

The Brief

Starbucks South Africa | Designing the Third Place

Starbucks positions itself as the “Third Place” between home and work, where customers can connect, relax or be productive. The challenge was to explore how this promise could be delivered consistently across digital and physical touchpoints in South Africa’s competitive café market.

The brief identified four key tensions: competing customer needs within the same store, disconnection between digital loyalty and in-store experiences, inconsistent service delivery, and the pressure on baristas to balance personalised hospitality with operational efficiency.

Over five days, the task was to develop a reimagined service experience concept supported by three prioritised recommendations, including digital and non-digital improvements. This required direct observation in a Starbucks store, exploration of the mobile app, an end-to-end customer journey map, a service blueprint connecting frontstage experiences to backstage operations, and proposed metrics to measure improvement.

The work culminated in two presentations: a 5–7 minute executive concept presentation for senior management and a 20–25 minute presentation explaining the research approach, service design process, findings and recommendations.

A photograph of a Starbucks store interior, overlaid with a semi-transparent green filter. The image shows the service counter, menu boards, and customers. The text is positioned on the left side of the image.

The Third Place, Reimagined

Service design recommendations
for Starbucks South Africa

APRIL 2026

The gap between what the brand promises and what the store delivers is not a brand problem. It is a design problem.

Starbucks SA has a loyal, aspirational customer base spending deliberately on a brand they have chosen to believe in. The research shows they notice every gap between what the brand implies and what the store delivers. Three things stand out as the most important context for what follows.



This has happened before

The first Starbucks SA franchise collapsed after same-store sales fell 19% once the launch honeymoon ended. The new operator is better funded. The structural conditions that caused that collapse have not changed.



Customers are choosing elsewhere

In organic, unprompted SA consumer conversation, Starbucks ranks behind Seattle Coffee, Woolworths, Vida, Wimpy, and McCafé. Not in a survey, in real conversation about where people actually want to go due to not just pricing, but inconsistency.



The intelligence exists. It stops at the door.

The loyalty platform holds visit frequency, order history, and spend data for every Gold member. None of it reaches the counter. Starbucks knows its most loyal customers better than any competitor does, and does nothing with that knowledge at the moment it matters most.

RECOMMENDATION 1

Give staff the conditions to deliver what the brand trains them to promise

Baristas are trained in warmth and recognition. The operational model makes both impossible at peak. This is not a training problem, it is a design problem. Three structural changes make the barista relationship possible rather than just aspirational.

Role separation

Cashier and barista become distinct functions. Neither does everything. Both do their job well.

POS loyalty visibility

Loyalty tier and usual order surface at the counter at the moment of interaction. The data already exists. It is not reaching the people who need it.

Recognition protocol

At competing store, customers are asked to provide an identifier as part of their order and purchase journey (such as a phone number) making recognition and the personalised experience easier.

Quiet-period protocol

Off-peak periods should be explicitly designed for relationship-building. Staff have permission and a structure to slow down and connect when throughput pressure is not present.

FOR THE CUSTOMER

Gold status acknowledged at the counter.
Name used as a greeting, not a cup label.
A warm handoff at collection. Exit acknowledgement for visitors.

FOR THE EMPLOYEE

Clear role boundaries. Loyalty data visible at POS. Space to be human during quieter periods rather than being permanently in throughput mode.

OPERATIONALLY

POS integration with loyalty platform. Staffing model reviewed against SA peak patterns. Shift lead owns the recognition layer as a named accountability, not an aspiration.

RECOMMENDATION 2

Design the space to actually work as a third place

A third place is not just somewhere to buy coffee. It is somewhere people choose to be. Right now customers arrive with different needs and the store has no designed response to any of them. The space looks like Starbucks. It does not feel like it.

Order buzzer system

Pager issued at order. Customer finds a seat. Buzzer calls them when the drink is ready. Resolves collection chaos and seating tension in one intervention.

Spatial zoning

Work zone, social zone, flexible zone. Customers already self-sort. The store formalises and supports what is already happening rather than leaving it to chance.

Named floor ownership

One role, one accountability. WiFi displayed, merch standard kept, collection area managed, environment checklist completed at shift start. Not reactive, owned.

Sensory design layer

Deliberate sound, smell, and material choices informed by local research. A Johannesburg study found these drive satisfaction more than visual cues. The visual work is done. The sensory work has not started.

