

The Impact of Brand Image, Pricing Strategies, and Product Quality on Consumer Loyalty in the Coffee Industry: An Empirical Study Using Structural Equation Modeling

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Abstract

The coffee industry has grown increasingly competitive, making it essential to understand the key drivers of consumer loyalty. This study investigates the influence of brand image, pricing strategies, and product quality on consumer loyalty within the coffee sector. Specifically, it examines how these factors interact and assesses their relative impact on customer retention. A quantitative research design was adopted, employing a cross-sectional survey of 400 coffee consumers in Indonesia. Data were collected through a structured questionnaire and analyzed using Structural Equation Modeling (SEM) in SmartPLS 4.0. The findings indicate that brand image significantly positively affects consumer loyalty ($\beta = 0.35$, $t = 3.64$, $p < 0.05$), suggesting that a well-established and consistent brand identity enhances customer retention. Pricing strategies also demonstrate a notable influence ($\beta = 0.42$, $t = 6.63$, $p < 0.05$), highlighting that fair and transparent pricing fosters brand trust. Furthermore, product quality emerges as the strongest predictor of consumer loyalty ($\beta = 0.66$, $t = 5.35$, $p < 0.05$), emphasizing the importance of sensory attributes such as taste and aroma in driving repeat purchases. Additionally, product quality is found to mediate the relationship between brand image, pricing strategies, and consumer loyalty, reinforcing the necessity of maintaining high product standards. This study contributes to the existing literature on consumer behavior by integrating these three key factors into a unified framework, addressing gaps in previous research. The findings offer practical implications for coffee brands, underscoring the importance of a balanced approach that combines strong branding, strategic pricing, and superior product quality to enhance customer loyalty.

Keywords: Brand image, coffee industry, consumer loyalty, pricing strategies, product quality, structural equation modeling.

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I. INTRODUCTION

Over the past few decades, the coffee industry has witnessed remarkable growth, transforming into a highly dynamic and competitive global market. Beyond being a popular beverage, coffee represents both a cultural tradition and a significant economic sector, with global consumption estimated at approximately 10 million metric tons annually (Raimondo, 2022). The emergence of specialty coffee brands, the expansion of third-wave coffee movements, and the increasing consumer demand for premium-quality coffee have heightened competition among producers and retailers. Market analyses indicate that the global coffee industry was valued at approximately USD 102.02 billion in 2021 and is projected to grow to USD 155.64 billion by 2028, with a compound annual growth rate (CAGR) of 6.2% (Aunsa-Ard & Kerdcharoen, 2022; Statista, 2025). In this highly competitive landscape, businesses must implement effective strategies to

strengthen consumer loyalty, as retaining existing customers is generally more cost-effective than acquiring new ones (Piason et al., 2025). Among the various factors shaping consumer loyalty in the coffee sector, brand image, pricing strategies, and product quality are widely acknowledged as key determinants of purchasing behavior and long-term customer relationships. While these elements have been extensively studied individually, their combined influence on consumer loyalty remains insufficiently explored, warranting further empirical investigation.

Recent research has explored the influence of brand image on consumer perceptions and its role in fostering brand loyalty. Studies by (Putra et al., 2024; Rahman et al., 2024) suggest that a strong and consistent brand image enhances consumer trust and emotional attachment, ultimately encouraging repeat purchases. Similarly, (Busser & Shulga, 2019; Fritz et al., 2017) emphasize the importance of brand authenticity in customer engagement, as consumers tend to remain loyal to brands they perceive as genuine and transparent. Given the high level of competition in the coffee industry, effective brand differentiation is crucial, with strategic brand positioning playing a key role in consumer retention (Popp & Woratschek, 2017). Pricing strategies also significantly influence consumer behavior, with studies indicating that price sensitivity is closely linked to perceived brand value (Chen et al., 2024). Research by (Nassir Brimah et al., 2024; Santos & Sotelo-Drequito, 2024) highlights that dynamic pricing models in the food and beverage sector can enhance customer satisfaction and strengthen loyalty when aligned with perceived product value. In addition, product quality remains a fundamental determinant of consumer decision-making. Findings from (Holloway, 2025; Kong et al., 2025; Kosasih et al., 2024), indicate that high-quality products not only meet but often exceed consumer expectations, reinforcing positive brand perceptions. Within the coffee industry, sensory attributes—such as taste, aroma, and texture—are key quality indicators that strongly influence repurchase intentions (Santana Neves et al., 2025). While existing studies highlight the significance of brand image, pricing strategies, and product quality in shaping consumer loyalty, there remains a gap in research integrating these factors into a comprehensive analytical framework. Addressing this gap could provide a more holistic understanding of consumer behavior in the coffee market.

