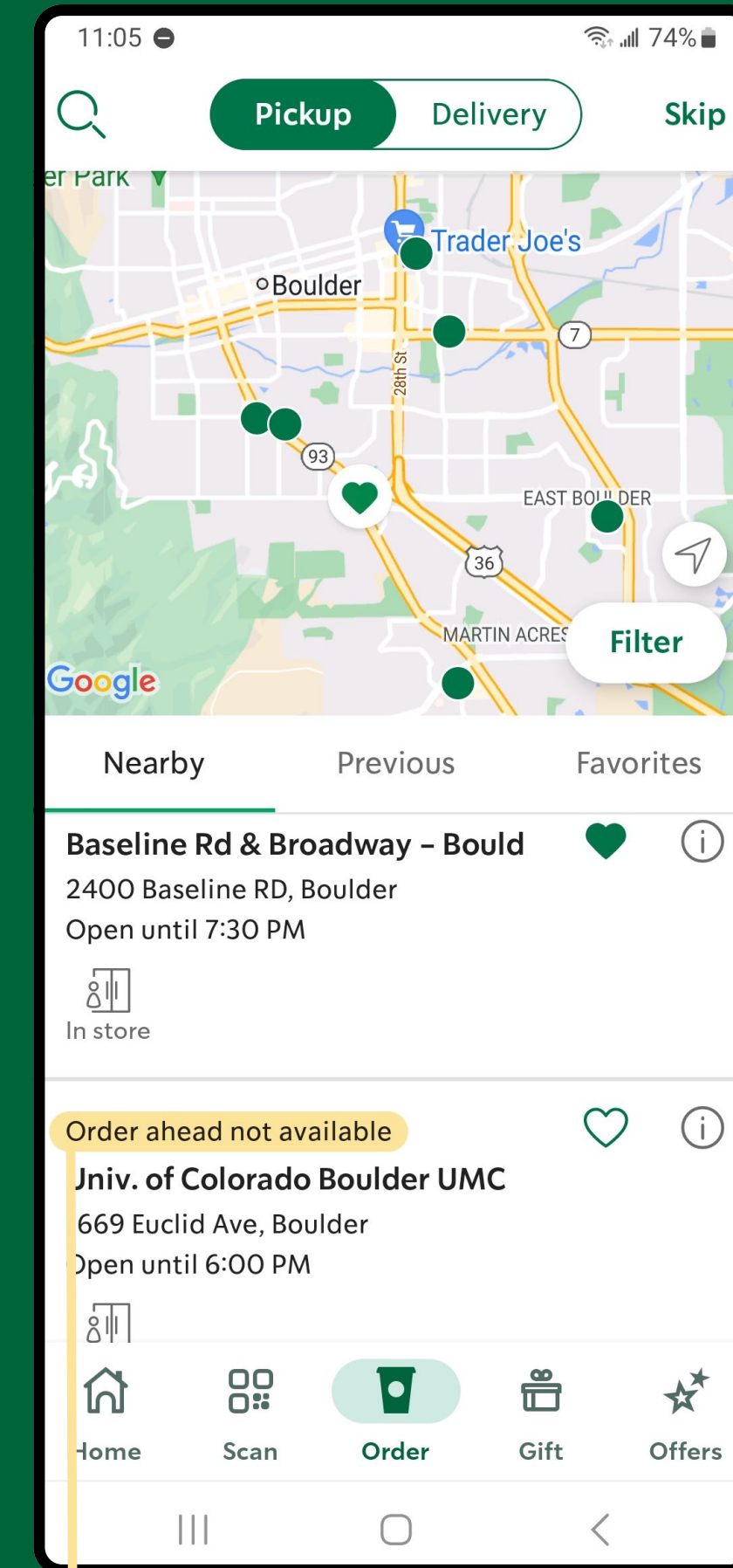
P5, Current Starbucks Mobile App User

Licensed Stores

- Some users expressed **dissatisfaction** with certain **Starbucks locations that don't accept the app** because they cannot utilize the **convenience of mobile pickup** and this is time-inefficient for them
- One user mentioned they **do not use the app** because **their closest store does not accept it**.
- According to Reddit, most of these locations are licensed stores

Opportunity

How might Starbucks **work with licensed locations to provide mobile ordering** for users or reorganize the app to avoid showing these locations to those who want to mobile order quickly?



