Brewing Loyalty in the Coffee Shop Industry: The Role of Brand Experience and Service Quality in Shaping Customer Commitment

Wei Chien Ng[1], Yu Xiong[1]* , Jingxuan Xiong[1], Zetian Xin[1], Shuhan Xie[1], Yashasvi Srivastava[2], Daisy Mui Hung Kee[1]
[1]University Sains Malaysia Jalan Sg Dua,11800 Minden, Pulau Pinang, Malaysia
[2]Presidency University, Bengaluru, Karnataka 560119, India
*Corresponding Email: xiongyu@student.usm.my

ARTICLE INFORMATION

ABSTRACT

This study investigates the determinants of customer loyalty toward The Coffee Bean & Tea Leaf (CBTL) in Malaysia by analysing the influence of service quality, ambience/environment, and staff behaviour, with customer satisfaction as a mediating factor. Using a quantitative approach, data were collected from 360 respondents through an online survey, with most participants being female and aged between 21 and 30 years. All constructs demonstrated acceptable reliability, with Cronbach's alpha values above 0.70, and respondents generally reported positive perceptions of the assessed variables. The findings reveal strong positive correlations among all constructs, and regression analysis shows that service quality (β = 0.287, $p < .001$), ambience/environment (β = 0.305, $p < .001$), and staff behaviour (β = 0.305, $p < .001$) significantly predict customer satisfaction, explaining 69.1% of its variance (R^2 = 0.691). Customer satisfaction also exhibits a strong positive effect on customer loyalty (β = 0.829, $p < .001$), accounting for 68.8% of the variance (R^2 = 0.688). Overall, the study confirms that customer satisfaction plays a crucial mediating role linking service-related factors to loyalty outcomes and provides practical insights for café managers seeking to strengthen customer retention in Malaysia's competitive coffee industry.

Keywords: Brand Experience; Brand Loyalty; Coffee Industry; Customer Satisfaction; Emotional Connection; Malaysia; Service Quality

INTRODUCTION

In recent years, Malaysia's café and boutique coffee market has experienced steady growth, intensifying competition between international and local coffee brands. Changes in consumer lifestyles indicate that café visits are no longer solely driven by beverage purchases but increasingly by the pursuit of holistic consumption experiences, including service efficiency, store ambience, and employee interaction quality (Statista, 2025). In this competitive environment, customer satisfaction and loyalty toward international coffee brands are increasingly shaped by customers' cumulative service encounters and experiential evaluations.

Within hospitality and service research, service quality is widely recognised as a critical determinant of customer satisfaction. Customers typically assess service consistency, responsiveness, and overall performance reliability (Setiono & Hidayat, 2022). In café settings, where service interactions are frequent and rapid, employee performance and attitude become highly visible elements influencing customer perceptions. Empirical evidence from Malaysia suggests that efficient service systems and digital convenience enhance customer experience, while consistent service delivery strengthens competitive positioning (Chen et al., 2025).

Beyond service delivery, the physical environment significantly shapes customers' emotional responses and overall evaluations. Environmental cues such as lighting, music, spatial layout, and cleanliness directly influence in-store experiences (Omar & Ab Rashid, 2023). Prior studies demonstrate that a favourable ambience enhances emotional engagement, extends visit duration, and increases revisit intentions (Prayag & Ryan, 2022). For coffee brands positioned as social and relaxation spaces, environmental design constitutes a central component of brand experience.

Employee behaviour further contributes to shaping customer perceptions. Professionalism, friendliness, and willingness to assist customers influence satisfaction, trust, and relational outcomes (Phuangphet et al., 2025). In service-oriented industries, frontline employees serve as the primary interface between the brand and customers, making their role essential in relationship development.

Despite extensive research on service quality, ambience, and employee behaviour, prior studies predominantly focus on general hospitality or restaurant sectors. Empirical investigation of international coffee brands in the post-pandemic Malaysian context remains limited. Moreover, customer satisfaction and loyalty are frequently examined independently, with insufficient attention to the mediating mechanisms linking service-related factors to loyalty outcomes (Rahman et al., 2025). Addressing these gaps, this study proposes an integrated framework examining how service quality, environmental ambience, and employee behaviour influence customer loyalty through the mediating role of customer satisfaction in the Malaysian coffee shop industry.