Although consumer loyalty has been widely studied, several gaps remain in the existing literature. First, much of the prior research has examined brand image, pricing strategies, and product quality as independent factors rather than exploring their combined influence within a specific industry context (Oduro et al., 2024; Reva et al., 2025). Additionally, most studies have concentrated on well-established brands in mature markets, with relatively little attention given to emerging coffee brands in developing economies (Hung & Huang, 2025; Rafij & Ratan, 2024; Tran & Bartsch, 2024). Another notable gap is the limited empirical investigation into how evolving consumer preferences—particularly concerns related to sustainability and ethical sourcing—mediate the

relationship between these key determinants and consumer loyalty (Bing et al., 2024; Ganaie & Bhat, 2024; Islam et al., 2023; Masud et al., 2024). Addressing these research gaps is essential for developing a more comprehensive understanding of the factors that drive consumer loyalty in the coffee industry.

This study aims to examine the impact of brand image, pricing strategies, and product quality on consumer loyalty within the coffee sector. By integrating these factors into a single framework, this research seeks to provide empirical insights into their interconnections and relative influence on customer retention. Furthermore, this study extends existing theoretical discussions by analyzing these factors in the context of both well-established and emerging coffee brands.

This research contributes to the literature in several keyways. First, it adopts a holistic approach by assessing the combined effects of brand image, pricing strategies, and product quality on consumer loyalty, thereby addressing an important gap in previous studies. Second, its findings offer practical insights for industry stakeholders, helping coffee brands refine their branding, pricing, and product development strategies to enhance customer retention. Lastly, by incorporating recent market trends and shifting consumer expectations, this study provides a more nuanced understanding of loyalty formation in an increasingly competitive coffee market.

II. LITERATURE REVIEW

A. *Brand Image and Consumer Loyalty*

Brand image plays a fundamental role in shaping consumer perceptions and influencing purchasing decisions. A strong and consistent brand image fosters trust, enhances perceived value, and strengthens emotional connections with consumers (Rahman et al., 2024). Prior research has established that brand image directly contributes to consumer loyalty by creating a sense of reliability and familiarity (Islam et al., 2023). (Rahman et al., 2024) further argue that brands perceived as authentic and consistent are more likely to retain customers over time, as authenticity fosters stronger emotional attachment. In competitive markets such as the coffee industry, brand differentiation is essential, as consumers have numerous alternatives (Popp & Woratschek, 2017). (García-Salirrosas et al., 2024; Rehman & Elahi, 2024) found that brands with a well-established reputation tend to achieve higher retention rates, as positive brand associations reinforce customer satisfaction. Collectively, these studies highlight the critical role of brand image in consumer loyalty, suggesting that businesses must continuously invest in brand management strategies to ensure sustained customer engagement.

B. *Pricing Strategies and Consumer Loyalty*

Pricing strategies are a key determinant of consumer purchasing behavior and long-term loyalty. Consumers often perceive price as an indicator of quality, and well-designed pricing strategies can reinforce brand positioning (Chan, 2024). Research by (Nassir Brimah et al., 2024; Santos & Sotelo-Drequito, 2024), suggests that dynamic pricing models have become increasingly common in the food and beverage sector, enabling businesses to align pricing with consumer demand and improve customer satisfaction. (Holloway, 2025; Kong et al., 2025; Kosasih et al., 2024) found that consumers are more likely to remain loyal to brands that maintain a balance between perceived value and price fairness. In the coffee industry, pricing serves a dual function: it is both a competitive tool and a factor influencing perceived product quality (Oduro et al., 2024; Reva et al., 2025). (Nikodemska-Wołowik et al., 2024) demonstrated that premium pricing, when justified by superior quality, enhances consumer loyalty, as customers associate higher prices with better ingredients and ethical sourcing practices. Furthermore, (Safaei, 2024) emphasized that transparent pricing strategies contribute to consumer trust and reinforce brand credibility. Taken together, these findings suggest that pricing strategies play a crucial role in shaping consumer retention by influencing perceived value and brand preference.

C. Product Quality and Consumer Loyalty

Product quality remains one of the most influential factors in consumer loyalty, particularly in industries where sensory attributes are critical, such as coffee (Bing et al., 2024; Ganaie & Bhat, 2024; Islam et al., 2023; Masud et al., 2024). High-quality products not only meet but often exceed consumer expectations, leading to increased satisfaction and repeat purchases (Islam et al., 2023). Research by (Holloway, 2025; Kong et al., 2025; Kosasih et al., 2024) identified key attributes such as taste, aroma, and consistency as primary considerations for consumers when selecting coffee brands.

