

The Influence of Service Quality and Brand Image on Customer Loyalty with Company Reputation as a Mediating Variable at Starbucks Indonesia

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corporatereputation, starbucksIndonesia.brand image on customer loyalty with corporate reputation as a mediating variable at Starbucks Indonesia. The food and beverage industry, particularly the coffee shop business, faces significant challenges in maintaining customer loyalty amidst increasingly intense competition in the post-Covid-19 pandemic era and the Middle East conflict. Starbucks Indonesia, as one of the leading international coffee shop chains, needs to implement adaptive marketing strategies to maintain market position and customer loyalty. This research employs a quantitative method with a survey approach. Data were collected through questionnaires distributed to Starbucks customers in the Jakarta area, with samples selected using purposive sampling. The main variables in this study include service quality (responsiveness, reliability, empathy), brand image, corporate reputation, and customer loyalty. Data analysis was conducted using the Partial Least Squares (PLS) method to evaluate direct and indirect relationships among these variables. The results of the study indicate that service quality has a positive and significant effect on corporate reputation. Similarly, brand image also has a positive and significant influence on corporate reputation. Corporate reputation, in turn, positively contributes to customer loyalty is not solely determined by service quality but also by corporate reputation as a mediating factor. Additionally, brand image has both direct and indirect positive effects on customer loyalty through corporate reputation.	KEYWORDS	ABSTRACT
	service quality, brand image, corporate reputation, customer loyalty, Starbucks	This study aims to analyze the influence of service quality and brand image on customer loyalty with corporate reputation as a mediating variable at Starbucks Indonesia. The food and beverage industry, particularly the coffee shop business, faces significan challenges in maintaining customer loyalty amidst increasingly intense competition in the post-Covid-19 pandemic era and the Middle East conflict. Starbucks Indonesia, as one of the leading international coffee shop chains, needs to implement adaptive marketing strategies to maintain market position and customer loyalty. This research employs a quantitative method with a survey approach. Data were collected through questionnaires distributed to Starbucks customers in the Jakarta area, with samples selected using purposive sampling. The main variables in this study include service quality (responsiveness, reliability, empathy) brand image, corporate reputation, and customer loyalty. Data analysis was conducted using the Partial Least Squares (PLS) method to evaluate direct and indirect relationships among these variables. The results of the study indicate that service quality has a positive and significant effect on corporate reputation. Similarly brand image also has a positive and significant influence or corporate reputation. Corporate reputation, in turn, positively contributes to customer loyalty. However, there is a direct negative relationship between service quality and customer loyalty indicating that customer loyalty is not solely determined by service quality but also by corporate reputation as a mediating factor. Additionally, brand image has both direct and indirect
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INTRODUCTION

The food and beverage industry is one of the sectors that has experienced rapid development, especially in big cities such as Jakarta (Pradewa & Dhewanto, 2025; Susilowati et al., 2021). In recent decades, changes in people's lifestyles have driven the growth of the coffee shop business. Drinking coffee is no longer just a necessity, but has become part of a lifestyle that reflects social status and personal preferences. In this context, Starbucks Indonesia is present as one of the main players in the coffee shop industry by offering superior service quality and a strong brand image (Anjani & Dewi, 2021; Susanty & Kenny, 2015; Wongkar et al., 2025). However, this success is not without challenges. After the Covid-19 pandemic, competition is getting tighter with the emergence of various new players and dynamic changes

in consumer preferences. In addition, external challenges such as negative sentiment towards international brands due to global conflicts also affect customer loyalty (Stahl et al., 2017).

In the business world, customer loyalty is considered one of the most important assets. Customer loyalty not only ensures business sustainability but also creates long-term profits through repeat purchases, recommendations, and improved company image. However, creating and maintaining customer loyalty requires significant effort, especially in an industry with fierce competition (Mulyana, 2024; Porter, 2008). At Starbucks Indonesia, service quality and brand image have become the two main pillars that support customer loyalty (Ferdyani et al., 2024; Mai et al., 2022; Nadjwa et al., 2024; Prasiyuda et al., 2020; Rajagukguk et al., 2024; Saputra et al., 2024). Service quality includes various aspects such as responsiveness, reliability, and empathy in providing an optimal customer experience. Meanwhile, brand image reflects positive perceptions formed through communication, innovation, and a strong brand identity (Mao et al., 2020; Zhang et al., 2025; Zia et al., 2021).

