



The Influence of Interaction Quality, Physical Environment Quality, and Environmentally Friendly Practices on Brand Personality and Brand Reputation with Customer Experience as a Mediating Variable

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Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

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ABSTRACT

Aim: This research aims to explain the positive influence of interaction quality, physical environment quality, and environmentally friendly practices on brand personality and brand reputation with customer experience as a mediating variable. This is important and interesting to discuss because it is necessary to implement marketing strategies in a brand or company.

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Study Design: Service quality is evaluated based on interaction quality and physical environment quality and green marketing is evaluated based on physical environmentally friendly practices.

Place and Duration of Study: This research was conducted in Indonesia from September 2023 to February 2024.

Methodology: The study used a convenience sampling method and generated 350 respondents. Primary data for this study was obtained through an online questionnaire. Data analysis was conducted using Structural Equation Model modeling with AMOS 24.

Results: The results of this study show that (1) the quality of interactions, the quality of the physical environment, and environmentally friendly practices have a positive and significant effect on customer experience. (2) Interaction quality, physical environment quality, environmentally friendly practices, and brand personality have a positive influence on brand reputation. (3) Customer experience has a positive and significant influence on brand personality and brand reputation.

Conclusion: This research provides new insights into the influence of service quality and green marketing in a company or brand. Companies must manage these two things to improve the brand personality and brand reputation of the company, especially in the food and beverages sector.

Keywords: Service quality; interaction quality; physical environment quality; green marketing; environmentally friendly practices; brand personality; brand reputation; customer experience.

1. INTRODUCTION

Currently, the growth of the coffee business is very impressive. This can be seen by increasing living standards and awareness of coffee culture. Consumption, interest, and popularity of coffee brands also continue to increase every year [1] In Indonesia, the coffee business is also quite popular. Based on data from the International Coffee Organization (2023), Indonesia is ranked second in Asia and Pacific for the highest coffee consumption in the period 2021 and 2022. From these data, it can be obtained that coffee is one of the needs of Indonesian people. This makes coffee an important segment in the food and beverages industry with increasing domestic and global coffee consumption [2]. With the high demand for coffee consumption, the growth of coffee shops has increased so that coffee shops can be considered the most important place after home and workplace. A person spends most of their income on coffee consumption because coffee shops can be used for various purposes, for example studying, working, and gathering [3]. Coffee shops are a place not only for adults but also for the MZ generation [4].

“One of the obstacles in managing a coffee shop is the high failure rate due to intense competition between coffee businesses. This caused many coffee shops to not survive. Industry standardization makes it difficult for coffee shops to differentiate the relationship between customers and business among coffee shops” [5]. Considering the economic value and characteristics of the coffee shop industry,

business actors need to understand the market to achieve sustainable profitability [3].

“Competition between coffee shops forces business actors to develop better strategies to increase purchases” [6]. “In the coffee shop business, customers who visit not only aim to buy coffee but also buy the experience offered. One of the determinants of customer experience is the quality of coffee shop service. Service quality is determined by the product itself, the services around the company, and how the company delivers its products and services such as the attitudes and behavior of its employees, the company’s flexibility, and so on” [1]. “In the context of service quality, the influencing factors are the quality of interactions and also the quality of the physical environment” [7]. “Customers understanding of the qualifications of quality coffee shop employees is fundamental to the customer’s experience of the services provided by the coffee shop” [1]. In terms of the quality of the physical environment, the atmosphere of the place is as important as the product offered in purchasing decisions. Creative and attractive physical design will be important in improving certain marketing such as customer perceptions of the quality offered and also customer experience [1].

“Like other businesses, coffee shops must continue to take advantage of external opportunities to survive in competition, for example by looking at existing trend opportunities. One trend that has emerged recently is the increasing awareness of the

environment and the desire to purchase products or services that are considered environmentally friendly” [8]. “Environmentally friendly marketing is the marketing of products and services that are considered more environmentally friendly compared to other marketing methods” [9]. “Increasingly aware of the seriousness of environmental problems, customers tend to choose environmentally friendly products or services to reduce negative impacts on the environment. Even though green activities are not a core functional service element of a business, green initiatives can offer emotional benefits to customers who value green activities because they allow customers to express themselves by promoting green business activities. Environmentally friendly practices can enable a business to gain a competitive advantage and encourage positive attitudes, thereby improving long-term customer relationships” [10].

Having a long-term relationship with customers is one of the factors of a good customer experience. Positive customer experience will influence customer perceptions of the brand personality of a coffee shop [1]. Brand personality itself is a human characteristic or trait that customers can associate with a brand. In addition, customer perceptions of brand personality can reflect the added value of a brand [1]. Coffee shops need to believe that brand personality has a strong emotional influence and also brand personality shows that emotions towards a brand can shape customer perceptions, experiences, and memories of a brand and ultimately influence customer's decisions to make purchases [11].

