

# Effective Marketing Proposals Enhancing Customer Loyalty

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## Abstract

**Purpose** – We seek feasible strategies to draw customers into a state of attitudinal/behavioral loyalty through perceived quality and perceived risk in the experienced food industry.

**Research design, data, and methodology** – We utilize the LISREL model to examine the cause and effect relationships between customer loyalty, perceived quality, perceived risk, and three marketing proposals (brand image, store image, and promotion). We employed the quota sampling method to conduct the survey questionnaires, collecting 365 effective customer samples in coffee shops/stores in Taipei City.

**Results** – We find that store image substantially benefits consumer loyalty through perceived quality. Marketing managers can enhance store environment and atmosphere to elicit both attitudinal and behavioral aspects of customer-perceived quality and loyalty.

**Conclusions** – This is the first paper to investigate simultaneously customer loyalty across brand image, store image, and promotion/marketing proposals in the food industry. Managers can promote brand image and store image at the same time to enhance customer-perceived quality.

**Keywords:** Brand Image, Store Image, Promotion, Attitudinal Loyalty, Behavioral Loyalty.

**JEL Classifications:** C51, D24.

## 1. Introduction

The imposing value of our work is to present an analysis platform in the area of service management and distribution management. Our work employed coffee shops to analyze the

content of customer loyalty. Traditionally, loyalty is deemed as a behavioral outcome that, service firm keep the relationship with customers (Singh and Sirdeshmukh, 2002). Shankar et al. (2003) viewed loyalty as an attitudinal and behavioral aspect that is an attitude represents long-run commitment intention to a firm. Our work then employed brand image, store image, and promotion marketing alternatives as relating elements.

Our work investigates the mechanisms affecting customer attitudinal and behavioral loyalty more deeply than other studies. Seldom study has conducted in specified and individual discussion between attitudinal loyalty and behavioral loyalty and analyzed the causal relationship between managerial alternatives and loyalties. Several studies have investigated only the direct effect among store image, satisfaction, and two loyalty types, or have analyzed merely one type of customer loyalty. For instance, Andreas (2001) suggested that perceived quality enhanced extended customer loyalty by way of airline image and perceived satisfaction. Noordhoff et al. (2004) explored the effects of customer card projects and store satisfaction that would affect attitudinal loyalty and behavioral loyalty. Chaudhuri and Ligas (2009) emphasized the causal relationship among store affection, store convenience, attitudinal loyalty, and repurchase loyalty.

We discuss the causal relationship among perceived risk, service quality, and customer loyalty. Mowen (1990) argued that perceived or cognitive value will guide consumer intention to buy targeted products through the attention-interest-desire-action (AIDA) mechanism. Given that service quality is critical to increase customer loyalty so that service marketing managers will enhance perceived service quality or decrease perceived risk (Jalilvand et al., 2011).

We lay more light on loyalty and separate loyalty into attitudinal loyalty and behavioral loyalty from the work on Dick and Basu (1994). Bloemer and Ruyter (1998) argued that it is an imposing topic in experienced marketing owing that positive service experience can increase consumer intention to perceive high service quality, loyalty to a specific brand, and repurchase its product. Rebekah and Sharyn (2001) argue consumers who are vulnerable and easily transfer their preference objects. Porter and Claycomb (1997) suggested that service is the experienced service and coffee store is a typical, popular experienced service industry due to the essence of coffee shop. Aggressive marketing alternatives can help coffee shop to strug-

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gle for survive and suffer a rigid competition around other coffee stores. Since consumers usually identify a brand or a store by the way of the style of the experienced consumption behavior.

We argued that perceived risk and service quality are two mediating variables between experienced marketing proposals and customer loyalty behavior, since cost and benefit incentive of consumers will affect their attitude and the following consumption behavior (Shaharudin et al., 2011). We employed perceived service quality, rather than economic incentive, to examine the influence on customer loyalty (Anselmsson & Johansson, 2009). Shaharudin et al., (2011) argued that individual beneficial motivation will lead consumption action to targeted products. Furthermore, perceived service quality enjoys stronger impacts on attitudinal loyalty, than that of the impacts on behavioral loyalty since targeted customer's internal subjective opinion is superior to external explicit action (Garretson & Clow, 1999).

We adopt three marketing programs (brand image, store image, and promotion management) to handle the insufficient of customer loyalty. Since that people start to enjoy their leisure time, including their food, drink, and entertainment. In the past time, consumption is the basis demand for living, but at present it becomes one of the most important parts in our life. Nowadays, consumers purchase the products not only because of the material of the products, but also the brand image, store image, and price promotions of the products. In consequence, we need to consider the perceived quality, store atmosphere and transaction value of the product.

