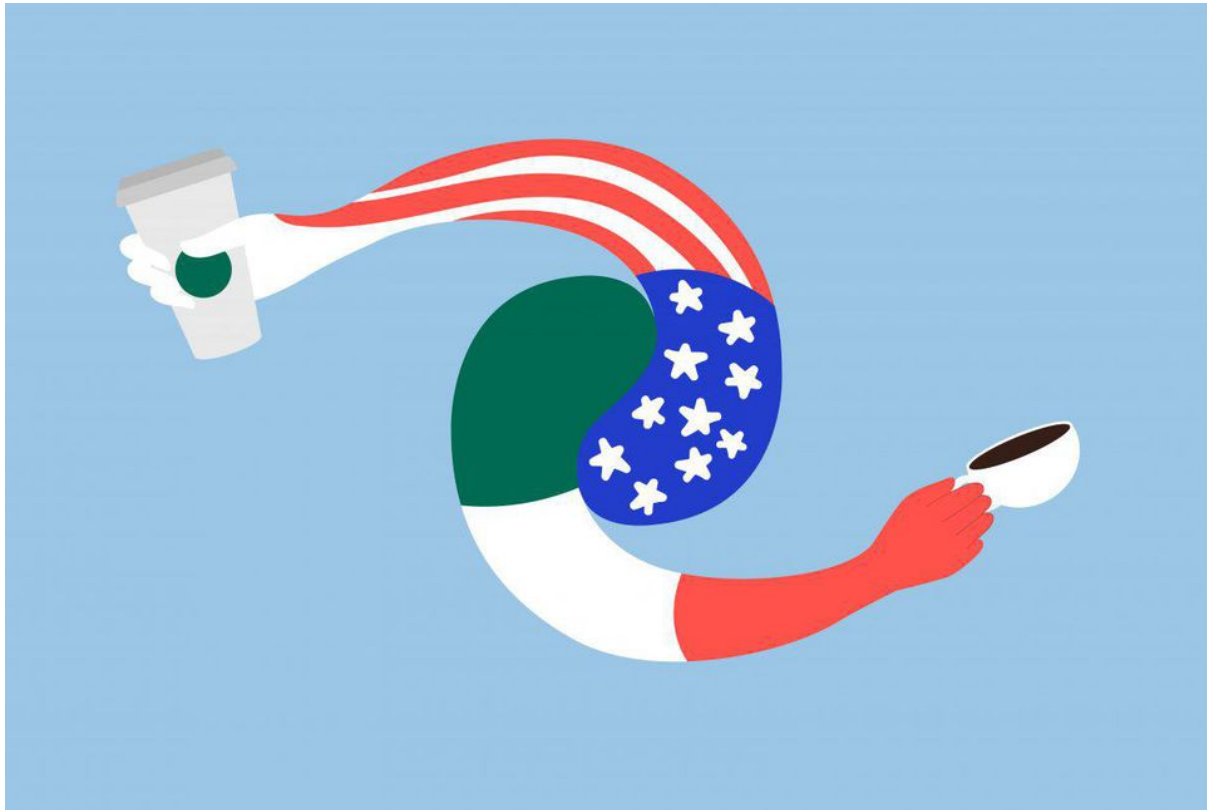


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## Why It Took Starbucks 47 Years To Open A Store In Italy



Starbucks' success in the Italian market will be a showdown between American and Italian coffee...  
[+] ANASTASIA KHARCHENKO

This homecoming story was a long time in the making.

Starbucks [unveiled](#) its first ever store in Italy last week, a Starbucks Reserve Roastery in Milan that is just as much a commercial emblem as it is a historic statement of the company's prodigal return to the city that first inspired its brand.

Located in a trendy square near some of Milan's top tourist attractions, the 25,000-square foot building is outfitted in Tuscan marble and gleaming copper, featuring extravagances such as a 500 pound in-house coffee roaster, augmented reality (AR)-configured walls, an aperitivo bar and a liquid nitrogen affogato station.

