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Improved service, better seating and heartfelt messages are at the heart of Brian Niccol's turnaround plan, but baristas say they're under pressure.

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By Julie Creswell

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For Starbucks, the Strawberry Matcha Strato Frappuccino was one of the hottest drinks of summer.

For Brooke Allen, a 23-year-old barista, the drink was the bane of her existence.

The frothy concoction required six ingredients and two blenders. Under new policies, baristas are also required to greet customers and make eye contact when handing over drinks. They must also write a genuine message on each cup.

All within four minutes.

"If it's the only drink I have to make, I can probably do it in 40 or 50 seconds," said Ms. Allen, who works part time at a Starbucks near her school, the University of California, Davis. "But it's frustrating to see orders for that come on during peak times. That one is so complicated."

For Brian Niccol, who became Starbucks's chief executive one year ago, the Strawberry Matcha Strato Frappuccino is a test of his turnaround strategy. Since lured to Starbucks from Chipotle Mexican Grill with a $100 million pay package (a large part to make up for compensation he walked away from at Chipotle), he has worked at a highly caffeinated tempo to get Starbucks's mojo back.

Mr. Niccol got rid of charges for nondairy milk and brought back the coffee condiment station. He moved new people into the executive suite. The company is investing more than $500 million to add employees and develop order-sequencing technology that aims to deliver food and drinks faster. Stores are quickly being remodeled to add comfortable seating.

The goal is to provide customers in the United States — across more than 17,000 stores — with premium-priced, unique beverages in a welcoming, coffeehouse environment, but at a fast-food pace.

Some of the moves have been welcomed. Others, like the elimination of some drinks and foods, have resulted in confusion and frustration among customers and employees, according to interviews with baristas from Boston to California.

A fan favorite, the Petite Vanilla Bean Scone, disappeared. Then reappeared. And while the Java Chip Frappuccino may have been pulled, baristas must still make it should someone order it.

But the most pressing problem, bringing customers back, when coffee prices are soaring and competitors are circling, is going to take more time.

In July, Starbucks reported its sixth consecutive quarterly decline in sales at stores open for at least a year. In the past year, the company's shares have fallen 8.8 percent while an index of restaurant and bar company stocks has risen 6.5 percent.

In an interview, Mr. Niccol rattled off a list of accomplishments from his first year, saying he was pleased with the state of the turnaround.

"The thing I'm really delighted about is that a lot of the things that we said we were going to do with the 'Back to Starbucks' strategy, we've actually executed on," Mr. Niccol said. He added, "And, I think, for the most part, it's been very well received by both our partners and our customers, and we're seeing the feedback that says, 'Do more of what you're doing.'"

Brian Niccol, who became chief executive of Starbucks a year ago, said the changes he had brought had been "very well received." Benjamin Rasmussen for The New York Times

But Mr. Niccol has more on his plate than fixing the U.S. market. China, Starbucks's second-largest business and a region where it has made a hefty investment, is another problem. The coffee chain had long dominated in China but has lost significant ground to competitors like Luckin Coffee, a Chinese brand founded eight years ago.

Mr. Niccol has repeatedly said Starbucks is interested in finding an investor to take a stake in its business in the region. In July, he told analysts that Starbucks had received interest from 20 different parties and was evaluating options. He did not provide any details on the timing of a deal or how it could be structured. “We remain committed to our China business and want to retain a meaningful stake,” he said at the time.

Long waits, especially during peak hours, have been a primary complaint from Starbucks customers in the United States in recent years. To address that problem, Mr. Niccol is hiring more baristas, increasing labor costs for the company. Starbucks has also rolled out a new order-sequencing system that it said would better manage drink orders, serving in-store customers first while spacing out mobile orders.

Mr. Niccol also wants to bring back seating that was pulled out of many restaurants during the pandemic.

A Starbucks store in New York has been renovated with new seating. Nico Schinco for The New York Times

But those additional costs are slicing into profits. The company’s operating margin for the quarter ending in June fell to 13 percent from 21 percent a year earlier. Still, Wall Street analysts believe Mr. Niccol is on the right track.

“Consumers have sticky habits, especially for breakfast. It’s very difficult to displace the habit of getting coffee, until they just get fed up and go elsewhere,” said Danilo Gargiulo, an analyst at Bernstein Research.