We further employ the above marketing proposals, rather than internet marketing and/or mass media since experienced marketing is effective instrument within coffee store (Lim & O'Cass, 2001; Pires et al., 2004, Jalilvand et al., 2011). We further choose store image, rather than mass media, since the consideration of market positioning (Pires et al., 2004). By way of investigating the merits and weaknesses among brand image, store image, and promotion marketing programs, marketing managers can adopt the effective marketing program to attract consumers.

## 2. Hypothesis Establishment

We analyze the causal relationship among marketing programs (brand image, store image, and promotion), perceived cost-benefit mechanism (perceived quality and perceived risk), and customer loyalty (attitudinal loyalty and behavioral loyalty).

### 2.1. Relationship between brand image, perceived quality, and perceived risk

Kolter (2000) described brand as a name, symbol, term, or design, and brand image can differentiate from other rival products and services. Keller (1993) explained brand image as a type of brand association consumer recall and organized a feel-

ing about a brand, which was represented by brand associations in consumer cognition (Aaker, 1996 Monroe, 1990).

Cox (1963) first defined perceived risk as a critical attitude establishment factor in purchase procedure. Dean (1999) argued perceived risk as an critical psychology variable in brand image study, and that brand image is indispensable in decreasing perceived risk and judging product quality (Mitchell, 1999). Warkentin and Gefen (2002) evaluated perceived risk as believe that specific person will encounter huge loss in a given consequences. Featherman and Pavlou (2003) defined perceived risk as a perception of uncertainty as well as potential negative outcomes. Assael (1995) argued that an obvious brand image can decrease searching cost in order that consumers will not cost additional time to search the next targets. Lim and O'Cass, (2001) argued that a firm with a strong brand image will separate oneself from other rival products.

Richard et al. (1994) argued that customers normally evaluate product quality by brand image, and would keep perceived quality by brand image of products, since it provides product content. Many works has examined the relationship among brand image, store image, price, and product quality (Dodds et al., 1991; Grewal et al., 1998). Above works find that a positive brand image produces a positive the perceived quality; brand image affects perceived quality (Park et al., 1986). A firm with obvious brand image will decrease perceived risk and show highly perceived quality. Thus, we propose the two hypotheses:

Hypothesis 1A: Brand image positive effect on perceived quality.

Hypothesis 1B: Brand image negative effect on perceived risk.

### 2.2. Relationship between store image, perceived quality, and perceived risk

Doyle and Fenwick (1974) defined store image as consumer judges of each dimensions of a store and makes aspects together (Lindquist, 1974). Hartman and Spiro (2005) argued that store image is the channel customers, deem a store in their impressions or perceptions.

Gurhan-Canli and Batra, (2004) presented that higher perceived risk can produce customers to assess store products. Pires et al. (2004) argued that consumers can avoid purchasing inferior products through assessing perceived value if store image is sound. Consumer decides to purchase products by way of store image, which can affect perceived risk.

Zeithaml (1988) argued that consumers assessed product quality through product clues, e.g., the brand, price, color, smell or store. Several researchers had argued store image is an outer clue and proposed that clients can assess product quality through store image of specific store (Collins-Dodd & Lindley, 2003; Richardson et al., 1994). Hence, we suggest the two hypotheses:

Hypothesis 2A: Store image positive effect on perceived quality.

Hypothesis 2B: Store image negative effect on perceived risk.

### 2.3. Relationship between promotion, perceived quality, and perceived risk

Marion (1987) defined that promotion is activities that offer new incentives, which surpass the current merits of the product to enhance consumer buying action. Kolter (2000) indicated promotion is a short-run incentive which can improve other activities in the promotion combinations to stimulate customers to buy products. Chandrashekar and Grewal (2003) described promotion as regular promotional activities targeted at enhancing customer perceived value and producing potential purchase.

Many promotion activities obvious affect purchasing intention, consumer behavior, and consumer loyalty (Mela et al., 1997). Consumers facing a larger price discount can decrease product defective, promoting to highly perceived risk, producing consumer uncertainty about promotion targets (Campbell & Diamond, 1990). Grewal et al. (1998a) discussed store name, brand name, and price discount effect on perceived quality, customer value, store image, and purchasing willingness. They suggested that the price proportion of discount owns a positive effect on perceived quality and customer value. Thus, we suggest the two hypotheses:

Hypothesis 3A: Promotion positive effect on perceived quality.