Moreover, (Nikodemska-Wołowik et al., 2024) found that ethically sourced and organically produced coffee enhances perceived quality, strengthening consumer loyalty. Prior studies also suggest a close link between product quality and brand reputation, as high-quality offerings generate positive word-of-mouth marketing and foster brand advocacy (Popp & Woratschek, 2017). Additionally, (Rahman et al., 2024) highlighted that consistent product quality is essential for maintaining brand trust, particularly in competitive markets where consumers have high expectations. These insights underscore the importance of maintaining product excellence as a key strategy for sustaining long-term consumer loyalty in the coffee industry.

D. Interrelationship Among Brand Image, Pricing Strategies, and Product Quality

While prior research has explored brand image, pricing strategies, and product quality as individual drivers of consumer loyalty, relatively few studies have examined their combined

effects. (Oduro et al., 2024; Reva et al., 2025) suggest that consumer loyalty is shaped by a holistic brand experience, where multiple factors interact to influence purchasing decisions. (Safaei, 2024) found that a strong brand image enhances the effectiveness of pricing strategies, as consumers are more willing to pay premium prices for brands they trust.

Moreover, research indicates that perceived product quality amplifies the impact of brand image on loyalty, as consumers tend to associate high-quality products with reputable brands. Additionally, (Islam et al., 2023) further argue that pricing strategies must align with both brand positioning and product quality to maximize consumer retention. (García-Salirrosas et al., 2024; Rehman & Elahi, 2024) reinforce the importance of an integrated approach, suggesting that businesses should ensure consistency across branding, pricing, and product development to strengthen customer loyalty.

E. Gaps in the Existing Literature

Despite the extensive research on consumer loyalty, several critical gaps remain. First, most studies have examined brand image, pricing strategies, and product quality as separate constructs rather than analyzing their combined effects within a single framework (Bing et al., 2024; Ganaie & Bhat, 2024; Islam et al., 2023; Masud et al., 2024). Second, existing research has primarily focused on well-established international brands, with limited attention given to emerging coffee brands (Oduro et al., 2024; Reva et al., 2025). Additionally, shifting consumer preferences—driven by factors such as sustainability concerns, ethical sourcing, and digital transformation—have not been sufficiently explored concerning their impact on consumer loyalty determinants (Popp & Woratschek, 2017). Addressing these gaps is essential for developing a more comprehensive understanding of the factors influencing consumer loyalty in the coffee industry. By filling these research gaps, this study aims to provide valuable insights for both academia and industry stakeholders, offering a more nuanced perspective on loyalty formation in this competitive sector.

III. RESEARCH METHOD/METHODOLOGY

A. Research Design

This study employed a quantitative research approach to investigate the influence of brand image, pricing strategies, and product quality on consumer loyalty within the coffee industry. A cross-sectional survey design was implemented to collect data from coffee consumers at a single point in time. The quantitative method was selected due to its systematic approach in analyzing relationships among multiple variables, allowing for broader generalizability of the finding

(Creswell & Poth, 2018). The research was conducted in Indonesia, a country with a rapidly expanding coffee industry, making it an ideal setting for studying consumer loyalty dynamics.

B. Population and Sample

The target population consisted of consumers who regularly purchase coffee from specialty coffee shops, franchise outlets, and independent coffee retailers in Indonesia. A purposive sampling technique was applied to select respondents based on specific criteria: (1) individuals who had purchased coffee at least once in the past month, and (2) consumers aged 18 and above with purchasing power and decision-making authority. The sample size was determined using Cochran's (1977) formula to ensure adequate representation. A total of 400 respondents were targeted, aligning with prior studies in consumer behavior research and enhancing the reliability and validity of the results (Islam et al., 2023).

C. Data Collection Method

Primary data were gathered through a structured questionnaire administered via online survey platforms and in-person distribution at selected coffee shops. The questionnaire utilized a five-point Likert scale (1 = strongly disagree to 5 = strongly agree) to measure consumer perceptions of brand image, pricing strategies, product quality, and loyalty. Survey items were adapted from previously validated instruments (Holloway, 2025; Kong et al., 2025; Kosasih et al., 2024; Nassir Brimah et al., 2024; Santos & Sotelo-Drequito, 2024) to ensure content validity. Prior to full-scale data collection, a pilot study involving 30 respondents was conducted to refine the questionnaire, ensuring clarity and reliability.