FOR THE CUSTOMER

Find a seat before collecting a drink. A space that matches how they intend to use it. An environment that feels like somewhere, not anywhere.

FOR THE EMPLOYEE

Floor staff have a defined role and a checklist rather than undefined presence. Buzzer system removes the collection bottleneck that currently pulls floor staff to the counter at peak.

OPERATIONALLY

Buzzer system procured and installed. Zoning mapped per store format. Sensory design brief commissioned for SA context. Floor ownership written into the shift model with named accountability.

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RECOMMENDATION 3

Turn the app into the digital home of the third place, not a points counter

A third place is not just somewhere to buy coffee. It is somewhere people choose to be. Right now customers arrive with different needs and the store has no designed response to any of them. The space looks like Starbucks. It does not feel like it.

My Starbucks

A home store identity with its own character, community, and feed. You belong to the Gateway Starbucks, not Starbucks in the abstract. Your store knows you. You know it.

Bringing Starbucks Home

Curated merchandise, seasonal drops, SA-specific products available through the app. Extends the commercial relationship beyond the cup and creates brand engagement off-premise.

We Know You

Your regular order surfaced as identity, not just convenience. A small signal that the brand knows you, and a bridge between the digital warmth the app already has and the in-store experience that should match it.

Community moments

In-store events, seasonal launches, local collaborations. Things that make regulars feel like insiders before they arrive and give everyone a reason to open the app between visits.

Loyalty reimaged

Stars earned through events, purchases, and community engagement, not just through buying a drink. The relationship becomes multi-dimensional and earned rather than transactional.

FOR THE CUSTOMER

An app worth opening on a Tuesday afternoon. A sense of belonging to a specific place and community. A loyalty relationship that reflects genuine engagement rather than how often their bank gave them a free coffee.

FOR THE EMPLOYEE

Community moments give store staff something to be proud of and to invite customers into. Events create a different kind of interaction, one that is not transactional. The store becomes a venue, not just a counter.

OPERATIONALLY

The app becomes Starbucks SA's primary customer intelligence tool. Engagement data, event attendance, shop purchases, and loyalty behaviour give the business a genuine understanding of its SA customer base for the first time.

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The background image shows the interior of a Starbucks cafe. In the foreground, there are several people sitting at tables, some looking at laptops. The cafe has a modern, industrial feel with exposed ceiling beams and warm lighting. A large Starbucks Siren logo is visible on the wall in the background. The entire image is covered with a semi-transparent green overlay.

The End-to-end Service Design Process

Contents

- 01. Discovery Approach
- 02. Discovery Findings
- 03. As-Is Experience
- 04. Measurement Framework



DISCOVERY APPROACH

Research foundation & context

Time was spent inside the stores before any conclusions were drawn. That in-store observation was combined with what real SA customers say unprompted about the brand, and grounded in academic and industry research that spans the coffee shop industry across seven countries.



In-store observation

Two stores visited across different formats and contexts. Timings recorded, staff behaviour observed, spatial use mapped, environmental failures noted firsthand.

Durban

2 stores



SA social listening

Organic SA consumer conversation analysed, unprompted views on Starbucks and its local competitors, giving an unfiltered read on brand perception in this market.

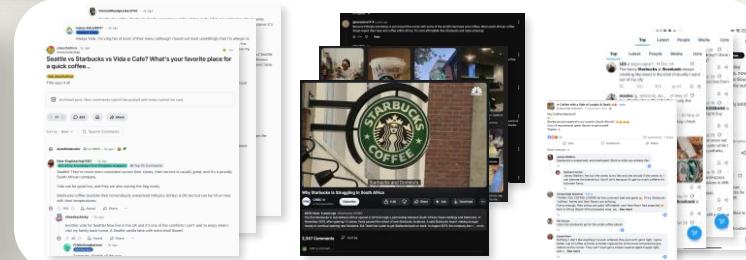
200 + comments

TikTok

Reddit

X

Facebook



Desktop Research

19 sources covering Starbucks business design, brand equity, sensory marketing, barista behaviour, third place theory, and Starbucks market history across 7 countries.

13 Research Papers

2 Case Studies

4 Articles



DISCOVERY FINDINGS

What the research revealed

01 The Brand Promises a Relationship the Operation Can't Deliver

Customised drinks require up to 10 steps and nearly half of customers customise¹, yet baristas handle every function simultaneously with no role separation and no customer data. A 12-minute wait for a single drink at 2:15pm on a weekday is the result. Warmth gets trained in and operationally squeezed out.