LITERATURE REVIEW

Service Quality
Service quality is generally defined as the gap between customers' expectations prior to service consumption and their perceptions after experiencing the service. Customers typically form expectations based on tangible and intangible cues, including cleanliness, service stability, responsiveness, and respectful treatment. The SERVQUAL model proposed by Parasuraman et al. (1988) measures service quality across these dimensions and has been widely adopted in hospitality research.

Empirical studies consistently confirm the positive relationship between service quality and customer satisfaction. In Malaysian coffee shops, Setiono & Hidayat (2022) found that service reliability and responsiveness significantly influence customer satisfaction, with responsiveness demonstrating a strong effect (β = 0.62). Similarly, Hanafi et al. (2025) reported that service quality factors explain approximately 58% of the variance in customer satisfaction within Malaysian hotels, suggesting applicability to café contexts. Zygiaris et al. (2022) further observed that empathy and assurance became particularly important determinants of satisfaction in the post-pandemic service environment.

From a theoretical perspective, expectation–confirmation theory explains this relationship, as customers compare perceived performance with prior expectations (Oliver, 1980). When service performance exceeds expectations, satisfaction and trust are enhanced. In café settings, smooth ordering processes, friendly staff, and timely responses reduce dissatisfaction and improve the overall experience. Given Malaysian consumers' emphasis on hospitality and service interaction, service quality is expected to significantly influence satisfaction.

H1: Service quality positively impacts customer satisfaction.

Brand Experience
Brand experience refers to the subjective sensations, feelings, cognitions, and behavioural responses evoked by brand-related stimuli (Schmitt, 2009). It encompasses sensory, emotional, cognitive, and behavioural dimensions formed throughout the consumption process. Unlike traditional approaches focusing solely on functional attributes, brand experience emphasises holistic experiential engagement that strengthens relational bonds.

Empirical findings across various contexts support the positive influence of brand experience on satisfaction. Phuangphet et al. (2025) reported that sensory (β = 0.52) and cognitive experiences (β = 0.48) significantly enhance satisfaction in Thai boutique cafés. Omar and Ab Rashid (2023) found that sensory and emotional experiences explain approximately 45% of satisfaction variance in Indonesian coffee shops. Iglesias et al. (2019) identified a strong positive correlation (r = 0.67) between brand experience and satisfaction in retail contexts.

Mechanistically, brand experience enhances perceived value and emotional engagement, transforming transactional interactions into relational connections (Lemon & Verhoef, 2016). In competitive coffee markets, sustained investment in experiential design is therefore strategically important.

H2: Brand experience positively influences customer satisfaction.

Product Consistency
Product consistency refers to the stability of core product attributes—such as taste, temperature, freshness, and portion—across multiple consumption occasions. Consistency reduces perceived uncertainty and strengthens consumer trust in the brand.

Research in Malaysia's food and beverage sector confirms this relationship. Han et al. (2020) found that consistent food quality significantly enhances customer satisfaction and repeat purchase intentions. Xu et al. (2025) similarly reported that perceived attribute consistency fosters satisfaction and habitual consumption. Supporting evidence from Mannan et al. (2019) demonstrates that stable product quality strengthens satisfaction and revisit intentions.

In café contexts, consistent taste experiences build trust and reinforce brand reliability. In Malaysia's competitive coffee industry, maintaining product consistency is essential for sustaining customer satisfaction.

H3: Product consistency positively influences customer satisfaction.

Emotional Fulfilment

Emotional satisfaction refers to the positive affective states—such as enjoyment, pleasure, and emotional connection—experienced during consumption. Unlike functional evaluations, emotional satisfaction reflects affective engagement.

Studies in hospitality settings highlight its importance. Chen et al. (2024) found that emotional satisfaction strengthens brand attachment and loyalty. Prayag and Ryan (2022) demonstrated that emotional attachment significantly enhances satisfaction and word-of-mouth behaviour. Han et al. (2022) confirmed the mediating role of emotional satisfaction between experience and repurchase intention.

From a theoretical standpoint, emotional attachment creates psychological switching costs and strengthens relational commitment (Lee & Kim, 2022). In café environments, feelings of familiarity and belonging enhance long-term satisfaction and commitment.