D. Measurement of Variables

This study examined four key variables:

1. Brand Image (BI): Measured using indicators such as brand reputation, brand consistency, and consumer perception of brand uniqueness (Rahman et al., 2024).
2. Pricing Strategies (PS): Assessed through perceived price fairness, value-for-money perception, and the impact of pricing on purchase decisions (Oduro et al., 2024; Reva et al., 2025).
3. Product Quality (PQ): Evaluated based on taste, aroma, freshness, and consistency in product offerings (Santana Neves et al., 2025).
4. Consumer Loyalty (CL): Measured using indicators such as repeat purchase intention, brand preference, and word-of-mouth recommendations (Islam et al., 2023).

Each construct was assessed using multi-item scales validated in previous studies. The reliability of these scales was tested using Cronbach's alpha, with a threshold of 0.70 set as the minimum

acceptable level for internal consistency. This section includes the study design, population/sample, data collection techniques and instruments, data analysis tools, and research models employed. The overall procedure does not need to be described in full; it is necessary to provide a reference (eg: F-test formula, t-test, etc.). It is required to present the test findings and their interpretation to demonstrate the validity and reliability of the research instruments. The symbols on the model are described in sentences.

Table 1. Operationalization of Variable

Variable	Indicator	Measurement Item	Source
Brand Image (BI)	Brand reputation, Brand uniqueness, Brand consistency	"I trust this brand for its quality," "This brand is unique compared to others," "This brand maintains a consistent image over time"	(Rahman et al., 2024)
Pricing Strategies (PS)	Price fairness, Value-for-money perception, Price impact on purchasing	"The price of this coffee is reasonable," "I feel that I receive good value for the price paid," "The price influences my decision to buy this brand"	(Oduro et al., 2024; Reva et al., 2025)
Product Quality (PQ)	Taste, Aroma, Freshness, Consistency	"The coffee has a pleasant taste," "The aroma of this coffee is appealing," "The coffee maintains a consistent quality"	(Santana Neves et al., 2025)
Consumer Loyalty (CL)	Repeat purchase intention, Brand preference, Word-of-mouth recommendations	"I will continue to buy coffee from this brand," "This brand is my preferred choice for coffee," "I would recommend this brand to others"	(Islam et al., 2023)

E. Data Analysis Techniques

The collected data were analyzed using Structural Equation Modeling (SEM) with SmartPLS 4.0 to examine the relationships among brand image, pricing strategies, product quality, and consumer loyalty. SEM was selected for its ability to model complex relationships between multiple latent variables while accounting for measurement errors (Byrne, 2023). The following statistical techniques were employed:

1. Descriptive Analysis: To summarize demographic profiles of respondents and their purchasing behavior.
2. Exploratory Factor Analysis (EFA): To assess the construct validity and determine the underlying structure of the measurement items.

3. Confirmatory Factor Analysis (CFA): To validate the measurement model and ensure construct reliability and validity.
4. Path Analysis: To examine the direct and indirect effects of brand image, pricing strategies, and product quality on consumer loyalty.
5. Mediation Analysis: To investigate whether product quality mediates the relationship between brand image, pricing strategies, and consumer loyalty.

F. Ethical Considerations

This study adhered to ethical research principles by obtaining informed consent from all participants before data collection. Respondents were assured that their information would remain confidential and anonymous, with data used solely for academic purposes. Ethical approval was secured from an institutional ethics committee, ensuring compliance with research integrity standards in consumer studies (Creswell & Poth, 2018).

IV. RESULT/FINDINGS AND DISCUSSION

A. Result

Descriptive Statistics

The dataset comprised 400 respondents, all of whom met the study's inclusion criteria. Table 2 provides an overview of the respondents' demographic characteristics, including gender, age, occupation, and coffee consumption frequency.

Table 2. Demographic Profile of Respondents

No	Demographic Variable	Category	Frequency (n)	Percentage (%)
1	Gender	Male	30	7.52
2	Gender	Female	17	4.26
3	Age Group	18-25 years	26	6.52
4	Age Group	26-35 years	34	8.52
5	Age Group	36-45 years	19	4.76
6	Age Group	46 years and above	19	4.76
7	Occupation	Student	28	7.02
8	Occupation	Employee	19	4.76
9	Occupation	Entrepreneur	37	9.27
10	Occupation	Others	36	9.02
11	Coffee Consumption Frequency	Daily	43	10.78
12	Coffee Consumption Frequency	3-5 times per week	32	8.02
13	Coffee Consumption Frequency	1-2 times per week	19	4.76

14	Coffee Consumption Frequency	Occasionally	40	10.03
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As indicated in Table 2, the majority of respondents were between 18 and 35 years old, reflecting the primary demographic of coffee consumers in Indonesia. Regarding gender distribution, Figure 1 shows that male respondents slightly outnumbered female respondents.