04 What You Smell and Hear Matters More Than What You See

A Johannesburg-specific study found sound, smell, and taste drive satisfaction most strongly while sight was not statistically significant⁵. Coffee aroma alone scored 4.8/5 on brand perception⁶. Starbucks SA has the visual signatures but no sensory architecture beyond them.

02 Starbucks SA Is a Status Symbol in a Market That Hasn't Earned the Experience Yet

Brand image overrides local preference even in strongly ethnocentric consumers², but that premium creates a trap. When the experience underwhelms, the letdown is disproportionate. Organic SA sentiment ranks Starbucks behind Seattle, Woolworths, Vida, and Wimpy³.

05 Personalisation Is the Highest-Yield Investment Starbucks Isn't Making

Personalised service produces 90% repeat visit intent versus 60% for standard service⁶, and highly satisfied customers visit 7.2 times per month versus 3.9 for unsatisfied ones¹. The gap between what the loyalty programme implies and what the store delivers is where loyal customers become lapsed ones.

03 The Third Place Has Rules, and Starbucks SA Breaks Most of Them

Third place criteria now include digital connectivity and flexible space for mixed use⁴. Starbucks SA fails on most: price limits accessibility, WiFi arrives on a scrap of paper, the space doesn't support mixed use, and regulars go entirely unrecognised.

06 Starbucks SA Failed Once Already, and the Root Cause Hasn't Changed

The Taste Holdings collapse was about assuming the global brand would carry revenue without local contextualisation. Same-store sales fell 19% once the launch honeymoon ended⁷. The new operator is better funded but faces the same tension: high operating costs, locally beloved competitors, and a price point that demands a consistently excellent experience to justify it.

Sources: ¹ Moon & Quelch, Starbucks: Delivering Customer Service, HBS 2003 ² Areiza-Padilla et al., Ethnocentrism at the Coffee Shop Industry, 2020 ³ r/southafrica Reddit thread, 150+ organic comments ⁴ Oldenburg, The Café as a Third Place, 2013; Lukito & Xenia, 2018 ⁵ Anvar, Multi-Sensory Branding at Coffee Shops in SA, Wits 2016 ⁶ Hidayat et al., Experiential Marketing in the Local Coffee Industry, 2025 ⁷ Browdie, Starbucks Has Failed in South Africa, Quartz 2019

DISCOVERY FINDINGS

What this means for Starbucks



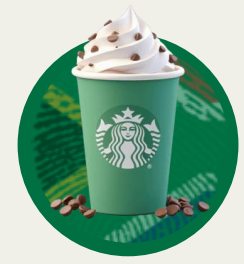
Conflicting needs require a designed response, not a passive one. Tables occupied by lingerers mean standing customers with nowhere to go. The store has no mechanism to manage dwell time, signal availability, or differentiate the space by use case.



The digital opportunity sits within what already exists. There is no mobile ordering in SA. The digital gap is real, but the solution has to work within what exists. The recommendation is not to build new infrastructure. It is to surface the loyalty data Starbucks already has at the point of service.



The barista relationship needs structural conditions to succeed. Baristas cannot deliver hospitality and throughput simultaneously without support. Training changes nothing if the conditions that prevent warmth are left intact. Role separation and POS loyalty visibility are prerequisites, not nice-to-haves.