*“When... it says that there's a store near me, but it's **not available for ordering, like the UMC one just was, that's kind of annoying.**”*

P3, Current Starbucks Mobile App User

Nutritional Information

- Starbucks does **not** show **calories for customizations**, a feature that competitor apps like McDonalds supply
- A review in the App Store mentioned the the **lack of nutritional information** in customization as a reason for a **lower rating**
- A few users across interviews mentioned **having specific health concerns or diets** they needed to **consider when placing an order**

Opportunity

How might Starbucks supply users with **all the nutritional information they need** in app even as they make **customizations**?



Nutrition information is based on standard recipes and does not reflect customizations

Chocolate Cream Cold Foam

Flavors

Pistachio Sauce - 2 +



Add extras

	Cream 20 Cal./ea.	2	▼
	Milk 25 Cal./ea.	2	▼

Cal mentioned

*"It would be nice if it could **update as I'm adding in the sugar and stuff**, but I'll just google and try to do my own ... look into it and then just base it off that."*

-P4, Current Starbucks Mobile User who is prediabetic and concerned about sugar intake

DETAILED FINDINGS

Listed Prices

- Starbucks does **not list any prices until checkout**, while competitors like **McDonalds list prices throughout the app**
- The lack of listed prices was referenced in **negative reviews** in the Google Play Store

*“One of the main pain points is I feel as a customer you **don't see the prices of the drinks.**”*