In the coffee shop business, brand reputation is also considered a factor that plays an important role in long-term relationships and is an important driver in creating emotional relationships with customers [2]. To be successful and profitable, a brand must have a positive brand reputation. Brands with a good reputation will tend to attract customers. A brand reputation that matches the customer's perceived experience will make customers believe that the brand is reliable, thereby creating behavioral intentions [2].

Several previous studies have examined service quality on customer experience. For example, research conducted by Ren et al. [1] shows that the service quality factors that influence customer experience are interaction quality and result quality. However, the quality of the

physical environment does not have a significant effect on customer experience. Meanwhile, research by [7] found that social interaction and the quality of the physical environment influence customer experience. Furthermore, research by [1] shows that customer experience positively and significantly has a positive effect on brand personality and reputation. Based on previous research analysis, there are differences between research conducted by Ren et al. [1] and [7].

Researchers are interested in researching to analyze the influence of service quality on customer experience by adding environmentally friendly practices, to analyze its influence on customer experience. Then analyze the influence of customer experience on brand personality and reputation with a focus on Starbucks Indonesia. The choice of Starbucks as the research object was based on Starbucks statement at www.starbucksathome.com (Topic: Commitment in Connection, 2023) that their business is committed to quality and prioritizing interaction with customers to create a better customer experience. Therefore, this research is also aimed at finding out customer experiences regarding the implementation of marketing strategies carried out by Starbucks.

2. LITERATURE REVIEW

2.1 Service Quality

According to Ganguli et al. [12], service quality is an assessment made by customers as a whole. Apart from that, service quality is also used by practitioners in evaluating company services. Another definition is defined by Wu and Mohi [13] as the impression felt by customers about the inferiority and superiority of a company's services.

Service quality is determined by the product itself, the services around the company, and how the company delivers its products and services such as the attitudes and behavior of its employees, the company's flexibility, and so on [1]. Service quality comes from interactions between customers and employees. Therefore, the quality of interaction is one of the factors that influences service quality [1].

According to Le [8], the quality of employee and customer interactions leads to the way services are delivered and also employee and customer interactions during service delivery. The interaction between employees and customers participates in the service experience by

improving the quality of the customer experience. For example, if employees are friendly and helpful to customers during the service process, customers will tend to feel the quality of the experience is good and positive. According to Ren et al. [1], several parameters of interaction quality include:

- 1) Employee responsiveness level
- 2) The level of employee availability in helping customers
- 3) Employee speed level
- 4) The level of employees who prioritize customers
- 5) The level of care in responding to customer needs

Apart from that, a service quality factor that is also important to explore is the quality of the physical environment [7]. The quality of the physical environment consists of three dimensions, namely atmosphere, physical attractiveness, and social factors. In this case, customers can conclude that the quality of the physical environment is the customer's perception of physical facilities. There are several parameters of interaction quality according to Ren et al. [1], including:

- 1) Level of facilities offered
- 2) Comfort level
- 3) The level of atmosphere offered
- 4) Suitability of physical space

2.2 Green Marketing

According to Jang et al. [10], environmentally friendly marketing is the marketing of products and services that are considered more environmentally friendly compared to other marketing methods. Apart from that, another definition says that environmentally friendly marketing is an analysis of marketing activities that affect the environment. Environmentally friendly marketing is important to encourage changes in environmentally friendly behavior that encourage change and are effectively attractive [14]. According to Wymer and Polonsky [9], several parameters of environmentally friendly practices include:

- 1) Offer environmentally friendly products
- 2) Using environmentally friendly materials
- 3) Offer environmentally friendly facilities

2.3 Customer Experience

Customer experience is something that is often discussed in marketing. Customer experience is

the response that customers have to direct or indirect contact with a company [7]. Customer experience can also be defined as the encounter between a customer and a brand. According to Ren et al. [1], customer experience is divided into sensations, feelings, perceptions, and behavioral responses that arise from a brand and are part of a brand's identity, design, communication, environment, and packaging. This stimulation of customers implies that customer experience is subjective and also elicits customer responses.

To be able to understand the quality of customer experience, it is important to differentiate the quality of customer experience from the quality of service. Customer experiences are shaped not only by the intersection of communication, service, and consumption that are under a company's control but also by a variety of contextual factors. Customer experience is understood as the customer's subjective response to direct and indirect encounters with the company [8]. There are several parameters of customer experience according to Ren et al. [1]:

- 1) Offer a pleasant experience
- 2) Offer a corporate setting that provides fun
- 3) Offer convenience to customers

2.4 Brand Personality

According to Lee et al. [3], the main function of brand personality is to connect with customers and help them in the process of self-expression. The extent to which customers use methods to construct and express their identity becomes a reference that provides a basis for differentiating a brand from other brands in the same product category. The reason behind this lies in the principle that people seek associations with brands that represent an image similar to their self-image and thus choose brands as a means of expressing their personality. There are several parameters of brand personality according to Ren et al. [1]:

- 1) A brand offers safety in its products
- 2) A brand markets its products dynamically
- 3) A brand offers its products seriously

2.5 Brand Reputation

A positive reputation means generating a profitable brand and a competitive advantage in the industry. In building a reputation, it must be

understood that this is a long-term process that lasts for decades, and all stakeholders contribute equally to the development of a long-term brand reputation [1]. With a good and strong reputation, customer expectations of high-quality products can lead to customer satisfaction with a brand. According to Ren et al. [1], several parameters of brand reputation include the following:

- 1) The company is responsible for all products offered
- 2) The company is well managed
- 3) The company is interested in environmental protection
- 4) The company makes a profit

2.6 Hypothesis Development

Research by Ren et al. [1] was conducted to investigate the influence of service quality, which includes interaction quality, on the customer experience of Starbucks customers in China. The findings from this research are that interaction quality has positive results in influencing customer experience. In this research, it is explained that service quality and customer experience contribute to understanding the complex process of forming customer brand-related awareness. The quality of interaction in this research has a big influence on customer experience. Chinese Starbucks customers tend to consider the service provided by employees to be more important than the products sold. Thus, human service has a greater impact on customer experience.

Meanwhile, research conducted by Tran et al. [7] found that interactions between customers and employees greatly influence the quality of the customer experience. In this research, it is explained that social interaction between customers and employees is an important indicator of the quality of customer experience. This research also provides a deeper understanding of the importance of social interactions and customer experience in the coffee shop environment. So, it can be concluded that customers pay a lot of attention to the overall experience created by the coffee shop business.

H1: There is a positive influence on the application of interaction quality to customer experience.

According to Ren et al. [1], the quality of the physical environment does not significantly

influence customer experience. Apart from that, in this research, it is said that the quality of the physical environment is not a significant variable in shaping service quality. However, in several other studies, the results of this study were inversely proportional.

Research conducted by Tran et al. [7] shows that physical service quality has a positive effect on service quality. The findings also illustrate that physical service quality stimulates interaction between customers and coffee shop employees. With customers visit a coffee shop, customers want to get an experience that can be built on the environment from the quality of the physical service offered by the coffee shop. Moreover, the emergence of many coffee shops with various models has created new challenges.

H2: There is a positive influence on the application of physical environmental quality to customer experience.

Wymer and [9] Polonsky define environmentally friendly practices as having a significant influence on customer engagement with coffee shops. Apart from that, it was also found that customer attachment to environmentally friendly coffee shops had a positive impact on coffee shop loyalty. Further research on the moderating effect of eco-consciousness shows that, unlike less environmentally conscious customers, highly environmentally conscious customers respond more positively to eco-friendly stores. This indicates a stronger attachment to the store and indicates greater loyalty to the store.

This is also supported by research by Le et al. [8], where an environmentally friendly image has a positive impact on the environment and product attitudes of customers in Malaysia who return to coffee shops. This research shows that when customers perceive an organization as engaging in environmental protection, they tend to have positive attitudes toward that business.

H3: There is a positive influence on the implementation of environmentally friendly practices on customer experience.

The research results of Esmaeilpour et al. [15] suggest that all dimensions of service quality have a positive and significant influence on brand reputation. Another research conducted by Ahmad et al. [16] found that the dynamics between consumer involvement and service quality have a positive effect on brand reputation.

In this research, brand reputation mediates the relationship between factors developing consumer involvement with the brand, experience, quality of relationships and services as well as brand equity towards luxury brands.

H4: There is a positive influence on the quality of interactions on brand reputation.

Based on [17], the quality of the physical environment, food, and service are factors that influence the reputation of a restaurant. The quality of the physical environment is a predictor of the value perceived by customers. In line with research results from [18], environmental conditions reduce the negative impact of the value perceived by customers towards the brand. The research results show that environmental conditions are considered positive and have a significant influence on a brand.

H5: There is a positive influence on the quality of the physical environment on brand reputation.

The research results of González-Viralta et al. [19], prove that it is important to implement environmentally friendly practices for the reputation of a brand or company as well as developing customer satisfaction and behavior. Other research conducted by Quintana-García et al. [20] also found that strong support for environmentally friendly strategies has a positive effect on a company's reputation. Strong evidence shows that integrally and progress towards implementing environmentally friendly strategies will benefit a company's reputation.

H6: There is a positive influence on the implementation of environmentally friendly practices on brand reputation.

Research by Ren et al. [1], obtained results that customer experience has a positive and significant influence on brand equity. These results show that the better the customer experience, the more beneficial it is for the formation of brand equity. This means that customer experience will impact brand value and brand value in turn plays a decisive role in attracting customers. This study confirms the cause-and-effect relationship between customer experience and brand equity based on the quality of service provided to Starbucks consumers in China which in turn influences brand personality. This research shows an emphasis on service

quality, namely the quality of interactions and the quality of results, and can increase the level of good experience for Starbucks customers.

