

Analysis of Factors Influencing Consumer Brand Loyalty to Coffee Shops in Daqing City, China Towards Improved Brand Management

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ABSTRACT

This descriptive correlational research design study was conducted to determine the assessment of the respondents on the factors influencing consumer brand loyalty to coffee shops in terms of product quality, service quality, brand image, price perception, physical environment, promotional activities, and social media influence. The research locale is Daqing, Heilongjiang Province, China. The participants of the study are 383 customers of Black Equation Café, Nana Café and In Town Café coffee shops. They were chosen using convenience sampling method. The assessment of the employee-respondents were computed and quantified using the mean. Further, the tests of significant difference in the given answers by the respondents were done through the use of the T-test and ANOVA. The majority of respondents are in the 31 to 40 age group, representing 53.26%, predominantly by female, who are earning more than 7,000 yuan monthly, who are mostly teachers; and who made six and ten purchases. The assessment of respondents on the factors influencing customer brand loyalty was good. The study found no significant differences in respondents' assessments of the factors influencing brand loyalty based on demographics such as gender, age, income level, occupation, or purchase frequency. The study also provides valuable implications for marketers seeking to reinforce brand loyalty, emphasizing the need for a balanced focus on pricing, promotional efforts, and service standards while recognizing the uniformity of consumer perceptions across demographic groups.

Keywords: coffee shops, consumer brand loyalty, brand management

INTRODUCTION

With the rapid development of China's economy and the transformation of its consumer culture, coffee consumption has become an important part of the country's lifestyle. Especially in Daqing, as an important city in Northeast China, its unique geographical location and level of economic development provide fertile soil for the flourishing of coffee culture (Zhang, 2020). However, with the increasing number of coffee shop brands in the market, consumer brand loyalty has become a key factor in determining the success of coffee shops (Zheng, 2022). Brand loyalty not only promotes repeat purchases by consumers, but also increases the likelihood of customer referrals, thus bringing more potential customers to coffee shops (Huang et al, 2022). Therefore, an in-depth analysis of the factors affecting consumers' brand loyalty to coffee shops is of great significance for improving brand management and enhancing market competitiveness.

This study aims to explore the various factors that influence consumers' brand loyalty to coffee shops in Daqing, including but not limited to product quality, service quality, brand image, price perception and customer satisfaction. By analyzing these factors in depth, this study expects to provide valuable insights and suggestions for improvement in the management of coffee shop brands.

In addition, current existing research focuses on field observations or the sales impact of coffee products, and existing studies only go on to explore the causes of consumer brand loyalty impacts, which are seldom linked to specific commodity industries. Therefore, this study adopted a quantitative research method to collect data through questionnaires and empirically analyze the influencing factors of consumer brand loyalty in an attempt to fill the gap

in this part. The results of the study can provide theoretical and practical guidance for the brand management of coffee shops in Daqing City or a wider area, as well as contribute new insights to the field of brand loyalty research.

As coffee consumption culture continues to grow in China, understanding and enhancing consumer loyalty to coffee shop brands is critical to ensuring long-term brand success. Through this study, the researcher hopes to provide effective strategies and recommendations for the management and development of coffee shop brands, and to further promote the prosperity of the city of Daqing and the industry as a whole.

With China's rapid economic development and rising living standards, coffee consumption culture is rapidly gaining popularity in China, especially in some urban areas (Sun, 2020). Daqing, an economically developing city in Heilongjiang Province, has also witnessed significant growth in the coffee consumption market in recent years, gradually becoming an important part of the city's culture. However, with the increase in the number of market players, the competition among coffee shops has become increasingly fierce, and brand loyalty has become a key factor in whether coffee shops can stand out from the competition (Wen, 2018).

Against this background, it is particularly important to analyze in depth the factors that influence consumers' brand loyalty to coffee shops in Daqing. This not only helps coffee shops to better understand and satisfy consumers' needs, but also is of great significance in enhancing brand image, optimizing product and service quality, as well as formulating effective marketing strategies. Therefore, consumers' brand loyalty may be affected by a variety of factors, including product quality, service experience, brand image, environmental atmosphere, price reasonableness, and promotional activities (Guo, 2019).

