

Brand Preference as a Catalyst for Memorable Experience, Attitude, and Loyalty

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Abstract

Purpose: This study explores the role of brand preference in strengthening the relationship between memorable brand experience, brand attitude, and brand loyalty among millennial coffee shop customers in Indonesia. It aims to understand how emotional and value-based alignment drives customer loyalty in the millennial market segment.

Methodology/approach: A quantitative survey was conducted among 130 millennial customers from four coffee shops in Palembang, Indonesia, between June and August 2024. Purposive sampling was used to select respondents who frequently visited coffee shops. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4.0.

Results/findings: The results indicate that memorable brand experience and positive brand attitude significantly influence brand preference, which in turn has a strong positive effect on brand loyalty. Brand preference acts as a crucial mediator linking experience and attitude to loyalty, functioning as an active driver shaped by emotional connection and value congruence between consumers and brands.

Conclusions: Brand preference plays a pivotal role in transforming positive experiences and attitudes into long-term loyalty. For millennial consumers, authentic, consistent, and socially meaningful brand experiences foster stronger preferences and sustainable loyalty.

Limitations: The study is limited to Palembang, reducing generalizability to other regions or cultures. The small purposive sample and cross-sectional design limit representativeness and the ability to capture changes over time.

Contribution: This study advances understanding of how brand preference mediates brand experience and attitude in driving loyalty, providing valuable insights for coffee shop managers to design emotionally engaging and value-driven marketing strategies for millennial consumers.

Keywords: *brand attitude, memorable brand experience, brand preference, brand loyalty, Millennial*

1. Introduction

Coffee plays a significant role in the daily lives of Indonesians (Purnomo et al., 2021). Coffee drinking culture has become a tradition in Indonesia, and the younger generation is increasingly adopting a modern lifestyle (Aisyah et al., 2021). Consumers in Indonesia are increasingly concerned about the quality of coffee, roasting methods, and the origin of coffee beans (Sunarharum et al., 2021). Global coffee-related trends, such as specialty coffee, manual brew methods, and attention to place aesthetics, have shaped the mindset of consumers in Indonesia (Widyaningsih et al., 2022). Coffee shops in Indonesia no longer only offer traditional coffee but also serve various innovative drinks such as coffee with multiple flavors, iced beverages, and snacks suitable for enjoying coffee. Coffee shops in Indonesia have ample space for innovation regarding menus, presentations, or space concepts (Nurhasanah & Dewi, 2020).

Creating memorable, fun, and unique experiences is an important construct in marketing studies associated with brand experience (Amoroso et al., 2021). Consumer repurchase intent can improve through previous positive brand experiences. Positive brand perceptions from positive customer emotions can drive purchase intention. Consumer intent can increase through a positive brand experience (Yasri et al., 2020). Consumer purchasing decisions and preferences can be understood through brand experience (Zha et al., 2024). A deep customer interest in the brand, expressed through memorable brand experiences, can drive customer loyalty. The brand's connection to the customer is built based on an unforgettable experience (Xi et al., 2022). Memorable brand experiences can spur consumers' intention to return to products and will encourage brand loyalty (Hwang & Lee, 2018).

Brand attitude covers consumers' perception and sentiment toward a particular brand. The perspective on the brand in the thoughts of customers is related to the attitude towards the brand shown by consumers (Liu et al., 2020). Furnishing marketplace customers with important brand details and cleverly devised brand characteristics can serve as a deciding factor in determining whether a customer will return to a business, which makes effective brand management critical (Zhang et al., 2018). Consumer connectedness with certain brands as part of the selection process is stimulated by consumer attitudes towards these brands (Ansary & Nik Hashim, 2018). Such expectations in front of their audience from any brand cause the audience to promote a positive attitude toward such brands (Chopra et al., 2021). Customer preference and loyalty to a particular brand can cause the rejection of other brands' product selections, driven by strong individual attitudes toward the brand.

Consumer brand preference is a conscious decision to pick one brand over another similar-performing brand. Brand preference consists of two primary factors: consumer attitudes and memory (Kronrod & Huber, 2019). The expression shown by consumers toward a brand can be seen in the form of consumer attitudes (Kim & Yang, 2020). Building brand preference requires a brand to establish a unique identity and consistently deliver on its commitment, creating reliability and a sense of trust in the minds of consumers (Hernandez-Fernandez & Lewis, 2019). The product's functional attributes determine customer preferences and the whole customer's trip (McColl-Kennedy et al., 2019). When a brand's distinctive benefit is communicated effectively to the people it serves, interesting stories are woven around every one of its products so that consumers change their tastes. A good brand preference can stimulate customer intent to repurchase a brand (Yasri et al., 2020).