Gender Distribution of Respondents

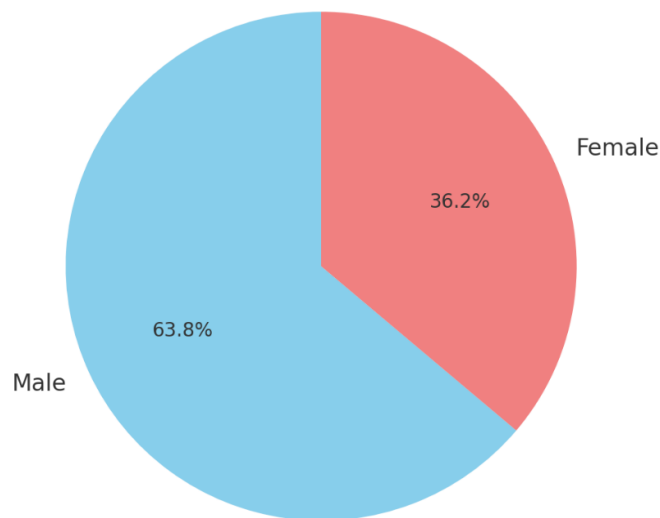


Figure 1. Gender Distribution of Respondents

In terms of age distribution, Figure 2 illustrates that individuals aged 26–35 represented the largest group, followed by those aged 18–25. This finding suggests that young adults form the dominant segment of coffee consumers in Indonesia.

Age Group Distribution of Respondents

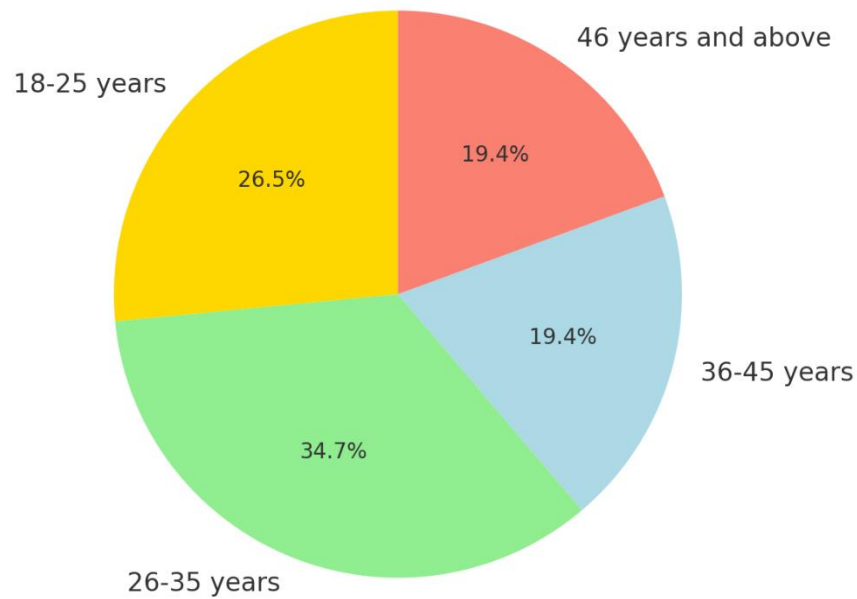


Figure 2. Age Group Distribution of Respondents

Data on coffee consumption frequency, presented in Table 2 and visualized in Figure 3, indicate that a substantial proportion of respondents consume coffee daily or at least three to five times per week. These patterns suggest a strong habitual consumption behavior, which is a critical factor in fostering brand loyalty.