In addition, with the advent of the digital age, social media and Internet Word of Mouth (IWOM) have become important factors influencing consumer brand loyalty. Consumers are increasingly relying on reviews and recommendations on social networks to make consumption decisions, which poses new challenges and opportunities for brand management in coffee shops (Alsafr, Z., et al, 2022). Therefore, this study explored how these factors independently and jointly influence consumer brand loyalty and how coffee shops can effectively utilize this information to enhance their brand appeal and market competitiveness (Caracostea, 2021).

Focusing on the coffee consumption market in Daqing City, this study aims to explore the various factors that influence consumer brand loyalty. Daqing City was chosen not only because of its representative economic and cultural background, but also because of the unique characteristics and consumer behavioral patterns presented in coffee consumption, providing a unique case study for the research. By analyzing the brand loyalty of consumers in Daqing City, specific and practical suggestions can be provided for coffee shop brand management to help them better understand consumer needs and improve consumer satisfaction, thus enhancing brand loyalty.

In addition, this study examines domestic and international theories on brand loyalty and explore their applicability in a study about the coffee consumer market in Daqing. Through quantitative analyses, the researcher aims to uncover and identify the unique factors affecting consumer brand loyalty in coffee shops in Daqing City, which will provide a theoretical basis and practical guidance for coffee shops to develop more effective brand strategies and marketing plans.

OBJECTIVES

The primary objectives of this study are to identify and describe the demographic characteristics of coffee shop consumers in Daqing City, including their age, gender, income levels, occupational positions, and frequency of repurchase. Additionally, it aims to evaluate consumers' perceptions of the key factors influencing their brand loyalty, specifically focusing on Product Quality, Service Quality, Brand Image, Price Perception, Physical Environment, Promotional Activities, and Social Media Influence. The study also seeks to determine whether significant differences exist in consumers' assessments of these loyalty-influencing factors based on their demographic profiles. Finally, based on these findings, the study intends to develop actionable recommendations for improving brand management strategies, with the goal of fostering stronger consumer loyalty tailored to the preferences and characteristics of the target market in Daqing City.

METHODS

This study used a descriptive-correlational design to measure and analyze data between groups of different variables. This study employed full use of statistical analysis as the core quantitative method to examine the data. The total number of customers visiting the coffee shops during the study period represent the population. The sampling technique used to select the 383 respondents is convenience sampling or systematic sampling,

The main research tool for gathering data was a self-structured survey questionnaire which was validated by academicians in the university. A pilot testing to 15 individuals excluded in the target respondents was done. Cronbach Alpha was used to test the reliability of the tools. Upon passing 80% reliability test, it was distributed to the 383 target respondents for actual data gathering.

Descriptive statistics specifically frequency distribution, inferential statistics, such as mean and standard deviation and Spearman's rho were used to interpret the data. A four-point scale numerical rating: 3.00 – 4.00 (Strongly Agree/Very Good) to .99-1.00 (Strongly Disagree/(Very Poor) was used to measure the answers of the respondents.

RESULTS

1. What are the demographic characteristics of the respondents in terms of the following:

1.1 Age;

1.2 Gender;

1.3 Income;

1.4 Occupational position; and

1.5 Number of repurchases?

Table 1 Demographic Profile of the Respondents

Items	Option	Frequency	%
Age	31 to 40 years of age	204	53.26
	41 to 50 years of age	114	29.77
	51 to 59 years of age	33	8.62
	Between 18 and 30 years of age	32	8.36
Sex	Female	205	53.52
	Male	178	46.48
Average Personal Monthly Income	1001 to 3000 CNY	45	11.75
	3001 to 6000 CNY	73	19.06
	7000 CNY and above	200	52.22
	Less than 1000 CNY	65	16.97
Occupational Position	Businessmen	71	18.54
	Students	72	18.80
	Teachers	92	24.02
	White-collar workers	70	18.28
	Workers	78	20.37
Number of repurchases	1-5 times	104	27.15
	11 times and above	77	20.10
	6-10 times	112	29.24
First time buyer		90	23.50
Total		383	100

This demographic profile reveals that the majority of the respondents are middle-aged, female, and come from higher-income backgrounds. The product or service appears to be popular among salaried professionals, particularly teachers and workers, with a mix of first-time and repeat buyers. The high frequency of repurchases and income levels points to a loyal customer base that can afford and is willing to repeatedly engage with the offering. Future marketing strategies could focus on expanding the reach to younger age groups and continuing to nurture loyalty among existing.

