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How Customer Personality Traits Influence Brand Loyalty in the Coffee Shop Industry: The Moderating Role of Business Types

Soon-Ho Kim, Minseong Kim, and Stephen Holland

ABSTRACT
This study examines how perceptions associated with customer personality traits can affect customer satisfaction, customer brand identification (CBI), and involvement as well as the development of brand loyalty. Social identity theory was applied to explain these effects as it relates to coffee shop businesses and further investigate relationships between customers and a brand. The verified model with a survey sample of 743 customers confirmed that customer personality traits had significant effects on customer satisfaction and CBI. Customer satisfaction had positive effects on CBI, involvement, and brand loyalty. CBI had significant influences on involvement and brand loyalty. Involvement was, in turn, positively associated with brand loyalty. In addition, the relationships between these variables were moderated by business type (i.e., independent coffee shop vs. franchise coffee shop).

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Brand loyalty; CBI; customer personality traits; customer satisfaction; involvement

Introduction
Meeting the challenges of the volatile and evolving coffee shop business sector is not easy. The nature of coffee shop operations incorporating agriculture, manufacturing, and service requires a variety of disciplines to lead research and innovation (Rodgers, 2007). To survive in this competitive business, coffee shop operations are consistently forced to modify and innovate to meet the changing needs and preferences of various target consumer segments. The business has worked on innovating itself through educating enhanced nutrition value, improving the speed and accuracy of service, and initiating manufacturing/service advances to retain or attract clientele (Rodgers, 2007). In concert with such efforts, successful coffee shop managers are adopting brand strategies to emphasize the uniqueness of their brand as well as to differentiate, position, and extend their brand (Ray & Chiagouris, 2009).
The increased purchasing power of consumers has driven a substantial increase in the consumption of coffee beverages (Ko & Chiu, 2008). Consequently, coffee shops have materialized, one after another, all over the world (Coffer, 2014). However, it is essential for coffee shop managers to uncover practices to place their services and products distinctly apart from competitors due to the highly competitive market environment, where a coffee shop’s products and services may begin to be perceived as an undifferentiated commodity by providing similar coffee, tea, and dessert menus (Lee & Yeu, 2010). Thus, the implementation of branding schemes to differentiate and publicize a clear brand identity is one of the most competitive advantages a coffee shop business can utilize (Ahearne & Bhattacharya, 2005; O’Neill & Mattila, 2004).

Recent store branding research (e.g., Das, Datta, & Guin, 2012) has been based on conventional branding literature (e.g., Liljander, Polsa, & Van Riel, 2009), which indicates that consumers are more likely to identify as well as personalize with a certain brand. Understanding customer-brand identification and personality traits processes are essential for a brand marketer to increase a brand’s performance, and market share, and other core functions for operating a successful business (Ahearne & Bhattacharya, 2005; Hultman, Skarmeas, Oghazi, & Beheshti, 2015; Lam, Ahearne, Hu, & Schillewaert, 2010). There has been a broad consensus in the consumer behavior arena on three assertions: (a) brand loyalty tends to achieve greater revenue and higher growth rates (O’Neill & Mattila, 2004); (b) involvement is a significant factor in the process of determining behaviors of a consumer (Olsen, 2007); (c) customer satisfaction is a critical driver of store success (Ko & Chiu, 2008), especially in the foodservice sector, whose intangible offerings are evaluated by obtaining customer feedback.

Consumers with high brand identification, satisfaction, involvement, or loyalty are not only less sensitive to price, but also less likely to be influenced by a competitor’s advances (Hultman et al., 2015). In practice, a coffee shop brand manager often spends millions of dollars annually in order to create and support the brand. However, a minimal amount of research concerning the interrelationship between these concepts has been conducted (Hultman et al., 2015). Thus, this study examines the interrelationships among customer personality traits, satisfaction, brand identification, involvement, and brand loyalty. Another objective is to explore the moderating effect of business types in hypothesized interrelationships because much attention has been paid to business types in coffee shop markets. To be specific, some business owners tend to prosper as chain owners, while others thrive as independent business. In reality, it is not easy to answer to the franchise and independent business dilemma. To help in deciding, owners may carefully compare the two business models from customer’s brand loyalty development perspectives.
Literature Review and Hypotheses Development

Background study and customer brand identification

Social identity theory is based on the notion that the self-concept of individuals is defined based on their social connections with groups or organizations (Tajfel & Turner, 1979). Social identity sustains self-concept which consists of a personal identity comprising peculiar features, which are social identities, interests and abilities, which encompass conspicuous group classifications (So, King, Sparks, & Wang, 2013). Based on this conception, Bhattacharya and Sen (2003) proposed that customers establish identification with a company or they may already share the same self-definitional characteristics (Lam et al., 2010). Extending Bhattacharya and Sen’s (2003) social identity theory from a company to a brand, social identity theory was also found to be suitable for explaining a customer brand relationship since identification has significant influences for sustaining the relationship (Lam et al., 2010). This extension is possible because brands can embody self-relevant social types that consumers connect with (Fournier, 1998) since meanings can be conveyed between a brand and the self (McCracken, 1988), as is apparent in the popularity of wearing status brand apparel (e.g., Nike, Calloway, North Face, Disney, etc).

A new extension to the hospitality literature is in conformity with the view that the private and social self plays a different role in attitude change as well as formation toward brands (Lam et al., 2010). Lam et al. (2010) considered a brand as a type of relationship collaboration associated with (1) the private self (i.e., a consumer who exploits a brand defining who he/she is) and (2) the social self (i.e., a consumer believing him/herself to be a member of an in-group of consumers related to a certain brand).

Customer identification emphasizes how a customer recognizes a brand as “not me” or “me” and how he/she behaves in accordance with the brand’s most conspicuous identity (Lam et al., 2010). McEwen (2005) argued that a consumer is likely to create a powerful relationship with brands since his/her identity is expressed and enhanced by the brands. Thus, CBI defines customers as identifying with a particular brand and feeling an affinity with the brand (Del Rio, Vazquez, & Iglesias, 2001).

Customers potentially have a multidimensional affiliation with a brand, which establishes clear distinctions between CBI and other variables. In effect, this indicates that CBI is different from brand loyalty, with loyalty indicating being deeply committed to consistently repatronize or rebuy a particular service/product in the long-term (Lam et al., 2010). In spite of marketing efforts and situational influences potentially leading to switching behavior, brand loyalty causes repeated same brand set or purchasing (Oliver, 1999). Most empirical research investigates brand loyalty with behavioral aspects, including willingness to pay more, repurchase, and positive word
of mouth. However, since CBI has evaluative aspects (i.e., social or individual) which brand loyalty cannot fully embrace, not all loyal consumers identify with a particular brand. A consumer’s behavior can be motivated by CBI beyond rebuying, including defending the brand as closely related to his/her own self even while being criticized (see Bhattacharya & Sen, 2003).