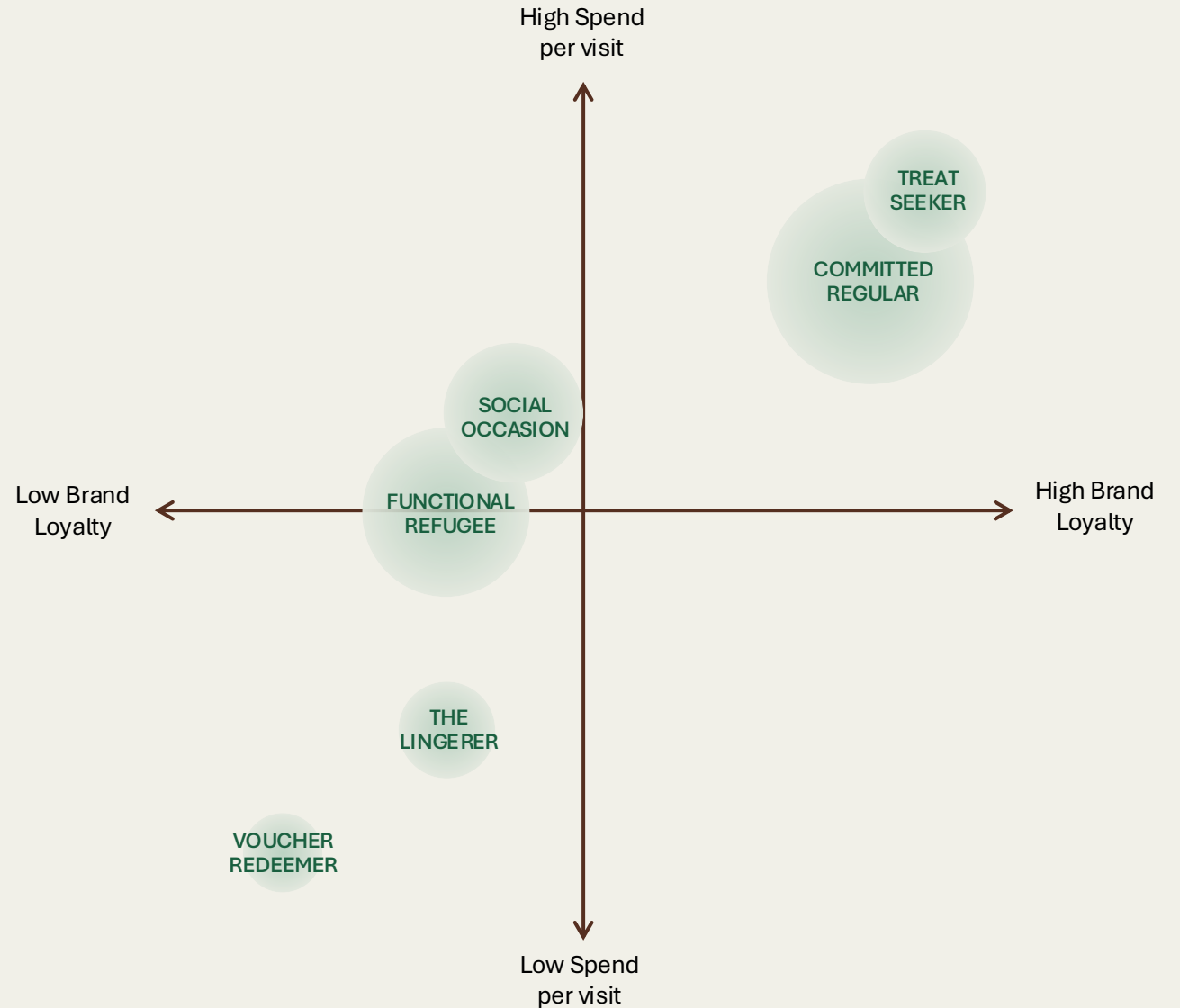


Consistency requires a locally-owned standard. The mall store had organised merchandise. The standalone had a messy basket and WiFi on scrap paper. These are not individual failures. They indicate no one is accountable for the physical environment during trading hours, and no SA-specific service standard exists to enforce consistency.

DISCOVERY FINDINGS

Customer Archetypes

Starbucks SA draws a specific kind of customer, one who has made a deliberate choice to be here and has real emotional and financial investment in that choice. Understanding who they are behaviourally, what they spend, how loyal they genuinely are, and where the experience loses them is the foundation for any service intervention that actually sticks.