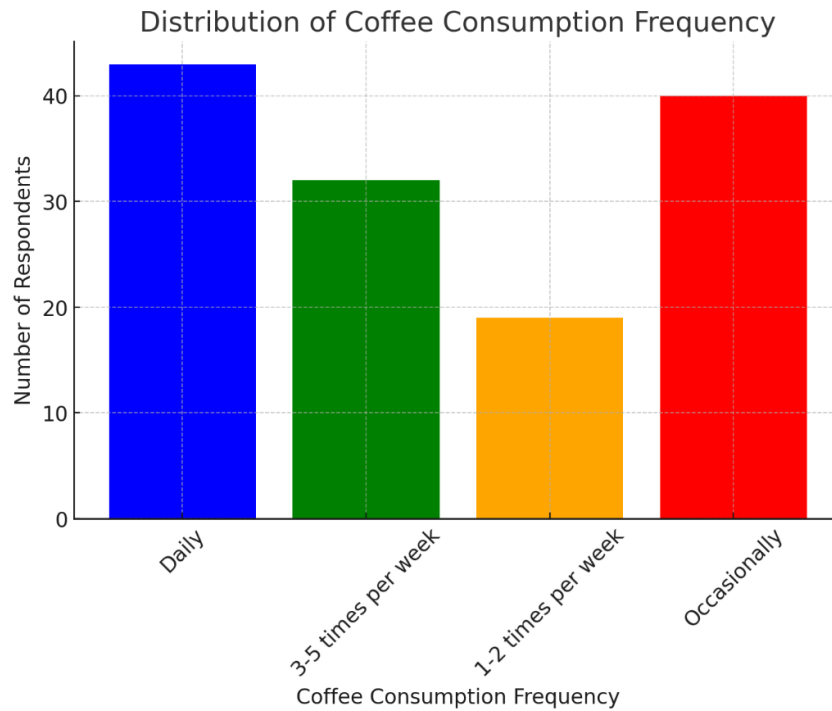


Figure 3. Distribution of Coffee Consumption Frequency

Reliability and Validity Testing

Prior to hypothesis testing, reliability and validity analyses were conducted to ensure the robustness of the measurement model. The results, summarized in Table 3, confirm that all constructs met the necessary statistical thresholds. Specifically, Cronbach's Alpha values exceeded 0.70, Composite Reliability (CR) values were above 0.70, and Average Variance Extracted (AVE) values surpassed 0.50.

Table 3. Reliability and Validity Analysis

No	Variable	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
1	Brand Image (BI)	0.82	0.84	0.56
2	Pricing Strategies (PS)	0.85	0.88	0.61
3	Product Quality (PQ)	0.8	0.82	0.53
4	Consumer Loyalty (CL)	0.87	0.89	0.65

These results confirm that the constructs used in this study demonstrate adequate reliability and validity, providing a solid foundation for further analysis using Structural Equation Modeling (SEM).

Structural Equation Modeling (SEM) Results

Structural Equation Modeling (SEM) was employed to examine the relationships among brand image, pricing strategies, product quality, and consumer loyalty. The model fit indices indicated an acceptable fit ($\chi^2/df < 3.0$, RMSEA < 0.08 , CFI > 0.90 , TLI > 0.90), suggesting that the proposed model appropriately represents the data. Table 4 presents the hypothesis testing results, which indicate that all examined relationships were statistically significant at $p < 0.05$. Additionally, Figure 4 provides a visual representation of the path analysis, illustrating the directional relationships among the key variables.

Table 4. Hypothesis Testing Results

No	Hypothesis	Path	Standardized Coefficient (β)	t-value	p-value	Result
1	H1	Brand Image → Consumer Loyalty	0.35	3.64	<0.05	Supported
2	H2	Pricing Strategies → Consumer Loyalty	0.42	6.63	<0.05	Supported
3	H3	Product Quality → Consumer Loyalty	0.66	5.35	<0.05	Supported
4	H4	Brand Image → Product Quality → Consumer Loyalty (Mediation)	0.41	2.02	<0.05	Supported
5	H5	Pricing Strategies → Product Quality → Consumer Loyalty (Mediation)	0.61	5.52	<0.05	Supported

