

Starbucks Hong Kong – Enhancing the Customer Experience Through Digital Innovation



Source: Unsplash (2022)

Background

With the mission to inspire and nurture the human spirit – one cup, and one neighbourhood at a time, Starbucks opened its first coffee house in Hong Kong at Exchange Square, Central in 2000 (LinkedIn, n.d.). In one of the busiest cities in the world where customers have a very high expectation of convenience, Starbucks is committed to exploring digital innovations which deliver meaningful value and convenience that enhance the Starbucks experience (Starbucks, 2017).

In 2013, the company launched its own mobile application, “Starbucks Hong Kong” (Starbucks Facebook, 2013). The app allows existing Starbucks Card holders to register their cards on their mobile devices, which enables them to track their accumulated stars, rewards, and transaction history at any time (Starbucks Facebook, 2013). User can also transfer currency from card to card within the app if they have more than one registered under the same account.

In 2017, Starbucks Hong Kong introduced ‘Mobile Order & Pay’ feature on its app, allowing customers to place order remotely before arriving at the store (Starbucks, 2017). Through the Starbucks Hong Kong app, customers can choose a store from the map, browse, select, view the estimated pick-up times, and pre-pay for the order (Starbucks, 2017). A key advantage of this feature is the high level of customization, enabling customers to modify size, espresso shots, dairy options, and other preferences to suit their tastes. (Starbucks, 2017). Later, the app was enhanced with the ‘Mobile Order to Table Service’ feature, which allows members to skip the line by scanning the QR code at their table and placing their order directly from their app. Staff then deliver the order straight to the customer’s table (Starbucks, 2021).

In 2022, Starbucks Hong Kong rolled out the ‘Starbucks Drink eGift’ function, which allows users to buy a cup of coffee for their friends or family through the app (Starbucks, 2022). Senders can personalize the drink and include a custom personal message, which can be shared through social media (Starbucks, 2022). The recipient does not need to be a Starbucks member—they only need to download the app to redeem their drink (Starbucks, 2022).

Challenges

While the Starbucks Hong Kong mobile app offers a suite of convenient features, it remains primarily geared toward loyalty program members. Even today, users must log in with their Starbucks Card to access core functions such as mobile ordering. Although new users are given the option to create an e-Starbucks Card during app setup, they are required to make a minimum deposit of HK\$100 to proceed.

Additionally, the introduction of the e-Starbucks Card—which can be used for both in-store and online purchases—has made physical Starbucks cards largely obsolete. However, the deposit requirement and membership-first approach may deter occasional customers or first-time users who wish to explore the app’s benefits without committing financially.

Discussion Questions

1. How might the requirement for users to log in with a Starbucks card before accessing most app features affect user experience, particularly for new customers? What strategies could Starbucks implement to make the app more accessible to non-loyalty members?
2. With the shift towards e-Starbucks cards, what are the implications for customers who prefer physical cards? How can Starbucks balance the transition to digital while accommodating different customer preferences?
3. What additional features could Starbucks consider to further improve the app experience?

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Keywords

- Food & Beverage (F&B)
- Mobile Application
- Digital Membership
- Personalization
- Innovation
- Loyalty

Acknowledgement:

This case study is based on and adapted from the work of undergraduate students CHENG Chi Cheung, KOO Ching Yee, LAM Kai Ching, LAM Yee Nga, LO Yuen Lam, NG Tsz Yan, and Ng Siu Pong Gordon from the School of Hotel and Tourism Management at The Hong Kong Polytechnic University.