2. What is the assessment of the respondents on the factors influencing consumer brand

loyalty to coffee shops in terms of:

2.1 Product Quality;

2.2 Service Quality;

2.3 Brand Image;

2.4 Price Perception;

2.5 Physical Environment;

2.6 Promotional Activities; and

2.7 Social media Influence?

Table 2 *Summary of Mean Values and Verbal Interpretation on the Respondents' Assessment on the Factors Influencing Brand Loyalty*

Variable	Mean	SD.	Interpretation	Rank
Product Quality	2.82	1.003	Agree	4
Service Quality	2.96	0.974	Agree	2
Brand Image	2.96	0.974	Agree	2
Price Perception	2.97	0.96	Agree	1
Physical Environment	2.96	0.986	Agree	2
Promotional Activities	2.97	0.981	Agree	1
Social Media Influence	2.93	0.979	Agree	3

Table 2 presents the summary of respondents' assessments on the various factors influencing brand loyalty among coffee shop consumers in Daqing City. The variables, including Product Quality, Service Quality, Brand Image, Price Perception, Physical Environment, Promotional Activities, and Social Media Influence, all received mean scores ranging from 2.82 to 2.97, with standard deviations indicating moderate variability around these values. Specifically, Price Perception and Promotional Activities garnered the highest mean scores of 2.97, ranked equally as the most influential factors, suggesting that consumers highly regard pricing strategies and promotional efforts in shaping their loyalty. Service Quality, Brand Image, and Physical Environment each received a mean of 2.96, indicating strong agreement among respondents on their significance, and are ranked second, highlighting their critical roles. Social Media Influence, with a mean score of 2.93 and ranking third, also significantly impacts consumer loyalty. Overall, the respondents' assessments reflect a consensus that all listed factors are important in influencing brand loyalty, with slight variations in perceived importance as evidenced by their rankings.

3. Is there any significant difference in the assessment of the respondents on the factors

influencing coffee brand loyalty when their profile is taken as a test factor?

Table 3 Summary of ANOVA and T-test Values on the Significant Differences in the Respondents' Assessment Based on Demographic Profile

Variable	Gender	Age	Income	Occupational Position	Number of repurchases	Significance
Product Quality	0.567	0.367	0.533	0.956	0.779	Not Significant
Service Quality	0.379	0.902	6.489	0.442	0.422	Not Significant
Brand image	0.827	0.722	1.087	0.502	0.146	Not Significant
Price Perception	0.308	0.625	4.956	0.269	0.935	Not Significant
Physical Environment	0.594	0.635	4.898	0.544	0.469	Not Significant
Promotional Activities	0.784	0.813	4.515	0.319	0.889	Not Significant
Social media Influence	0.668	0.589	4.753	0.862	0.592	Not Significant

The results in the table 3 above suggest that there is **no significant difference** in the assessment of the factors influencing **consumer brand loyalty** based on the respondents' demographic profile (i.e., gender, age, income, occupational position, and number of repurchases), as all the p-values are greater than the 0.05 significance level. This leads to the **acceptance of the null hypothesis**, which states that demographic variables do not have a significant impact on brand loyalty.

DISCUSSION

Results indicated that consumers agree that the coffee shop delivers a good quality product. The consistent agreement across individual factors suggests that product quality plays a significant role in fostering brand loyalty. Consumers who are satisfied with product quality are more likely to develop loyalty to the brand, as their expectations are consistently met, leading to trust and repeat patronage.

Coffee product quality refers to the quality of coffee beans or the quality of coffee beans being secondary processed into beverage products or semi-finished products, and the quality of coffee products will directly affect the consumers' drinking taste and odor and fragrance. Excellent coffee products can greatly increase the repurchase rate of consumers and the expansion of the coffee brand, so that they are willing to spread word of mouth or choose to drink coffee, which is extremely important to enhance brand awareness and attract new customers (Wowling, 2020). When consumers are satisfied with product quality, they are more inclined to become repeat customers and form long-term brand loyalty.

The assessment shows that service quality significantly impacts consumer loyalty, with high ratings across all areas—friendliness, knowledge, efficiency, attentiveness, and convenience. Customers who have positive experiences with friendly, knowledgeable, and efficient staff are more likely to return and become loyal to the brand.

Service quality involves whether the services provided by a coffee shop can meet or even exceed consumers' expectations, including the attitude of the service staff, the speed of service, the personalisation of the service and the comfort of the environment. A high level of service quality can significantly increase consumersatisfaction and promote brand loyalty (Zhou, 2020).