DISCOVERY FINDINGS

Customer Archetypes

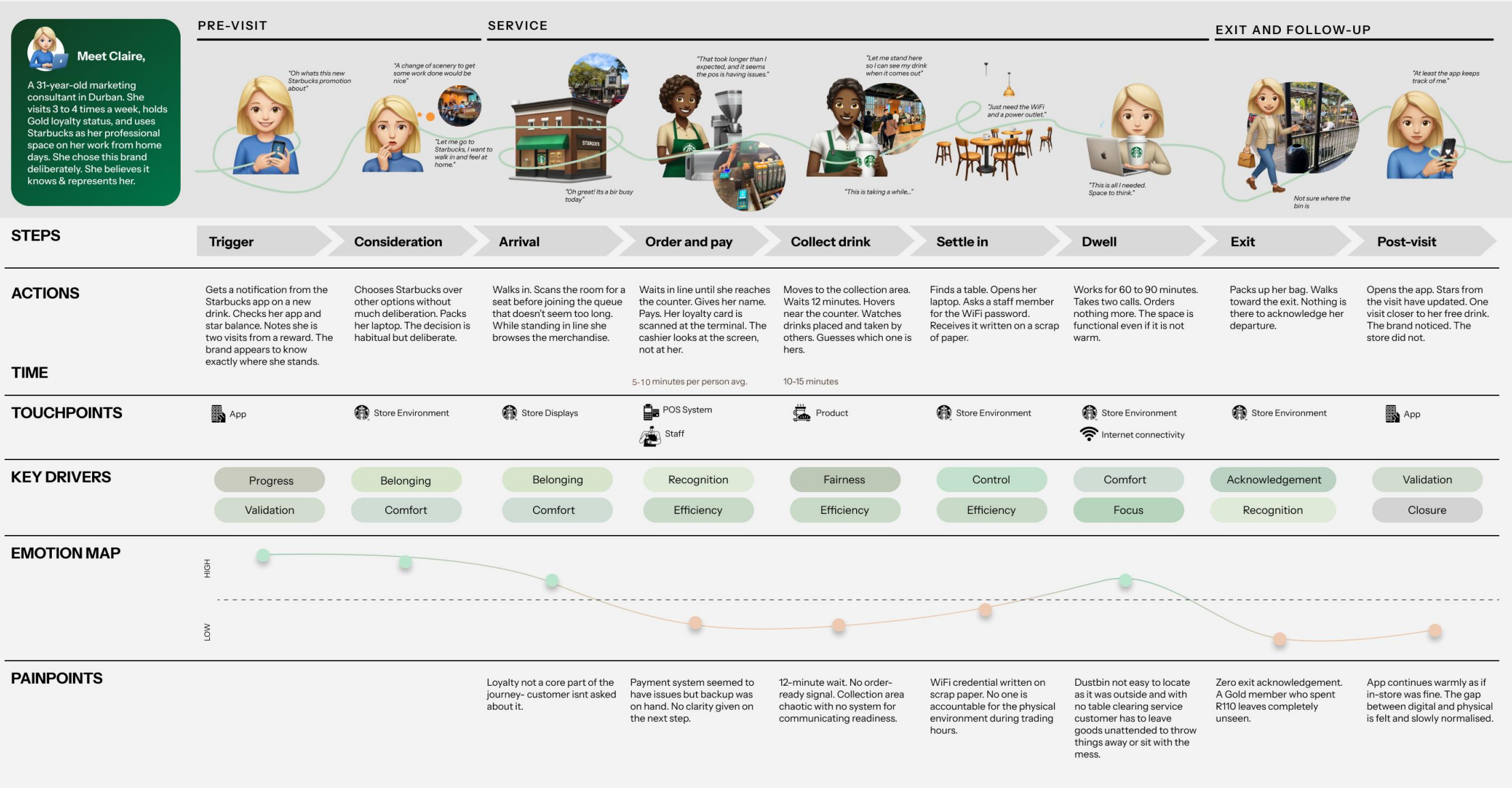
	 COMMITTED REGULAR	 SOCIAL OCCASIONERS	 TREAT SEEKER	 FUNCTIONAL REFUGEE	 THE LINGERER	 VOUCHER REDEEMER
Visit frequency	Low  High	Low  High	Low  High	Low  High	Low  High	Low  High
Average spend	RR (Food + Drink)	RRR+ (Food + Drink)	RRR (Drink)	RR (Drink + minimal food)	R (Drink)	R (Drink)
Primary Touchpoint	☒ In-store ☒ Takeaway ☒ Delivery ☒ App ☐ Website ☐ 3 rd Party	☒ In-store ☐ Takeaway ☐ Delivery ☐ App ☐ Website ☐ 3 rd Party	☒ In-store ☐ Takeaway ☒ Delivery ☐ App ☐ Website ☐ 3 rd Party	☒ In-store ☐ Takeaway ☐ Delivery ☐ App ☐ Website ☐ 3 rd Party	☒ In-store ☐ Takeaway ☐ Delivery ☐ App ☐ Website ☐ 3 rd Party	☒ In-store ☒ Takeaway ☐ Delivery ☐ App* ☐ Website ☒ 3 rd Party
Brand loyalty type	Earned: app user, Gold or Green status, deliberate brand choice	Weak: Starbucks is the agreed-upon venue, not a personal commitment	Emotional but infrequent: visit is a deliberate reward, not a habit	Conditional: loyal to the space and infrastructure, not the brand	Aspirational but financially constrained- Starbucks is a stretch spend	Incentivised: loyalty is to the bank programme, not the brand
What they value	Good quality coffee, being recognised, order being right, not waiting long	Space feels welcoming, drinks come within a reasonable time, ambience works	The experience matches what they imagined it would be	WiFi works, power is available, not being disturbed, seat is there	Space works, they can stay without being moved on, WiFi is reliable	Getting the drink without friction
Key Failure Mode	Spending R100+ and feeling invisible; loyalty unreturned	No available seating; long wait with nowhere to stand that feels comfortable	Long wait, wrong order, or impersonal service deflates the treat entirely*	WiFi down, no outlets, no seats, or load shedding takes the store offline	WiFi fails; no outlets; a R90 spend doesn't feel justified when the basics don't work	Redemption friction; any delay or complication at the payment step