Hypothesis 3B: Promotion negative effect on perceived risk.

### 2.4. Relationship between perceived quality, attitudinal loyalty, and behavioral loyalty

Many researchers have discovered a positive direct effect of perceived quality on purchase willingness (Boulding et al., 1993). Monroe and Krishan (1985) argued that higher perceived quality can enhance perceived value and influences consumer purchase willingness. Garretson and Clow (1999) argued that consumer purchase willingness influences brand loyalty; hence, perceived quality is a factor that affects attitudinal loyalty and behavioral loyalty. Appealing products enlarge customer value through uplifting consumer intention to repurchase behavior. Consumers are happy to recommend products to relatives and friends since they are valuable and attractive. Perceived quality will enhance behavioral loyalty. Anselmsson and Johansson (2009) suggested that perceived quality of retailer private brand products positively effect on consumer loyalty. Shaharudin et al. (2011) also argued that perceived quality positive influences loyalty. Jalilvand et al. (2011) investigated that brand image and perceived quality both positive effects on attitude and behavioral loyalty. Hence, we propose the two hypotheses:

Hypothesis 4A: Perceived quality positive effect on attitudinal loyalty.

Hypothesis 4B: Perceived quality positive effect on behavioral loyalty.

### 2.5. Relationship between perceived risk, attitudinal loyalty, and behavioral loyalty

Chaudhuri and Holbrook (2001) defined attitudinal loyalty as consumer psychological dependency level and preference declare to the product provider, and suggested that attitudinal loyalty is skin to the commitment level through specific value combined with a firm. Shankar et al. (2003) argued that attitudinal loyalty is personal attitude that presents a long-run client commitment to specific firm.

Oliver (1999) defined that behavioral loyalty is the degree of frequency of a person repurchases to products of specific firm. Chaudhuri and Holbrook (2001) argued behavioral loyalty is the intention of consumers to repurchase a product from specific firm and to keep a relationship with specific service personnel.

Our work deems brand loyalty as attitudinal loyalty and behavioral loyalty. Several researchers suggest that perceived risk obvious affects brand loyalty (Bauer, 1960; Roselius, 1971; Garretson & Clow, 1999; Featherman & Pavlou, 2003). Sheth and Parvatiyar (1995) argued that customer loyalty to specific firm enhances when perceived risk enlarges. Customer behavior will decrease perceived risk to produce loyalty to specific firm. Decreasing uncertainty and declining perceived risk will limit product cost as customer are loyalty (Cunningham, 1956). Zeithaml (1981) proposed that firm surrounding will produce customer loyalty. Our work deems customer loyalty as a design to decrease perceived risk. Several researchers explore two aspects to loyalty: attitudinal and behavioral (Day, 1969; Oliver, 1999). Our study proposes that perceived risk affects both attitudinal loyalty and behavioral loyalty.

Customers care for products of stores, a sign of no intention to purchase the products again (Dick & Basu, 1994). Customer will not recommend specific products to relatives or friends, and does not purchase other products of firms since perceived uncertainty. Perceived risk negative effects on behavioral loyalty (Srinivasan & Ratchford, 1991). Consumers who own attitudinal loyalty can also enjoy behavioral loyalty lately (Rebekah & Sharyn, 2001). Hence, we suggest that attitudinal loyalty positive effects on behavioral loyalty as the three hypotheses:

Hypothesis 5A: Perceived risk negative effect on attitudinal loyalty.

Hypothesis 5B: Perceived risk negative effect on behavioral loyalty.

Hypothesis 6: Attitudinal loyalty positive effect on behavioral loyalty.

## 3. Study Method

### 3.1. Measurement and scale

We employ several dimensions and combine some of them to measure each variable according to previous studies as fol-

lowing: Brand Image. We use the scales of suggested by Aaker (1996), and adopting four dimensions: value, brand personality, organizational associations, and differentiation. Store Image: We use the scales of suggested by Chowdhury et al. (1988), and adopting four dimensions: software image(service, atmosphere, and convenience) and hardware image (product quality, product selection, and prices/value). Promotion: We use the scales of suggested by Tellis and Gaeth (1990), and adopting three dimensions: feel attractive, feel entertaining and worth more than cost. Perceived Quality: We use the scales of suggested by Parasuraman et al. (1988), and adopting five dimensions: tangibility, assurance, reliability, responsiveness, and empathy. Perceived Risk: We use the scales of suggested by Brooke (1983), and adopting two dimensions: substantial risk (financial risk, physical risk, and functional risk) and non- substantial risk (psychological risk, social risk, and time risk). Attitudinal Loyalty: We use the scales of suggested by Crosby et al. (1990), and adopting three dimensions: satisfaction, trust, and commitment. Behavioral Loyalty: We use the scales of suggested by Gronholdt et al. (2000), and adopting four dimensions: repeat purchase willingness, willingness to introduce to others, price tolerance, and cross-purchasing intentions.