The coffee shop's brand image is generally perceived as strong, with consumers recognizing its reputation, consistent quality, alignment with personal values, and memorability. The positive brand image is essential for cultivating

loyalty, as customers are more likely to remain loyal to brands that they trust, recognize, and feel connected to. The coffee shop's ability to stand out from competitors further enhances its appeal. As such, maintaining and strengthening the brand image will be vital for continued consumer loyalty and for ensuring long-term success in a competitive market.

Compared with Tan's (2024) research, which demonstrates the specific impact of the brand the specific influence of brand in community reputation, while Li (2023) emphasizes the overall strategy of brand management in the new economic situation. Combining the two shows that brands should establish a good image in the community, pay attention to quality and consistency, and make the brand image unique to stand out in market competition. These factors are the key to establishing and maintaining customer brand loyalty.

With regard to price perception, findings indicate that, on average, customers perceive the coffee shop's pricing as fair, reasonable, and reflective of the quality provided. Customers generally feel that the coffee shop offers good value for money and that its pricing is competitive within the industry.

According to Zeithaml's value model consumers' value perception is determined by comparing the quality of the product or service they receive (i.e., tangible and intangible benefits) with the price they pay for it (i.e., cost) (Lii, 2023).

In the specific service environment of a coffee shop, consumers' price perception may have a direct impact on their brand loyalty. This is because consumers' price perceptions reflect not only their evaluation of the reasonableness of the price, but also their judgement of how well the price matches the quality of the service or product. When consumers perceive that the price they pay is reasonable in relation to the quality of the products and services they receive, or feel that they are getting value beyond the price they paid, their satisfaction increases, which in turn contributes to the formation of brand loyalty (Li, 2020).

The respondents have positive perception of the coffee shop's physical environment. Customers generally agree that the environment is visually appealing, comfortable, conducive to various activities, and consistently clean. These factors combine to create a strong foundation for customer loyalty, as a positive physical environment enhances the overall customer experience.

Cui, Y. (2020) examined the role of physical evidence in influencing consumer brand loyalty within China's coffee shop industry. It was found out that the luxuriousness of a coffee shop's physical environment positively affects consumers' perceptions of product quality and self-congruence, leading to favorable store attitudes and increased willingness to pay a premium price. This suggests that a well-designed physical setting can enhance brand perception and loyalty among Chinese consumers.

Additionally, Pu, Zaidin, & Zhu (2023) explored how e-brand and in-store experiences impact brand loyalty in the Chinese coffee sector. The research highlighted that both digital and physical environments contribute to customer satisfaction, which in turn influences brand loyalty. This underscores the importance of integrating physical elements, such as store design and ambiance, with digital experiences to foster consumer loyalty. These findings indicate that physical environment, including store design and ambiance, plays a crucial role in shaping consumer perceptions and loyalty in China's coffee shop market. Coffee shops aiming to enhance brand loyalty should focus on creating a physical environment that aligns with consumer expectations and cultural values.

The coffee shop's promotional activities are viewed positively by customers, with strong agreement on their regularity, engagement, ability to encourage trial of new products, and the effectiveness of communication. These elements play a key role in driving customer satisfaction and loyalty, as promotions create value, incentivize repeat purchases, and strengthen the emotional connection with the brand. Additionally, loyalty programs are effective in rewarding repeat business, further enhancing customer retention. To maximize brand loyalty, the coffee shop should continue to invest in engaging and well-communicated promotional activities that not only attract customers but also reward them for their continued support.

Promotional activities motivate consumers to make immediate purchasing decisions by creating an extra sense of value and urgency. This short-term stimulus not only increases sales, but more importantly, through these activities, consumers' awareness and goodwill towards the brand is enhanced. In addition, regular promotions can continue to

attract customers to return and increase the frequency of contact between customers and the brand, which is crucial for building long-term brand loyalty (Xu, 2020).

The coffee shop's social media influence is generally viewed positively, with most customers agreeing that the brand has a strong presence, engages with them effectively, and creates informative and entertaining content. Additionally, the social media presence plays a role in encouraging visits and fostering a connection to the brand. However, there is some variability in the responses, suggesting that certain aspects of the social media strategy could be enhanced to ensure a more consistent and impactful experience for all customers. Specifically, improving content relevance, increasing engagement, and further strengthening the sense of brand connection might help the coffee shop maximize its social media impact.