Today, Starbucks has over 28,000 locations in 78 countries worldwide, bringing in over \$22 billion in revenue in 2017. According to [Kantar Millward Brown](#), it is the fast food industry's second most

valuable brand, with its green-and-white logo worth some \$44.5 billion. The company dominates pop culture, from viral [Buzzfeed-celebrated](#) drinks to national [cultural meltdowns](#) about holiday cup designs.

However, in its 47 year history, there is one country from which Starbucks has remained conspicuously absent. For good reason--Italians take their coffee very differently, and don't take kindly to American corporations trying to change their culture. Now, at the height of its power and profitability, it was time for Starbucks to rethink Italy.



In this photo taken on Tuesday, Sept. 4, 2108, an external view of the Starbucks store in Milan,... [+]

Old mixes with new at Starbucks Milan, a perfect metaphor for the meeting of American and Italian coffee cultures. The marble floor of the store was [constructed](#) in a traditional Palladian style, while the ceiling was built using the latest technology. The building's facade is an imposing structure that used to be the city's historic post office.

If there is any culture in the world that takes its coffee seriously, it's the Italians. For this reason, Starbucks is taking special pains to align itself with the local economy. From offering [locally roasted](#) small-lot Arabica coffee to cafe fares by Princi, an Italian-owned bakery that Starbucks has

forged an extended partnership with for all of its Reserve Roasteries, Starbucks is deferring--as corporately as possible--to the hostess. A partnership with Percassi,€” an Italian brand management and real estate group, further helped the company understand its new market.

“I think this idea of presenting itself in this traditional way with the roasteries is a cunning marketing move, because they are showing we are different, but we are the same,” said Eva Del Soldato, an Assistant Professor of Romance Languages at the University of Pennsylvania who teaches a seminar on Italian culture and food. “[It says], ‘We are not here to teach Italians how to prepare coffee’. This kind of humbleness can be appreciated.”



In this photo taken on Tuesday, Sept. 4, 2108, a view of the Starbucks store in Milan, Italy.... [+]



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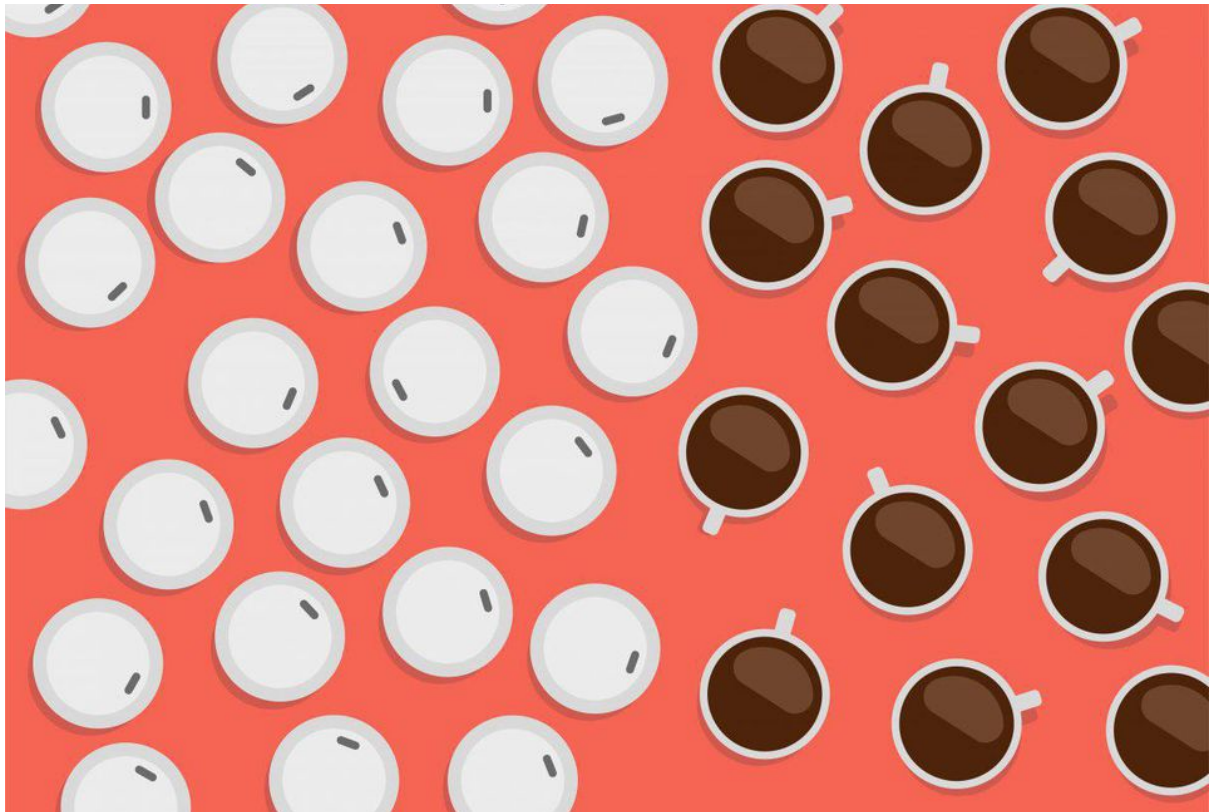
Del Soldato believes Starbucks made the right decision by picking Milan as its entry point, a city of modern fashion and finance. In contrast, Naples and Rome are the true coffee snob capitals of Italy, where the espresso culture even more insular.