**Brand loyalty**

Brand loyalty is complex and consists of three dimensions: behavioral, attitudinal and composite loyalty. Behavioral brand loyalty is associated with previous purchases and the frequency of purchasing a particular brand (Ehrenberg, Uncles, & Goodhardt, 2004). The behavioral measurements use regular, repetitive buying behavior as a marker of loyalty (Bowen & Chen, 2001). Attitudinal loyalty is an attitudinal tendency in terms of being committed to a certain brand which explains a brand loyalty’s psychological element (Pedersen & Nysveen, 2001). The attitudinal measurements utilize data to capture the psychological and emotional attachments integral to loyalty. However, attitudinal loyalty is not a proper representation of real business prospects (Odin, Odin, & Valette-Florence, 2001), because a customer may have low repetitive repurchases of a particular brand although he/she shows a relative high level of attitudinal loyalty (Chacon & Mason, 2011). Composite loyalty is created by the consumer’s attitude, behavioral intentions and purchase behaviors (Pedersen & Nysveen, 2001). Composite brand loyalty focuses on the evaluation of consumers who have loyalty toward a brand and express their feelings and purchase behavior in relation to that brand (Bowen & Chen, 2001). Therefore, composite brand loyalty is best measured by combining attitudinal and behavioral dimensions including a customer’s total amount of purchase and purchase frequency, susceptibility to brand-switching, and product preferences (Zins, 2001). One problem with composite brand loyalty is that the attitudinal and behavioral dimensions cannot be combined because they measure different entities. Specifically, the attitudinal dimension expresses loyalty regarding customers’ strength of affection toward a brand). In contrast, the behavioral dimension is viewed as actual consumption as duration and frequency (Mechinda, Serirat, & Gulid, 2009).

Numerous brand loyalty studies have used behavioral brand loyalty by measuring behavioral indicators to predict a customer’s future purchasing behavior (Back & Parks, 2003) because behavioral loyalty expresses an actual behavior as reflected in intention to repurchase a particular brand and recommendation to others. Therefore, we have adopted behavioral brand loyalty because the behavioral approach is a more realistic indicator (i.e., a customer’s repurchasing behavior contributes to direct revenues to the
of how well the brand is executing compared to its competitors (Russell-Bennett, McColl-Kennedy, & Coote, 2007).

The concept and effect of customer personality traits

Personality traits are defined here as “an individual’s characteristic pattern of thought, emotion and behavior, together with the psychological mechanisms —hidden or not—behind those patterns” (Funder, 1997, pp. 1–2). Personality traits are patterns where consumers express their actual or idealized self-image. Thus, personality traits reflect the values, actions and words of a customer on a particular brand. In the consumer behavior literature, personality traits can help develop integrated conceptual frameworks for understanding consumers and allow for development of better targeted communications (Baumgartner, 2002). In the past, personality traits were conceptualized as multidimensional constructs (Geuens, Weijters, & Wulf, 2009). For the purpose of this study, however, we emphasize the overall personality traits since prior research on consumer behavior illustrates consumers cannot distinguish their personality traits very well and overall personality traits are one of the most influential factors of consumer behaviors (Adjei & Clark, 2010; Vazquez-Carrasco & Foxall, 2006).

H1: Customer personality traits affect customer satisfaction positively.

A brand may evoke strong psychological and cognitive attachments as a part of the self-concept of an individual. According to previous studies, brands can induce a strong symbolic value usually describing customers (Ekinci, Sirakaya-Turk, & Preciado, 2013; Hultman et al., 2015). CBI refers to how consumers feel a sense of connectedness to a certain coffee shop brand and define themselves regarding that feeling (Mael & Ashforth, 1992). Hence, coffee shop brands with strong personality traits will manifest themselves by effectively reflecting the desired self-concepts of customers:

H2: Customer personality traits affect customer brand identification positively.

Several studies have indicated a connection between personality traits and involvement. Ajzen (1987) stated that personality traits are a significant antecedent of explaining and predicting the behaviors of human-beings. Thus, the personality traits of a consumer can play an important role in involving a particular brand through the values held by the individual. Kim, Suh, and Eves (2010) reported that consumer beliefs, attitudes, behaviors can be associated with personality traits. Therefore, another hypothesis is:

H3: Customer personality traits affect involvement positively.

Personality traits have provided a basis for differentiation resulting in favorable behaviors as well as attitudes towards a particular brand. Based on this
premise, customers tend to speak more highly of brands and repurchase those possessing favorable and distinctive features (Chi & Qu, 2008) that resonates with their personality tendencies. Hence, a customer with a positive image resulting from a particular brand is more likely to be loyal toward that brand:

\[ H4: \text{Customer personality traits affect brand loyalty positively.} \]

### The concept and effects of customer satisfaction

In the service literature, research on consumer satisfaction (Arnett, German, & Hunt, 2003) strongly supports the importance of building relationships (Oliver, 1980). Oliver (1980) defined satisfaction as an overall affective reaction to a divergence resulting from the anticipated expectations and the actual experience of overall services received. Oliver (1997) suggests that satisfaction assessments are holistic and are related to affective judgments. Chen (2008) referred to satisfaction as the subjective post-consumption evaluative judgment of customers based on all experiences as well as encounters with a certain organization. Kuenzel and Halliday (2008) referred to satisfaction as the customer’s emotional or cognitive response toward a brand after having purchased and used the brand for some time period.