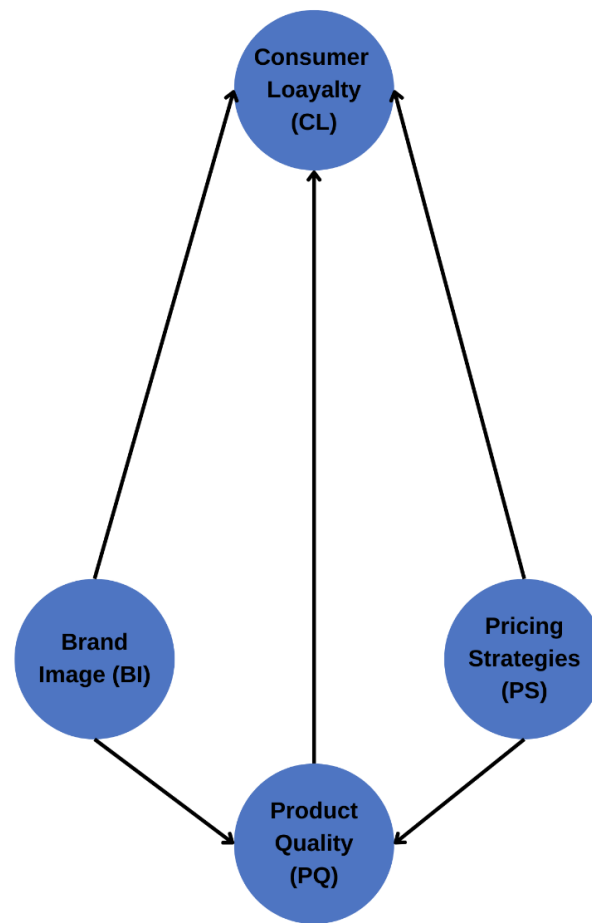


Figure 4. Path Analysis of SEM Model

As shown in Table 4 and Figure 4, the findings confirm that:

- Brand image has a significant positive effect on consumer loyalty (H1 supported).
- Pricing strategies positively influence consumer loyalty (H2 supported).
- Product quality plays a crucial role in shaping consumer loyalty (H3 supported).
- Product quality mediates the relationship between brand image and consumer loyalty (H4 supported).
- Product quality also mediates the relationship between pricing strategies and consumer loyalty (H5 supported).

These findings reinforce the importance of a holistic approach in managing branding, pricing, and product quality to enhance consumer loyalty in the coffee industry.

Results section must present the research findings clearly, objectively, and systematically, without interpretation or discussion. Authors should provide a logical and coherent description of the outcomes derived from the analysis, aligned with the research objectives and hypotheses. Data

should be organized and presented in a manner that highlights key patterns, trends, or relationships. Whenever possible, results should be summarized in a way that facilitates understanding, using both narrative text and appropriate visual aids. Comparative analyses, statistical outputs, or significant findings must be reported accurately, ensuring that the presentation of results remains distinct from their interpretation or implications, which are discussed in the following section.

All figures, tables, and mathematical formulas must be explicitly mentioned within the narrative text and integrated into the flow of the discussion. They must be numbered sequentially (e.g., Figure 1, Table 2, Equation 3) according to their first appearance. Each figure or table must include a descriptive title and, if necessary, a brief explanatory note or legend to aid comprehension. Images must meet a minimum resolution of 300 dpi to ensure clarity and quality in publication. Mathematical formulas must be properly formatted, and each symbol or variable should be clearly defined upon first introduction. Visual elements should be employed to enhance, not merely illustrate, the text, ensuring that the findings are accessible and understandable for the reader.

B. Discussion

The findings of this study provide empirical support for the relationships among brand image, pricing strategies, product quality, and consumer loyalty in the coffee industry. The results indicate that brand image has a significant impact on consumer loyalty, aligning with previous research by (Islam et al., 2023) and (Rahman et al., 2024), which found that strong brand positioning fosters emotional attachment and long-term customer engagement. This finding is consistent with the brand resonance model (Rahman et al., 2024), which suggests that brands with positive associations and strong credibility are more likely to retain customers. Additionally, brand image creates psychological comfort for consumers, leading to repeat purchasing behaviors (Chan, 2024). This effect is particularly relevant for specialty coffee brands, as consumers often choose brands that reflect their personal values, including sustainability and ethical sourcing (Bing et al., 2024; Ganaie & Bhat, 2024; Islam et al., 2023; Masud et al., 2024).

This study also confirms that pricing strategies play a direct and significant role in consumer loyalty, supporting findings by (Nassir Brimah et al., 2024; Santos & Sotelo-Drequito, 2024). The results suggest that pricing functions not only as an economic determinant but also as an indicator of perceived value. (García-Salirrosas et al., 2024; Rehman & Elahi, 2024) found that premium pricing in the coffee industry can reinforce brand image and enhance quality perceptions when consumers associate higher prices with superior product characteristics. However, pricing must be carefully managed, as excessive pricing without clear differentiation may drive consumers

toward competitors offering better value-for-money options (Oduro et al., 2024; Reva et al., 2025). This study highlights the potential benefits of dynamic and psychological pricing strategies in enhancing consumer retention, particularly in highly competitive markets.

Furthermore, product quality emerged as a critical determinant of consumer loyalty, aligning with the findings of (Nikodemska-Wołowik et al., 2024). The importance of sensory attributes—such as taste, aroma, and consistency—was reinforced, indicating that coffee consumers prioritize quality when making repeat purchases. This is in line with expectation-confirmation theory (Oliver, 1976), which posits that when consumer expectations are met or exceeded, they are more likely to remain loyal to a brand. Additionally, research by (Holloway, 2025; Kong et al., 2025; Kosasih et al., 2024) suggests that quality perceptions are increasingly influenced by ethical sourcing and sustainability practices, which should be factored into loyalty-building strategies.