H4: Emotional satisfaction positively impacts customer satisfaction.

Customer Loyalty

Customer loyalty represents a deeply held commitment to repurchase or revisit a preferred service despite situational influences and competitive pressures (Oliver, 1999). Loyalty develops across cognitive, affective, conative, and behavioural stages.

Empirical evidence supports the central role of satisfaction in loyalty formation. Azmi et al. (2024) found that satisfaction-driven attachment explains 68% of repurchase variance in Malaysian coffee chains. Dawi et al. (2018) reported that satisfaction is the strongest predictor of loyalty ($\beta = 0.72$). Khan et al. (2022) further highlighted the mediating role of reputation in loyalty formation.

From a managerial perspective, customer retention significantly enhances profitability. Reichheld and Sasser (1990) demonstrated that a 5% increase in retention may generate 25–75% profit growth. In Malaysia's saturated coffee market, satisfaction is therefore expected to function as a central driver of loyalty.

H5: Customer satisfaction positively impacts customer loyalty.

Conceptual Framework

The study framework model is depicted in Figure 1.

Figure 1. Research Framework

RESEARCH METHOD

Research Design

The present study adopts a quantitative research design using a cross-sectional survey methodology. The primary objective is to examine the relationships among six key variables in the context of café consumption in Malaysia: service quality, brand experience, product consistency, emotional satisfaction, customer satisfaction, and customer loyalty.

A cross-sectional design is appropriate because data were collected from a large number of respondents at a single point in time. This approach enables the simultaneous measurement of consumer perceptions of service performance and behavioural intentions. Survey methods are widely used in studies examining customer satisfaction and service quality (e.g., Aryani et al., 2023; Setiono & Hidayat, 2022).

Data were collected using a structured questionnaire in which respondents rated a series of statements on a Likert scale (Hair et al., 2023). Each response was coded numerically to facilitate statistical analysis. After data collection, responses were imported into SPSS Version 28 for analysis (Pallant, 2020). The analysis proceeded in several stages. First, descriptive statistics were conducted to obtain an overall understanding of respondent characteristics and variable distributions. Second, correlation analysis was performed to assess the direction and strength of relationships among variables. Finally, regression analysis was conducted to test whether the hypothesised relationships were supported by the empirical data.

A quantitative survey design is appropriate for testing the proposed hypotheses because it enables objective measurement and comparison of constructs using fixed-scale responses (Creswell & Creswell, 2023). The use of numerical scores allows for systematic examination of whether the identified consumer experience variables are significantly associated with customer satisfaction and loyalty. This approach enhances analytical clarity and reduces subjective interpretation.

Sampling

This study employed convenience sampling. The method was selected because the research required respondents who had visited The Coffee Bean & Tea Leaf (CBTL) in Malaysia at least once. These respondents were accessible through an online survey link. Convenience sampling is commonly used in consumer behaviour research due to its efficiency and practicality (Hair et al., 2023).

Regarding sample size determination, this study follows general guidelines for regression-based survey research. Prior research suggests that a sample size exceeding 100 respondents generally produces stable and reliable regression estimates (Hair et al., 2022). Accordingly, the study targeted more than 100 valid responses. After excluding incomplete and invalid questionnaires, a total of 360 valid responses were retained for analysis.

To ensure response relevance, participants were required to have visited a CBTL store at least once within the past six months. This criterion ensured that respondents could provide informed evaluations of service quality, brand experience, product consistency, emotional satisfaction, overall satisfaction, and customer loyalty based on recent consumption experiences.

Although the sample does not fully represent the overall Malaysian population, it includes respondents from diverse age groups, educational backgrounds, and visit frequencies (Creswell & Creswell, 2023). This diversity provides sufficient variation for examining relationships among the study variables.

Instrumentation
Data were collected using a self-administered questionnaire distributed online. This method was chosen because it is practical, cost-effective, and suitable for digital distribution (Creswell & Creswell, 2023). Respondents could complete the questionnaire at their own pace without researcher supervision. Given that many participants accessed the survey via mobile devices, questions were designed to be concise and clearly worded.

The questionnaire consisted of multiple sections corresponding to the study variables. All measurement items used a five-point Likert scale ranging from "strongly disagree" to "strongly agree" (Hair et al., 2023). This scale is widely adopted in service quality and customer satisfaction research due to its simplicity and reliability.