Bhattacharya and Sen (2003) argued that there is a causal relationship between identification and satisfaction because customers will more likely experience contentment with products or services of a brand provider if they have a positive identity toward the brand. Even though research on CBI and satisfaction is not well documented (Kuenzel & Halliday, 2008), a customer who is more likely to rely on brand identification tends to give high credence to the products and services of the brand (Nam, Ekinci, & Whyatt, 2011). Therefore, customer satisfaction probably is a principal determinant of CBI in coffee shop markets. In addition, brand identification assists in achieving a sense of belonging to social groups or enhance positive images within social groups among consumers when they are satisfied with a brand (Kim et al., 2010). Therefore, the resulting hypothesis is:

\[ H5: \text{Customer satisfaction affects customer brand identification positively.} \]

Involvement is associated with information processing and search behavior, with brand loyalty, brand commitment, amount of money spent, and buying frequency (Tsiotsou, 2005). Furthermore, level of involvement is affected by customer satisfaction, and to be a mediator between satisfaction and behavioral intention (Lai & Chen, 2011). Cognitive consistency theory posits that individuals strive to sustain a stable set of cognitions and beliefs (Sternberg, 1987). If consumers are not satisfied with a purchase, they may decide to
involve themselves less to distance themselves from the problem, and thus maintain cognitive consistency. Therefore, the hypothesis is:

\textit{H6: Customer satisfaction affects involvement positively.}

\textbf{The concept and effect of involvement}

In consumer behavior literature, involvement has been well conceptualized (Suh & Yi, 2006). Involvement is defined as the perceived personal association of choices as it relates to individuals’ basic self-concept, goals and values (Celsi & Olson, 1988). Zaichowsky (1985) defines involvement as an individual’s level of importance or interest objects have for the individual, or the objects’ centrality to the ego structure of the individual. Hence, the level of decision making in an individual’s purchasing procedure is determined by the degree of involvement (Martinez & Bosque, 2013). Involvement is described as interest in the goal-object, which can be a purchase decision which may also include brand-decision involvement (Mittal & Lee, 1989). The involvement construct regarding brand-decision is the awareness experienced in the brand selection stage. Coulter, Price, and Feick (2003) insist that involvement with a brand results in individuals spending more time in researching information about the brand.

From a hospitality context perspective, Cohen (1982) considers involvement high when consumers appreciate a service. Scott, Laws, and Boksberger (2009) point out that a consumer with high involvement in terms of service probably engages in wide-ranging search behavior, and tends to be more related to higher level facets of the brand. According to basic principles of social identity theory, involvement is linked to identity exploration and to a sense of belonging to a peer group. Consumers tend to recognize brand names when shopping and consumption behaviors are associated with personal relevance (Bagozzi & Dholakia, 2006). Given the personal commitment of frequent visits, it is likely that a coffee shop customer will attach high levels of importance to the physical habit of patronage (Auh, Bell, McLeod, & Shih, 2007). Thus, customer brand identification is likely to positively affect involvement, so the seventh hypothesis is:

\textit{H7: Customer brand identification affects involvement positively.}

\textbf{The effects of customer satisfaction, CBI, and involvement on brand loyalty}

Customer satisfaction can occur along various dimensions, including satisfaction with the personnel, core service, the product or the organization in general. An accrued assemblage of consumption and purchase experiences of a customer contributes to satisfaction (Lewis & Soureli, 2006). A consumer has a high level of loyalty when feeling good about his/her relationship with a
particular brand (Mittal & Kamakura, 2001). Virtually all viewpoints indicate that a customer’s level of satisfaction affects his or her loyalty (Moutinho & Smith, 2000). Past research studies have suggested that post-purchase behaviors and loyalty are influenced by feelings of satisfaction (Choi & Chu, 2001). Therefore, coffee shop customer satisfaction affects the coffee shop’s brand loyalty for those satisfied consumers:

**H8**: Customer satisfaction positively affects brand loyalty.

Nam et al. (2011) demonstrated that brand loyalty as well as emotional bonding and symbolic interaction are stimulated by brand identification. Some empirical research results on the consequences of CBI predict that the more customers identify with a brand, the more they agree with its norms and cooperate with the brand (Kim et al., 2010). Previous research has empirically indicated that CBI has a positive influence on customers’ contributions, cooperation, and willingness to contribute to the brand (He & Li, 2011; He, Li, & Harris, 2012). These concepts predict that the more coffee shop consumers identify with a coffee shop brand, the greater the likelihood that positive word-of-mouth reports and brand loyalty will result. Thus, customer brand identification is likely to influence the coffee shop customers’ sense of brand loyalty:

**H9**: Customer brand identification affects brand loyalty positively.

Involvement relates to the interest in or degree of concern for the purchase experience prompted by the consideration of a particular purchase (Ganesh, Arnold, & Reynolds, 2000). Involvement is considered as the effort, cost, or investment in a brand, and outcome of interactions with the brand (Beatty, Kahle, & Homer, 1988). The more involved a customer is in the purchase of a brand, the more likely they will maintain loyalty to the brand (Russell-Bennett et al., 2007). Thus, involvement with a coffee shop brand is likely to influence the coffee shop’s brand loyalty.

**H10**: Involvement positively affects brand loyalty.

**Moderating role of business type**

Global coffee consumption has been increased and over 2.25 billion cups of coffee are consumed daily in coffee shops around the world (Coffer, 2014). In the United States, for example, coffee shops have grown in popularity and over 20,000 coffee shops exist combined with $10 billion annual revenue (Gaille, 2013). Independent coffee shops are outnumbered by franchise coffee shops in terms of overall units, and franchise coffee shops now own a majority share of the coffee shop market based on sales (Global Coffee Report, 2013). In the United States, for example, over 70% of the market
share in premium coffee sales is generated from a small handful of principal players including Starbucks Corporation, Dunkin’ Brands, Caribou Coffee Company, and Seattle’s Best Coffee. As a result, these franchise coffee shops are likely to lead to increased competition with independent coffee shops.

As a business model, an owner has the option of purchasing a franchise or being an independent business operation. Each option has its weaknesses and strengths. To decide which business type is appropriate for the owner, he/she needs to understand differences between independent businesses and franchises. Franchises provide several advantages. The formula for a proven system of brands and operations already exists with a good franchise. In the case of a popular coffee shop franchise, although customers may not have been to an individual franchise before, they will feel confident that its quality of product is likely consistent with similar branded coffee shops. The consistency of operations, store design, and products can be a key advantage of franchise business. Therefore, franchises may take less time to develop customer bases than an independent business resulting in a larger profit earlier (Young, Clark, & McIntyre, 2007).

Based on these concepts, this study addresses practical implications by comparing differences in consumer perceptions between independent coffee shops and franchise coffee shops. Therefore, the associated hypotheses are:

\[ H11-H20: \] The relationships among customer personality traits, customer satisfaction, customer brand identification, involvement, and brand loyalty are different for independent coffee shops and franchise coffee shops.

