

ABSTRACT

Pooja Amar Lakhwani (90120160012)

THE EFFECT OF PHYSICAL QUALITY, STAFF BEHAVIOR, BRAND IDENTIFICATION AND LIFESTYLE CONGRUENCE TOWARDS BRAND LOYALTY AS MEDIATED BY CUSTOMER SATISFACTION IN STARBUCKS SURABAYA

In Indonesia the food and beverage industry are producing a great profit for the Foreign Direct Investment (FDI) in Indonesia. Indonesia's food and beverage industry has been totaled to USD \$1.5 billion in 2015 as in FDI coming in third amongst the other manufactures. Gapmmi, General Chairman of the Indonesian Food and Beverage Association expects Indonesia's food and beverage industry rate to increase as this year the industry is at 8.5% which is the same as last year. There are several reasons on why Gapmmi expects Indonesia's food and beverage industry to grow. The population of Indonesia continues to expand rapidly, while per capita GDP is estimated to rise. In 2015 the Indonesian population is estimated to number 255 million people. This figure is expected to rise to 260 million in 2018.

One hundred and six respondents were given questionnaire a five- point Likert Scale. Five hypotheses were analyzed using the multiple and simple linear regression model. The result of this study shows that Physical Quality has a significant effect on Customer Satisfaction. Staff Behavior, Brand Identification and Lifestyle Congruence did not significantly effect Customer Satisfaction. Customer Satisfaction does have a significant effect on Brand Loyalty.

The recommendation are to show that Physical Quality and Customer Satisfaction have a significant effect on Brand Loyalty.

Keywords: Physical Quality, Staff Behavior, Brand Identification, Lifestyle Congruence, Customer Satisfaction and Brand Loyalty