

How Does Starbucks Develop Brand Loyalty Among Its Customers in Asia? Insights From Malaysia, Indonesia, and India

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ABSTRACT

Starbucks' brand loyalty is influenced by several aspects, including pricing, products offered, product quality and taste. The purpose of this research is to determine how Starbucks develops brand loyalty among its customers in Malaysia, India, and Indonesia. This survey will also be able to determine whether Asian customers will continue to be devoted Starbucks customers. The survey involved 136 people who are loyal Starbucks consumers from Malaysia, India, and Indonesia. The data for this study was collected through online sources and questionnaires. The results of this study reveal that customer contentment, the quality of products and services, and the pricing of food and drinks greatly influence customer behavior and their inclination to remain loyal to the Starbucks brand. Among all the independent factors under consideration, customer satisfaction stands out as the most predominant, surpassing the other two variables. It is suggested for Starbucks to prioritize customer satisfaction by consistently exceeding performance and delivering exceptional, diverse beverage options with valuable pricing to meet and exceed customer expectations.

Keywords: Asian Countries, Brand Loyalty, Customer Satisfaction, Pricing, Quality of Product and Services, Starbucks

INTRODUCTION

Coffee, derived from roasted and ground coffee plant seeds originating in Africa, is a highly consumed beverage globally. It ranks among the top three popular beverages worldwide, alongside water and tea, and is a valuable commodity in international trade. The main appeal of coffee lies in its stimulating effect, thanks to the presence of caffeine, an alkaloid, within the beverage. Although coffee traditionally had limited popularity in Asia, there has been a notable shift in recent times. Asian countries like Malaysia, India, and Indonesia are experiencing a growing consumption of coffee, leading to a significant expansion of the coffee market in the region. As economic prosperity continues to rise in Asian nations, more people can afford and enjoy coffee, including popular options like a cup of coffee or an Americano. However, the industry faces the challenge of meeting the surging demand while upholding high-quality standards. Vietnam holds the distinction of being the largest coffee producer in both Asia and the world, with a rich coffee production history and ongoing growth. Other notable coffee-producing countries in Asia include Indonesia, Thailand, and Malaysia.

Starbucks established a joint venture called Starbucks Coffee Japan, Ltd., which marked the company's first expansion outside of North America. In 1996, the first Starbucks store opened in Tokyo, Japan. During the early 2000s, Starbucks further expanded its presence in Asian countries, driven by increasing customer demand. To cater to a growing number of Starbucks coffee enthusiasts, the company began opening multiple stores in each country. In 2023, Starbucks plans its largest expansion in the Asia Pacific region in five years, with over 400 new stores set to open. The expansion will include countries like India, Indonesia, Thailand, Malaysia, Laos, and the Philippines, with a focus on expanding beyond major cities. As competition in the Asian market increased with the emergence of new coffee brands, Starbucks prioritized maintaining its existing customer base, emphasizing the importance of brand loyalty.

Brand loyalty refers to the consistent preference of customers for a specific brand, even when comparable alternatives are available. Unlike customer loyalty, which is influenced by factors such as prices and discounts, brand loyalty is based on customers' perception of the brand's image and overall experience. Brand-loyal customers believe that the brand offers superior quality and service, regardless of price considerations. Although brand-loyal customers may make fewer purchases overall, their individual transactions typically yield higher profit margins. When customers have a positive perception of a brand, they are more likely to remain loyal even when new products are introduced. The strength of brand loyalty depends on how customers recognize and value the brand, as well as their overall impression of it. Businesses strive to cultivate brand loyalty as it significantly contributes to the success of the brand. Furthermore, brand loyalty plays a vital role in driving profitability, with a substantial portion of revenue in most businesses coming from repeat business by existing customers. In highly competitive markets where numerous brand-name products are similar, marketing departments employ various strategies to establish and maintain brand loyalty. These strategies include monitoring purchasing trends, analyzing spending data, and creating targeted advertising campaigns for loyal customers and potential prospects likely to become loyal customers.