**Methods**

**Sample and data collection**

The sample consisted of customers visiting either franchise or independent coffee shops. The data collection was conducted between March and April of 2014 in South Korea, districts containing the major cities of Seoul, Busan, Incheon, Daejeon, Daegu, Gwangju, and Ulsan. Surveys were conducted at a total of 40 coffee shops; Starbucks, Caffé Bene, Coffee Bean and Tea Leaf, Angel in-Us, Hollys Coffee, Ediya Coffee, Tom N Toms, and other independent coffee shops (franchises are bolded). These coffee shop names are well recognized by national and international Korean customers, and are representative of popular franchise branded and independent coffee shops in South Korea. We believe that all of these outlets create unique brand images by offering symbolic value because customers consume coffee shop brands in addition to beverages and desserts, develop consumption meanings in the reflexive environment, and express their personality and identity through social interactions. Well-trained graduate students visited coffee shops and asked their owners or managers to help with this study and survey. After they
agreed to participate in the survey, graduate students randomly approached customers. A cross-sectional, self-administered field survey was conducted in presence of our graduate students. The onsite survey provides several benefits even though it is more costly than other approaches (i.e., more accurate responses and a high response rate). While respondents filled out the survey questionnaire, a free beverage or dessert menu item was provided as a reward to avoid nonresponse bias. The survey was offered only after confirming the potential participant was over 18 years old. A total of 780 questionnaires were returned but 37 were not usable because of missing information. The 743 usable responses consisted of 395 customers of franchise name-brand coffee shops operated by franchisees, 247 customers of independent coffee shops operated by local owners, and 101 customers failing to mention whether they were customers in franchise or independent coffee shops. Over half of the participants were female (66.8%), 25–34 years of age (38.5%) and 35–44 years of age (24.4%). More than two thirds (67.2%) of the respondents graduated from or was attending a four-year college. Annual household income range was distributed across the categories of less than $49,999 with 56.3%, followed by $80,000 or above at 28.7%. For comparison, the average household income (2013) in South Korea was $44,184.

**Measurements**

This study adapted multiple items developed and tested in prior research to measure all constructs. Each item was measured on a 7-point Likert-type scale anchored by 1 = *strongly disagree* and 7 = *strongly agree*. The customer personality traits dimension was defined as the characteristic patterns of behavior as well as the emotions and thoughts of an individual coalescing with the psychological framework (Funder, 1997). This dimension was measured with six items originally utilized by Vazquez-Carrasco and Foxall (2006). This study drew on a comprehensive literature review in terms of customer personality traits in adapting those items. As exhibited in Hultman et al.'s (2015) study, this study drew on a comprehensive literature review and conducted several pre-test personal interviews. After doing so, two academic scholars with the hospitality and consumer behavior backgrounds evaluated the measures’ content validity by judging how each item precisely formulated the overall customer personality traits. To ensure effective instrument format as well as semantic design, 20 potential respondents completed a revised pre-test survey. Customer satisfaction was defined as “an outcome of purchase and consumption resulting from the buyers’ comparison of the rewards and costs of the purchase in relation to the anticipated outcomes” (Tam, 2004, p. 899). For customer satisfaction, three items were used based on Lee, Lee, and Yoo (2000) study. CBI refers to “a customer’s psychological state of perceiving, feeling, and valuing his/her belongingness with a brand”
CBI was measured with four items developed by So et al. (2013). The measures not only were well developed throughout conceptualizations, practitioner and academic literature, but also had a high level of reliability (scale reliability was .93) and validity in their study (average variance extracted was .72). Involvement represents “the level of interest or importance of a brand to a customer” (Russell-Bennett et al., 2007, p. 1255). Involvement was measured with three items adapted from Mittal and Lee’s study (1989). Lastly, brand loyalty refers to “a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior” (Oliver, 1999, p. 34). Five items were used to measure the brand loyalty dimension and these items were adapted from Olsen’s (2007) study.

Results
Measurement model

The indicators used in this study were subjected to reliability and validity analyses. Using Cronbach’s alpha coefficient, the reliabilities of all constructs were assessed, which ranged from 0.70 to 0.91, which is an acceptable level in the social science (i.e., exceeding 0.70) (Nunnally, 1978). All measures were then subjected to confirmatory factor analysis (CFA) to test validity (Anderson & Gerbing, 1992) using AMOS 20.0. Indicators, which had poorly loaded on the latent variables were dropped for their purification. For example, two items from the customer personality traits along with one item from the brand loyalty category, which had factor loadings lower than .50, were removed from further analyses to maintain an acceptable level of convergent and discriminant validity (Kim, Kim, Han, & Holland, 2016). The confirmatory factor analysis indicated that all loadings exceeded 0.60, and all indicators t-value exceeded 11.30 (p < .001), confirming convergent validity.

As shown in Table 1, the CFA results indicate good fits: $\chi^2 = 418.22$ ($df = 125$, $p < .01$), GFI = 0.93, AGFI = 0.91, RMSEA = 0.06, NFI = 0.94, CFI = 0.96. In order to test discriminant validity, this study compared the square of the coefficients which represent its correlation with other latent variables to the proportion of variance extracted (AVE) in all latent variables. AVEs in all latent variables exceeded the respective squared correlation estimate, satisfying discriminant validity standards (see Table 2).

Another analysis was conducted to further support evidence of the measures’ discriminant validity. Confirmatory factor analysis was performed on each pair of primary measures to examine whether the model constraining the measures to be the same would be significantly different from the
unconstrained model (Lee, Kim, Lee, & Li, 2012; Rust, Moorman, & Dickson, 2002). The test results suggest evidence of discriminant validity across the constructs (see Table 3).

For testing common method variance (CMV), this study used Harman’s one-factor test (Bauer, Falk, & Hammerschmidt, 2006; Lee, Kim, Son, & Lee, 2011), which compares the multidimensional model’s fit (i.e., the proposed model) against a single-factor model’s fit. If the one-factor model’s fit is better than the multidimensional model (the proposed model) meaning that one latent variable accounts for all latent variables, it indicates evidence of CMV (McFarlin & Sweeney, 1992). The fit of the one-factor model was: $\chi^2 = 2,207.81$ with $df = 135$, and the fit of the five dimensional measurement model was: $\chi^2 = 418.22$ and $df = 125$. The fit of the proposed model is considerably better than that of the one-factor model, indicating CMV is not a serious threat to this research.

**Structural model and test of hypotheses**

AMOS 20.0W was used to conduct path analysis. The fit indices of the proposed model indicate that the model fits the data well: $\chi^2 = 418.22$, $df = 125$, $p < .01$, GFI = 0.93, AGFI = 0.91, NFI = 0.94, CFI = 0.96, RMSEA = 0.06. Maximum likelihood estimates for the parameters of the model are given in Table 4 and Figure 1.