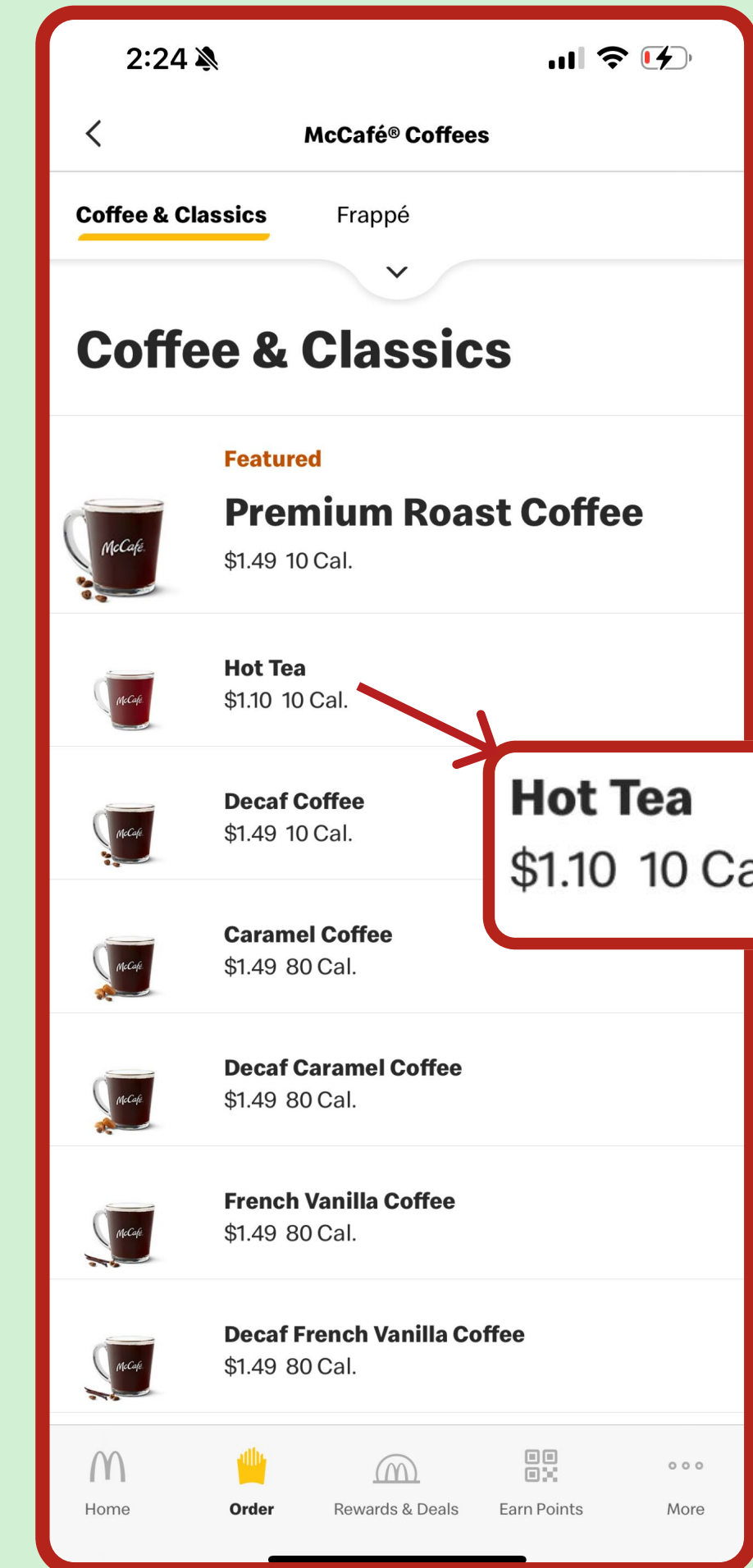
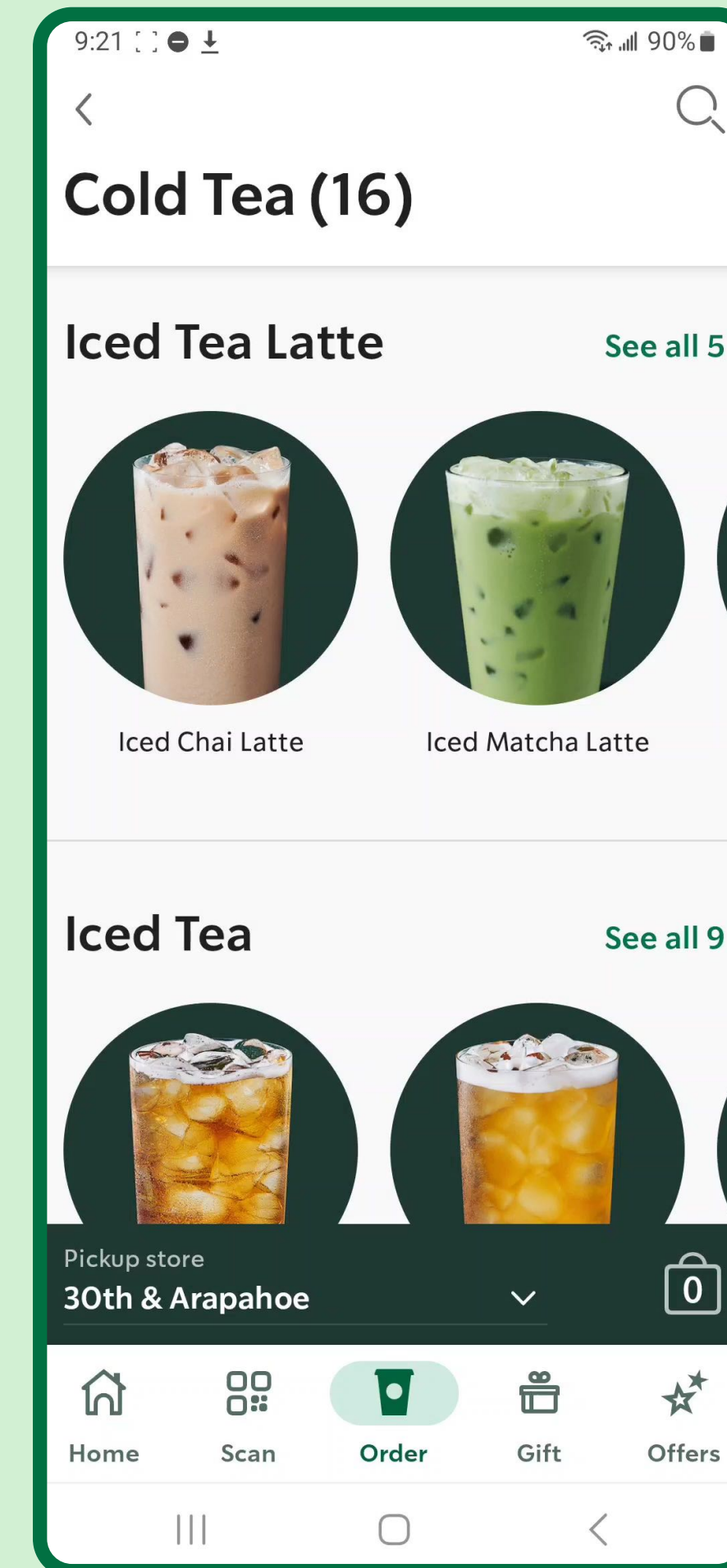
-P6, Current Starbucks Mobile App User