The quality of a product plays a significant role in determining customer brand loyalty as it must meet their satisfaction. Some companies use data from loyalty programs as an indicator of brand loyalty. However, brand loyalty goes beyond sales. Customers may frequent a coffee shop due to convenience or rewards, but that does not guarantee they will champion the brand or stick with it if a competitor offers a better deal. It is crucial to conduct regular and comprehensive analysis to truly understand brand loyalty.

Maintaining consistently high-quality products builds a positive reputation for a business, while lower quality items can lead to a negative reputation, potentially driving customers to switch to a competitor. Additionally, price has an impact on customer brand loyalty. If the price of a product increases, customers may stop purchasing and seek a more affordable alternative. Customers prioritize whether the price aligns with the value of the products rather than the price alone. In the food and beverage industry, taste is a critical factor for consumers. A poor taste can result in product failure and reflect negatively on the overall brand.

A slight modification in ingredients can significantly impact the taste of products, potentially leading customers to reject the new taste. The key metrics influencing brand loyalty include quality, taste, and price. This study aims to explore the relationship between these factors and their influence on Starbucks' brand loyalty. Starbucks faces competition from various sources, including coffee businesses, independent coffee shops, fast food restaurants, and convenience stores. Conducting this study will help understand how Starbucks cultivates brand loyalty among its Asian customers, enabling the company to focus on factors that encourage customers to choose their coffee.

LITERATURE REVIEW

Brand Loyalty Among Its Customers in Asian Countries

Brand loyalty encompasses customers' deep affection, unwavering dedication, and strong commitment to a specific brand, leading them to consistently choose its products or services despite any shortcomings, competitor activities, or environmental changes. In today's information-rich and highly competitive landscape, loyalty has gained even greater importance. Customers meticulously evaluate factors like product details, packaging, quality, pricing, and company information when considering a brand, comparing multiple options before making a final purchase decision. However, it is the trust built over time that drives individuals to consistently favor a particular brand over its competitors. Organizations with high brand loyalty experience significantly faster revenue growth compared to their industry peers. Brand loyalty theory emphasizes the degree of consumer faithfulness to a brand, demonstrated through repeat purchases and positive behaviors like word-of-mouth advocacy, regardless of marketing pressures from competing brands. Brand loyalty levels vary across Asian markets, with Japan having the highest national loyalty rate at 80%, followed by South Korea at 70%, and China experiencing a growing loyalty score of 61%. Trust, which develops gradually, plays a crucial role in driving regular purchases from a brand amidst competing options.

Customer Satisfaction

Customer satisfaction is defined as a measure that evaluates the level of contentment customers have with a company's offerings, services, and abilities (Tang et al, 2022). When a customer feels that a particular feature or the entire product or service has met or exceeded their expectations, they are said to be satisfied. This feeling of fulfillment and happiness is known as satisfaction. It encompasses both the sense of being adequately fulfilled and the absence of any under-fulfillment. Consumer satisfaction plays a vital role in areas such as customer happiness, financial success of businesses, and stability of governmental and economic systems. These entities benefit from delivering and receiving fulfilling outcomes, particularly in the marketplace. Customer satisfaction can be defined as a company's capacity to outperform the expectations of customers in terms of service delivery as assessed by customers following use of a good or service. Customer satisfaction is influenced by positive product or service consumption experiences. Hence, customer satisfaction can be seen as the consumer's overall emotional response to the entire brand experience following their most recent

purchase. Understanding the factors that impact customer satisfaction and identifying the significant consumer benefits are key objectives of customer satisfaction research. Providing excellent customer service aims to enhance profitability by growing the company through strategies like acquiring market share, fostering brand loyalty, enhancing product reputation, and increasing sales to existing markets. By understanding how elements of a product or service influence customer satisfaction, management can effectively modify current offerings to align with customer satisfaction expectations. This ensures that customers would be satisfied if the products or services were delivered today.