### 3.2. Survey method and questionnaire design

We adopt quota sampling to verify our survey work and we draw samples from clients in Taipei city who consume coffee in coffee shops. We firstly compute questionnaires volume and we dispatch these 400 questionnaires into twelve administrative districts in Taipei city. We then select 12 coffee stores and then dispatch 33 questionnaires in each district, respectively. That is, the number of questionnaires is first calculated and then these 400 questionnaires are distributed separately in twelve administrative districts in Taipei City.

We further separate samples in each distinct through age and gender classification. We divided samples into two age cells, i.e., 18 to 39 years old and 40 to 60 years old, due that the population medium age of residents in Taipei city is 39 years old from the source information of Taipei City Hall. We also divide samples into male and female cells equally. Thus, we adopt quota sampling to divide the 400 samples by distinct, age, and gender. Under the operation procedure of quota sampling, we then obtain a well-defined sample distribution, which can fit the population distribution and to limit the sampling error below five percent (See Table 1). Hence, following this quota sampling procedure, 400 formal questionnaires are distributed to guide the sample distribution to match the population distribution and to control sampling error under plus or minus five percent. More detailed information about the sample and data gathering process within the methodological part can be refereed as Kwon et al. (2007) and Youn and Seol (1999).

<Table 1> Our Sample Structure

Items	18-39 years old		40-60 years old		Samples
	Male	Female	Male	Female	
Songshan District	8	8	8	8	32
Xinyi District	9	9	9	9	36
Daan District	12	12	12	12	48
Zhongshan District	8	8	8	8	32
Zhongzheng District	6	6	6	6	24
Datong District	5	5	5	5	20
Wanhua District	7	7	7	7	28
Wenshan District	10	10	10	10	40
Nangane District	4	4	4	4	16
Neihu District	10	10	10	10	40
Shilin District	11	11	11	11	44
Beitou District	10	10	10	10	40
Total	200		200		400

## 4. Empirical results

### 4.1. The result of basic statistic analysis

We dispatch 400 questionnaires and obtain 365 returned questionnaires during 2011 summer. The return ratio is 91.2%. We find that 342 valid and 23 invalid questionnaires (missing values or incomplete answers) within these 365 returned questionnaires. The effective rate is 93.7%. Firstly, we use basic statistic analysis to investigate the returned samples. Secondly, we use one-way ANOVA to judge whether the (demographics) control variables is effective. We judge that there is no significant difference between various demographics (i.e., gender, age, educational level, occupations type and income level) in attitudinal and behavioral loyalty by one-way ANOVA results. We show that the given demographic variables is effective controlled within our samples.

### 4.2. Reliability analysis and validity analysis

We employ Cronbach's  $\alpha$  coefficient to examine the consistency reliability of the constructs in the reliability test. We argue that Cronbach's  $\alpha$  coefficient should larger than 0.70 (Nunnally, 1970) in order to be judged a good reliability construct. In our study, Cronbach's  $\alpha$  coefficient of each dimensions are greater than 0.70.

Additionally, we calculate the composite reliability (CR) to evaluate the joint reliability for all items of a construct. We can show a reasonable fit of the data when the composite reliability is greater than 0.7 (Fornell & Larcker, 1981). We show that CR magnitude of each dimensions are greater than 0.7.

Moreover, we calculate the average variance extracted (AVE)

to judge the discriminate validity (Fornell & Larcker, 1981). We can show the questionnaire enjoys a sound discriminate validity when AVE is greater than 0.5 (Batra & Sinha, 2000). We show that a sound fit of discriminate validity of the questionnaire since each AVE are greater than 0.5 (Fornell & Larcker, 1981). As to convergent validity, we adopt confirmatory factor analysis (CFA) to examine it. We find each AVE are greater than 0.5, and our study enjoys discriminate validity (see Table 2).