Opportunity

How might Starbucks **integrate prices into their menu** so users don't **feel surprised by the cost** at checkout?

Recommendation

Mimic the in store menu by **listing Grande prices** then update the price when the user customizes their size



Placing Group Orders

- A number of people were **reading off orders from their phones**; at least one read directly from the messaging app
- Placing orders for others in person instead of in app could imply that people see **in-person ordering as an easier way to place group orders** or that they simply may not be aware of or think to utilize the app
- One user mentioned **passing a phone with the Starbucks app around** to place a group order at work

Opportunity

How might Starbucks make it easier to place **group orders in the app**, including when users may **not be together at the time of placing the order**?

Recommendation

- Allowing users to **easily share customized orders** to each other through instant messaging
- A **social media angle** on the app could even mean following anyone from **friends to celebrities** and getting **their favorite Starbucks order**

“When I'm ordering for a group for like my team in the office or something, then it's easier to pass a phone around and have everyone have more control over their own order instead of taking down ordersc”

-P2, Current Starbucks Mobile App User

Payment

In store

- During our ethnography, although there were a large number of customers paying with the app, there were **an equal or even greater number of customers paying with credit/debit cards** (depending on the time of observation).
- Those that paid with cards **frequently utilized mobile tap to pay**

In App

- **7 out of 8** interviewed users **used Apple pay to reload** their card because of the **convenience and security** it provided, being **more secure than** storing their payment information **in the app itself**
 - Multiple Reddit users cite not being able to **log out of their account across devices** after being hacked
- A few users mentioned being **annoyed** at not being able to use **Apple pay as a direct payment** method during check out, instead having to **reload a Starbucks card** to use it

Opportunity

- How might Starbucks **make users feel more confident** storing their **payment information in the app**?
- Can Starbucks **integrate Apple pay** as a form of payment into the app outside of Starbucks card reloads to make the **process of paying with Apple pay less tedious** for its users?

Recommendation

- **Integrate Apple Pay** and other secure wallets into the Starbucks App to **diversify payment options**
- Provide users with a sign out on all devices option for security