The service quality section contained five items assessing employee friendliness, ordering efficiency, and overall service convenience, adapted from prior studies and adjusted to the Malaysian context (Azmi et al., 2024). The brand experience section included four items focusing on store atmosphere, cleanliness, and comfort. Product consistency and emotional satisfaction were each measured using three items. Product consistency assessed stability in taste and appearance across visits, while emotional satisfaction evaluated positive affective responses during consumption.

Customer satisfaction was measured using three items reflecting overall evaluation after consumption. Customer loyalty included items assessing repurchase intention, recommendation behaviour, and preference over competing coffee shops. The questionnaire also collected demographic information, including gender, age, monthly coffee expenditure, and visit frequency.

Prior to full distribution, the questionnaire underwent a small-scale pilot test. Based on feedback, minor revisions were made to improve clarity and readability (Hair et al., 2023). After final adjustments, the questionnaire was distributed online, and responses were directly exported into SPSS for analysis.

Data Collection
Data were collected through an online questionnaire administered via Google Forms. The online format enabled access to a broad range of Malaysian consumers who had visited CBTL, at relatively low cost and within a limited timeframe. With the widespread use of smartphones, respondents are accustomed to completing short online surveys, which enhances participation rates (Hair et al., 2023).

The survey link was disseminated through university WhatsApp groups, student community platforms, and personal social media networks. Some participants accessed the questionnaire through peer referrals. Before participation, respondents were informed that no personally identifiable information would be collected and that data would be used solely for academic research purposes, ensuring confidentiality and improving response reliability (Creswell & Creswell, 2023).

The questionnaire remained open for a specified period, allowing respondents to complete it at their convenience. After data collection, responses were exported from Google Forms and initially screened in Excel. Questionnaires with excessive missing

values or clear patterns of careless responding (e.g., identical answers across all items) were removed (Hair et al., 2022).

Following data cleaning, 360 valid responses were retained. This sample size satisfies statistical analysis requirements and reduces the influence of extreme outliers. Respondents represented diverse backgrounds and varying consumption frequencies, contributing to the robustness of the findings.

After cleaning, all data were imported into SPSS for further processing (Pallant, 2020). Variables were coded and labelled systematically, and Likert-scale responses were converted into numerical values to facilitate statistical analysis. These preparatory steps ensured accuracy in subsequent descriptive, correlation, and regression analyses.

Data Analysis
After data preparation, statistical analysis was conducted using SPSS Version 28 (George & Mallery, 2022). The analysis began with descriptive statistics to summarise respondent characteristics, including age distribution, consumption patterns, and visit frequency (Hair et al., 2023).

Next, correlation analysis was conducted to examine the strength and direction of relationships among variables. This step provided preliminary insight into the associations within the conceptual framework.

Subsequently, regression analysis was performed to test the hypothesised relationships (Hair et al., 2023). Each regression model assessed the influence of independent variables—service quality, brand experience, product consistency, and emotional satisfaction—on customer satisfaction, as well as the effect of customer satisfaction on customer loyalty. This sequential approach improves analytical clarity and logical interpretation.

By integrating descriptive statistics, correlation analysis, and regression analysis, the study provides a systematic and reliable examination of the relationships among service quality, brand experience, product consistency, emotional satisfaction, customer satisfaction, and customer loyalty within the Malaysian CBTL context.

RESULTS

Table 1. Summary of Respondent's Demography (N=360)

Response	Frequency	Percentage (%)
Gender		
Male	137	38.1
Female	223	61.9
Age		
Below 20 years old	56	15.6
21–30 years old	253	70.3
31–40 years old	43	11.9
41–50 years old	8	2.2
Race		
Chinese	198	55.0
Malay	142	39.4
Indian	20	5.6
Education Level		
Secondary school	54	15.0
Diploma	168	46.7

Undergraduate	117	32.5
Postgraduate	21	5.8
Occupation		
Student	216	60.0
Working adult	116	32.2
Self-employed	28	7.8
Duration of Being a Customer of CBTL		
Less than 6 months	65	18.1
6–12 months	224	62.2
1–3 years	63	17.5
More than 3 years	7	1.9
First Awareness of CBTL		
Advertisement	32	8.9
Family	62	17.2
Friends	164	45.6
Social media	102	28.3
Frequency of Purchase at CBTL		
1–2 cups per month	186	51.7
3–5 cups per month	125	34.7
6–9 cups per month	44	12.2
10 cups or more per month	5	1.4

In Table 1, it is evident that 38.1% of the respondents were male (N = 137) and 61.9% were female (N = 223). The majority of respondents (N = 253, 70.3%) were aged between 21 and 30 years old, while the smallest proportion (N = 8, 2.2%) fell within the 41–50-year-old age group.