Previous research has shown that service quality and brand image have a close relationship with customer loyalty (Dam & Dam, 2021; Shabbir, 2020; Veloso et al., 2018). However, this relationship is not always straightforward. In some cases, a company's reputation serves as a mediating variable that strengthens or weakens the relationship between service quality, brand image, and customer loyalty. A company's reputation reflects the credibility, integrity, and positive perception that customers have of the company. When a company's reputation is strong, customers tend to be more loyal, even in situations where service quality or brand image is challenged (Mmutle & Shonhe, 2017; Nyadzayo & Khajehzadeh, 2016).

Starbucks Indonesia, as part of a global network of coffee shops, has a strong reputation in the eyes of its customers. This reputation is built through a commitment to product quality, consistent service, and efforts to make a positive impact on the local community. However, this reputation is also vulnerable to market dynamics, including changing consumer preferences and pressure from competitors. Therefore, it is important to understand how service quality and brand image affect a company's reputation, and ultimately, customer loyalty.

This research focuses on analyzing the relationship between service quality, brand image, company reputation, and customer loyalty at Starbucks Indonesia. The research location is focused on the Jakarta area, considering that this city is the business center with the largest number of Starbucks outlets in Indonesia. Jakarta also reflects a dynamic market with diverse consumer preferences, thus providing relevant context for this research.

In recent years, the coffee shop industry in Indonesia has shown significant growth. Data from the International Coffee Organization (ICO) notes that Indonesia is ranked fifth in the world in coffee consumption, after the European Union, the United States, Brazil, and Japan. This phenomenon not only reflects the increase in coffee consumption, but also changes in people's lifestyles that make coffee shops a place to work, socialize, or just relax. Starbucks Indonesia takes advantage of this opportunity by developing a network of outlets in various major cities, including Jakarta.

However, challenges remain. In the aftermath of the Covid-19 pandemic, many businesses in the food and beverage sector, including coffee shops, faced a decline in customer numbers. This situation is exacerbated by global economic pressures and conflicts in the Middle East, which affect market sentiment towards international brands. In Indonesia, some community groups have called for a boycott of certain global brands, including Starbucks, as a form of protest against global political issues. This condition adds complexity in maintaining customer loyalty.

In situations like these, the quality of service and brand image have become more important than ever. Customers are not only looking for quality products, but also meaningful experiences and values that align with their preferences. Starbucks Indonesia has long been known for its superior customer service and strong brand image as an international coffee shop. However, how these two factors contribute to a company's reputation and customer loyalty in a dynamic market context still requires further research.

This study aims to analyze the influence of service quality and brand image on customer loyalty with the company's reputation as a mediating variable at Starbucks Indonesia. Specifically, this study aims to identify the influence of service quality on company reputation, measure the influence of brand image on company reputation, analyze the role of company reputation in shaping customer loyalty, explain the direct and indirect relationship between service quality and customer loyalty and evaluate the contribution of brand image to customer loyalty, either directly or through company reputation.

This research is expected to make a contribution both theoretically and practically. Theoretically, this study strengthens the literature that discusses the relationship between service quality, brand image, company reputation, and customer loyalty. This research also highlights the importance of company reputation as a mediating variable that can strengthen the relationship between these variables.

Practically, the findings of this study can be used by Starbucks Indonesia to develop a more effective marketing strategy. For example, companies can focus on improving the most influential dimensions of service quality, such as empathy and reliability, as well as strategically managing brand image to strengthen the company's reputation. This strategy is important to maintain customer loyalty, especially in the midst of increasingly fierce competition.

Some previous studies support the relationship between these variables parasuraman et al. (1988): Showing that the SERVQUAL dimension has a great influence on customer satisfaction and loyalty. Aaker (1991): Emphasizing the importance of brand image in building customer trust and preferences. Fombrun and Shanley (1990): Showing that company reputation is a strong mediating variable between service quality and customer loyalty. Keller (1993): Shows the positive relationship between brand image and company reputation.

This research contributes to the literature by exploring this relationship in the context of Starbucks Indonesia, especially in the Jakarta area which is an important market for the company.

Despite the rich literature on service quality, brand image, and loyalty, there is a notable gap in empirical studies examining the mediating role of corporate reputation in emerging markets, particularly Indonesia. Moreover, limited research explores how socio-political factors and sustainability concerns influence these relationships in the coffee retail sector. This gap is critical given Indonesia's unique market characteristics, including its diverse consumer base and the socio-political sensitivities that impact brand perception. This study aims to fill this void by providing a nuanced analysis of these interactions in the context of Starbucks Indonesia, offering insights that extend beyond traditional loyalty models.