Rewards

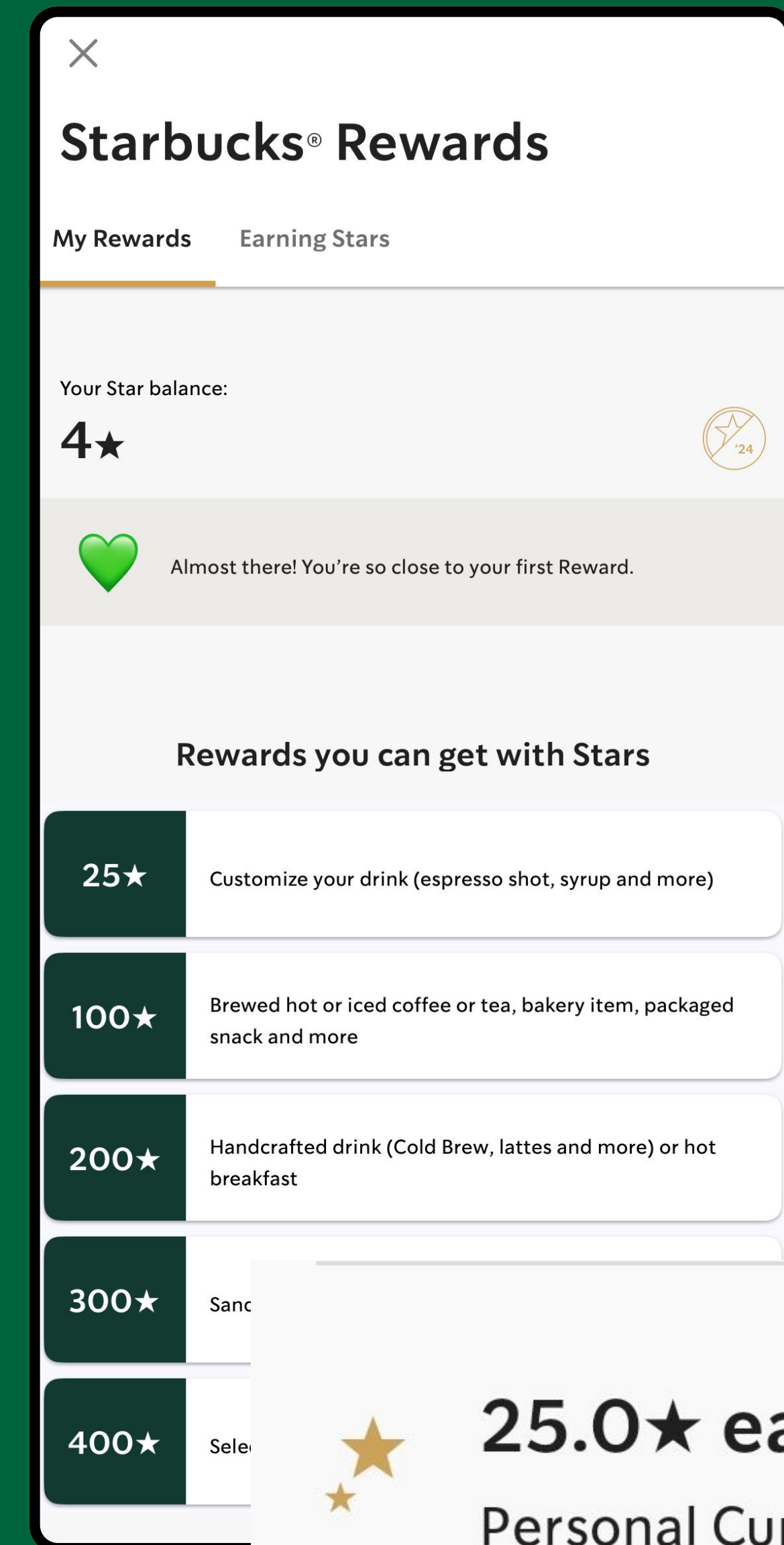
- **6 out of 8** interviewed users **collected stars** when they ordered because **it's conveniently built into the payment process**, but only **2 of 8 redeemed their stars** before they expired because the points required **for a single drink were too high for them** to earn enough starts before expiration
- Users can earn **25 extra stars** per order for using a **personal cup** but it is **not mentioned anywhere in the app**

Opportunity

How might Starbucks **change their rewards system**, or increase awareness of high-star actions, to allow customers to **more frequently redeem rewards**?