Previous studies that revealed the interaction of brand experiences, attitude, preference, and loyalty still showed different results. Na et al., (2023); Liu & Hu (2021); Cuong (2020); (Pina & Dias, 2020); (Stein & Ramaseshan, 2020); Iglesias et al., (2019); Hwang & Lee (2018); Kim & Thapa (2018); Ong et al., (2018) revealed that their experience with brands could influence brand loyalty. However, Wijaya et al., (2022) indicated that brand experiences had an insignificant role in spurring brand loyalty. Based on prior studies on brand experience interactions, brand attitudes, preferences, and customer loyalty contradict the results. Then, research on brand experience, attitudes, preferences, and customer loyalty is becoming increasingly relevant in the coffee shop industry, there is still limited research deepening the understanding of the function of brand preferences in strengthening the interaction of brand experiences and brand attitudes with millennial loyalty in coffee shops in developing countries like Indonesia. The study revealed the connection between millennial coffee shop customers' brand experience, attitude, and preferences. It then uncovers how brand preferences influence customer experiences and attitudes toward millennial loyalty. This review could create a more significant endowment to understanding how brand preferences can strengthen the interaction of brand experiences and brand attitudes and impact loyalty among millennials who are increasingly discerning in choosing their favorite coffee shops.

2. Literature review and hypotheses development

2.1 Service-Dominant Logic (SDL)

Vargo & Lusch (2004) and Vargo & Lusch (2008) have revolutionized how we look at value exchange in marketing. Service-Dominant Logic (SDL) states that service is the application of competence for the benefit of others and the basis of all forms of exchange (Chou et al., 2023). Value is not inherently contained in the product or service itself but is co-created by the customer and the company through inter-engaging interactions (Vargo & Lusch, 2016). In the context of this research, SDL is a strong conceptual foundation to explain the relationship between memorable brand experience, brand attitude, brand preference, and brand loyalty. A memorable brand experience is not just the result of the service that customers passively receive but rather the active interaction between the customer and the service provider, creating contextual meaning and value (Hwang et al., 2021). For example, the atmosphere of the coffee shop, personal interactions with baristas, and brand narratives that resonate with millennial values, such as sustainability and community, are part of the value co-creation process described in SDL (Meeprom & Kokkhangplu, 2025). Furthermore, SDL views brand preference as a consequence of perceived value perception in the context of services (Zhao & Wang, 2021), not simply the result of

product attribute evaluation. Millennial consumers are no longer satisfied with just good products but are looking for brands that can provide an emotional experience and symbolic meaning that fits their lifestyle and identity. In this case, brand preference is an early form of loyalty rooted in emotional engagement and personalized experiences, two key components in value co-creation. Finally, brand loyalty in SDL is not the result of a one-way transaction (Renaldi et al., 2024). However, it reflects long-term relationships fostered through continuous interaction and mutual engagement in the value-creation process (Akaka & Vargo, 2015). Thus, SDL provides a relevant and contemporary framework for understanding the dynamics of consumer loyalty in the experiential era, especially in millennial segments who are highly digitally and emotionally engaged when choosing brands.

2.2 Memorable Brand Experiences and Brand Preference

Brand experience is a concept that determines the differences in products offered by companies with a high level of product similarity and relatively similar product functions. Consumer purchasing decisions are driven more by emotional factors than logical understanding (Amer et al., 2023). Memorable brand experiences are pivotal in shaping and solidifying consumer brand preferences (Feng et al., 2024). Consumer preference for brands can be positively improved based on brand experience (Yasri et al., 2020). Consumer attitudes and preferences on brands can be determined by the memorable experiences experienced by consumers (Hwang et al., 2023). The emotional connection formed during such experiences contributes to developing a favorable brand preference (Ahmadi & Ataei, 2024). Brand preferences can stimulate the emotional resonance created by memorable experiences (Nawaz et al., 2020). A brand that continually grants memorable stories, aligning with the values and aspirations of its target audience, stands a better chance of being favored over competitors (Dwivedi et al., 2021). Referring to the various studies and explanations above, the hypothesis is formulated.