But how will Starbucks successfully compete in a market like Italy, where even the most nondescript coffee bar in a small village is still likely to serve coffee good enough to bring tears to the eyes of the stuffiest Brooklyn bean connoisseur? The answer--it's not just about product. It's about the experience.

For Milanese customers, Starbucks will become the brand that they carry around on paper cups, conveying a sense of dynamic busyness and an on-the-go attitude. It will be the place a businessman dips into to send an urgent email, or a place where you can go if you don't feel like talking to the regulars at your local bar that day. Starbucks doesn't sell just coffee: it sells a status symbol, an office, something extra. In a way, the experience justifies the brand, which justifies the price, and so on.

"They're offering coffee, but they're offering coffee with a very different formula, and speaking to an audience who can be interested in that kind of thing," Del Soldato said.

## A Grande Comparison



Paper cups versus espressos cups  
ANASTASIA KHARCHENKO

To understand why it took Starbucks so long to make the move into Italy, it is key to recognize just how different American and Italian coffee culture are, and how interwoven with national identity and values the latter is. Del Soldato believes coffee is so important to Italian culture that it is practically considered a “social right.”

“Drinking coffee in Italy in many cases is not only about coffee itself, it’s about spending time with friends,” she said. “We think that everyone has the right to get a coffee. No matter if you’re poor or rich, coffee makes us all equal.”

Italians believe, quite simply, that coffee should be purist, high quality, and accessible to all. As a result, many aspects of American coffee culture, and by extension Starbucks, befuddle them. For one, Starbucks has seven possible cup sizes, from the 3 ounce *demi* shot to the 31 ounce *trenta*. In Italy, there’s just one. Starbucks makes drinks the color of unicorns and zombies. Italy does not. Due to sheer volume of business, Starbucks is designed to serve customers quickly and efficiently, whereas in

Italy, you go to a coffee bar precisely for leisure and long, winding conversations with your local barista.

Lastly, there's the price point. Starbucks is not known for selling cheap coffee, and with Starbucks Milan, an espresso will cost 1.8 euros sitting or standing at the bar (about \$2), while a cappuccino could go up to 4.5 euros. Already, an Italian consumer group has [filed a complaint](#) against the coffee giant, accusing it of peddling prices far above the Milanese average.

If the Italian way of doing coffee is so superior, how come there isn't an Italian Starbucks doppelganger that has already achieved global domination? Multinational corporatism simply isn't as widespread or preferred by Italians, Del Soldato explained, who tend to view franchises with suspicion.

"Italians tend to be people of habit," she said. "Things are very rooted in the territory and people like to interact with people they're well acquainted with. When things become bigger, it doesn't necessarily mean that the quality is maintained."