“My star balance. This is always kind of sad. I've never actually been able to use my stars because a chai requires 200 stars”

-P2, Current Starbucks Mobile User



In Store Wait Times

- A Reddit user posted that **mobile orders** have **ruined Starbucks** because “you can’t walk in look at the line and have **any ideas how long you will wait for your order**”
- In our ethnography, we noticed in-person customers had no way of knowing **how long until their order was ready**

Opportunity

Provide in store users with information detailing **the time until their order is ready**

Recommendation

Utilize the same **notification system** currently in place for mobile orders for **in store users**



Mobile Users Want to Get in and Get out

- During our Ethnography, many people kept their **outdoor gear on** and **keys in hand** when coming to **pick up their order**
- They seemingly had **no intention of staying** in the store and expected to **get in and out quickly**
- Most users who ordered through the app mentioned doing so because **it is faster and more efficient**
- **4 out of 8** interviewed users typically order Starbucks **on their way to a destination**
- **3 of 8** participants mention they order through the app to **avoid having to engage with others**

Opportunity

How can Starbucks provide **mobile users with the fastest pickup experience possible** with minimal friction?

“Usually I’m heading somewhere and decided I want Starbucks on the way...I like to go in to grab it asap ... then get back in my car and drive away, hopefully not needing to say anything but thank you”

-P3, Current Starbucks Mobile App User



The Pickup Area

- During our ethnography, **the pick up area was often crowded** both **with orders** waiting to be picked up and **customers** waiting for their order
- Orders **piling up** caused **arriving mobile order customers** to have to **look through many orders to find theirs**, increasing the amount of time they spend by the pick up counter
- The **crowded pickup area** would **overflow** into the space of **seated in-store customers**
- “With mobile ordering being pushed, ... [s]tores are **no longer comfortable places you can spend hours in**. Starbucks now prioritizes **speed** and the **number of sales** and, as a result, **has failed.**” - Barista in a [Michigan Daily article](#)

Opportunity

How can Starbucks **reorganize the pickup area** to **best meet customer needs** and prevent mobile customers from disturbing in-store patrons?

Recommendation

Separate **mobile** and **in store pick up areas** and **provide mobile customers with a dedicated waiting space**, like benches, to allow customers to wait **comfortably and leave quickly** without invading the in store area



Mobile Orders Sit and Wait

During our ethnography a mobile order customer came in and asked for a cup of ice. **His drink had been sitting ready for a while**

*“I've noticed that sometimes when I **do it in person**, it's more fresh just because if I order pickup, ... sometimes ... the **ice gets melted** because as soon as I put the drink, they might just do it, but then it might take me a while to drive there and get my drink.”*

–P8, Current Starbucks Mobile App User

Opportunity

How might Starbucks make sure drinks are ready **as close to the arrival time** of mobile customers as possible?

Recommendation

Provide users a ‘**choose pickup time**’ option that can be set to ASAP or a specific time so users can set the time they’ll be in store if ASAP is too soon.



thank you



Usability Interview Demographics:

Participant #	P1	P2	P3	P4	P5	P6	P7	P8
Name	Doug	Sydney	Jax	Carson	Heera	Vamsi	Ram	Ruchi
Age	19	25	26	25	23	27	36	18
Gender	Male	Female	Female	Female	Female	Male	Male	Female
User Type	Current	Current	Current	Current	Current	Current		

In-Depth Interview Demographics:

Participant #	P9	P10	P11	P12
Name	Mythiresh	Klara	Kas	Sophia
Age	22	22	26	29
Gender	Male	Female	Male	Female
User Type	Potential	Potential	Current	