H1: Memorable brand experiences significantly increase brand preference

2.3 Brand Attitude and Brand Preference

Brand attitude represents individuals' average sentiment and perceptions of the direction of a brand, encompassing the emotions, ideals, and evaluations (Nayeem et al., 2019). Brand attitude predicts brand preferences because it encapsulates customers' emotional and psychological connections to the brand (Xi et al., 2022). A pleasant brand mindset creates a favorable predisposition toward the brand, influencing purchasers' choices in decision-making (Feng et al., 2024). Consumers who actively search for products from a brand with a favorable attitude will believe that the brand aligns with their values and meets their expectations (Liu & Wang, 2023). Consistency in shaping and reinforcing a positive brand attitude is crucial for building and maintaining brand preferences (Šerić et al., 2020). Brands that strategically cultivate a favorable attitude through consistent messaging, quality products, and positive consumer experiences are more likely to become the preferred choice (Belanche et al., 2021). Consumer preferences for brands can be driven positively by attitudes towards brands (Boubker & Douayri, 2020). Referring to the various studies and explanations above, the hypothesis is formulated.

H2: Brand attitude significantly increases brand preference

2.4 Memorable Brand Experiences and Brand Loyalty

Experience is an activity that can uniquely improve the economy based on products that consumers have utilized. Na et al., (2023) revealed that customers' experience with brands can influence consumer loyalty. The enjoyable and memorable experiences in the form of brand experiences drive brand loyalty. Cuong (2020) emphasizes that brand loyalty can significantly improve brand experience. The memorable brand experience in the minds of consumers stimulates an increase in the value of online services that can support loyalty development (Iglesias et al., 2019). The willingness of consumers to buy brands in the future and recommend brands to others is supported by the brand experience. Ong et al., (2018) describe that diverse brand experiences stimulate brand-loyal customers. Consumer loyalty can significantly boost the best consumer experience (Stein & Ramaseshan, 2020). Affective consumer experience will substantially increase loyalty (Pina & Dias, 2020). Referring to the various studies and explanations above, the hypothesis is formulated.

H3: Memorable brand experiences significantly increase brand loyalty

2.5 Brand Attitude and Brand Loyalty

Consumer preference and loyalty to specific brands indicate a strong attitude and unwillingness to use other products or brands. Consumer choices in certain coffee shop brands are confirmed by emotional states that are part of consumer attitudes to a brand (Czarniecka-Skubina et al., 2021). Oh et al., (2019) revealed consumer attitudes to a brand that are associated with brand loyalty driven by the service experience they get at a coffee franchise. Boubker & Douayri (2020) explain that consumer attitudes toward brands significantly determine consumer intentions to buy a product. The attitude shown by consumers positively influences the intention to visit again and WoM (Foroudi et al., 2021). Trang et al., (2019) revealed that increasing customer loyalty to brands as part of business outcomes is associated with positive customer attitudes towards brands or products. Customer loyalty to the brand is continuously associated with a positive customer attitude (McLean et al., 2020). The positive attitude of the brand stimulates customer loyalty significantly (Smith, 2020). Medina-Molina et al., (2021) explained that brand attitudes could increase purchase intent. Troiville (2024) revealed that customer attitude can drive customer loyalty significantly. Referring to the various studies and explanations above, the hypothesis is formulated.

H4: Brand attitude significantly increases brand loyalty

2.6 Brand Preferences and Brand Loyalty

Consumer preferences for brands relate to consumer attitudes and memories, two important elements (Kronrod & Huber, 2019). A consumer repeatedly chooses a particular brand due to its user-friendly features and reliable performance, which indicates a strong brand preference that can evolve into loyalty over time (Cardoso et al., 2022). A strong brand preference often serves as a precursor to brand loyalty, as consumers consistently prefer a brand (Cuong, 2020). Brands that prioritize and nurture positive brand preferences through consistent value delivery and positive experiences are more likely to foster enduring brand loyalty (Na et al., 2023). For consumers who repeatedly choose a preferred brand, positive experiences reinforce their loyalty (Nyamekye et al., 2023). Wroblewski & Mokrysz (2018) revealed that preferences related to consumer choice of coffee brands are linked to loyalty. Boubker & Douayri (2020) explain that brand preference can significantly increase purchase intent. Brand preference can significantly increase repurchase intent (Yasri et al., 2020). Referring to the various studies and explanations above, the hypothesis is formulated.

H5: Brand preferences significantly increase brand loyalty

2.7 Memorable Brand Experiences, Brand Preferences, and Brand Loyalty

Setkute & Dibb (2022) explain that strong interactions between customers and brands will keep them afloat and will not use other brands. Studies in the field of service management explain that customer experience can significantly increase customer loyalty (Stein & Ramaseshan, 2020). Memorable brand experiences, where a brand creates a lasting and positive impression, often catalyze brand preferences (Ruiz & Cruz, 2023). A delightful customer service encounter and a personalized online shopping experience can contribute to developing a strong brand preference (Tyrväinen et al., 2020). Brand preferences, cultivated through memorable reviews, play a pivotal role in the evolution of loyalty (Wang et al., 2024). Brand loyalty's enduring nature is consistently delivering unforgettable experiences that align with consumer preferences (Zha et al., 2024). Referring to the various studies and explanations above, the hypothesis is formulated.