H1 to H4 predicted that customer personality traits would affect customer satisfaction, CBI, involvement and brand loyalty. The results showed that customer personality traits significantly influenced customer satisfaction (coefficient = 0.58, $t$-value = 12.35, $p < .01$) and CBI (coefficient = 0.63, $t$-value = 10.50, $p < .01$). However, customer personality traits did not have significant effects on involvement and brand loyalty. Therefore, only H1 and H2 were supported.

H5 and H6 posited that customer satisfaction would affect CBI and involvement. The results revealed that customer satisfaction significantly affected CBI (coefficient = 0.19, $t$-value = 4.00, $p < .01$) and involvement (coefficient = 0.26, $t$-value = 5.57, $p < .01$). Thus, H5 and H6 were supported. H7 indicated CBI would affect involvement. The results showed that CBI had a positive influence on involvement (coefficient = 0.54, $t$-value = 7.48, $p < .01$), supporting H7. H8 to H10 posited the impacts of customer satisfaction, CBI, and involvement on brand loyalty. The results showed that customer satisfaction (coefficient = 0.54, $t$-value = 11.79, $p < .01$), CBI (coefficient = 0.23, $t$-value = 3.37, $p < .01$), and involvement (coefficient = 0.14, $t$-value = 2.96, $p < .01$) had significant effects on brand loyalty. Therefore, H8, H9, and H10 were supported.

The mediating roles of customer satisfaction, CBI, and involvement on the relationship between customer personality traits and brand loyalty
were investigated with the Aroian version of the Sobel test (see Table 5) and the BC bootstrapping method (Preacher & Hayes, 2008). MacKinnon, Lockwood, Hoffman, West, and Sheets (2002) compared to traditional single mediation analysis methods, this combined method to mediation analysis can be more suitable (e.g., Lee, Choi, Moon, & Babin, 2014). We can test the level of significance of the indirect influence of the independent variable on the dependent variable via a mediator with the Aroian version of the Sobel test (see Preacher & Hayes, 2008). Table 6 indicates that customer satisfaction significantly mediates the effect of customer personality traits on CBI (Customer Personality Traits → Customer Satisfaction → CBI; .11; 95% bootstrap CI = .06L CI, .17UL CI; Z = 3.81, p < .01). The direct effect of customer personality traits on CBI is also significant (Customer Personality Traits → CBI; .63, p < .01).

Table 1. Measurement Model From Confirmatory Factor Analysis.

<table>
<thead>
<tr>
<th>Constructs and variables</th>
<th>Standardized loading (t-value)</th>
<th>CCR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Personality Traits (α = 0.83)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel my favorite coffee shops offer a warm dining experience.</td>
<td>0.72 (fixed)</td>
<td>0.81</td>
<td>0.51</td>
</tr>
<tr>
<td>I feel my favorite coffee shops offer a pleasant dining experience.</td>
<td>0.79 (18.03)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel excited when I go to my favorite coffee shops.</td>
<td>0.65 (18.23)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My favorite coffee shops offer a sophisticated servicescape.</td>
<td>—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>My favorite coffee shops have higher drinking quality standards.</td>
<td>—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel my favorite coffee shops offer a hometown atmosphere.</td>
<td>0.65 (15.06)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction (α = 0.70)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, I am satisfied with my favorite coffee shop.</td>
<td>0.89 (fixed)</td>
<td>0.84</td>
<td>0.66</td>
</tr>
<tr>
<td>I am satisfied when visiting my favorite coffee shop compared to my expectations.</td>
<td>0.89 (27.36)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am satisfied when visiting my favorite coffee shop considering my invested time and effort.</td>
<td>0.44 (11.30)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer brand identification (α = 0.83)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>When someone praises my favorite coffee shop, it feels like a personal compliment.</td>
<td>0.71 (fixed)</td>
<td>0.86</td>
<td>0.61</td>
</tr>
<tr>
<td>I would experience an emotional loss if I had to stop going to my favorite coffee shop.</td>
<td>0.73 (16.45)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I believe others respect me for my association with my favorite coffee shop.</td>
<td>0.73 (16.34)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I consider myself a valuable partner of my favorite coffee shops.</td>
<td>0.73 (16.42)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involvement (α = 0.89)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have a strong interest in coffee shops.</td>
<td>0.83 (fixed)</td>
<td>0.87</td>
<td>0.69</td>
</tr>
<tr>
<td>Coffee shops are very important to me.</td>
<td>0.94 (26.92)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>For me, coffee shops do not matter.</td>
<td>0.73 (20.56)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand loyalty (α = 0.91)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I consider myself a loyal customer at my favorite coffee shops.</td>
<td>—</td>
<td>0.81</td>
<td>0.59</td>
</tr>
<tr>
<td>I will continue to enjoy drinks at my favorite coffee shops.</td>
<td>0.86 (fixed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I would give positive recommendations to others about my favorite coffee shops.</td>
<td>0.79 (24.35)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, I will continue to repurchase drinks at my favorite coffee shops.</td>
<td>0.91 (30.23)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall, I will continue to maintain a valued membership card if provided one at my favorite coffee shop.</td>
<td>0.80 (24.98)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note. CCR = composite construct reliability; AVE = average variance extracted.

χ² = 418.22, df = 125 (χ²/df = 3.35), p = .00, GFI = 0.93, AGFI = 0.91, RMSEA = 0.06, NFI = 0.94, CFI = 0.96.

b Items were deleted during the confirmatory factor analysis.
Thus, customer satisfaction plays a partial mediating role in the relationship between customer personality traits and CBI. Customer satisfaction significantly mediates the effect of customer personality traits on involvement (Customer Personality Traits $\rightarrow$ Customer Satisfaction $\rightarrow$ Involvement; .55; 95% bootstrap CI = .45L CI, .67UL CI; $Z = 5.08, p < .01$). The direct effect of customer personality traits on involvement is not significant (Customer Personality Traits $\rightarrow$ Involvement; -.03, n.s.). This result indicates that customer satisfaction plays a full mediating role in the relationship between customer personality traits and involvement. Additionally, CBI significantly mediates the effect of customer personality traits on brand loyalty (Customer Personality Traits $\rightarrow$ CBI $\rightarrow$ Brand Loyalty; .55; 95% bootstrap CI = .47L CI, .66UL CI; $Z = 3.19, p < .01$). The direct effect of customer personality traits on brand loyalty is not significant (Customer Personality Traits $\rightarrow$ Loyalty; .01, n.s.). This result indicates that CBI plays a full mediating role in the relationship between customer personality traits and brand loyalty.