Quality of Products and Services

Product quality refers to the extent to which a product fits the customer's desires, serves its intended purpose, and adheres to industry norms (Indeed, 2023). It is critical for businesses to constantly assess product quality while keeping some crucial factors in mind, such as whether a product solves a problem, works efficiently, or meets the needs of customers. In light of the intensifying competition among companies, the evaluation of product and service quality becomes a crucial factor for every business, as each one continually strives to enhance market presence and attract fresh clientele (Arif in Arif & Syahputri, 2021). Starbucks offers a wide range of products, including coffee, espresso-based drinks, teas, smoothies, Frappuccino, pastries, sandwiches, salads, and various merchandise. Apart from their coffee offerings, Starbucks also provides handmade beverages, gift items, and freshly prepared meals (CliffsNotes, n.d.) The company's product lineup encompasses an extensive selection designed to cater to different consumer preferences (Starbucks Stories & News, 2019).

The single most critical criterion for a product, brand, or organization is product quality. The client experience and recurring business are determined by quality. If the product quality is inadequate and the product is incapable of performing its function reliably and safely, the brand image suffers (MBA Skool, n.d.). Service quality refers to the extent to which an organization comprehends and fulfills the needs and expectations of its customers. Enhancing the service quality of a product is a crucial factor in the achievement of an organization (Khadka & David, n.d.). Ensuring a restaurant meets or surpasses customer expectations by delivering timely and courteous services is crucial.

The quality of service is a cornerstone of success for any restaurant. When a restaurant consistently delivers high-quality service, it not only satisfies the immediate needs of its patrons but also creates a foundation for long-term success. Customers who experience exceptional service are not only more likely to return to the restaurant themselves but also become enthusiastic advocates who eagerly recommend the establishment to others. This positive word-of-mouth promotion is a potent marketing tool, often more effective than traditional advertising. Happy and loyal customers can become the restaurant's best ambassadors, helping to build a strong and enduring reputation. Therefore, maintaining a commitment to providing excellent service is not just about immediate customer satisfaction, it is a strategic investment in the restaurant's future growth and success. When the service provided is of high quality, customers are more likely to revisit the restaurant and recommend it to others (Djukic, 2021).

Price of Food and Beverages

A key factor in describing consumer behaviors has been thought to be price. Pricing was one of the eight broad factors in the model of customer switching behaviour that had the largest influence on those behaviours, along with inconvenience, core service or service encounter failure, and competition, according to Keaveney (1995). Few empirical studies have looked at the impact of perceived price on consumer behaviours in the service

industry, despite the fact that many researchers believe that perceived price is a significant factor in determining customers' post-purchase behaviours and have emphasized the significance of perceived value, which is closely related to perceived price (Ryu & Han, 2010). Kotler and Armstrong (2018) define price as the total of the values that consumers trade for the advantages of owning or utilizing a good or service. The cost of a good or service is sometimes referred to as its price. Stanton et al. in Al-Msallam (2015) contrasted this definition by defining price as the sum of money or commodities required to purchase a certain combination of another item and its accompanying services.

Customers will definitely take into account an appropriate and reasonably priced cost when deciding to purchase the products (Tendur, Hutabarat, & Tumbelaka, 2021). When customers make purchasing decisions, the factor of cost plays a pivotal role in their choices. An appropriate and reasonably priced product is not only attractive but also essential for capturing the interest and loyalty of potential buyers. In today's competitive market, consumers are well-informed and often compare prices across various brands and products. Therefore, offering a fair and competitive price can make a significant difference in a company's ability to attract and retain customers. It's not just about pricing products lower than competitors; it's about striking the right balance between quality and cost to create a compelling value proposition that resonates with consumers. Companies that understand the importance of providing products at an appealing price point stand a better chance of meeting customer expectations and driving sales.