DISCOVERY FINDINGS

Frontline Staff Roles*

	 CASHIER	 BARISTA	 FOOD HANDLER	 FLOOR STAFF *	 SHIFT LEAD
OWNS	• Greeting customers • Taking orders • Payment processing • Name on cup	• Drink preparation • Drink quality • Calling drink names	• Warming food items • Pastry counter • Food readiness	• Table clearing • Food running	• Shift operations • Staff coordination • Problem escalation • Regular recognition
Primary Touchpoint	• First impression • Sets tone for whole visit	• Drink handoff moment • Highest personalisation potential	• Indirect- food quality • Low customer visibility	• In-space experience • Most time with seated customers	• Regulars and complaints • Highest relationship potential
Peak Time Behaviour	• Warmth disappears • Pure queue management	• Head down, no interaction • Often absorbs cashier role	• Bottleneck on food orders • Fully counter-bound	• Reactive to clearing backlog • Pulled to counter support	• Collapses to counter • Oversight disappears at worst time
GAPS	• No loyalty visibility at POS • Queue pressure kills warmth	• No loyalty visibility at POS • Queue pressure kills warmth	• Detached from customer flow • No floor presence	• No environment ownership • No seating management • Reactive not proactive	• No loyalty data tools • Absorbs gaps vs designing out

Customer Journey



Service Blueprint



Service Blueprint

This blueprint maps the current-state Starbucks SA service experience across nine steps and four phases, from trigger to post-visit. It is structured in layers, what the customer experiences, what staff do in their line of sight, what happens behind the scenes, and the systems and processes that underpin all of it. The two dividing lines separate what is visible to the customer from what is not, and what is customer-facing from what is operational. Its purpose is not documentation but argument: the failures customers feel at the top of the blueprint are the predictable output of specific gaps in role design, systems integration, and operational standards two and three layers below. That is where the recommendations intervene.