Likewise, research in [21] shows that customer experience influences quality services such as physical services or human services. Customer experience also influences local and global brand personality. In this research, it is concluded that customer experience management is important in maintaining a competitive advantage which can produce good relationships between customers and stronger brands.

H7: There is a positive influence on the application of customer experience to brand personality.

Based on [1], customer experience has a positive and significant influence on brand equity. This research found that brand equity has a positive and significant effect on brand reputation. This means that a brand with high customer experience and brand equity will simultaneously have a high brand reputation. Service quality and customer experience have an important role in developing a good and sustainable marketing strategy for coffee shops. So, it will affect the increase in brand reputation.

Likewise, according to Ahmad et al. [16], customer satisfaction is important to increase the reputation and loyalty of a brand. Customer experience has a positive and significant effect on brand reputation. In this research, it was also found that customer satisfaction partially mediates the relationship between customer and brand reputation and customer loyalty.

H8: There is a positive influence on the application of customer experience to brand reputation.

Research by Feng et al. [22], reveals that brand personality has a positive and significant influence on consumer preferences and also brand reputation. In line with the research results of Foroudi et al. [23], brand personalities such as name, color, typeface, design, and company colors have a positive effect on the reputation of a company. This research shows that a company's choice of logo color is related to marketing objectives, cultural values, the desired level of customer relationship with the organization, and the organization's corporate communications.

H9: There is a positive influence on the application of brand personality to brand reputation.

questions with a sample generated of 350 respondents.

3. METHODOLOGY

3.1 Measurement

This research is using quantitative methods. This research aims to produce evidence about the authenticity of facts in the field and be evaluated scientifically from a research framework. Research concerns the problems posed using figures and calculations carried out through surveys.

3.2 Sampling and Data Collection

The population in this study were visitors Starbucks coffee shops in all Indonesian branches. The sampling procedure used in this research was the convenience sampling technique. The sampling procedure used in this research was the convenience sampling technique. Hair et al. [24] explains that convenience sampling is a technique for sampling respondents freely according to the wishes of the researcher. In this research, the sampling technique was aimed at respondents by filling out a questionnaire via Google Forms. The indicators in this research consisted of 24

3.3 Data Analysis Techniques

This research uses a Likert scale to fill in the answers to the questionnaire that will be used in section 3 which contains six core research subsections. For each question, an answer will be given based on points. The following are the answers provided to respondents using a Likert scale (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree, (5) Strongly Agree. This research uses statistical analysis which is a method for testing hypotheses using statistical methods. Hypothesis testing was carried out using the Structural Equation Modeling (SEM) method. This research used Structural Equation Modeling (SEM) AMOS 24 application.

4. RESULTS AND DISCUSSION

4.1 Respondent Characteristics

This analysis explains the characteristics of respondents who have been classified based on gender, age, education, occupation, and average monthly income. Based on the results of the questionnaire answers that have been filled in by respondents, they can be presented in Table 1.

Table 1. Characteristic of respondents

| Category | Frequencies | % |
|-------------------------------|-------------|-------|
| Gender | | |
| Male | 192 | 54,9% |
| Female | 158 | 45,1% |
| Age group | | |
| 20-25 years | 60 | 17,1% |
| 26-30 years | 168 | 48,0% |
| 31-35 years | 76 | 21,7% |
| > 35 years | 46 | 13,1% |
| Education | | |
| High school/ less | 21 | 06,0% |
| Bachelor's Degree/ Diploma | 295 | 84,3% |
| Master's Degree | 34 | 09,7% |
| Occupation | | |
| Student | 47 | 13,4% |
| Entrepreneur | 49 | 14,0% |
| Employee | 246 | 70,3% |
| Unemployment | 8 | 02,3% |
| Monthly Income | | |
| < IDR 2.000.000 | 25 | 07,1% |
| IDR 2.000.001 - IDR 4.000.000 | 67 | 19,1% |
| IDR 4.000.001 - IDR 6.000.000 | 113 | 32,3% |
| > IDR 6.000.001 | 145 | 41,4% |

Source: Primary data processed (2024)

4.2 Structural Equation Modelling Analysis

4.2.1 Development of a model based on theory

The development model in this research is based on the concept of data analysis. In this research, the model consists of independent variables, namely Interaction Quality (IQ), Physical Environment Quality (PEQ), Environmentally Friendly Practices (EFP), and dependent variables, namely Brand Personality (BP) and Brand Reputation (BR). And there is a mediating variable, namely Customer Experience (CE).

4.2.2 Measurement model test

Next, a measurement model test was carried out which aims to determine the accuracy of the manifest variables in explaining the latent variables. The following is a research model which will then be used for the measurement model in AMOS 24.

In SEM, it is necessary to identify structural models because SEM analysis needs to be in the over-identified structural model category. This identification is done by looking at the value of degrees of freedom (df). The value of degrees of freedom needs to be more than 0 and avoid models that have a degree of freedom value of less than 0 (under-identified). The degrees of freedom are the difference between the total number of observations and the number of independent constraints applied to the observations. To identify the model, it is also necessary to know the amount of known data and the number of parameters to be estimated.