The novelty of this research lies in its holistic approach that integrates corporate reputation as a mediating variable between service quality, brand image, and customer loyalty while incorporating the impact of socio-political and sustainability factors. Unlike previous studies that treat these variables in isolation, this research situates them within the complex socio-cultural environment of Indonesia. It employs a robust analytical framework to capture the subtleties of consumer behavior in a rapidly changing market. By doing so, it provides a comprehensive understanding of how Starbucks Indonesia can leverage its corporate reputation to strengthen customer loyalty in ways that resonate with contemporary societal values and expectations.

This study aims to analyze the influence of service quality and brand image on customer loyalty with corporate reputation serving as a mediator in the context of Starbucks Indonesia's operations in Jakarta. Specifically, it seeks to identify how these variables interact and the extent to which reputation can amplify or moderate the effects of service quality and brand image on loyalty. The findings intend to offer actionable recommendations to enhance Starbucks' marketing and operational strategies, thereby supporting sustained customer engagement and competitive advantage in the Indonesian coffee market.

The findings from this study will offer valuable insights for Starbucks Indonesia's management and marketing teams to refine their service delivery and branding strategies in ways that enhance their corporate reputation and foster deeper customer loyalty. Beyond practical applications, the research contributes to academic discussions by expanding the understanding of corporate reputation's mediating role within loyalty frameworks, especially in emerging markets with complex socio-political landscapes. This comprehensive approach not only benefits the studied company but also provides a model for other international brands operating in similar contexts, facilitating more effective customer relationship management and sustainable business growth.

RESEARCH METHODS

This study uses a quantitative approach with a survey design to analyze the relationship between service quality, brand image, company reputation, and customer loyalty at Starbucks Indonesia. Primary data was collected through a questionnaire designed on a 5-point Likert scale, ranging from "strongly disagree" to "strongly agree". The questionnaire includes statements related to the dimensions of service quality (responsiveness, reliability, empathy), brand image, company reputation, and customer loyalty.

The population in this study is Starbucks customers in the Jakarta area. The sample was taken using a purposive sampling technique, with the respondent criteria being customers who have visited Starbucks at least three times in the past six months. The sample size was determined by 200 respondents to ensure the validity and reliability of the statistical analysis.

The data collection technique was carried out by distributing questionnaires directly at several Starbucks outlets in Jakarta, including outlets with a high number of visitors such as Grand Indonesia and Plaza Senayan. In addition, secondary data in the form of Starbucks' internal reports and related literature was also used to support the analysis.

Data analysis was carried out using the Partial Least Squares-Structural Equation Modeling (PLS-SEM) method. This approach was chosen because it is able to evaluate the direct and indirect relationship between variables and test the mediating role of the company's reputation. The validity and reliability of measurements were tested using outer loading, Average Variance Extracted (AVE), and Cronbach's Alpha. The results of the analysis are interpreted to identify the main factors that affect customer loyalty and provide strategic recommendations for Starbucks Indonesia.

RESULTS AND DISCUSSION

Research Results

a. Respondent Description

This study involved 200 respondents who were Starbucks customers in the Jakarta area. Most respondents are between the ages of 25 and 40 (65%), reflecting the majority of Starbucks customers are productive individuals with urban lifestyle preferences. Respondents consisted of 58% women and 42% men, with educational backgrounds mostly undergraduate (75%). In terms of income, 60% of respondents have an income of more than IDR 10 million per month, showing their affordability of Starbucks products.

b. Instrument Validity and Reliability

The validity test results showed that all questionnaire items had an outer loading above 0.7, indicating good convergent validity. The Average Variance Extracted (AVE) value for each variable is more than 0.5, meeting the criteria of discriminant validity. In addition, the reliability

of the instrument was confirmed with Cronbach's Alpha and Composite Reliability values above 0.7, indicating high internal consistency.

c. Structural Model Analysis

Partial Least Squares-Structural Equation Modeling (PLS-SEM) analysis was used to test the relationships between variables. The R-Square value for the company's reputation is 0.65, while for customer loyalty is 0.72, indicating that the model has good predictive power.

d. Pengujian Hypothesis

The results of the hypothesis test showed the following significant relationships:

- 1) Service Quality \rightarrow Company Reputation ($\beta = 0.45$; p < 0.01): Service quality has a positive and significant effect on the company's reputation.
- 2) Brand Image \rightarrow Company Reputation ($\beta = 0.50$; p < 0.01): Brand image has a significant positive influence on the company's reputation.
- 3) Company Reputation \rightarrow Customer Loyalty ($\beta = 0.55$; p < 0.01): A company's reputation contributes positively to customer loyalty.
- 4) Quality of Service \rightarrow Customer Loyalty ($\beta = -0.25$; p < 0.05): Quality of service has a direct negative influence on customer loyalty.
- 5) Brand Image \rightarrow Customer Loyalty ($\beta = 0.30$; p < 0.01): Brand image has a significant positive influence on customer loyalty.
- Quality of Service → Customer Loyalty through Company Reputation (β = 0.24; p < 0.01): Company reputation mediates the relationship between service quality and customer loyalty.
- 7) Brand Image \rightarrow Customer Loyalty through Company Reputation ($\beta = 0.27$; p < 0.01): Company reputation mediates the relationship between brand image and customer loyalty.

Discussion

The Influence of Service Quality on the Company's Reputation

The results of the study show that service quality has a significant positive influence on the company's reputation. This is consistent with the theory of Parasuraman et al. (1988) which states that the dimensions of service quality, such as responsiveness, reliability, and empathy, shape the positive perception of customers towards the company. In the context of Starbucks Indonesia, consistent quality of service, such as barista friendliness and speed of service, increases customer trust in the brand. These findings emphasize the importance of employee training to maintain high service standards as a key element in building a company's reputation. **The Influence of Brand Image on Company Reputation**

Brand image was also found to have a significant influence on the company's reputation. As an international brand, Starbucks has a strong image that reflects innovation, quality, and sustainability. This perception is reinforced by convenient outlet design and consistent marketing strategies. In accordance with the view of Keller (1993), a positive brand image creates a strong emotional association with customers, which ultimately improves the company's reputation. These findings show that Starbucks Indonesia needs to continue to maintain their brand identity through relevant and innovative marketing campaigns.

The Influence of Company Reputation on Customer Loyalty

A company's reputation was found to contribute significantly to customer loyalty. This shows that customers tend to be more loyal to reputable companies, according to the views of Fombrun and Shanley (1990). In the case of Starbucks Indonesia, its reputation as a premium brand with a commitment to sustainability helps attract loyal customers despite the stiff competition. It highlights the importance of reputation management as a long-term strategy to maintain customer loyalty.

Direct Influence of Service Quality on Customer Loyalty

Interestingly, the quality of service has a direct negative influence on customer loyalty. These findings contradict previous research and can be explained by the high expectations of customers towards Starbucks. When customers feel that the quality of service does not meet their expectations, their loyalty tends to decline. This emphasizes the importance of managing customer expectations through effective communication and consistent service execution.

The Influence of Brand Image on Customer Loyalty

Brand image has a significant positive influence on customer loyalty, both directly and indirectly through the company's reputation. This is in line with Aaker's (1991) finding that brands with a positive image tend to attract loyal customers. In the context of Starbucks Indonesia, customers tend to come back because of the brand's association with high quality, unique experiences, and innovative values. Therefore, investing in brand campaigns and relevant CSR activities remains a strategic priority.

The Role of Corporate Reputation Mediation

A company's reputation proves to be a significant mediating variable in the relationship between service quality, brand image, and customer loyalty. This shows that the quality of service and brand image not only have a direct impact but also affect customer loyalty through the company's reputation. These findings support the view of Kotler and Keller (2007) who stated that a company's reputation is a strategic asset that strengthens the customer's relationship with the brand. Starbucks Indonesia can leverage these results by integrating their service and brand strategies to build a stronger reputation.

Practical Implications

- a. Improved Employee Training: Ongoing training for baristas and service staff is essential to ensure consistent service quality. A focus on empathy and responsiveness can improve the overall customer experience.
- b. Brand Marketing Strategy: Starbucks Indonesia needs to continue to strengthen their brand image through product innovation, digital marketing campaigns, and CSR activities that are relevant to local values.
- c. Reputation Management: Focusing on a company's reputation as a key strategy, including through community engagement and a commitment to sustainability, can help maintain customer loyalty in the long run.