In this photo taken on Tuesday, Sept. 4, 2108, a waiter adds chocolate to coffee cups, at the... [+]

Still, things are changing. Outside concepts like iced coffee have made its way into the culture, with Italy putting its own spin on it with creations like the [shakerado](#). When Del Soldato visited her native Florence this past summer, she was asked at one of the city's most famous bars, Cafe La Loggia, if she wanted her cappuccino regular or "jumbo" sized. Maybe it was the fact that she was with her American husband, but nonetheless, America's supersize culture was starting to catch on, even in a city as traditional as Florence.

"I wouldn't say the coffee culture in Italy is a static one, despite its traditionalism," Del Soldato said. "Since there is this awareness that coffee is so central in our lives, of course there is that attempt to sell coffee in several shapes."

At the same time, there are just some aspects of Italian coffee culture that may never be transposable to the American way--for example, the Naples-born tradition of *caffè sospeso*, or "suspended coffee."

In *caffè sospeso*, a customer pays not only for their coffee, but one extra for the next stranger who walks in the door and cannot afford it. This tradition is still in practice all over Italy today, and extends to other food items like gelato as well.

"It's a beautiful habit, and it shows you how coffee is important, because it's not considered a luxury item," Del Soldato said. "I wonder if a place like Starbucks can offer *caffè sospeso*, because there is not that personal interaction between the customer, the bar and the third person."

## **Selling Italy to Italians**



A Starbucks frappuccino casts a shadow over an espresso cup on a table  
ANASTASIA KHARCHENKO

To succeed in Italy, foreign companies must do one of two things--sell a product better than the Italian version that already exists, or find an audience that wants your product anyway.

Large American corporations like McDonald's, Ben and Jerry's, and Haagen Daz have all tried to enter the Italian market long before Starbucks, with mixed results. When Ben and Jerry's opened a shop in the touristic Piazza del Duomo in Florence years ago, they were shunned by the Italians, who regarded the hard American ice cream as an insult to Italy's wonderfully soft gelato, as well as the American tourists, who didn't schelp all the way across the Atlantic for ice cream they could get back home. The shop [closed](#) after about two years. Haagen Daz was another American brand that met the same fate in Florence.

On the other hand, McDonald's had more success thanks to its adaption to Italian taste and its brand differentiation. When it entered the market in the 80s, the fast food giant became an exciting place for people who were on vacation or had kids to placate. McDonald's survived also by creating special items like the panini and [partnering](#) with the Italian Ministry of Agricultural, Food and Forestry Policies to use all-Italian ingredients grown by a cohort of young Italian farmers.





Milan, Italy - July 21, 2017: Tourism massive in Milan Cathedral, known as Duomo di Milano

A case study hitting even closer to home is Domino's, another American corporation [selling](#) an Italian invention to Italians. Starbucks may be cheered to know that the Detroit pizza chain has managed to hang on for dear life in Rome and Milan by differentiating itself as a home delivery service, sourcing all-Italian ingredients, and offering items tailored to Italian taste such as the Four Seasons and Quattro Formaggi pizzas.

All this goes to show that Starbucks can survive in Italy if it deploys a strategy similar to McDonald's and Dominos of integrating with the local community and culture at large. Still, it's easier said than done. When Starbucks announced in 2015 its formal plans to open shop in Milan, the company courted locals by planting 42 palm trees to beautify the famous Piazza del Duomo. The reaction? An angry citizen [set them on fire](#) and now-Deputy Prime Minister Matteo Salvini accused Starbucks of "Africanization."

Other Italians are decidedly more laid back. Francesco Spagnol, a 24 year old graduate student from Bologna, said he felt indifferent about the new Starbucks in his home country.

“I don’t really get why a lot of people are angry,” Spagnol said. “It’s just one more choice people can have. I think it’s not going to cause problems to Italian bars. It gives us more freedom.”

Spagnol said he has only visited Starbucks a few times in his life while abroad in London, and found it wasn’t the place for him because it was too crowded. In Italy, he frequents a small rotation of local bars three times a week to either study or catch up with friends.

As for the quality of Starbucks’ coffee itself?

“The coffee was not bad,” Spagnol said. “Just different.”