Relationship Among Variables

Customer Satisfaction and Brand Loyalty

Customer satisfaction plays a vital role in influencing repeat purchases, positive word-of-mouth advocacy, and reduced switching behavior (Bennett & Rundle-Thiele, 2004). Szymanski and Henard (2001) conducted a meta-analysis emphasizing the direct relationship between satisfaction and loyalty. Fornell (1992) found that loyalty is influenced by pleasure, but this connection can vary depending on the industry. Several studies (Szymanski & Henard, 2001) have demonstrated that satisfied customers exhibit higher levels of loyalty (Al-Msallam, 2015). While most research supports a strong correlation between satisfaction and loyalty (Anderson & Sullivan, 1993; Fornell, 1992), other studies suggest an interchangeable or unidirectional relationship (Oliver, 2006; Strauss & Neuhaus, 1997). Fornell (1992) and Rowley (2005) found that satisfied customers are more likely to become repeat buyers. Moreover, Zeithaml et al. in Awan and Rehman (2014) noted that satisfied customers typically exhibit stronger brand loyalty and are more inclined to recommend the brand to others.

Given the pursuit of developing brand-loyal customers, multiple studies have been conducted to determine effective strategies. Various authors, including He, Li, and Lai. (2011), and Kabiraj & Shanmugan (2011) agree that satisfaction and trust serve as foundational elements in fostering brand loyalty. Brand loyalty and consumer satisfaction are strongly correlated. Customer happiness is seen as a crucial strategy by businesses that value their customers highly and prioritize building brand loyalty as a means of being competitive and standing out in their sector. consumer service, the atmosphere inside the business, and most importantly, the quality of the food and beverages on offer are just a few of the crucial aspects that make up customer satisfaction. These factors not only help to build a company's reputation, but they are crucial in encouraging brand loyalty among customers, ensuring satisfaction whenever customers deal with their brand.

H2: There is a positive relationship between the customer satisfaction and brand loyalty among its customers in Asian countries.

Price of Food and Beverages and Brand Loyalty

This measure aims to determine the premium that a consumer is ready to pay for his preferred brand. The consumer is more likely to be brand loyal if the price is high. A laboratory experiment is required since it is impossible to determine this premium by examining actual pricing and purchase data (Mellens, Dekimpe, & Steenkamp, 1996). According to Martins & Monroe (1994), customer perceptions of price reasonableness may accurately reflect evaluated pricing perception. This influences brand loyalty. Increasing the perception that a price is acceptable is also strongly connected with both customer retention and company success (Ranaweera & Neely, 2003). In addition, pricing perception may be a strategy to increase a firm's profit level as well as a customer's level of happiness. Therefore, it can be concluded that pricing perception is a substantial determinant of consumer happiness and loyalty in the restaurant business based on this theoretical and empirical evidence (Han & Ryu, 2009). According to Ti Bei and Ching Chiao (2001), perceived pricing justice has a favorable impact on brand loyalty, both directly and indirectly (via consumer satisfaction). Perceived pricing fairness has a favorable impact on brand loyalty, both directly and indirectly (Bei & Chiao, 2001). From the viewpoint of the consumer, the price is what is sacrificed or offered in order to get a good. It is possible to demonstrate the desire to make more purchases (Al-Msallam, 2015).

H3: There is a negative relationship between the price of the product and brand loyalty among its customers in Asian countries.

Quality of Products and Services and Brand Loyalty

Several studies indicate that when considering brand loyalty, perceived quality has a positive impact on purchase intention (Tsiotsou, 2006). Biedenbach and Marell in Alhaddad (2015) state that perceived quality is the main predictor of brand loyalty. Pritchard and Howard (1997) found that highly loyal travelers who exhibited both attitude- and behavior-based brand loyalty were highly satisfied with the quality of services they received. Conversely, customers with latent loyalty demonstrated low levels of attitude- and behavior-based brand loyalty. These findings, along with the research of Aaker (1996) and Pritchard, Havitz, and Howard (1999), support the notion that superior products and excellent customer service foster brand loyalty. In the restaurant sector, building brand loyalty can be challenging, especially for quick-service restaurants where loyalty tends to be transient and influenced by competitive offers (Reich, 2002). Larger businesses in the quick-service industry may face even greater difficulties in cultivating consumer loyalty (Reich, Xu, & McCleary, 2010). To succeed, service organizations in the market must consistently deliver top-notch customer service. Empirical studies have also highlighted the relationship between service quality, consumer brand loyalty, and brand trust. Zeithaml, Berry, and Parasuraman (1996) proposed a multidimensional structure of services based on customer behavior, goals, and key variables. These variables included positive word-of-mouth, consumer intent towards the brand, price sensitivity, and customer complaint behavior (Ahmed, Rizwan, Ahmad, & Haq, 2014).