CBI significantly mediates the effect of customer satisfaction on involvement (Customer Satisfaction $\rightarrow$ CBI $\rightarrow$ Involvement; .10; 95% bootstrap CI = .05L CI, .16UL CI; $Z = 3.51, p < .01$). The direct effect of

| Table 2. Construct Intercorrelations ($\Phi$), Means, and Standard Deviations. |
|---|---|---|---|---|---|---|
| $M$ | $SD$ | PT | CS | CBI | IV | BL |
| PT | 4.88 | 1.15 | 1 | | | |
| CS | 5.13 | 1.21 | 0.45** | 1 | | |
| CBI | 4.33 | 1.35 | 0.59** | 0.42** | 1 | |
| IV | 4.76 | 1.48 | 0.42** | 0.41** | 0.56** | 1 |
| BL | 5.04 | 1.23 | 0.49** | 0.58** | 0.55** | 0.54** | 1 |

Note. PT = personality traits; CS = customer satisfaction; CBI = customer brand identification; IV = involvement; BL = brand loyalty. **$p < .01$. *$p < .05$.

| Table 3. Chi-Square Difference Test for Discriminant Validity of the Measures. |
|---|---|---|---|---|---|---|
| Constructs | Constrained $\chi^2$ | df | Unconstrained $\chi^2$ | df | $\Delta \chi^2$ | $p$ |
| PT vs. CS | 120.95 | 14 | 69.72 | 13 | 51.23 | .00 |
| PT vs. CBI | 108.10 | 20 | 103.54 | 19 | 4.56 | .00 |
| PT vs. IV | 121.07 | 14 | 102.55 | 13 | 18.52 | .00 |
| PT vs. BL | 165.25 | 20 | 142.77 | 19 | 22.47 | .00 |
| CS vs. CBI | 46.49 | 14 | 26.10 | 13 | 20.39 | .00 |
| CS vs. IV | 43.53 | 9 | 28.67 | 8 | 14.86 | .00 |
| CS vs. BL | 35.13 | 14 | 28.51 | 13 | 6.62 | .00 |
| CBI vs. IV | 43.45 | 14 | 33.59 | 13 | 9.86 | .00 |
| CBI vs. BL | 98.15 | 20 | 87.56 | 19 | 10.59 | .00 |
| IV vs. BL | 85.46 | 14 | 58.37 | 13 | 27.08 | .00 |

Note. PT = personality traits; CS = customer satisfaction; CBI = customer brand identification; IV = involvement; BL = brand loyalty.
customer satisfaction on involvement is also significant (Customer Satisfaction → Involvement; .26, p < .01). Thus, CBI plays a partial mediating role in the relationship between customer satisfaction and involvement. Additionally, CBI significantly mediates the effect of customer satisfaction on brand loyalty (Customer Satisfaction → CBI → Brand Loyalty; .09; 95% bootstrap CI = .06L CI, .14UL CI; Z = 2.53, p < .05). The direct effect of customer satisfaction on brand loyalty is also significant (customer satisfaction → brand loyalty; .54, p < .01). Thus, CBI plays a partial mediating role in the relationship between customer satisfaction and brand loyalty. Finally, involvement significantly mediates the effect of CBI on brand loyalty (CBI → Involvement → Brand Loyalty; .07; 95% bootstrap CI = .02L CI, .13UL CI; Z = 2.74, p < .01). The direct effect of CBI on brand loyalty is also significant (CBI → Brand Loyalty; .23, p < .01). Thus, involvement plays a partial mediating role in the relationship between CBI and brand loyalty.

For testing the moderating influence of business types on the hypothesized relationships, a multi-group test comparing chi-square differences was employed (Jöreskog & Sörbom, 1993). Based on independent coffee shops and franchise coffee shops, the samples were divided into two groups. The constrained model was set to equal two business types to compare it with the unconstrained model allowing all coefficients to differ between the two business types (Jang, Kim, & Lee, 2015; Jöreskog & Sörbom, 1993; Lee et al., 2014). Table 6 revealed some significant differences in the hypothetical relationships between the two business types.

<table>
<thead>
<tr>
<th>Path</th>
<th>Standardized estimates</th>
<th>SMC (R^2)</th>
<th>t-value</th>
<th>Total effect</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: PT → CS</td>
<td>0.58</td>
<td>12.35**</td>
<td>.58</td>
<td>.002**</td>
<td></td>
</tr>
<tr>
<td>H2: PT → CBI</td>
<td>0.63</td>
<td>10.50**</td>
<td>.74</td>
<td>.003**</td>
<td></td>
</tr>
<tr>
<td>H3: PT → IV</td>
<td>-0.03</td>
<td>-0.46</td>
<td>.52</td>
<td>.002**</td>
<td></td>
</tr>
<tr>
<td>H4: PT → BL</td>
<td>0.01</td>
<td>0.07</td>
<td>.56</td>
<td>.003**</td>
<td></td>
</tr>
<tr>
<td>H5: CS → CBI</td>
<td>0.19</td>
<td>4.00**</td>
<td>.19</td>
<td>.003**</td>
<td></td>
</tr>
<tr>
<td>H6: CS → IV</td>
<td>0.26</td>
<td>5.57**</td>
<td>.37</td>
<td>.002**</td>
<td></td>
</tr>
<tr>
<td>H7: CBI → IV</td>
<td>0.54</td>
<td>7.48**</td>
<td>.54</td>
<td>.003**</td>
<td></td>
</tr>
<tr>
<td>H8: CS → BL</td>
<td>0.54</td>
<td>11.79**</td>
<td>.63</td>
<td>.003**</td>
<td></td>
</tr>
<tr>
<td>H9: CBI → BL</td>
<td>0.23</td>
<td>3.37**</td>
<td>.30</td>
<td>.002**</td>
<td></td>
</tr>
<tr>
<td>H10: IV → BL</td>
<td>0.14</td>
<td>2.96**</td>
<td>.14</td>
<td>.011*</td>
<td></td>
</tr>
</tbody>
</table>

Endogenous variables:
- CS: .34 (33.8%)
- CBI: .57 (57.4%)
- IV: .49 (48.7%)
- BL: .62 (62.4%)

Note. PT = personality traits; CS = customer satisfaction; CBI = customer brand identification; IV = involvement; BL = brand loyalty; SMC = squared multiple correlations. χ^2 = 418.22, df = 125, p = .000, GFI = 0.93, AGFI = 0.91, NFI = 0.94, CFI = 0.96, RMSEA = 0.06.