Customer Archetypes

Committed regular

Functional refugee

Social occasioner

Student lingerer

Treat seeker

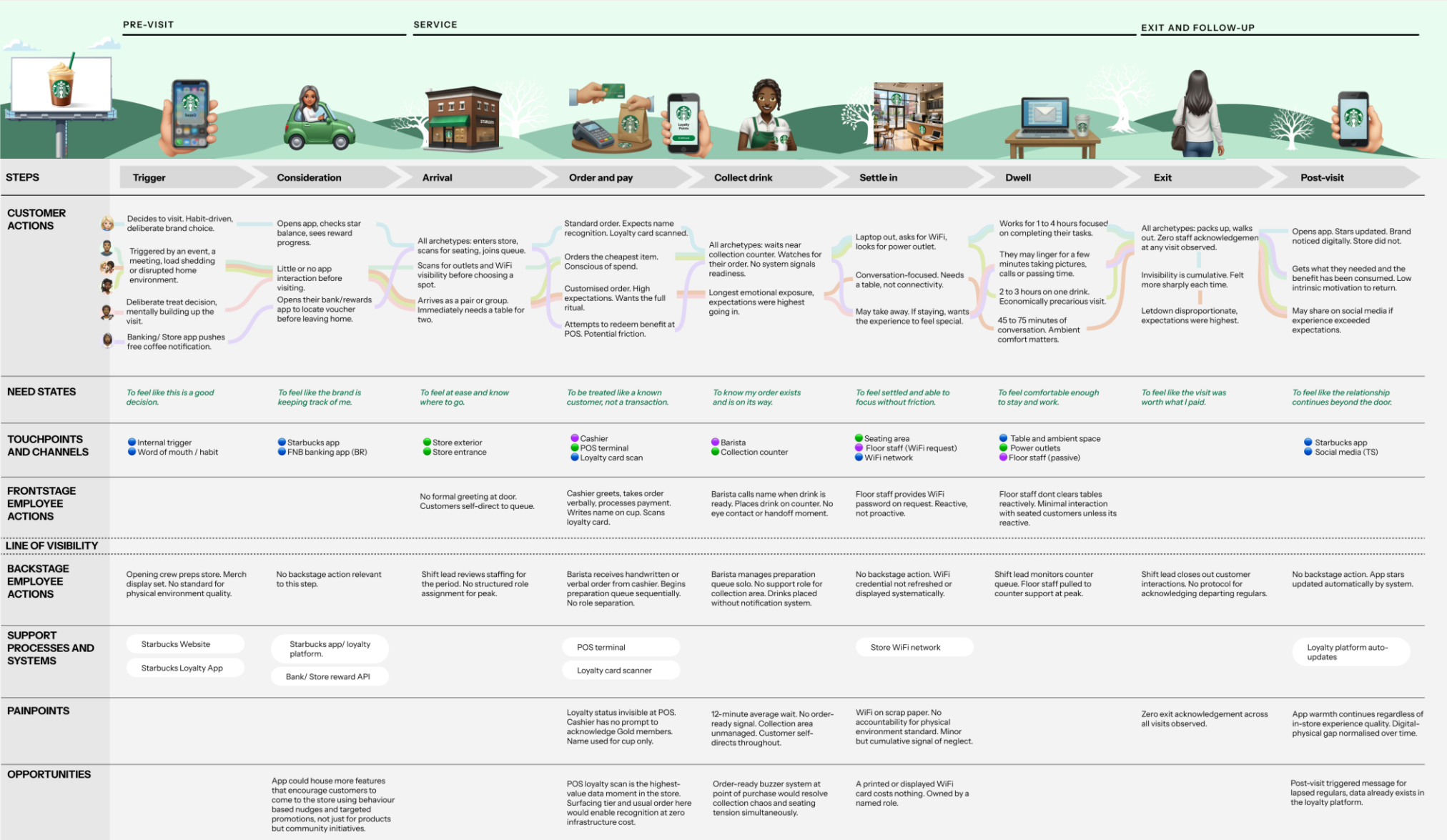
Voucher redeemer

Channel Type

Digital

Physical

Human



MEASUREMENT FRAMEWORK

How we know the experience is improving

Not every stage needs a metric. The stages worth measuring are the ones where structural failures were observed or where the recommendations make specific claims about improvement. Each metric is tied to a customer goal and a business goal, otherwise it is monitoring, not measurement.

	Order and pay	Collect drink	In-store dwell	Post-visit and app
METRIC	% of members/customers identified and at the counter per shift	Average order wait time from payment to collection. % of orders collected within 5 minutes.	Average dwell time by archetype segment. Spend per dwell hour for work-focused customers.	App open rate between visits. Gold member visit frequency month on month. Lapsed regular reactivation rate post recommendation 3.
CUSTOMER GOAL	To feel recognised after repeated visits	To get what they paid for without anxiety or confusion	A space that works for how they intend to use it	A brand relationship that exists between visits, not just at the point of purchase
BUSINESS GOAL	Increase Gold member retention and visit frequency	Reduce complaints. Improve throughput and table turnover.	Improve revenue per seat. Understand whether zoning is shifting spend behaviour.	Increase visit frequency. Reduce lapsed Gold members. Build app as a commercial channel.
BASELINE	0%- loyalty tier is invisible to staff at POS	12 minutes observed at 2:15pm weekday. Collectable via POS timestamps.	Collectable via WiFi session duration paired with POS spend data.	Existing app analytics. Loyalty platform visit frequency data available now.

30 days

Confirm the intervention landed. Are recognition rates above zero? Has wait time reduced? Are floor ownership standards being kept?

90 days

Has behaviour changed? Are Gold members visiting more frequently? Is app engagement increasing between visits? Are lapsed regulars returning?

6 months

Is it converting to revenue? Higher spend per Gold member, lower churn, increased same-store sales. This is where the commercial case is proven or revised.



Thank You for your time



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