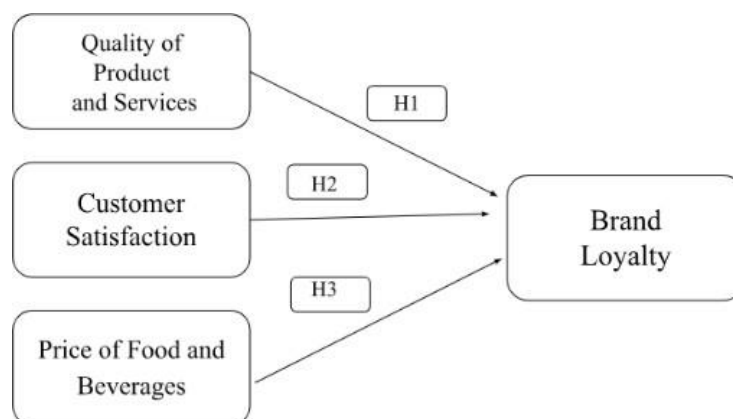
Ensuring food safety standards and compliance with regulations is an integral part of food quality, as it influences consumer acceptance and facilitates international trade. However, defining food quality can be complex, as it varies depending on individual preferences, geographical locations, and cultural factors. In the food industry, specific quality attributes are typically defined in product specifications, and adherence to these specifications determines the product's quality. Quality management systems are

implemented to maintain consistent quality, meet market demands, and ensure a stable supply, enabling businesses to access competitive markets. Starbucks, a highly successful coffee company, has expanded its product line to include food items such as salads, snacks, sandwiches, and baked goods. Their objective is to enhance brand awareness through the "Starbucks experience" by providing excellent customer service. Starbucks adopts a customer-driven marketing strategy by segmenting their customer base and conducting research to understand their specific needs, enabling effective targeting. By offering differentiated products and creating a cozy atmosphere in conveniently located stores, Starbucks aims to provide customers with an enjoyable coffee or tea experience. The company places a strong emphasis on excellent customer service, prioritizing it as a key aspect of their operations.

H1: There is a positive relationship between the product quality and services and brand loyalty among its customers in Asian countries.

Figure 1 provides the conceptual framework of this study. A total of 3 hypothesis are formulated.

Figure 1. Research Framework



RESEARCH METHOD

In this study, an online survey methodology was employed to collect data from Starbucks' consumers and investigate the factors influencing brand loyalty. The questionnaires used in the survey were carefully designed to cover various aspects, such as customer awareness of Starbucks and knowledge related to brand loyalty factors. Prior to administration, the survey questions underwent a content validity check conducted by two marketing lecturers to ensure their relevance, conciseness, and alignment with the research objectives. The online survey consisted of a combination of Likert scale, closed-ended (multiple-choice), and open-ended questions, enabling the collection of both quantitative and qualitative data. To facilitate data collection, the questionnaires were distributed through digital platforms, including social media, email invitations, and online communities. Participation in the survey was voluntary, encouraging individuals to provide their insights willingly.