In this research, the values obtained from the results of the research model are:

Table 2. Research Model Results

| | |
|------------------------------------------------|---------|
| Number of distinct sample moments: | 300 |
| Number of distinct parameters to be estimated: | 84 |
| Degrees of freedom (105 - 23): | 216 |
| Chi-square: | 554,899 |
| Probability | ,000 |

Source: Primary data processed (2024)

4.2.3 Validity and reliability structural test

In Table 3 it has been shown that the validity test for all variables has a value with a loading factor greater than 0.5 so it is declared valid. The results of the reliability test on each variable show that the construct reliability value is more than 0.7, so the results are reliable. From the results of this test, it can be used for subsequent AMOS SEM testing.

Apart from that, Table 3 shows that firstly, IQ1 in the interaction quality variable provides the highest contribution of the variable in question with a value of 0.743. Furthermore, the physical environmental quality variable PEQ4 is the item that makes the largest contribution with a value of 0.732. The third variable is environmentally friendly practices with EFP3 as the item that contributed the most value of 0.823. Fourthly, there is item CE1 with a value of 0.754 which is the largest item that contributes value to the customer experience variable. The fifth variable brand personality with item BP2 contributed a value of 0.768. Finally, there is item BR2 in the brand reputation variable with the highest contribution from the variable in question with a value of 0.745.

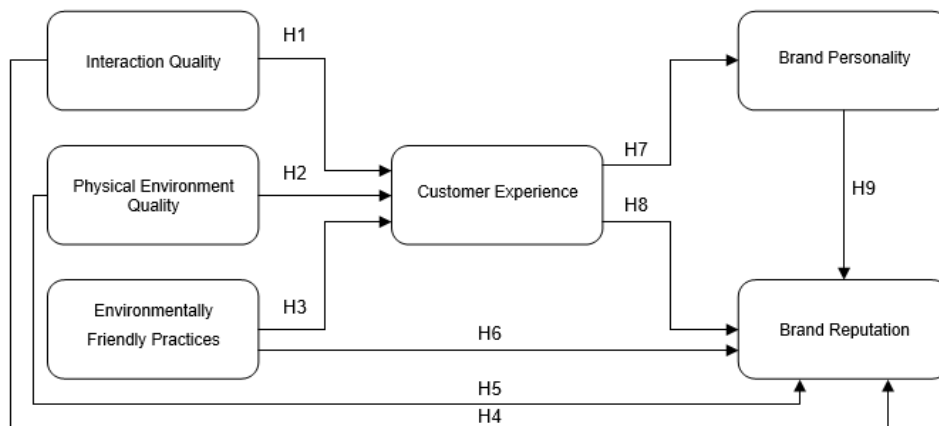


Fig. 1. Research framework

Table 3. Validity and reliability structural test

| Code | Indicator | Val. | Rel. |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|
| Interaction Quality | | | |
| IQ1 | I think Starbucks employees are quick to correct and respond to any mistakes | 0,743 | 0,913 |
| IQ2 | I think Starbucks employees provide fast service to customers | 0,700 | |
| IQ3 | I think Starbucks employees put customers first | 0,698 | |
| IQ4 | I think Starbucks employees respond to customer needs carefully | 0,686 | |
| Physical Environment Quality | | | |
| PEQ1 | I think Starbucks facilities are suitable for enjoying coffee | 0,599 | 0,902 |
| PEQ2 | I think Starbucks has a comfortable atmosphere for enjoying coffee | 0,636 | |
| PEQ3 | I think Starbucks music is suitable for enjoying coffee | 0,654 | |
| PEQ4 | I think Starbucks' seating arrangement is suitable for enjoying coffee | 0,732 | |
| Environmentally Friendly Practices | | | |
| EFP1 | I think Starbucks offers environmentally friendly products (for example, offering or selling organic coffee/tea, and organic food) | 0,691 | 0,894 |
| EFP2 | I think Starbucks uses environmentally friendly materials (e.g. recycled straws or paper towels) | 0,673 | |
| EFP3 | I think Starbucks provides recycling bins for plastic cups and paper cups in their stores | 0,823 | |
| EFP4 | I think Starbucks uses environmentally friendly containers for take-out or take-out orders (for example with recycled glass, or you can use your container/place) | 0,682 | |
| Customer Experience | | | |
| CE1 | I think Starbucks is fun | 0,754 | 0,924 |
| CE2 | I think Starbucks brings pleasure to my senses | 0,734 | |
| CE3 | I think Starbucks makes me feel comfortable being there | 0,733 | |
| CE4 | I think Starbucks as a whole has done the best | 0,736 | |
| Brand Personality | | | |
| BP1 | I am familiar or not unfamiliar with Starbucks | 0,641 | 0,923 |
| BP2 | I feel safe when purchasing any product (goods/services) from Starbucks | 0,768 | |
| BP3 | I think Starbucks marketing campaigns are dynamic (for example, promotions in collaboration with public figures, promotions with discounts on member card points or vouchers) | 0,700 | |
| BP4 | I think Starbucks has always been serious about building its brand | 0,753 | |
| Brand Reputation | | | |
| BR1 | I think Starbucks is responsible for all the products it provides | 0,717 | 0,921 |
| BR2 | I think Starbucks is well-managed | 0,745 | |
| BR3 | I think Starbucks is interested in environmental protection | 0,682 | |
| BR4 | I think Starbucks is a profitable company | 0,694 | |