$H_{4B}$ :  $\beta_{4B} = 0.35$ ,  $t$ -value = 4.54). Again, perceived risk has effect on attitudinal loyalty and behavioral loyalty ( $H_{5A}$ :  $\beta_{5A} = -0.25$ ,  $t$ -value = -5.73;  $H_{5B}$ :  $\beta_{5B} = -0.24$ ,  $t$ -value = -4.99), and attitudinal loyalty influences behavioral loyalty positively ( $H_6$ :  $\beta_6 = 0.41$ ,  $t$ -value = 6.31). We then draw the conclusions that the major channel are that store image influences attitudinal loyalty and behavioral loyalty by way of perceived quality by the empirical results.

<Table 2> Reliability Analysis and Validity Analysis

Items	Cronbach's $\alpha$	Item to total correlation	Cronbach's $\alpha$ if item deleted	Loading	Composite Reliability (CR)	Average Variance Extracted (AVE)
Brand Image	0.82				0.8056	0.5180
Value		0.64	0.79	0.74		
Brand Personality		0.69	0.75	0.74		
Organizational Associations		0.73	0.74	0.75		
Differentiations		0.58	0.81	0.62		
Store Image	0.84				0.7831	0.6468
Software Image		0.73		0.70		
Hardware Image		0.73		0.89		
Promotion	0.90				0.8539	0.5947
Feel Attractive		0.81	0.86	0.95		
Its Worth Is More Than Its Cost		0.81	0.85	0.66		
Feel Entertaining						
Perceived Quality	0.96				0.9139	0.6810
Tangibility		0.87	0.96	0.73		
Assurance		0.89	0.95	0.77		
Reliability		0.94	0.95	0.87		
Responsiveness		0.90	0.95	0.90		
Empathy		0.92	0.95	0.85		
Perceived Risk	0.67				0.7166	0.5884
Substantial Risk		0.63		0.46		
Non- substantial Risk		0.63		0.98		
Attitudinal Loyalty	0.94				0.8202	0.6384
Satisfy		0.89	0.91	0.88		
Trust		0.87	0.92	0.59		
Commitment		0.88	0.92	0.84		
Behavioral Loyalty	0.89				0.9015	0.8167
Repeat Purchase Willingness		0.86	0.82	0.87		
Willingness to Introduce to Others		0.86	0.84	0.86		
Price Tolerance		0.80	0.84	0.86		
Cross-purchasing Willingness		0.67	0.91	0.83		

#### 4.3. Empirical Results of LISREL Model

Table 3 shows the coefficient and most of significant relationship among variables are fit to the predicted in the structural model. Brand image owns significant effect on perceived quality and perceived risk ( $H_{1A}$ :  $\beta_{1A} = 0.55$ ,  $t$ -value = 3.72;  $H_{1B}$ :  $\beta_{1B} = -0.23$ ,  $t$ -value = -4.30). Store image enjoys obvious effect on perceived quality ( $H_{2A}$ :  $\beta_{2A} = 0.75$ ,  $t$ -value = 7.88) and perceived risk ( $H_{2B}$ :  $\beta_{2B} = -0.67$ ,  $t$ -value = -4.28). Promotion significantly affects perceived quality but does not influence perceived risk. ( $H_{3A}$ :  $\beta_{3A} = 0.29$ ,  $t$ -value = 2.04;  $H_{3B}$ :  $\beta_{3B} = 0.07$ ,  $t$ -value = 1.15). Moreover, perceived quality significantly influences attitudinal loyalty and behavioral loyalty ( $H_{4A}$ :  $\beta_{4A} = 0.62$ ,  $t$ -value = 8.08;

We adopt several fitness indices to check the validity of study model and fit indices of the measurement model are listed in Table 2. We use the Chi-square test from the usual statistics to examine the similarity of fit between observed covariance matrix and the model shown of the covariance matrix. In the model, the Chi-square is 508.42, the degree of freedom is 217, and we compute the  $\chi^2 / df$  is 2.34. The GFI (goodness-of fit index) can examine the degree of explanation of the relative magnitude of variance and covariance in sample data (Jöreskog & Sörbom, 1984). We can judge the model enjoys a good fit when GFI is larger than 0.90. The AGFI (adjusted goodness-of-fit index) adjusts for the magnitude of degrees of freedom in the study model. We can judge the model enjoys a

good fit when AGFI is larger than 0.80. Additionally, the NFI (normed fit index) and CFI (comparative fit index) employ an independence model to evaluate the given model. The magnitudes range from 0 to 1. In study model, CFI is 0.97, NNFI is 0.97, NFI is 0.95, GFI is 0.85 and AGFI are 0.81, respectively. Again, the RMSR and RMSEA offer an evaluation about the fitness of study model with unknown but appropriately selected parameter magnitudes to the population covariance matrix (Bagozzi & Yi, 1988). In study model, the RMSR (root mean square residual) is 0.029. The RMSEA (root mean error approximation) is 0.075. We judge that RMSR shows a sound fit.

loyalty by way of perceived quality. This channel is identical to the first channel. Thus, store marketers can strengthen store image to increase perceived quality and consumer loyalty.