The collected data were analyzed using statistical software, employing descriptive statistics such as frequency and percentage distributions to summarize the demographic characteristics of the respondents. Quantitative techniques, including statistical tests, were applied to analyze the responses to closed-ended questions, aiming to identify

patterns, trends, and correlations among variables. For the analysis of open-ended questions, thematic analysis was conducted to extract qualitative insights, including opinions, suggestions, and experiences related to Starbucks brand loyalty. It is important to acknowledge the limitations of the questionnaire survey method used in this study. The findings are based on self-reported responses, which may be influenced by biases or memory recall errors. Additionally, the survey sample may not fully represent all factors influencing brand loyalty among Starbucks' consumers, as participation was voluntary. Therefore, the research results should be interpreted considering the characteristics of the sample and potential limitations.

RESULTS

Table 1. Descriptive Statistics Example (N =136)

Response	Frequency	Percentage (%)
Gender		
Male	55	40.4
Female	81	59.6
Age		
16-24 years old	115	84.6
25-34 years old	13	9.6
35-44 years old	1	0.7
45-54 years old	4	2.9
55 years old and above	1	0.7
Nationality		
Malaysian	53	39.0
Indonesian	16	11.8
Indian	28	46.3
Others	4	2.9
Educational Level		
Secondary school	6	4.4
Pre-University	8	5.9
Bachelor's Degree	85	62.5
Master's Degree	34	25.0
PhD	1	0.7
Others	2	1.5
Employment Status		
Student	96	70.6
Employed	27	19.9
Unemployed	11	8.1
Others	2	1.5
Monthly Income		
Less than RM 2500	16	11.8
RM 2501 – RM 4000	11	8.1
RM 4001 – RM 8000	4	2.9
RM 8001 – RM 10,000	4	2.9
More than RM 10,001	16	11.8
No income	85	62.5

Table 1 presents the demographic composition of participants in our survey conducted among Starbucks customers in Malaysia, Indonesia, and India. The sample size consisted of 53 males (39%) and 81 females (59.6%). Most respondents were Malaysian, with 53 participants (39%), followed by Indonesians with 16 participants

(11.8%) and Indians with 28 participants (46.3%). There were an additional 4 respondents from other countries in Asia. Among the total respondents, the largest age group was 16-24 years old, comprising 115 individuals (84.6%). The second largest age group was 25-34 years old, with 13 respondents (9.6%). Both the age groups of 35-44 years old and 55 years and above had only 1 respondent (0.7%), while there were 4 respondents in the age group of 45-54 years old. In terms of educational background, most respondents, 85 individuals (62.5%), held a bachelor's degree. The smallest group consisted of only 1 individual (0.7%) with a PhD degree.

Table 2. Descriptive Analysis, Cronbach's Coefficient Alpha, and Zero Order Correlation All Study Variables

Variables	1	2	3	4
Independent Variable				
Product Quality and Services	0.579			
Price of food and beverages	-0.85***	-0.085		
Customer Satisfaction	-0.24***	0.505**	0.855	
Dependent Variable				
Brand Loyalty	0.199**	0.062**	-0.124***	0.549
Mean	3.1461	2.7731	3.8333	2.9478
Standard Deviation	0.44300	0.29511	0.67290	0.74407
No. Of Item	7	5	6	2

Note N=136; p**(<0.01); p*(<0.05); p***(<0.001). Cronbach's coefficient alpha is indicated by bold horizontal entries.

Table 2 displays a range of statistical measures, including Cronbach's alpha coefficients, correlations, and descriptive statistics. The Cronbach's alpha values, which range from 0.579 to 0.549, indicate that the questions pertaining to the three factors exhibit internal consistency and provide reliable measurements. The table also demonstrates positive and negative associations between the dependent and independent variables, suggesting favorable and unfavorable connections between them, respectively. Descriptive statistics reveal that the mean values for all variables range from 2.77 to 3.83, while the standard deviation ranges from 0.30 to 0.74.

Table 3. Summary of Regression Analysis

Variable	Brand Loyalty
Product Quality and Services	0.210***
Price of Food and Beverages	0.188***
Customer Satisfaction	-0.214***
R Square	0.080
F Value	3.767
Durbin-Watson Statistics	0.195

Note N=136; **p (<0.01); *p (<0.05); ***p (<0.001).