Source: Primary data processed (2024)

4.2.4 Normality test and outliers test

From the results of the normality test calculations, it was obtained that c.r. skewness of each variable is outside the value of -2.58 to +2.58, but this can be tolerated by looking at the value of c.r. kurtosis for each variable is at a value of -2.58 to +2.58 [24]. It can be said that the data is normally distributed and testing can be continued to test the next assumption.

Data outliers are data observations that have different characteristics from other data, often far above or below other data that are extreme and are therefore called extreme values. Outliers can be detected by paying attention to the Mahalanobis distance value [24]. The criteria used refer to the Chi-Square value in degrees of freedom with a significance level of $p < 0.001$ contained in the Chi-Square distribution table. Mahalanobis distance value in this study $(24:0.001) = 42.979$. It was concluded that all data that had a Mahalanobis distance greater

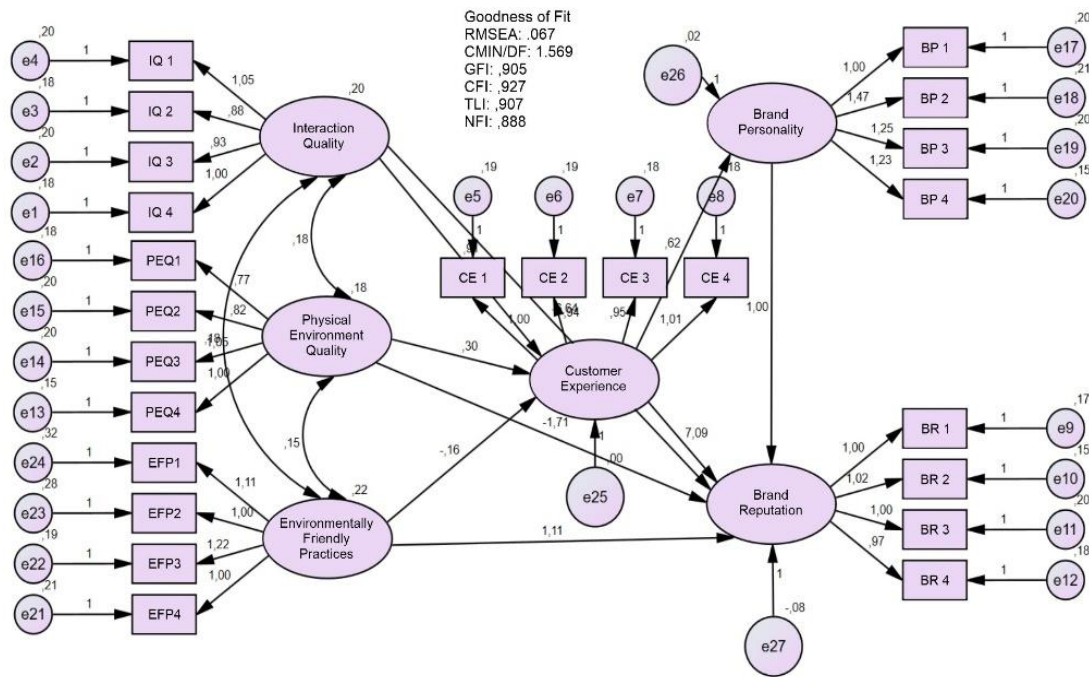


Fig. 2. Structural model

than 42.979 were multivariate outliers. In this research, it was obtained that the furthest distance Mahalanobis d-squares value is 36.394 and the closest distance is 33.376, both values are still below 42.979. This can be interpreted as the absence of multivariate outliers.

4.2.5 Goodness of fit

Testing the suitability of the research model is used to test whether the level of goodness of fit of the research model is good or not. The GFI measure is a measure of a model's ability to explain the diversity of data. The GFI score ranges from 0-1. There are no standard criteria regarding the limits of a good GFI value. However, it can be concluded that a good model is a model that has a GFI value close to 1. In practice, many researchers use a minimum limit

of 0.9. Table 4 is the result of the analysis carried out by researchers.

Based on the assessment results from Table 4, it is known that all model analyses have good requirements as an SEM model. Of the six model suitability criteria, six criteria can be met (fit). Therefore, the analysis can proceed to the next stage, namely hypothesis testing.