Regarding how respondents first became aware of CBTL, most indicated that they learned about the brand through word of mouth and social media. This finding highlights the importance of interpersonal communication and digital platforms in enhancing brand awareness.

In terms of purchasing behaviour, the majority of respondents reported purchasing coffee at CBTL one to two times per month (N = 186, 51.7%), followed by three to five times per month (N = 125, 34.7%). A smaller proportion reported purchasing six to nine times per month (N = 44, 12.2%), while only a small percentage indicated purchasing ten or more times per month (N = 5, 1.4%).

With respect to customer tenure, a considerable number of respondents had been CBTL customers for more than one year, indicating that many participants have established relatively long-term relationships with the brand.

Table 2. Descriptive Statistics, Cronbach's Coefficient Alpha, and Zero-Order Correlations for All Study Variables

Variable	1	2	3	4	5
1. Service Quality	0.702				
2. Ambience / Environment	0.761***	0.776			
3. Staff Behaviour	0.742***	0.857***	0.752		
4. Customer Satisfaction	0.746***	0.785***	0.780***	0.748	
5. Customer Loyalty	0.741***	0.816***	0.866***	0.829***	0.789
Number of Items	5	7	5	7	6
Mean	4.25	4.25	4.22	4.21	4.21
Standard Deviation	0.49	0.52	0.57	0.49	0.56

Note: N = 360; *p < .05, **p < .01, ***p < .001. The diagonal entries represent Cronbach's coefficient alpha.

Table 2 indicates that all Cronbach's alpha coefficients demonstrate acceptable internal consistency reliability. The alpha values range from 0.702 to 0.789, exceeding the recommended threshold of 0.70. This suggests that the measurement items for each construct are reliable and suitable for subsequent statistical analysis.

Regarding the descriptive statistics, the mean scores of all variables are relatively high, ranging from 4.21 to 4.25. This indicates that respondents generally hold positive perceptions of service quality, ambience/environment, staff behaviour, customer satisfaction, and customer loyalty at The Coffee Bean & Tea Leaf. The standard deviations are moderate, suggesting reasonable variability in respondents' evaluations without excessive dispersion.

The Pearson correlation analysis reveals strong and positive relationships among all study variables. Service quality is positively correlated with customer satisfaction (r = 0.746, p < .001) and customer loyalty (r = 0.741, p < .001). Ambience/environment is also positively associated with customer satisfaction (r = 0.785, p < .001) and customer loyalty (r = 0.816, p < .001). Similarly, staff behaviour shows strong positive correlations with customer satisfaction (r = 0.780, p < .001) and customer loyalty (r = 0.866, p < .001).

Furthermore, customer satisfaction is significantly and positively correlated with customer loyalty (r = 0.829, p < .001), indicating that higher levels of satisfaction are associated with stronger loyalty intentions. All correlations are statistically significant at the 0.001 level, suggesting that the observed relationships among the variables are unlikely to be due to chance.

Table 3. Regression Analysis of the Effects of Service Quality, Ambience/Environment, and Staff Behaviour on Customer Satisfaction

Variables	Customer Satisfaction	Customer Loyalty
1. Service Quality	0.287***	–
2. Ambience/Environment	0.305***	–
3. Staff Behaviour	0.305***	–
4. Customer Satisfaction	–	0.829***
R²	0.691	0.688
F-value	258.875***	778.620***
Durbin–Watson Statistic	1.607	1.267

Note: N = 360; *p < .05, **p < .01, ***p < .001. The diagonal entries represent Cronbach's coefficient alpha.