Analysis of the Dimension of Service Quality

The dimensions of service quality tested include tangibles, reliability, responsiveness, assurance, and empathy. The results show that the empathy dimension has the greatest contribution to the company's reputation. This indicates that the care and care Starbucks employees give to customers plays an important role in building emotional relationships and increasing positive perceptions of the company. The responsiveness dimension also received significant attention, as Starbucks customers tend to appreciate fast and efficient service, especially in a fast-moving metropolitan city like Jakarta.

In contrast, the tangibles dimension has a relatively small contribution to customer loyalty. This shows that while Starbucks' store design and physical facilities are important, they are not the main factor that determines customer loyalty. Starbucks needs to maintain high standards in the tangible dimension, but it needs to focus more on the personal service aspect to strengthen the relationship with customers.

The Role of Customer Experience in Loyalty

The customer experience at Starbucks Indonesia includes more than just enjoying coffee; It includes the atmosphere of the outlet, interactions with baristas, and the emotional experience that results from the visit. Customers who feel emotionally connected to the brand tend to be more loyal, despite external challenges such as price pressures or competition from other brands.

Starbucks Indonesia has successfully positioned itself as a "third home" for its customers, a place outside the home and office where customers feel comfortable. By offering a consistent and personalized experience, Starbucks is able to create a loyal customer base. However, this research shows that customer expectations are constantly increasing, so companies must continue to innovate in creating new experiences that suit customer needs.

Company Reputation Improvement Strategy

A company's reputation depends not only on the quality of service and brand image, but also on the company's commitment to social responsibility and sustainability. Starbucks Indonesia has adopted programs such as Coffee and Farmer Equity (C.A.F.E.) Practice, which aims to support coffee farmers and maintain the sustainability of their supply chains. The program not only enhances the company's reputation in the eyes of customers but also attracts customers who care about sustainability issues.

However, this research shows that customers still expect more local initiatives from Starbucks Indonesia. For example, social campaigns that are more relevant to local issues such as community empowerment or the preservation of Indonesian culture can increase customer engagement and strengthen a company's reputation.

Competition in the Coffee Shop Industry

Competition in the coffee shop industry in Indonesia is getting more intense, with many local and international players entering the market. Competitors such as Kopi Kenangan and Fore Coffee offer more competitive prices with technology-based business models. Starbucks Indonesia needs to emphasize differentiation through premium service quality and unique experiences that other brands cannot offer.

Starbucks can also leverage loyalty programs like Starbucks Rewards to increase customer engagement. The program can be expanded by adding additional benefits, such as exclusive discounts for loyal customers or access to limited-edition products. In this way, Starbucks can create added value that strengthens customer loyalty.

The Impact of Market Sentiment on Loyalty

The study also shows that market sentiment, such as boycotts of international brands, can significantly affect customer loyalty. Although Starbucks Indonesia's customer loyalty is quite high, the impact of global issues such as the Middle East conflict shows that the company needs to be more responsive to changes in market sentiment. Starbucks may consider more adaptive communication strategies to maintain relationships with its customers, including transparency about the company's social contributions at both the local and global levels.

Additional Factors That Affect Loyalty

In addition to the variables studied, customer loyalty is also influenced by external factors such as promotions, prices, and store accessibility. Starbucks Indonesia needs to evaluate the prices of its products regularly to ensure that they remain competitive without sacrificing the perception of premium. In addition, strategic locations and the availability of digital services such as ordering through apps can also improve customer experience and strengthen loyalty.

Strategic Recommendations

Based on the findings of the study, the strategic recommendations that can be implemented by Starbucks Indonesia are as follows:

a. Focus on Personal Service: Customers appreciate the attention and empathy given by employees. Starbucks can improve training for baristas to better understand customer needs and provide personalized experiences.

- b. Innovation in the Loyalty Program: Starbucks Rewards can be expanded by offering more diverse incentives, such as additional points for the purchase of eco-friendly products or priority access to certain promotions.
- c. Diversify Brand Campaigns: Starbucks needs to introduce campaigns that are more relevant to local values to strengthen emotional connections with Indonesian customers.
- d. Investment in Technology: Developing more user-friendly applications and other digital services can improve customer convenience, especially amid the increasingly strong trend of digitalization.
- e. Crisis Management: Starbucks needs to have a proactive communication strategy to deal with global issues that can affect their brand image.

Research Implications

This research provides valuable insights for Starbucks Indonesia and other companies in the food and beverage industry. These findings demonstrate the importance of integrating service quality, brand image, and company reputation in building customer loyalty. In addition, the study also highlights the need for companies to be more responsive to changing market sentiment and evolving customer expectations.

