

Services marketing – consumer gap 2 and 3 assignment

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Gap 2 ??? Design & Standard Gap Starbucks has a clear standardized process, however, quite a number of customers indicated in the survey that they have a concern about the standard of Starbucks' service. Starbucks has to improve on the efficiency of service especially on its speed of service delivery. There are two main problems identified to be the cause of the delay in delivery. The first one is duplication of the ' call' and ' mark' process. ' Call' is the procedure of calling out loud by the staff at the counter after receiving an order.

This process has three main purposes, to create a happy atmosphere in the store, to check the order's accuracy as customers may correct the cashier if he/she heard a wrong ' call', and to make the whole procedure smoother as the barrister can make the order before needing to look at the receipt. While ' mark' is the process of the cashier writing down order and preferences onto the cup for barristers to make the order. These two steps are considered to be redundant due to their similar purpose; inefficient and slow as it takes time to write down order onto the cup and clearly indicating the customers' preference.

Also, mistakes may occur as the procedure is more complicated and requires more human efforts compared to doing only one of them or modifying the procedure into a simpler way. The second problem is the low speed of service. The company's standard speed of service from order to delivery is 2 minutes and 30 seconds. However, this standard is too loose, during rush hours in the morning, customers expect the process to be less than 2 minutes, so that they can ' grab and go'.

The standard of 2 minutes and 30 seconds would drive some of the customers away as they may think that buying elsewhere in other fast food restaurants or even vending machine is much quicker. Starbucks should modify its service design to avoid the above-mentioned problems to occur. They should keep the procedure 'call', which is important for team building and spirit, as well as in-store atmosphere in Starbucks. The company should replace 'mark' by 'label', a sticker / label should be printed out with the customers' receipt.

Staff at the cashier merely needs to stick the label onto the cup other than marking down all the detail information of the order. This can speed up the procedure and minimize the chance of error. Besides, Starbucks should introduce a new ordering system and new loyalty program with a new Starbucks card. Currently, the Starbucks card only serves as a function of payment. Customers do not have much incentives to get a Starbucks card because they can always pay with cash or their Octopus card. The ordering system that Starbucks have been using now only records the kind of drink you ordered.

The customer will get a receipt with the name of the drink and the price printed on it. Our proposed new customized Ordering System can help the company to improve the whole service delivery. When the customer orders the drink, the staff will input all the details of the order in the customized ordering system. This way, it can not only increase the efficiency and accuracy of the ordering service, it can also increase the speed of service because the system will automatically linked to the label printing machine and the staff can immediately start making the drinks for the customer.

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Apart from improving the service delivery, it can also keep track of customers' purchasing record. The company can collect abundant information about each individual customer's preferences for further research and development. They could have more market information for developing new products and having a better control system on sales forecasting and product ordering. We will incorporate the new ordering system with the new Starbucks card. Whenever a customer goes to the Starbucks store with the Starbucks card, customers can be recognized and their past purchasing record will be shown in the system.

This can solve the problem of relationships not being transferable. Also, Starbucks can launch a loyalty program with point redemption, repeated purchase could be encouraged and Starbucks can retain VIPs with very frequent purchases. Starbucks can offer discounts or Free upgrade service for VIPs to strengthen the customers' loyalty towards Starbucks and foster a strong, long-term customer relationship. Gap 3 ??? Performance Gap The performance gap is discrepancy between development of customer driven service standards and actual service performance by Starbuck' employees.

Firstly, the Human Resources strategy allows employee empowerment. For example, many in-store decisions such as hiring and replenishment of stock, are to be decided by store managers and supervisors. The office does not intervene with these operational decisions. However, some guidelines are given, for instance when recruiting, it is suggested that the following five qualities should be possessed by the potential employees: Leadership skills, relationship building techniques, sustaining self- development, the mindset of ' Customer First' and the person should be a goal achiever.

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It is surprising that sociable and outgoing traits are not a criterion for recruitment, which was a contradiction with Starbucks' marketing strategy ??? staffs are nice and caring, they talk to you like family and friends. Also, sociable staff can help build relationship with their customers, which echoes with Starbucks' positioning ??? relationship marketing. Therefore, in-store staff having a sociable and outgoing characteristics is vital in retaining customers, it is suggested managers should seek for this particular criterion when recruiting.

Moreover, training on interpersonal skills can be provided to front-line staffs to ensure that the employees know how to interact with their customers and how to do it appropriately. Secondly, unlike many other coffee place and restaurants, Starbucks has no written regulation that customers should not bring outside food into the store. Food from the outside such as curry beef might have strong odour that would affect the in-store coffee smell. This does not align with the company's ' Starbucks experience' and its emphasis on the in-store aroma.

Starbucks should educate its customers to carry out their customer role as a contributor, not to disturb others for their Starbucks experience with strange smell from outside food. Thirdly, the demand fluctuates during the day where some measures would be taken to facilitate smooth operation of the store. Usually there are fewer customers during late afternoon hours (around 3pm-5pm). In-store staffs are encouraged to talk to their customers and share with them about their day.

This could enhance the 'Third Place' feeling and comfortableness. While during peak-hours, air-conditioner would be turned up and the lights would be dimmed. Notes would also be delivered to customers asking them to come back during certain time when there are less customers in the store. Starbucks hopes that these cues can send a signal to their customers. However, these cues are too obvious and customers may feel offended when asked to leave, some customers may never come back again because they feel unwelcomed and respected.

It is suggested that Starbucks can use physical cues to lower the chance of offending customers. Starbucks with more seats and spacious can install more plugs in the store, sending a message that this place can be used to work or study, on the contrary in small stores will a high traffics, less plugs and smaller tables should be provided so that customers would not stay long. These physical cues can blend into the design of the store which is unnoticeable by customers.