

EXPLORING THE FACTORS IN CUSTOMER BRAND EXPERIENCE TOWARD A BRANDED COFFEE CHAIN

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INTRODUCTION

Faced with the rapid increase of competitors and a highly competitive coffee market, Starbucks in Taiwan faces the operational challenge of strengthening its brand experience. Brakus et al. (2009) explain that brand experience is related to brand building in that the emotional connection between consumers and the brand must develop over time and be generated by the stimuli that evoke the customer's experience of the brand. Starbucks is always focused on service innovation, and it has created a lot of buzz and popularity in Taiwan's coffee market, with service innovation being the key to its differentiation. The use of social media marketing is a more effective way for companies to market to young people, and to build long-term customer relationships (Eastman et al., 2019). Starbucks encourages its service staff to interact with customers and actively create a social servicescape so that consumers can experience different brand qualities, a unique human environment, and the brand as a living space. Service-dominant logic (SDL) is a theory proposed by Vargo and Lusch (2008), which emphasizes that service involves not just marketing goods, but also focusing on the experience and the co-creation of value with the customer. Dong et al. (2008) point out that customer participation is a crucial point in business success because products or services must be created with active customer involvement (Bitner et al., 1997).

The relationship between these research variables has not been verified in previous research, as previous experience-related research has mostly focused on customer experience, and many recent literatures discussing brand experience has focused on the hotel industry (Khan & Rahman, 2016), with fewer applications to the branded coffee chains. Therefore, adopting Starbucks as the subject of study, and the SDL theory as the theoretical basis,

the purposes of this study attempt to propose a research model for coffee shop chains to enhance brand experience, and explore how social media marketing, service innovation, and social servicescapes could enhance brand experience and encourage customer participation in the chain coffee industry.

METHOD

The study was conducted using an online quantitative survey for customers who have been visiting Starbucks for more than one year. The content of the questionnaire was adjusted according to the relevant literatures, with 10 questions from Kim and Ko (2012) for social media marketing. The service innovation section was based on Hertog (2000), with 15 questions. For the social servicescape section, referring to Chiang (2018) with six questions. The brand experience section was based on the study of Khan and Rahman's (2016) that brand experience scale consisting of seven questions, while the customer participation section was based on Chen and Raab (2017), with eight questions.

FINDINGS

The questionnaires were distributed from February 14, 2022, to March 20, 2022, and 317 valid questionnaires were collected. Results found service innovation have no significant effect on brand experience. Social media marketing had a significant positive impact on brand experience. Social servicescape had a significant positive impact on brand experience. Brand experience had a significant positive impact on customer participation.

IMPLICATIONS or CONCLUSION

This study confirmed that brand experience

can indeed enhance customer participation, and social media marketing and social servicescape are the best ways to enhance brand experience. The results suggested that branded coffee chains do not focus solely on coffee or service marketing, but also on dialogue with customers through social media and social servicescape, and that customers would enhance brand experience and participation. This study supported the concept of SDL that brands should have more contact and experience with customers, and customers should more actively participate in the consumption process. The study provided theoretical and managerial implications for achieving a better brand experience in the coffee shop chain industry.

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