Additional Takeaways

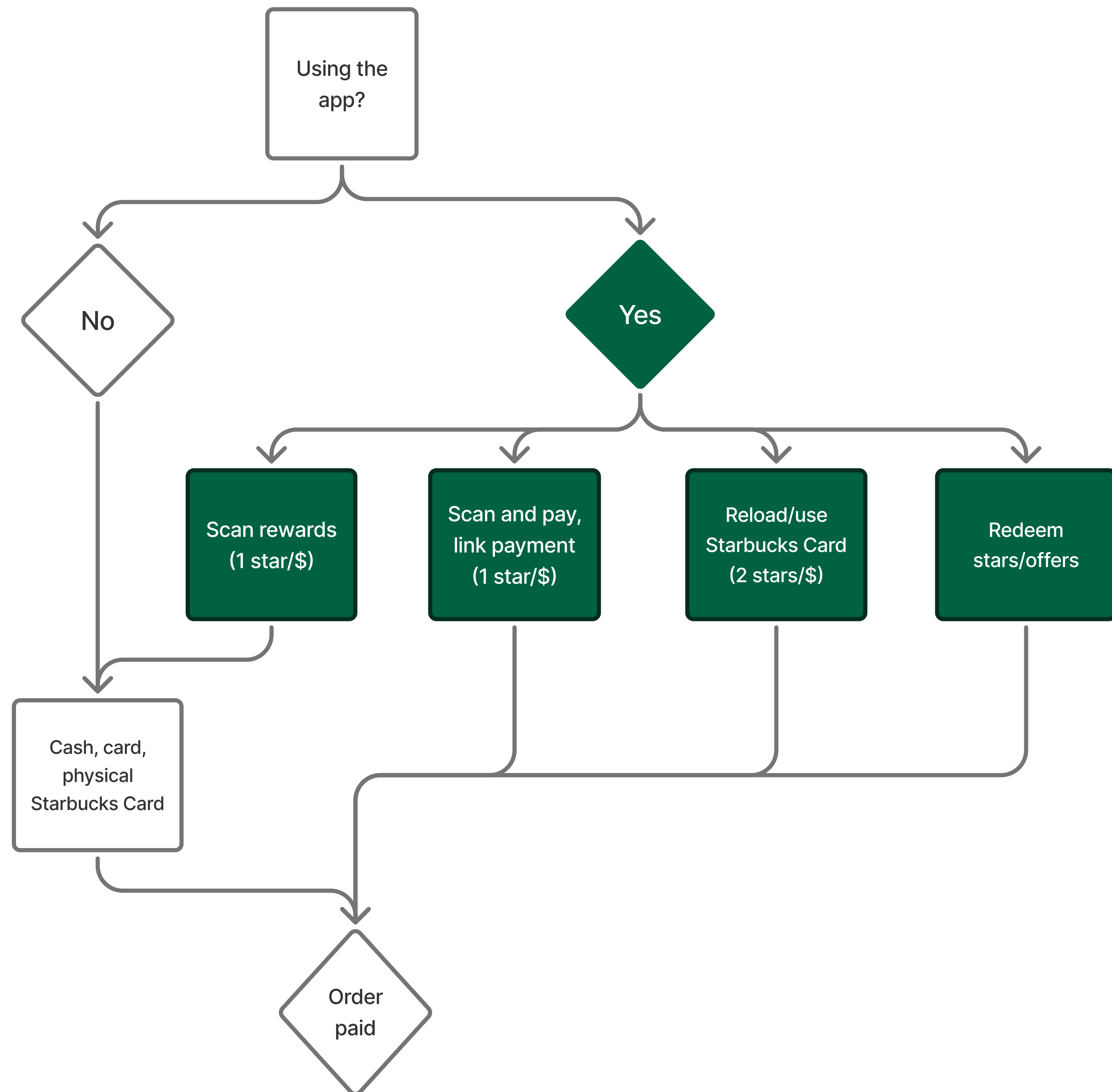
- 2 out of 8 users mentioned choosing to order from Starbucks because someone else covers the funds. It may be important for Starbucks to consider ways in which users can pay for each other, especially in a corporate setting where a boss may approve spending.
- 2 out of 8 users mentioned choosing to order from Starbucks when they travel because it is consistent everywhere
 - A few users ordered from Starbucks while traveling because they trust Starbucks for its consistent taste, reliable food quality, and good ambience.



In Store

Payment

- Prompted to bring out app for rewards/payment
- Can pay with
 - Physical Starbucks Card
 - Cash
 - Credit/Debit Card
 - Starbucks App
 - Redeeming stars
 - Linked payment
 - Reload in app Starbucks card



In Store

Payment

- Ethnography showed that baristas would help struggling customers “figure out” the app
- Ethnography showed that one third of customers paid with a physical Starbucks card or with the app
- Competitive teardown showed that apps like McDonalds allow customers to get rewards both before and after payment, Starbucks only allows rewards to be scanned during payment
- From our ethnography, we found that cashiers would not prompt customers to use the app, instead adjusting the payment method depending on what it looked like the customer was going to pay with