The regression model is statistically significant (F = 258.875, p < .001), indicating that a substantial proportion of the variance in customer satisfaction is explained by the three independent variables combined. The R² value of 0.691 suggests that service quality, ambience/environment, and staff behaviour collectively explain 69.1% of the variance in customer satisfaction.

Regarding individual predictors, service quality (β = 0.287, p < .001), ambience/environment (β = 0.305, p < .001), and staff behaviour (β = 0.305, p < .001) all have significant positive effects on customer satisfaction. Among these predictors, ambience/environment and staff behaviour demonstrate the strongest influence, followed by service quality. These findings indicate that higher perceived service quality, a favourable ambience, and positive staff behaviour are associated with increased customer satisfaction.

Accordingly, H1 is supported, as service quality has a significant positive effect on customer satisfaction. H2 is also supported, as ambience/environment shows a significant positive relationship with customer satisfaction. Similarly, H3 is supported, indicating that staff behaviour significantly influences customer satisfaction.

Furthermore, customer satisfaction significantly predicts customer loyalty, as demonstrated by the regression model ($F = 778.620$, $p < .001$). The R^2 value of 0.688 indicates that customer satisfaction explains 68.8% of the variance in customer loyalty.

The regression result ($\beta = 0.829$, $p < .001$) reveals a strong and positive relationship between customer satisfaction and customer loyalty. This suggests that more satisfied customers are more likely to remain loyal to The Coffee Bean & Tea Leaf.

Overall, the results confirm that customer satisfaction is a key determinant of customer loyalty, supporting the proposed hypothesis regarding the relationship between satisfaction and loyalty. Therefore, H4 is supported, as customer satisfaction has a significant positive effect on customer loyalty.

Figure 2. Overview of Results
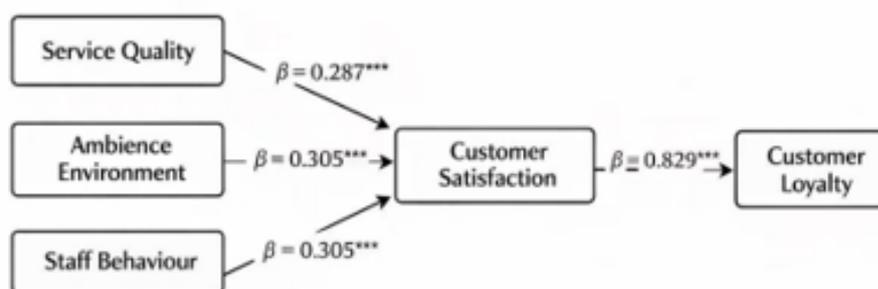
DISCUSSION

This study aims to examine the influence of service quality, ambience/environment, and staff behaviour on customer satisfaction and to analyse the effect of customer satisfaction on customer loyalty within the Malaysian coffee industry context. The findings reaffirm the importance of integrating functional, experiential, and interpersonal factors in understanding loyalty formation in service-based businesses. Overall, the empirical results strongly support the proposed research framework and confirm the relevance of established service marketing and consumer behaviour theories in explaining customer relationships in café settings.

The study contributes to the literature by empirically validating the service quality–satisfaction–loyalty model in the context of an international coffee brand operating in Malaysia. It also extends prior research by incorporating experiential elements, such as ambience/environment and staff behaviour, into the explanatory model, highlighting their significant role in shaping customer satisfaction and loyalty.

The Influence of Service Quality on Customer Satisfaction
The results indicate that service quality has a significant positive effect on customer satisfaction. This finding confirms that customers evaluate café experiences based on reliability, responsiveness, and overall service performance. Consistent with expectation–confirmation theory (Oliver, 1980), customers compare perceived service performance with prior expectations, and satisfaction arises when performance meets or exceeds these expectations.

This result aligns with prior studies in hospitality and service contexts (Parasuraman et al., 1988; Zeithaml et al., 1996), which identify service quality as a primary determinant of satisfaction. In café environments, efficient ordering processes, timely service, and dependable performance contribute directly to positive evaluations. The empirical evidence in this study supports the argument that functional service delivery remains a fundamental component of customer satisfaction in the Malaysian coffee market.

The Influence of Ambience/Environment on Customer Satisfaction

The findings reveal that ambience/environment significantly influences customer satisfaction and demonstrates one of the strongest effects among the predictors. This suggests that customers perceive cafés not only as transactional spaces but also as experiential and social environments.