4.2.6 Hypothesis test

To find out the results of hypothesis testing, it is done by looking at the probability and Critical Ratio (CR) values from the data processing results. If the CR value is above 1.96 and the P value is below 0.05 then the hypothesis is declared accepted. Table 5 is the result of hypothesis testing.

Table 4. Goodness of Fit

| Criteria | Cut Of Value | Result | Conclusion |
|--------------------------------------------------|---------------------|--------|------------|
| Root Mean Squares Error of Approximation (RMSEA) | 0,05 ≤ RMSEA ≤ 0,08 | 0,067 | Fit |
| CMIN/DF | ≤ 2,00 | 1,569 | Fit |
| Goodness of Fit Index (GFI) | ≥ 0,90 | 0,905 | Fit |
| Comparative Fit Index (CFI) | ≥ 0,90 | 0,927 | Fit |
| Tucker Lewis Index (TLI) | ≥ 0,90 | 0,907 | Fit |
| NFI | ≥ 0,60 | 0,888 | Fit |

Source: Primary data processed (2024)

Table 5. Hypothesis test

| | | | Estimate | S.E. | C.R. | P |
|---------------------|------|------------------------------------|-----------------|-------------|-------------|----------|
| Customer_Experience | <--- | Interaction_Quality | ,125 | ,217 | 1,976 | ,004 |
| Customer_Experience | <--- | Physical_Environment_Quality | ,862 | ,182 | 4,742 | *** |
| Customer_Experience | <--- | Environmentally_Friendly_Practices | ,132 | ,094 | 1,975 | *** |
| Brand_Personality | <--- | Customer_Experience | ,620 | ,057 | 10,792 | *** |
| Brand_Reputation | <--- | Customer_Experience | ,596 | ,236 | 2,527 | ,012 |
| Brand_Reputation | <--- | Brand_Personality | ,681 | ,112 | 6,068 | *** |
| Brand_Reputation | <--- | Interaction_Quality | ,339 | ,181 | 1,980 | *** |
| Brand_Reputation | <--- | Physical_Environment_Quality | ,130 | ,209 | 2,621 | ,035 |
| Brand_Reputation | <--- | Environmentally_Friendly_Practices | ,001 | ,070 | 3,018 | *** |

Source: Primary data processed (2024)

The first hypothesis, H1, is that the CR value of the influence of interaction quality on customer experience is 1.976, greater than 1.96 and the P value is 0.004, smaller than the α value (0.05). Therefore, a decision was reached with the conclusion that there is a positive and significant influence on the quality of interaction on customer experience. An estimated value of 0.125 indicates that an increase in the quality of interactions will lead to an increase in customer experience of 0.125. So H1 in this study is supported.

Then hypothesis H2 is based on the results of data processing. The CR value of the influence of physical environmental quality on customer experience is 4.742, which is greater than the cut-off value (1.96) and the P value is 0.000 < 0.05. From these results, it was concluded that there is a positive and significant influence on the quality of the physical environment on customer experience. From this data, the estimated value of 0.862 indicates that improving the quality of the physical environment will lead to an increase in the customer experience of 0.862. Therefore, H2 in this study is supported.

The next hypothesis, H3, is that the CR value of the influence of environmentally friendly practices on customer experience is 1.975, which is greater than the limit value of 1.96 and the P value is 0.000 ($P < 0.05$). Therefore, there is a positive and significant influence of environmentally friendly practices on customer experience. The estimated value of the data is 0.132, indicating that increasing environmentally friendly practices will lead to an increase in customer experience of 0.132. This states that H3 in this study is supported.

It is known that in hypothesis H4, the CR value of the influence of customer experience on brand personality is 10.792, which is greater than the

cut-off value (1.96) and the P value of 0.000 is smaller than the α value (0.05). So, it can be concluded that there is a positive and significant influence on customer experience on brand personality. The estimated value of 0.620 indicates that increasing customer experience will lead to an increase in brand personality of 0.620. Thus, H4 in this study is supported.

Testing hypothesis H5 regarding the CR value of the influence of customer experience on brand reputation is 2.527 > 1.96 and the P value is 0.000 smaller than the α value (0.05). This concludes that there is a positive and significant influence on customer experience on brand reputation. The estimated value of 0.596 indicates that an increase in customer experience will lead to an increase in brand reputation of 0.596. It can be stated that H5 in this study is supported.

The CR value of the influence of brand personality on brand reputation is 6.068, which is greater than the cut-off value (1.96) and the P value is 0.012, which is smaller than the α value (0.05). It was concluded that there was a positive and significant influence of customer experience on brand reputation. The estimated regression weight value of 0.681 indicates that increasing customer experience will lead to an increase in brand reputation of 0.681. These results support the hypothesis H6 in this study.

Hypothesis test H7 discusses the quality of interaction on brand reputation with a CR value of 1.980 which is greater than the Cut Off value (1.96) and a P value of 0.000 which is smaller than the α value (0.05). This concludes that there is a positive and significant influence on the quality of interactions on brand reputation. From this data, an estimated value of 0.339 is obtained, indicating that an increase in the quality of interactions will lead to an increase in

brand reputation of 0.339. Thus, H7 in this study is supported.