**p < .01. *p < .05.
There were significant differences in 2 of 10 paths: customer personality traits to brand loyalty ($\Delta \chi^2(1) = 5.35, p < .05$) and customer brand identification to brand loyalty ($\Delta \chi^2(1) = 10.82, p < .01$), thus supporting H14 and H19. However, both paths from customer personality traits and brand loyalty of independent coffee shops and franchise coffee shops were not significant. The path from customer brand identification to brand loyalty for independent coffee shops was significant (coefficient = 0.48, $t$-value = 3.95, $p < .01$), whereas the path for franchise coffee shops was not significant (see Figures 2 and 3).

Table 5. Results of Mediating Role Estimation of Customer Satisfaction, Customer Brand Identification, and Involvement Between Personality Traits and Brand Loyalty.

<table>
<thead>
<tr>
<th>Paths of mediating role</th>
<th>Indirect effects</th>
<th>95% bootstrap Cls</th>
<th>Z-values</th>
<th>Mediating roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT $\rightarrow$ CS $\rightarrow$ CBI</td>
<td>.11</td>
<td>.06</td>
<td>.17</td>
<td>3.81**</td>
</tr>
<tr>
<td>PT $\rightarrow$ CS $\rightarrow$ IV</td>
<td>.55</td>
<td>.45</td>
<td>.67</td>
<td>5.08**</td>
</tr>
<tr>
<td>PT $\rightarrow$ CBI $\rightarrow$ BL</td>
<td>.55</td>
<td>.47</td>
<td>.66</td>
<td>3.19**</td>
</tr>
<tr>
<td>CS $\rightarrow$ CBI $\rightarrow$ IV</td>
<td>.10</td>
<td>.05</td>
<td>.16</td>
<td>3.51**</td>
</tr>
<tr>
<td>CS $\rightarrow$ CBI $\rightarrow$ BL</td>
<td>.09</td>
<td>.06</td>
<td>.14</td>
<td>2.53*</td>
</tr>
<tr>
<td>CBI $\rightarrow$ IV $\rightarrow$ BL</td>
<td>.07</td>
<td>.02</td>
<td>.13</td>
<td>2.74**</td>
</tr>
</tbody>
</table>

Note. PT = personality traits; CS = customer satisfaction; CBI = customer brand identification; IV = involvement; BL = brand loyalty; LL Cls = lower bound confidence levels; UL Cls = upper bound confidence levels.

**$p < .01$. *$p < .05$. 

Figure 1. Estimates of structural model with total samples. Note. Standardized coefficient ($t$-value); solid line = significant path; dotted line = insignificant path.
While recent research in the general marketing field has been cognizant of the significance of personality traits and CBI in the process of loyalty development, relatively little research concerning the role of these elements has been conducted in the coffee shop industry. To fill an existing literature gap, this research developed and tested a structural model interrelated to personality traits and CBI with customer satisfaction, involvement, and brand loyalty.

The results indicate that the personality traits dimension is a significant factor and wields an indirect influence on brand loyalty through customer satisfaction, CBI, and involvement, underscoring the importance of CBI in the augmentation of involvement. The findings of this study show that positive consumer personality traits also can enhance customer satisfaction and identification with the brand. Before customers enter, they recognize the brand logo and exterior design of the coffee shop. The coffee shop needs to provide what customers seek and expect from its brand. As customers walk through the door, they should be welcomed by a familiar interior and greeted by a barista wearing a familiar uniform in the same branded coffee shop elsewhere in the country. The beverage and dessert names should also be the same. If customers recognize what they want, and if they get it from the coffee shop brand time and time again, they will feel fulfilled and satisfied with the brand. All these practices reflect brand image, avoid brand confusion, and enhance the standardized, yet satisfying, connection with the brand through consistency. To facilitate this, future studies need to develop and validate a personality traits scale applied to a wide range of coffee shop brands.

Some marketing studies suggest that the link between satisfaction and loyalty does not always hold (Hultman et al., 2015). Nevertheless, this

Table 6. Business Type Differences in Standardized Structural Estimates.

<table>
<thead>
<tr>
<th>H0</th>
<th>Path</th>
<th>Chi-square statistic</th>
<th>Chi-square difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>—</td>
<td>Unconstrained model</td>
<td>$\chi^2 = 587.19$, $df = 250$</td>
<td>—</td>
</tr>
<tr>
<td>H11</td>
<td>PT $\rightarrow$ CS</td>
<td>$\chi^2 = 589.77$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 2.58$, n.s.</td>
</tr>
<tr>
<td>H12</td>
<td>PT $\rightarrow$ CBI</td>
<td>$\chi^2 = 589.54$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 2.35$, n.s.</td>
</tr>
<tr>
<td>H13</td>
<td>PT $\rightarrow$ IV</td>
<td>$\chi^2 = 587.70$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 0.51$, n.s.</td>
</tr>
<tr>
<td>H14</td>
<td>PT $\rightarrow$ BL</td>
<td>$\chi^2 = 592.54$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 5.35$, $p &lt; .05$</td>
</tr>
<tr>
<td>H15</td>
<td>CS $\rightarrow$ CBI</td>
<td>$\chi^2 = 587.35$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 0.16$, n.s.</td>
</tr>
<tr>
<td>H16</td>
<td>CS $\rightarrow$ IV</td>
<td>$\chi^2 = 589.36$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 2.17$, n.s.</td>
</tr>
<tr>
<td>H17</td>
<td>CBI $\rightarrow$ IV</td>
<td>$\chi^2 = 588.08$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 0.89$, n.s.</td>
</tr>
<tr>
<td>H18</td>
<td>CS $\rightarrow$ BL</td>
<td>$\chi^2 = 587.66$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 0.47$, n.s.</td>
</tr>
<tr>
<td>H19</td>
<td>CBI $\rightarrow$ BL</td>
<td>$\chi^2 = 598.01$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 10.82$, $p &lt; .01$</td>
</tr>
<tr>
<td>H20</td>
<td>IV $\rightarrow$ BL</td>
<td>$\chi^2 = 587.30$, $df = 251$</td>
<td>$\Delta \chi^2_{(1)} = 0.11$, n.s.</td>
</tr>
</tbody>
</table>

Note. PT = personality traits; CS = customer satisfaction; CBI = customer brand identification; IV = involvement; BL = brand loyalty. The path was constrained to be equal across the two groups. **p < .01. *p < .05.