"It's going to take a bit of dating to convince consumers to try to find out what the new Starbucks looks like," he said, adding that investors expect to see store traffic stabilize next year, and profit margins improving in 2027.

Long waits are not the only thing keeping customers away. Some are pulling back on spending. Droughts in coffee-growing regions of the world have resulted in shortages and driven up prices sharply. And this summer, President Trump imposed a 50 percent tariff on coffee imported from Brazil.

The tipping point for Dyanna Hough came in late June when Starbucks added a new charge for the pump of sugar-free vanilla syrup she put in her typical order of a grande cold brew coffee, extra ice, with salted caramel cream foam.

Now, instead of paying $6.71, she was charged $7.25. She canceled the order and now mostly makes her coffee at home.

"For the first time, I was like: 'Oh, this is ridiculous. I'm not spending more than $7 on a coffee,'" said Ms. Hough, a hairstylist from Holly Springs, N.C.

Dyanna Hough canceled an order at Starbucks after noticing a price increase. Sebastian Siadecki for The New York Times

Moreover, competitors like 7 Brew Coffee, which originated in Rogers, Ark., and Nebraska's Scooter's Coffee are rapidly expanding by offering their own unique beverages.

The stock price of Dutch Bros. Coffee, a chain of drive-through restaurants based in western Oregon that calls its drink makers "Broistas," has doubled in the past year on sales of iced protein lattes and energy drinks that can be customized with sweet cream or boba pearls.

Perhaps the greatest challenge to Mr. Niccol and his vision to return Starbucks to its coffeehouse roots comes from within: the frontline baristas. Some have complaints. Many find the new dress code — black T-shirts, khaki pants or jeans, limited facial piercings — too restrictive and not kindred to a cozy neighborhood store.

Writing on the cups, an activity that was once spontaneous and genuine, now feels forced, many say. Baristas have been warned that they will be "written up" if they don't write a personalized message on every single cup, even during peak hours, they said.

"They're surveilling us," said Jasmine Leli, a 41-year-old barista at a unionized Starbucks in Buffalo. "You have no choice. If you say, 'I didn't have time to write on this cup,' they ask, 'Do you want to keep your job?'" She spoke in an interview arranged by Starbucks Workers United, the labor union that represents more than 600 stores.

While the unionized stores represent only a small fraction of the chain's total, the fight for a contract agreement and to expand their ranks remains a challenge for Mr. Niccol. Last week, the union said a survey of 737 baristas and shift supervisors had found that stores remained understaffed and baristas overwhelmed.

A spokeswoman for Starbucks said that the company was hiring more baristas and that a new "host" position, a person dedicated to connecting with customers waiting for drinks, would have the flexibility to make lattes and Frappuccinos when needed.

Employees are coached about the new protocols — from greeting customers to writing a simple message on cups — and are being held accountable for meeting those new standards, she said, adding that many enjoy the new guidelines.

In a post to employees on Monday, Mr. Niccol said his turnaround plan had led to record-low turnover rates for the company and a growing number of employees who recommend Starbucks as a place to work.

When asked about the pressures baristas face, Mr. Niccol said that Starbucks was committed to making the customer experience great and that every single transaction must meet customer expectations. He said that he had recently visited stores in New Jersey, Nashville, Atlanta and Scottsdale, Ariz., and that employees there were reacting positively to the changes.

"I'm hearing our guys tell me that they love what's happening," Mr. Niccol said. "And the reason why they love what's happening is because they're getting feedback from their customers who say they love what's happening. And so we're going to stay after it."

Alisha Townsend, a manager at a Starbucks in the Willis Tower in Chicago, said that the new system was working and that she liked writing on the cups. "The customers in the Willis Tower love it," she said in an interview arranged by Starbucks. "They come in asking, 'What's on my cup today?'"

Ms. Allen, in California, said she had concerns about some of Mr. Niccol's changes, particularly the new dress code.

"Suddenly the shoes I had been wearing for two years, the work Crocs that don't have holes in them, I was told I could not wear anymore," she said, adding that store managers threatened to "write up" anyone who didn't meet the new dress code. "We all had this feeling that we were powerless."

In August, employees at her store voted to unionize.

Julie Creswell is a business reporter covering the food industry for The Times, writing about all aspects of food, including farming, food inflation, supply-chain disruptions and climate change.

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