Hypothesis testing H8 discusses the influence of physical environmental quality on brand reputation by showing a CR value of $2.621 > 1.96$ and a P value of $0.035 < 0.05$. Therefore, it was concluded that there is a positive and significant influence on the quality of the physical environment on brand reputation. An estimated value of 0.130 indicates that an increase in the quality of the physical environment will cause an increase in brand reputation by 0.130. So H8 in this study is supported.

In the final hypothesis H9, the CR value of the influence of environmentally friendly practices on brand reputation is $3.018 > 1.96$ and the P value is 0.000 ($p < 0.05$). It was concluded that there is a positive and significant influence of environmentally friendly practices on brand reputation. An estimated value of 0.001 indicates that environmentally friendly practices will cause an increase in brand reputation by 0.001. With results that meet the criteria, H9 in this study is supported.

5. CONCLUSION

In this research, all 9 hypotheses proposed were proven to be significant. Based on the results of the influence test analysis, it was found that the highest direct influence was the customer experience variable on brand personality. Meanwhile, the highest indirect influence is on the quality of the physical environment on brand reputation. Overall, it can be stated that customer experience in this research plays a very important role in the influence of interaction quality, physical environment quality, and environmentally friendly practices. This can be seen from the indirect influence of these variables on brand reputation and brand personality.

The results of this research are also intended to determine customer experiences regarding the implementation of marketing strategies carried out by Starbucks. From the results of this research, it was found that Starbucks implemented its marketing strategy well. This can be seen from the results of this research data that the majority of customers agree with the strategy implemented by Starbucks.

In this research, there are several limitations faced by researchers, the first is that the data

collected does not represent respondents from all over Indonesia because there are no characteristics of respondents based on region of origin. Future research is expected to provide more detail in questions and distribution of questionnaires. The second limitation is that there is only one research object, namely Starbucks as the main focus, where currently there are many other coffee shops in Indonesia. Therefore, for further research, it is necessary to expand the research object so that the research can be broader and more detailed.

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COMPETING INTERESTS

Authors have declared that no competing interests exist.

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APPENDIX

The research instrument used to measure the construct of this study was adapted from Ren, Choe, and Song [1] and Jang, Kim, and Lee [9]. The following is a description of the research instrument of measurement in this study:

Table 6. Research Instrument

| Construct | Research Instrument | Source |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Interaction Quality [IQ] | [IQ1] I think Starbucks employees are quick to correct and respond to any mistakes | Ren, Choe, and Song [1] |
| | [IQ2] I think Starbucks employees provide fast service to customers | |
| | [IQ3] I think Starbucks employees put customers first | |
| | [IQ4] I think Starbucks employees respond to customer needs carefully | |
| Physical Environment Quality [PEQ] | [PEQ1] I think Starbucks facilities are suitable for enjoying coffee | Ren, Choe, and Song [1] |
| | [PEQ2] I think Starbucks has a comfortable atmosphere for enjoying coffee | |
| | [PEQ3] I think Starbucks music is suitable for enjoying coffee | |
| | [PEQ4] I think Starbucks' seating arrangement is suitable for enjoying coffee | |
| Environmentally Friendly Practices [EFP] | [EFP1] I think Starbucks offers environmentally friendly products (for example, offering or selling organic coffee/tea, and organic food) | Jang, Kim, Lee [9] |
| | [EFP2] I think Starbucks uses environmentally friendly materials (e.g. recycled straws or paper towels) | |
| | [EFP3] I think Starbucks provides recycling bins for plastic cups and paper cups in their stores | |
| | [EFP4] I think Starbucks uses environmentally friendly containers for take-out or take-out orders (for example with recycled glass, or you can use your container/place) | |
| Customer Experience [CE] | [CE1] I think Starbucks is fun | Ren, Choe, and Song [1] |
| | [CE2] I think Starbucks brings pleasure to my senses | |
| | [CE3] I think Starbucks makes me feel comfortable being there | |
| | [CE4] I think Starbucks as a whole has done the best | |
| Brand Personality [BP] | [BP1] I am familiar or not unfamiliar with Starbucks | Ren, Choe, and Song [1] |
| | [BP2] I feel safe when purchasing any product (goods/services) from Starbucks | |
| | [BP3] I think Starbucks marketing campaigns are dynamic (for example, promotions in collaboration with public figures, promotions with discounts on member card points or vouchers) | |
| | [BP4] I think Starbucks has always been serious about building its brand | |
| Brand Reputation [BR] | [BR1] I think Starbucks is responsible for all the products it provides | Ren, Choe, and Song [1] |
| | [BR2] I think Starbucks is well-managed | |
| | [BR3] I think Starbucks is interested in environmental protection | |
| | [BR4] I think Starbucks is a profitable company | |

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