

# A Decaf Power Woman

Belinda Wong aims to double Starbucks' stores in China in four years but still finds time for her four dogs and a balanced lifestyle.

BY RUSSELL FLANNERY AND YOLANDA HUANG

Starbucks' stock price hit a rough patch at the end of January after earnings disappointed investors. A silver lining was business in Asia, particularly China, where combined sales rose by 18% in the latest quarter to \$771 million; profit leaped 29% to 163 million. Starbucks doesn't break down its China business, but the country has more than 2,500 stores—about 10% of Starbucks' global total—and is a key growth market. Leading the charge is Hong Kong native Belinda Wong.

She will oversee Starbucks' plans to double in scale to 5,000 in 200 cities in the country by 2021.

Wong was promoted to country CEO from president last October after 16 years with Starbucks, the last 5 of which she's spent overseeing the opening of almost 2,000 stores, spearheading Starbucks' torrid growth. Unlike many stressed-out executives on the mainland whose success comes in part from maintaining a feverish work pace, soft-spoken Wong takes off the weekends, finds balance from her Christian faith,

enjoys raising four previously stray dogs at home and reads up on animal welfare.

At work, besides the rapid succession of openings, she's credited with pushing for a housing subsidy for full-time baristas and shift supervisors, building up a Starbucks China University program and creating the company's first "Partner Family Forums," which showcase Starbucks values to parents of employees. For that swath of success, she's ranked No. 37 on *Forbes China's* new list of the country's top businesswomen.

Wong oversees Starbucks' China turf from Shanghai, which has emerged as the top city in the world for Starbucks, with more than 500 stores. The company, which opened its first store in China in Beijing in 1999, has benefited from a big bump in middle-class income. The customers are overwhelmingly local, as is the company's fragmented competition.

In a land of tea drinkers, Starbucks' customers are there mostly for the same reason that everyone else in the world goes to the chain: coffee. Food choices on the whole are what you'd find in the U.S., including salads and sandwiches. Yet there



Starbucks plans to have 5,000 stores in 200 Chinese cities by 2021.



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are many small differences. Scone choices include a popular red-bean flavor. Store design imbues Chinese heritage in some locations by adding locally crafted wine urns and wood carvings. Even the company’s China loyalty program differs from the U.S. in that in China you have to pay to join—making it a little more exclusive and attracting 12 million members.

Overall, the localization effort seems more subtle than overwhelming, making its approach “similar but not so similar” to what the company does in the U.S., Wong says. “I have to think about where you live, where you work and how you travel,” she says. “This has to speak to you and not to folks in other countries. I like the fact that we are

not the kind of the company that enforces what has to be done in the U.S. to be in China, and I think that forms part of why we are successful in China: because we are able to make sure that everything is developed in China with the Chinese consumers in mind.”

If you want to speak to consumers in China, you have to be savvy about digital communications—the country ranks No. 1 in smartphone and Web users. So it’s no surprise that Starbucks, beyond the expansion, is also focused on digital approaches.

In February, Starbucks began a social gifting service, “Say it with Starbucks,” with social media heavyweight Tencent, which allows the 826 million users of Tencent’s hugely popular WeChat mobile-

messaging app to instantly buy a Starbucks beverage or gift card redeemable at any store in China. “What we want to do is cultivate the simple act of kindness. It’s about: ‘I am thinking of you today, here is something I am doing that is something special for you,’” Wong says. “It is more than a cup of coffee.” The program grew out of an initial e-flagship in Alibaba’s Tmall.

Besides the explosive growth in stores and the gifting push, in Shanghai Wong is overseeing the opening of the first international Starbucks roastery and leading a push to build out high-end coffee bars and stores.

Surely all of that will give Wong an unprecedented test of her free time on weekends. **f**  
*Adapted from Forbes China.*