

Starbucks' free Wi-Fi shows disturbing shift: Marketing to jobless

June 27 2010, By Mike Cassidy, San Jose Mercury News

I'd always figured free Wi-Fi was one of those things guaranteed in the Constitution. I mean, isn't it self-evident? Air, water, Wi-Fi?

But it seems Starbucks just got the memo. Next week, the coffee behemoth will open its [Wi-Fi](#) gates to the masses -- for free. No more need to pack a loyalty card or pony up for the Web while calming your java jitters at the ubiquitous coffee shops. Just drop in, log on and chill out.

Starbucks' Wi-Fi liberation was heralded as big and good news by those who herald such things. (Hint: Do a [Google](#) blog search for Starbucks and Wi-Fi.) Round of Wi-Fi for the house!

But me? I guess I'm a half-full cup-of-coffee guy. First, I've always found a coffeehouse full of worker bees clickity-clacking away over lattes as somewhat dispiriting. What of the cafes of Paris, where intellectuals sip coffee or wine deep into the night and discuss Descartes and Hemingway and whether Nicolas Sarkozy should please keep his shirt on?

Instead, our Wi-Fi filled coffee shops resemble a room full of angst-ridden teenagers. Sullen faces staring at screens, white ear buds firmly in place.

The move also puts Starbucks square in the middle of the long-running "third place" trend. Yeah, third place, as if it isn't enough to work at

work and work at home. We need a third place where we can work, too. First it was the third shift -- work at work, come home and care for a family and then back to work, late night, in the home office. Now this.

Wonder how long it will be before the third shift is tackled at a third place?

But, it is what it is, as bosses like to say when they deliver the bad news. And if we're going to be working third shifts at third places, we might as well have a hot drink to wash it all down.

Amid all the huzzahs, though, was another underlying theme in Starbucks' move to do what everybody else was already doing. In business, competition drives change and Starbucks' move was in part an attempt to eliminate a competitive advantage that many mom-and-pop coffee shops (and OK, McDonald's, too) had over Starbucks. Your competition offers [free Wi-Fi](#); you better offer free Wi-Fi.

But there is a weird element to this competition. It seems part of what Starbucks is competing for is business from the unemployed.

Yep. Forget about those working a third shift in a third place. Starbucks apparently is hoping to attract those who would be willing to work any shift in nearly any place. Starbucks' same-store sales have been up impressively in the most recent two quarters, despite the shaky economy. Starbucks' bean counters (coffee beans, no doubt) attribute some of that boost to the fact that unemployed people are using [Starbucks](#) stores as office space, the New York Times recently reported.

Not buying it? Consider that the coffee chain is also rolling out a suite of digital goodies with its free Wi-Fi program. Coffee fiends will be able to surf some paid websites, like the Wall Street Journal, for free. There will be free iTunes downloads and movie previews. Oh, and one more thing:

A career site that will include job-searching and resume-building tools.

Sure, it will be a comfort and a help to those out of work. But I'm a cup-half-full guy, remember?

To me, Starbucks' strategy is a reminder of how long so many have been out of work. Nearly half those looking for work have been without a job for more than six months. The long-term unemployed have become so much a part of our world that they've achieved a sad new status: They've gone from being a group we worry about to being a group we market to.

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