H6: Memorable brand experiences significantly increase brand loyalty via brand preference

2.8 Brand Attitude, Brand Preferences, and Brand Loyalty

A brand mindset, encompassing the overall sentiment and belief toward a brand, is foundational in shaping alternatives (Nayeem et al., 2019). Customers strongly prefer a brand when they hold a positive attitude (Feng et al., 2024). Consumers associate a brand with values that resonate with their own, and their positive attitude drives their preference for that brand (Vredenburg et al., 2020). Brand attitude

affects brand preferences and bridges initial customer perceptions and loyalty (Ong et al., 2018). Loyalty goes beyond mere preferences and shows a willingness to stay committed to a specific brand regardless of outside effects (Khan & DePaoli, 2024). Hwang et al., (2021) revealed that attitudes, preferences, and brand loyalty are developed based on permanent memories related to experiences with brands. Customers' preference and loyalty to specific brands show their attitude to keep using the preferred brand rather than other brands. Song et al., (2019) emphasize that individuals who choose coffee shop brands are driven and centered by their emotional attitudes toward a particular brand. Referring to the various studies and explanations above, the hypothesis is formulated.

H7: Brand attitude significantly increases brand loyalty via brand preference

The model concept of research described the interrelationship between memorable brand experience and brand preference. Then, the connection between brand attitude and brand preference, memorable brand experience, and brand loyalty, brand attitude and brand loyalty. Finally, brand preference acts as a mediator between memorable brand experience and brand loyalty, and brand attitude and brand loyalty.

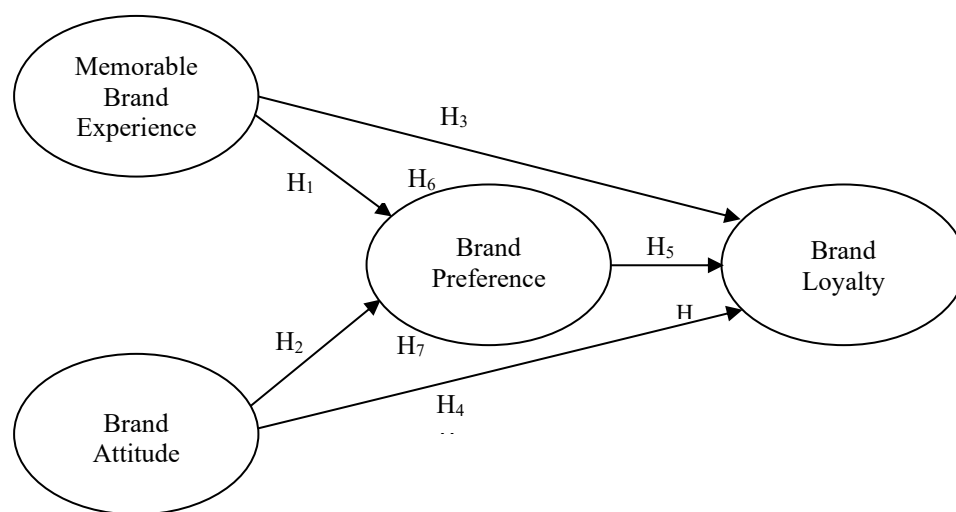


Fig.1. Model concept of research

3. Methodology

3.1 Data Collection and Sample

The study used a quantitative research design with a survey approach. This design allows for systematic data collection to analyze the interactions between millennials' memorable brand experience, brand attitude, brand preference, and brand loyalty in coffee shops. The survey was conducted by meeting directly with millennials at 4 coffee shops in Palembang in December 2024. The study population involved millennials in coffee shops. Purposive sampling is utilized to select the sample with inclusion criteria covering millennials who frequently visit coffee shops for 3 months from June to August 2024. The sample size will be determined to achieve an adequate confidence level with 130 respondents.

3.2 Measurement

The measures of four variables in this survey are memorable brand experience, attitude, preference, and loyalty. Memorable brand experience employs three items that were adapted from Hwang et al., (2021) and Khan et al., (2020). Brand attitude employs three items that were adapted from Boubker & Douayri (2020), Chuenban et al., (2021), Hwang et al., (2021), and Gao & Shen (2024). Brand preference utilizes three items that were adapted from Boubker & Douayri (2020), Hwang et al., (2021). Brand loyalty applies to four items that were adapted from Khan et al., (2020), Hwang et al., (2021), Bae & Jeon (2022), and Gao & Shen (2024). The scale used to measure respondents' answers based on the Likert scale ranges from strongly disagree (1) to strongly agree (5).

