ABSTRACT

Consumer relations with brands has become a focus for every business actor. Through brand communications, brands act as systems that involve buyers and sellers. Not only limited to the relationship between consumers and brands, but also related to sales increase, price vulnerability, loyalty, and higher margins. This study aims to analyze the factors that influence brand loyalty and willingness to pay a premium price for Starbucks Indonesia customers in Jakarta.

SEM (Structural Equation Modeling) analysis was used as a data analysis method in this study. The research model used in this study is second order. The use of SEM with the PLS (Partial Least Square) approach was chosen because it can be used effectively with small sample sizes and complex models (Hair et al. 2017). The sample of this research is 114 consumers of Starbuks Indonesia in Jakarta.

The results showed that brand experience had a positive and significant effect on brand love, brand experience had a positive and significant effect on brand loyalty, brand love had no significant effect on willingness to pay premium price, brand love had a positive and significant effect on brand loyalty, experience brand does not have a significant effect on willingness to pay premium price, and brand loyalty has a positive and significant effect on willingness to pay premium price.

Keywords: Brand Experience, Brand Love, Brand Loyalty, willingness to pay premium price