The third channel is that brand image affects attitudinal loyalty by way of perceived quality. Service marketers can position individual brands, and build up its brand personality to differentiate consumers. Consumers recall products and services while they look or observe brand name (Lim & O'Cass, 2001). Consumers enjoy perceived quality provided by stores with a better brand image since high brand familiarity. Mr. Hsu, the general manager of Starbucks of Taiwan, argued that they al

<Table 3> Empirical Results of Hypothesis Testing

Hypothesis	Coefficient	T-value	Testing
H1A: Brand Image Perceived Quality	$\beta_{1A} = 0.55$	3.72	Non-Reject
H1B: Brand Image Perceived Risk	$\beta_{1B} = -0.23$	-4.30	Non-Reject
H2A: Store Image Perceived Quality	$B_{2A} = 0.75$	7.88	Non-Reject
H5A: Perceived Risk Attitudinal Loyalty	$B_{5A} = -0.25$	-5.73	Non-Reject
H5B: Perceived Risk Behavioral Loyalty	$B_{5B} = -0.24$	-4.99	Non-Reject
H6: Attitudinal Loyalty Behavioral Loyalty	$B_6 = 0.41$	6.31	Non-Reject
Testing Items			
/df	508.42/217=2.3429		
Comparative fit index (CFI)	0.97		
Non-normed fit index (NNFI)	0.97		
Normed fit index (NFI)	0.95		
Goodness of fit index (GFI)	0.85		
Adjusted goodness of fit index (AGFI)	0.81		
Root mean square residual (RMR)	0.029		
Root mean square error of approximation (RMSEA)	0.075		

## 5. Concluding Remarks

Our study finds that three critical channels of a loyalty management operation will increase customer attitudinal and behavioral loyalty. The major and the most useful channel is that store image affects attitudinal loyalty by way of perceived quality. Marketing managers will produce an attractive store atmosphere and surroundings to strengthen perceived quality and customer loyalty. Consumers enjoy the surroundings, utilities and atmosphere of store image and then select plenty of products and/or services in coffee store, e.g., various blends of coffee, and an assortment of cakes, snacks, and sandwiches (Pires et al., 2004). For instance, Mr. Hsu, the general manager of Starbucks of Taiwan, said that the major brand value of the Starbucks operation of Taiwan is to present "the third living space." Starbucks provides with a warm coffee store to appeal consumers. Consumers trust coffee shops to transmit attractive services. Customers produce a loyal behavior when they are satisfied, trusted, and committed from Starbucks offers.

The second channel is that store image affects behavioral

ways uplift customer loyalty by promoting their powerful brand image. Consumers will accept high perceived quality from service of Starbucks and enjoy attitudinal loyalty because there is high distinction between Starbucks and other coffee stores.

We further examine that perceived quality and perceived risk are mediate variables since clients consider their experienced quality and experienced risk deeply (Jalivand et al., 2011; Anselmsson & Johansson, 2009). We argue that perceived quality is more critical than perceived risk since service quality produces customer acquisition value (Grewal et al., 1998b; Grewal et al., 1998a).

We can generalize our empirical results to other industries which own same purchase type. We provide three effective managerial proposals to marketing managers to strengthen customer loyalty from attitudinal and behavioral dimensions. Related industries like fast food shops, restaurants, hotels, and retailing departments can promote their brand image and/or store image to obtain more clients. Store image promises the appealing elements promoting consumer loyalty. An attractive store image, store atmosphere, and surroundings permit consumers to enjoy high trust and satisfaction with services, and produce customer

attitudinal and behavioral loyalty. Marketing managers should emphasize store image to depth its superior brand value and unique product/service.

The managerial implication of our study is to exploit the customers' relationship and induce customer loyalty in coffee store. We consider strategies to draw the customers into a state of loyalty so as to enhance the benefits and decrease the uncertainty of losing it. We discover types of customer loyalty and develop ways to influence various types of loyalty to help marketers strategize. However, this paper considers with only one spot investigation, rather than a longitude multi-time survey, it may make the incomplete generalization application of this study results.

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