Discussion

While recent research in the general marketing field has been cognizant of the significance of personality traits and CBI in the process of loyalty development, relatively little research concerning the role of these elements has been conducted in the coffee shop industry. To fill an existing literature gap, this research developed and tested a structural model interrelated to personality traits and CBI with customer satisfaction, involvement, and brand loyalty.

The results indicate that the personality traits dimension is a significant factor and wields an indirect influence on brand loyalty through customer satisfaction, CBI, and involvement, underscoring the importance of CBI in the augmentation of involvement. The findings of this study show that positive consumer personality traits also can enhance customer satisfaction and identification with the brand. Before customers enter, they recognize the brand logo and exterior design of the coffee shop. The coffee shop needs to provide what customers seek and expect from its brand. As customers walk through the door, they should be welcomed by a familiar interior and greeted by a barista wearing a familiar uniform in the same branded coffee shop elsewhere in the country. The beverage and dessert names should also be the same. If customers recognize what they want, and if they get it from the coffee shop brand time and time again, they will feel fulfilled and satisfied with the brand. All these practices reflect brand image, avoid brand confusion, and enhance the standardized, yet satisfying, connection with the brand through consistency. To facilitate this, future studies need to develop and validate a personality traits scale applied to a wide range of coffee shop brands.
research suggests that customer satisfaction can be the most influential driver of the development of brand loyalty for the coffee shop market. In addition, satisfaction is an important mediator of the relationship between personality traits and brand loyalty. Thus, marketers of branded coffee shops that want to establish loyalty should recognize the significance of customer satisfaction, in terms of its role not only as a core determinant of CBI, involvement and brand loyalty, but also as a core consequence of personality traits. Moreover, the managers need to ensure that their employees are completely oriented towards the service level which must be delivered to customers. To improve the qualifications of the employees, a training program is needed. Coffee shop managers also need to continuously check their customers’ perceptions of services/products as well as customers’ latest wants/needs in order to keep the company’s marketing tools updated and keep customers more satisfied and delighted.

This study also indicates that CBI has significant impacts on involvement and brand loyalty. Customers with strong identification with a coffee shop brand not only intend to repurchase its products, but also recommend it to others. This role is particularly important to coffee shop managers since loyal customers offer increased competitive advantage, referrals, market shares, profits, and repeat business (Kayaman & Arasli, 2007). Scholars in the coffee shop industry should take note that CBI is a form of self-expression and provides emotion driven returns. Thus, coffee shop managers should make efforts to develop a distinct coffee shop brand identity or brand image resonating with customers. Also, managers need to clearly distinguish their brand from other coffee shop brands, to the extent possible. Particularly, coffee shop brand managers need to note that Korean customers seek the added experience of finding an image consistent with or enhancing their own identity. Furthermore, it is common for Koreans to look for a “Third Place” (i.e., home being the first and work being the second). Starbucks, one of the dominant brands in the Korean coffee shop market, has played a central role as the third place for its customers. Starbucks continually emphasizes the importance of a healthy body and mind, brand image that fits many Korean consumers’ identity. Other coffee shop companies would benefit from developing their brand image based on the cultural assumptions and identity of their customers.

The results further indicate that involvement is an antecedent of brand loyalty. Personality traits and identification encouraging that involvement is an important finding for the coffee shop industry. It would be expected that an increase in perceptions of personality traits, customer satisfaction, and CBI will result in increased customer involvement through an effort to identify customers with matching personality traits at the branded coffee shop. Coffee shop marketers should utilize this link when designing coffee shop brand personalities to attract target consumer segments. If customers
are able to be more involved with a coffee shop brand than they expected through achieving higher satisfaction and CBI, customers will more likely become regular patrons and develop loyalty toward that coffee shop as well as its brand.
Another interesting finding is that a loyal consumer of an independent coffee shop is motivated to differentiate his/herself via an original brand experience. In the case of independent coffee shop marketers, the brand experience should be more original to nurture a coffee shop customer's identification to a greater degree than they would experience at a franchise coffee shop. If an independent coffee shop brand creates a unique identity to target the desires of a customer, it will allow a competitive differentiation of the services/products and help enhance identification of the customer with the brand. When establishing a marketing campaign and program fostering strong CBI, franchise coffee shop branding marketers provide opportunities for customers to enhance brand loyalty as a consequence of CBI's impact on involvement.

Franchised coffee shops generate benefits for both owners and customers. Franchise coffee shop owners enjoy the stability and security stemming from belonging to an even larger company with a proven track record, but they sacrifice independence in terms of decision-making. Also, franchise coffee shop owners usually experience greater variety of coffee flavors and types, standardized services, and higher quality products than those found in many independent coffee shops. In addition to these aspects, they believe that customers perceive their coffee shops as offering value. The acquisition of a franchise coffee shop brand name is considered one of the more significant advantages to encourage independent coffee shop owners to become franchise coffee shop owners. However, this study indicates that, the brands of independent coffee shops can be a more valuable asset than those of franchise coffee shops. The findings are thought to be significant as permitting owners of independent coffee shops to differentiate their brands from those of their competitors (e.g., franchise coffee shops and other independent coffee shops), while also adding these concepts to the wider brand and coffee shop literature.

Even though this study provides several implications in terms of the coffee shop industry, it has several limitations. First, since this study relied on two academic scholars' judgments of the extent to which personality traits items formulate the overall customer personality traits, this study left unanswered the question of the measurements of customer personality traits. To counter this limitation, more sophisticated items can expand explanation and more deeply examine the customer personality traits dimension. Therefore, elaboration of the present results through better understanding sophisticated customer personality traits items should occur in future studies. Second, although this study provides some useful findings about loyalty factors in the coffee shop market, the approach of owners distributing the questionnaires to participants might have skewed the results since owners could have been selective in whom they distributed the questionnaires to. Future research needs to collect data from other populations and in contexts with wider and diverse samples and settings. Third, while this study did analyze differences between customers of each coffee shop (e.g., Starbucks vs. Coffee
Bean), there was no significant difference between the customer groups. However, since customers in each type of coffee shop demonstrate similar characteristics, there may be other differences between the customer groups. Future research should look for significant differences between the coffee shops by conducting multi-group analyses with other determinants of brand loyalty. Last, this research relied on the mediating effects of customer satisfaction, customer brand identification, and involvement. Research should be undertaken to extend this model describing Korean coffee shop consumers’ brand loyalty in other consumption contexts and across a wider population and other cultures in order to test the generalizability of the results.

References