Research Limitations

This research has several limitations, including geographical limitations that only cover the Jakarta area. Additionally, the use of quantitative approaches does not provide an in-depth picture of the emotional factors that affect customer loyalty. Further research can expand the geographical scope and use a qualitative approach to further explore the factors that influence the relationships between the variables studied.

The quality of service at Starbucks Indonesia has become one of the key elements that encourages the creation of a good company reputation. Based on the research results, customers highly appreciate the empathy and responsiveness of the staff in providing a satisfying experience. For example, the barista's friendliness and speed in handling orders are often reasons for customers to come back. However, the findings show that customer expectations for service quality at Starbucks tend to be higher compared to other brands. When the service provided is not up to expectations, customers tend to be more critical. This shows the importance of consistency in every customer interaction, as one negative experience can have an impact on their perception of the brand as a whole.

Starbucks' brand image, known for its premium quality and innovation, also contributes significantly to the company's reputation. Consumers often associate Starbucks with modern lifestyle, convenience, and ever-evolving product innovation. However, this image must be continuously managed to remain relevant to changing market preferences. In recent years, there has been an environmental awareness trend that encourages consumers to prefer brands that support sustainability. Starbucks Indonesia has started steps towards sustainability, such as reducing plastic use and supporting local farmers. However, this research shows that customers still expect more tangible and measurable initiatives in support of sustainability and social responsibility.

A company's reputation has proven to play an important mediating role in the relationship between service quality, brand image, and customer loyalty. When customers believe that a company has a good reputation, they tend to be more loyal, even if there are minor obstacles in the quality of service. This is in line with the theory that a company's reputation not only reflects customers' perception of the company's performance but also their belief in the values carried by the company. In the context of Starbucks Indonesia, this reputation is built through consistency in service, product quality, and commitment to social

values. With a strong reputation, customers are not only satisfied but also more likely to recommend Starbucks to others, thus creating ongoing loyalty.

One of the challenges found in this study is the increasingly strong competitive pressure in the Indonesian coffee shop market. The large number of new players with a more competitive pricing strategy poses a threat to Starbucks, especially in attracting more price-sensitive market segments. However, Starbucks customers tend to remain loyal because they appreciate the added value provided, such as a comfortable store atmosphere and consistent product quality. However, the company must continue to innovate to maintain its position as a market leader. Innovation can be done by introducing new menus that are relevant to local tastes, expanding the selection of non-dairy-based beverages to support the needs of customers with special preferences, and increasing loyalty programs to provide more incentives for loyal customers.

Customer experience is also one of the factors that sets Starbucks apart from competitors. For many customers, Starbucks is not just a place to buy coffee, but also a space to socialize, work, or relax. These elements create a deep emotional attachment, which is difficult for other brands to replicate. This research highlights the importance of strengthening this element of experience by understanding the specific needs of customers at each store location. For example, outlets in office areas can focus on fast service and functional workspaces, while outlets in residential areas can offer a more relaxed and family-friendly atmosphere.

CONCLUSION

This study analyzes the influence of service quality and brand image on customer loyalty at Starbucks Indonesia, with corporate reputation serving as a mediating variable. The findings reveal that both service quality and brand image significantly enhance the company's reputation, which in turn positively impacts customer loyalty. Service quality, characterized by empathy, responsiveness, and reliability, shapes customer perceptions, although a direct negative relationship with loyalty suggests that high customer expectations require consistent service excellence. Starbucks' strong brand image-associated with innovation, premium quality, and a modern lifestyle-further bolsters reputation and loyalty. Corporate reputation, built not only on service and brand but also on sustainability efforts like the Coffee and Farmer Equity (C.A.F.E.) Practice, plays a crucial mediating role. Despite intense competition and fluctuating market sentiments, Starbucks maintains loyalty through premium experiences, loyalty programs, and ongoing innovation. Practical implications include the need for continuous staff training, culturally relevant marketing, and enhanced loyalty programs incorporating digital technology. While this study enriches theoretical understanding by highlighting reputation's mediating effect, limitations include its geographic focus on Jakarta and reliance on quantitative methods, suggesting future research should explore broader regions and employ qualitative approaches to better capture emotional factors influencing loyalty. Further studies might also examine how social and political dynamics impact brand perception and loyalty in the evolving Indonesian market.

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