Product-consumer interactivity not only deepens the consumer's understanding and perception of the brand, such as advertising campaigns, product-independent app communities, etc., all of which influence and increase consumer engagement and improve brand loyalty (Belharar, 2022).

The use of social media analytics tools to monitor brand mentions and consumer sentiments can help a shop to better understand consumer needs and preferences in order to develop a more effective market strategy (An, 2020).

There is no significant difference in the assessment of the factors influencing consumer brand loyalty based on the respondents' demographic profile (i.e., gender, age, income, occupational position, and number of repurchases), as all the p-values are greater than the 0.05 significance level. This leads to the acceptance of the null hypothesis, which states that demographic variables do not have a significant impact on brand loyalty.

Brand loyalty is typically influenced by factors that go beyond demographic characteristics, such as emotional connections, trust, satisfaction, and perceived value of the brand. For instance, consumers' loyalty to a brand often stems from their positive experiences, product satisfaction, and personal identification with the brand. These psychological and emotional drivers can outweigh the influence of demographic variables like age, gender, or income. Research has shown that while demographic factors can sometimes be linked to purchasing behavior, they are not as strong a predictor of brand loyalty as consumer perceptions and experiences (Keller, 2013; Aaker, 1991).

Over time, consumer preferences across different demographic groups have become more homogenized, especially in globalized markets. With the increased availability of information through digital channels and social media, consumers from diverse demographics are exposed to similar brands, messages, and marketing strategies. As a result, their assessments of brands and loyalty may converge, reducing the potential for significant differences based on factors like gender, age, or income.

Consumers, regardless of their demographic characteristics, now have access to online reviews, influencer opinions, and digital advertising that influence their perceptions of brands. These factors can **equalize** the influence of traditional demographic traits like gender or income. As a result, people from diverse backgrounds may have similar views on brands due to the widespread influence of digital marketing and social media.

CONCLUSIONS

Based on the findings, the majority of respondents are middle-aged females from higher-income backgrounds, predominantly comprising salaried professionals such as teachers and workers. Their engagement with the coffee shop brand reflects strong loyalty, evidenced by frequent repurchases and a customer base capable of consistent patronage. To expand market reach, future marketing efforts should focus on attracting younger demographics while sustaining loyalty among existing customers.

The analysis of factors influencing brand loyalty reveals that Product Quality, Service Quality, Brand Image, Price Perception, Physical Environment, Promotional Activities, and Social Media Influence are all deemed important by respondents, with Price Perception and Promotional Activities being the most influential. The low variability in responses indicates a consensus that these factors collectively shape consumer loyalty.

Importantly, statistical testing shows no significant differences in perceptions of these loyalty-influencing factors based on demographic variables such as gender, age, income, occupational status, or repurchase frequency. This suggests that the importance of these factors is broadly consistent across different consumer segments.

These insights provide valuable implications for marketers seeking to reinforce brand loyalty, emphasizing the need for a balanced focus on pricing, promotional efforts, and service standards while recognizing the uniformity of consumer perceptions across demographic groups.

IMPLICATIONS

The findings of this study have several meaningful implications for practitioners and policymakers in the coffee shop industry. Firstly, since product quality, service quality, brand image, price perception, and promotional activities are identified as key drivers of brand loyalty, companies should prioritize enhancing these areas to foster stronger customer relationships. Investing in high-quality offerings and exceptional service, coupled with strategic promotional campaigns, can effectively boost customer retention and satisfaction.

Secondly, the noted influence of social media underscores the importance of digital marketing. Brands should leverage social media platforms to engage consumers, promote their offerings, and build a positive brand image, especially among younger demographics. Although demographic variables do not significantly affect perceptions, diversifying marketing strategies to appeal to different age groups and income levels can be beneficial for expanding the customer base.

Thirdly, the study indicates that customer loyalty is relatively consistent across different demographic segments, suggesting that broad-based marketing approaches may be effective, but targeted campaigns could further optimize engagement.

Finally, the high frequency of repurchases and the loyalty observed among higher-income salaried professionals highlight the potential for premium or value-added services aimed at these consumers. Simultaneously, efforts to attract younger consumers could diversify the customer portfolio and foster long-term loyalty.

Overall, the insights call for a balanced, inclusive marketing and service strategy that emphasizes quality, value, and digital engagement to sustain and expand brand loyalty in the competitive coffee shop sector.

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