This outcome supports the servicescape framework proposed by Bitner (1992), which emphasises the influence of physical surroundings on emotional responses and behavioural intentions. Elements such as lighting, seating comfort, store layout, and overall atmosphere shape customers' emotional experiences and enhance their overall satisfaction. In the Malaysian coffee industry, where cafés often function as meeting places and social hubs, the physical environment becomes a strategic differentiator.

The findings also reinforce prior research indicating that experiential factors play a crucial role in shaping satisfaction beyond basic service performance. Therefore, the inclusion of ambience as a predictor strengthens the explanatory power of traditional service quality models.

The Influence of Staff Behaviour on Customer Satisfaction

Staff behaviour is also found to have a significant positive effect on customer satisfaction. This highlights the importance of frontline employees in service-based organisations. Friendly, attentive, and professional interactions not only enhance customers' perceptions of service quality but also contribute to emotional engagement with the brand.

These findings are consistent with organisational behaviour research, which emphasises the role of employee–customer interactions in shaping service evaluations and satisfaction outcomes (Lin et al., 2020). In high-contact service industries such as cafés, employees represent the brand in direct encounters. Their behaviour significantly shapes customers' overall experiences and perceptions.

The strong effect observed in this study suggests that interpersonal service elements are equally as important as physical and functional components in determining satisfaction.

The Influence of Customer Satisfaction on Customer Loyalty

The analysis confirms that customer satisfaction significantly and positively influences customer loyalty. This finding supports the well-established satisfaction–loyalty relationship in marketing literature (Oliver, 1999). Satisfied customers are more likely to revisit, recommend the brand to others, and maintain long-term relationships.

Customer satisfaction functions as a central mechanism that transforms service-related experiences into loyalty outcomes. This confirms the mediating role of satisfaction within the proposed framework and strengthens the theoretical argument that loyalty is an outcome of cumulative positive service evaluations.

Theoretical Implications
This study reinforces the applicability of the service quality–satisfaction–loyalty model within the Malaysian coffee industry context. It extends the framework by incorporating experiential variables such as ambience/environment and staff behaviour, demonstrating that customer satisfaction is shaped by both functional and emotional dimensions.

By confirming the mediating role of satisfaction, the findings support service-dominant logic and relationship marketing perspectives, which emphasise value co-creation and long-term relational outcomes. The results contribute to the literature by highlighting the importance of integrating environmental and interpersonal factors into satisfaction models in hospitality research.

Managerial Implications
The findings provide several important managerial implications. First, maintaining consistent service quality remains essential to meeting customers' core expectations. Reliability, responsiveness, and efficiency should remain operational priorities.

Second, investment in store ambience should be considered a strategic initiative. Creating a comfortable and aesthetically pleasing environment can significantly enhance satisfaction and differentiate the brand in a competitive market.

Third, management should prioritise staff training and service culture development. Employees who demonstrate professionalism, friendliness, and attentiveness are more likely to create positive service encounters and strengthen customer relationships.

Finally, because loyalty is highly dependent on satisfaction, managers should implement systematic feedback mechanisms and continuously monitor customer experiences to sustain long-term customer retention.

CONCLUSION

This study examines The Coffee Bean & Tea Leaf (CBTL) in Malaysia by analysing the effects of service quality, store environment, and employee behaviour on customer satisfaction, and further evaluating the role of customer satisfaction in shaping customer loyalty. A quantitative research design was employed, and data were collected from CBTL consumers through structured questionnaires. Reliability analysis, correlation analysis, and regression analysis were conducted to validate the proposed research model and hypotheses.

The results reveal that service quality, store environment, and employee behaviour each have a significant positive influence on customer satisfaction, with store environment and employee behaviour demonstrating comparatively stronger effects. These findings suggest that customers in the café context evaluate not only the functional aspects of service but also place substantial value on environmental comfort and interpersonal interactions. The results further confirm that customer satisfaction plays a critical role in driving customer loyalty. When customers experience higher levels of satisfaction, they show a stronger intention to revisit, recommend the brand to others, and maintain long-term patronage.