Table 3 provides a summary of the results obtained from a regression analysis, which is a statistical method used to examine the relationships between multiple variables. The table examines the hypotheses presented and reveals positive and negative correlations with relationship satisfaction. Specifically, the independent variables of product quality and services, as well as the price of food and beverages, display positive correlations with beta values of 0.210 and 0.188, respectively. In contrast, customer satisfaction shows a negative correlation with a beta value of -0.214. The p-values for all these variables are less than 0.001, indicating their strong positive significance.

The R Square value of 0.080 indicates that the independent variables collectively explain 8.00% of the variation in relationship satisfaction. Among the independent variables, product quality and services have the highest impact on relationship satisfaction with a value of 0.210, followed by voice in division of paid labor decisions with a value of 0.268. Satisfaction with the price of food and beverages has an impact of 0.188, while customer satisfaction has a slightly lower impact of -0.214. Additionally, the Durbin-Watson statistic is calculated as 0.195, suggesting the absence of concerns regarding autocorrelation. In conclusion, these analyses provide valuable insights into the positive relationships among the independent variables, ranked from most influential to least influential. These independent variables play a critical role in fostering brand loyalty among customers in Asia, particularly in Malaysia, Indonesia, and India.

DISCUSSION

This study examined the factors that influence brand loyalty among Starbucks customers in Asian countries such as Malaysia, India, and Indonesia. The findings of this research demonstrate that customer satisfaction, product and service quality, and price of food and beverages have a significant impact on customers' behavior and their intention to continue purchasing from Starbucks, thereby building brand loyalty. When considering all the independent variables, customer satisfaction emerges as the most influential factor compared to the other two variables. This is because customers seek a restaurant or café that fulfills their desires and needs not only in terms of food and beverages, but also in terms of store ambiance, menu variety, customer service, store cleanliness, and overall experience, which collectively contribute to their inclination to visit Starbucks. This is because when customers are more satisfied, they will be more loyal to the brand. When customers are satisfied with their overall experience with Starbucks, they repeat their purchases, and it helps to create a positive feeling towards Starbucks. Therefore, customer satisfaction plays an important role in helping Starbucks to create a high brand loyalty among its customers in Asia.

The second most important element driving brand loyalty among Starbucks customers in Asia is the quality of products and services. This element emphasizes customers' preference for high-quality offerings like freshly brewed coffee and freshly baked pastries over serving stale or low-quality coffee prepared from inferior beans. According to the report, respondents described unfavorable experiences at Starbucks such as inconsistent taste, lack of flavor in drinks, and disappointing taste in pastries. These views highlight the importance of Starbucks prioritizing the quality, flavor, and freshness of their food and beverages. Starbucks should primarily focus on top-notch items to sustain and develop brand loyalty. It is also crucial to maintain consistency in flavor for their meals and beverages. Furthermore, in terms of services, Starbucks personnel must be mindful of clients' requirements and aspirations to elicit pleasant and favorable responses from them. Training should be provided to Starbucks staff members to ensure they provide attentive service to their patrons. It is essential for employees to possess the ability to assist customers by actively listening to their needs and effectively resolving any concerns that may arise during their Starbucks experience. By emphasizing customer satisfaction and effective issue resolution, Starbucks can establish strong connections with their clientele, ultimately leading to increased brand loyalty.

The price of food and beverages is another significant factor that affects brand loyalty among Starbucks customers in Asia. Maintaining reasonable pricing is crucial for Starbucks. According to the survey, most respondents expressed that Starbucks prices are expensive, especially when compared to other coffee shops. This perception of high

prices has led some customers to switch to alternative coffee shops. To address this, Starbucks should ensure that their menu items are reasonably priced, as most of their customers are seeking affordability in their coffee and pastries. Setting high prices can have a negative impact on business and customer satisfaction. When a business sets excessively high prices, it may deter potential customers from making purchases. High prices can create a barrier to entry, limiting the number of customers willing or able to afford the products or services, which in turn restricts the business's potential market. This can result in lower sales volume and missed revenue opportunities. Therefore, it is important for Starbucks to consider not only quality and taste but also the price of their food and beverages to meet the desires and needs of their customers.