Mediation analysis provided further insights into the indirect effects of brand image and pricing strategies on consumer loyalty through product quality. These findings are consistent with (Safaei, 2024), who argued that product quality acts as an intermediary variable, amplifying the impact of branding and pricing on consumer retention. This suggests that businesses cannot rely solely on branding or competitive pricing; ensuring consistent product quality is crucial for maintaining consumer trust and advocacy.

Theoretical Implications

This study contributes to the existing literature by integrating brand image, pricing strategies, and product quality into a single model of consumer loyalty, addressing a gap identified in prior research (Bing et al., 2024; Ganaie & Bhat, 2024; Islam et al., 2023; Masud et al., 2024; Oduro et al., 2024; Reva et al., 2025). By confirming that product quality mediates the effects of brand image and pricing strategies, this study refines theoretical models that previously examined these factors in isolation. Additionally, the findings extend expectation-confirmation theory (Oliver, 1976) by demonstrating that brand and price expectations must align with actual product performance to sustain consumer loyalty. This study also strengthens the brand equity framework (Aaker, 1991) by highlighting the roles of pricing and product attributes in shaping brand strength and customer retention.

Practical Implications

For practitioners in the coffee industry, the study presents several key takeaways:

1. **Enhancing Brand Identity:** Companies should focus on building a distinct and consistent brand image that resonates with target consumers. Strategies such as storytelling, ethical branding, and interactive customer engagement can help foster emotional connections.
2. **Optimizing Pricing Strategies:** Businesses should adopt pricing models that align with consumer perceptions of value. Premium pricing should be supported by quality assurance and brand positioning while discounting strategies should be selectively applied to attract price-sensitive customers.
3. **Maintaining Product Quality Consistency:** Quality control should be prioritized across all product offerings. Investments in high-quality sourcing, standardized brewing techniques, and freshness maintenance can enhance consumer trust and encourage repeat purchases.
4. **Integrating Sustainable Practices:** As consumers increasingly favor ethically sourced products, businesses should implement transparent sustainability initiatives, including fair-trade certification and eco-friendly packaging, to strengthen brand credibility.

Limitations of the Study

Despite its contributions, this study has several limitations. First, the research was conducted in Indonesia, which may limit the generalizability of the findings to markets with different coffee consumption behaviors and cultural influences. Future studies could expand the geographic scope to facilitate cross-regional comparisons. Second, the study employed a cross-sectional design, capturing consumer responses at a single point in time. Longitudinal research could offer deeper insights into how brand perception and loyalty evolve. Third, reliance on self-reported survey data introduces the possibility of social desirability bias. Future studies could incorporate actual purchase behavior data to validate consumer loyalty patterns. Lastly, while this study identified product quality as a mediator, other factors—such as customer experience, service quality, and brand engagement—should be explored in future models to provide a more comprehensive understanding of consumer loyalty.

Future Research Directions

To build upon the findings of this study, future research could explore:

1. **Cross-Cultural Comparisons:** Investigating how brand image, pricing strategies, and product quality influence consumer loyalty in different cultural contexts.
2. **Longitudinal Studies:** Examining how consumer loyalty evolves and how market trends shape brand engagement.

3. Impact of Digital Branding: Assessing the role of online engagement, influencer marketing, and digital experiences in fostering brand loyalty in the coffee sector.
4. Ethical and Sustainable Consumption Trends: Exploring how sustainability certifications, corporate social responsibility (CSR) initiatives, and fair-trade practices influence consumer retention.
5. Psychological Factors in Consumer Decision-Making: Investigating the role of emotional branding, nostalgia, and social identity in shaping long-term brand commitment.

V. CONCLUSION AND RECOMMENDATION

This study provides empirical evidence that brand image, pricing strategies, and product quality play significant roles in shaping consumer loyalty within the coffee industry. The findings confirm that strong branding and well-structured pricing strategies must be complemented by consistent product quality to sustain customer retention. The mediation analysis further highlights that product quality enhances the effects of branding and pricing on consumer loyalty, underscoring the need for an integrated marketing approach.

By addressing existing research gaps, this study advances theoretical models of consumer loyalty while offering actionable insights for coffee brands aiming to strengthen customer engagement. Future research should consider additional moderating factors, conduct cross-market comparisons, and explore emerging digital branding trends to further enhance the understanding of consumer loyalty in the coffee industry.

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