From a managerial standpoint, the findings emphasise the importance for CBTL and similar coffee chains to sustain consistent service performance, invest in appealing and comfortable store environments, and cultivate positive employee behaviour. These strategic efforts are essential for strengthening customer relationships and sustaining competitive advantage in Malaysia's increasingly saturated coffee industry.

Despite its contributions, this study has several limitations. The sample was limited to CBTL consumers in Malaysia, which may restrict the generalisability of the results to other markets or brands. Future studies may consider expanding the scope to include multiple coffee brands, different market segments, or cross-country comparisons. Additionally, integrating other variables such as brand image, perceived value, or price perception may further enrich the understanding of customer loyalty formation. Longitudinal or mixed-method approaches may also provide deeper insights into how customer satisfaction evolves over time.

In conclusion, this study enhances the understanding of how service quality, store environment, and employee behaviour collectively shape customer satisfaction and customer loyalty within the coffee industry. The findings offer valuable theoretical insights and practical guidance for improving customer experience and strengthening long-term brand loyalty.

LIMITATION

While this study provides valuable insights into CBTL's customer loyalty in Malaysia, several limitations should be acknowledged. First, the study is based on a relatively limited sample size which, although adequate for statistical analysis, may not fully represent the heterogeneous population of Malaysian consumers, thereby restricting the generalisability of the findings. Second, the use of self-reported survey measures may introduce response biases, such as social desirability bias, as perceived service quality, emotional attachment, and customer experience are inherently subjective constructs and respondents may overstate positive evaluations or behavioural intentions. Third, the cross-sectional design limits the ability to establish temporal relationships among variables and does not capture changes in customer satisfaction or loyalty over time. In addition, the study focuses exclusively on CBTL in Malaysia, which limits the applicability of the results to other coffee brands, service settings, or countries with different competitive landscapes and consumer characteristics. Furthermore, the research model includes variables such as service quality, brand experience, and emotional satisfaction but excludes other potentially influential factors, such as brand image, price perception, social media influence, and lifestyle orientation, which may reduce the explanatory power of the model. Finally, broader contextual factors, including economic conditions, market dynamics, and evolving consumer behaviour, were not incorporated into the analysis.

Future research is therefore encouraged to employ larger and more diverse samples, adopt longitudinal designs, incorporate additional relevant variables, and conduct comparative studies across brands and cultural contexts to enhance the robustness and generalisability of the findings.

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ABOUT THE AUTHOR(S)

1st Author
Wei Chien Ng, Ph.D. is a Senior Lecturer and Coordinator of the Operations, Business Analytics, and Marketing Section at the School of Management, Universiti Sains Malaysia. He obtained his Ph.D. in Industrial Analytics from Universiti Sains Malaysia. Dr. Ng is a Certified TRIZ Level 1 Instructor and an International MATRIZ Level 3 Practitioner. He has published extensively in international journals and conferenceproceedings. His research interests include Business Analytics, TRIZ, Six Sigma, Failure Mode and Effects Analysis (FMEA), and Operations Management.

2nd Author
Xiong Yu is currently an undergraduate student at Universiti Sains Malaysia. His academic interests include business analytics and consumer behaviour research.

3rd Author
Xiong Jingxuan is an undergraduate student at Universiti Sains Malaysia with interests in marketing research and service management.

4th Author
Xin Zetian is an undergraduate student at Universiti Sains Malaysia, focusing on hospitality and consumer behaviour studies.

5th Author
Xie Shuan is currently pursuing an undergraduate degree at Universiti Sains Malaysia. His research interests include service quality and customer experience.

6th Author
Yashasvi Srivastava is affiliated with IMS Ghaziabad Business School, India. His academic interests include marketing management and consumer behaviour.

7th Author
Dr. Daisy Mui Hung Kee is an Associate Professor at the School of Management, Universiti Sains Malaysia. She earned her Ph.D. from the University of South Australia and an MBA from Universiti Sains Malaysia. A prolific scholar, she has authored over 85 Web of Science-indexed and 127 Scopus-indexed publications. In addition to her academic contributions, Dr. Kee serves as the Country Director for the Association of International Business and Professional Management (AIBPM) and the STAR Scholars Network.
Email: daisy@usm.my
ORCID ID: https://orcid.org/0000-0002-7748-8230