CONCLUSION

This research investigation examines the elements that shape brand loyalty towards Starbucks in the varied markets of Malaysia, India, and Indonesia. The study specifically hones in on three key factors that serve as independent variables: customer satisfaction, product and service quality, and Starbucks' pricing for its food and drinks. These variables have been shown to have a positive influence on the development of brand loyalty for Starbucks. Despite Starbucks' status as a well-established coffee company with a distinctive position compared to its competitors, it encounters unique challenges when attempting to cultivate brand loyalty, especially in new areas where locals already have established connections with their preferred coffee establishments. The findings of this study underscore the significant impact of factors such as Starbucks' pricing strategy for its food and beverages, customer satisfaction, and the unwavering commitment to delivering high-quality products and services in bolstering their brand loyalty, particularly in the dynamic Asian markets of Malaysia, India, and Indonesia. To achieve substantial success in the business world and secure a prominent position among the best coffee companies, Starbucks should make brand loyalty a top priority. Prioritizing customer satisfaction is paramount, necessitating Starbucks to consistently surpass its own performance to meet and exceed customer needs and expectations. Moreover, Starbucks should continue providing exceptional products and services that encompass a diverse range of beverages, including coffee, tea, and specialty creations. Pricing becomes a critical factor because Starbucks patrons highly value the delicious taste of their food and drinks as well as the perceived value they receive. To ensure that customers view their transactions as fair and equitable, it becomes imperative to establish competitive and justifiable pricing structures as part of the overarching effort to cultivate brand loyalty. Starbucks may explore innovative approaches to offer more budget-friendly options, thereby attracting customers who may be financially constrained but still enthusiastic about forming a lasting connection with the company.

Starbucks expertly establishes and maintains brand loyalty among its Asian customers with a comprehensive and complicated approach that addresses crucial areas such as consumer pleasure, effective pricing techniques, and a constant effort to product quality. Their constant commitment to ensuring customer satisfaction is undeniably visible in the welcoming atmosphere, friendliness of their staff, and consistency of service provided across the diverse tapestry of their Asian establishments, all of which contribute significantly to the development of brand loyalty. Considering Starbucks' ongoing luxury image, the firm demonstrates flexibility in the area of pricing strategies within the different Asian markets, strategically supplying an enormous selection of items at varying price points to resonate with the variety of their consumer base. When paired with unusual promotional actions and the establishment of loyalty programmes, this unique technique effectively addresses the complicated factors of price sensitivity and ignites the flame of brand loyalty. Furthermore, Starbucks maintains unwavering quality standards for its

coffee and food products, providing Asian customers unwavering trust that they are consistently consuming high-quality goods. This unwavering commitment to the highest quality standards invariably works as an impenetrable barrier, reinforcing consumer loyalty. For the most part, Starbucks' success in Asian markets can be attributed to their unwavering focus on customer satisfaction, expert handling of pricing strategies, and consistent delivery of excellent products, all of which effectively contribute to the development of a sustaining and intense brand.

LIMITATION

However, it is critical to recognize the study's considerable shortcomings. The survey was carried out online using a Google Form and distributed on social media sites such as WhatsApp, Telegram, and Instagram. As a result, the findings should be considered carefully. Future research should include a broader and more diverse sample, spanning more sites and areas within Malaysia, Indonesia, and India, to improve the study's accuracy. It is also encouraged to include extra independent factors that could potentially influence the dependent variable. Furthermore, using a Structural Equation Model (SEM-AMOS) in data analysis for future research can improve data reliability and validity.

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DECLARATION OF CONFLICTING INTERESTS

The authors declare that there is no conflict of interest.

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