Table 1. Research Instrument

Variable	Item	Indicator	Source
Memorable brand experience	3	I have fond memories of this coffee shop brand I had an unforgettable experience of a coffee shop brand Thinking of a coffee shop brand brings back fond memories	Khan et al., (2020); Hwang et al., (2021)
Brand attitude	3	My attitude towards coffee shop brands is good Positive attitude towards coffee shop brands Attitude towards coffee shop brands is pleasant	Boubker & Douayri (2020), Chuenban et al., (2021), Hwang et al., (2021), Gao & Shen (2024)
Brand preference	3	When I want to drink coffee, I often consider this coffee shop to be a good choice The coffee shop meets my needs better than any other coffee shop brand I am more interested in this coffee shop brand than any other coffee shop brand	Boubker & Douayri (2020). Hwang et al., (2021)
Brand Loyalty	4	I say positive things about coffee shop brands to others I want to use the coffee shop brand more often I would like to keep visiting the coffee shop in the future I would like to recommend the coffee shop brand to my colleagues/family	Khan et al., (2020), Hwang et al., (2021), Bae & Jeon (2022), Gao & Shen (2024)

Source: elaboration from previous research (2024)

3.3 Data Analysis

Data analysis applies PLS-SEM to appraise the research model-assisted Smart PLS version 4.0. Smart PLS can better analyze models that tend to be complex, abnormally distributed data, predictive studies, and exploration with relatively small sample sizes (Hair et al., 2022). Then, a two-stage procedure is applied for data analysis: assessing validity and reliability, and assessing the structural model (Hair et al., 2019). A pre-test and correlation between variables will evaluate the questionnaire's validity. Reliability is checked through a round-trip test of similar questions in the questionnaire. The bootstrapping method, utilizing 5.000 random sub-samples, was employed to validate the t-values of path coefficients concerning inference testing (Hair et al., 2022).

4. Results and discussion

4.1 Results

4.1.1 Respondent Description

The description of respondents according to age is ten, or 7.7% of respondents under 17 years old. Respondents aged 17-20 years amounted to 88 respondents or 67.7%, aged 21-24 years amounted to 28 respondents or 21.5%, and aged over 24 years amounted to 4 respondents or 3.1%. They referred to long visits to the coffee shop, 61 people, or 46.9%, less than 1 year; 39 people, or 30%, 1-2 years; 30

people, or 23.1%, more than 2 years. The names of the visited coffee shops by respondents as follows: 32 people, or 24.6%, have been to Janji Jiwa coffee shop; 53 people, or 40.8%, have been to Dari Hati coffee shop; 39 people, or 30%, have been to Kenangan coffee shop, and six people, or 4.6% have been to 7 coffee shop.

Table 2. Respondent Description

Respondent descriptions	Frequency	%
Ages		
< 17 years	10	7.7
17 – 20 years	88	67.7
21 – 24 years	28	21.5
> 24 years	4	3.1
Long visit to the coffee shop		
< 1 year	61	46.9
1 – 2 years	39	30.0
> 2 years	30	23.1
The name of the visited coffee shop		
Janji Jiwa Coffee Shop	32	24.6
Dari Hati Coffee Shop	53	40.8
Kenangan Coffee Shop	39	30.0
7 Coffee shop	6	4.6

Source: Processed Data (2024)

4.1.2 Analysis of Measurement Model

Reliability and validity, the main requirements before further analysis of PLS-SEM, are thoroughly addressed in this study. Referring to previous studies, we use minimum value standards and meticulously adjust the value of the analysis results. The outer loading of each construct is above 0.70 and meets the requirements to be declared significant (Hair et al., 2022). If a concept's AVE exceeds the minimum value of 0.50, convergent validity meets the requirements and is accepted (Hair et al., 2022). The construct is declared valid if the value obtained meets the minimum requirements. The composite reliability is between 0.854 and 0.930, and values of Cronbach Alpha are between 0.852 and 0.926, which can conclude to have a high level of reliability. A thorough multicollinearity analysis was performed, and the results stated that the overall VIF of the construct was smaller than 5. So, there is no multicollinearity in the models (Table 3).

Table 3. Measurement of Validity and Reliability

Variables	Items	Outer Loading	AVE	CR	Cronbach α	VIF
Memorable Brand Experience	MBE1	0.922	0.827	0.900	0.896	1.524
	MBE2	0.917				
	MBE3	0.890				
Brand Attitude	BAT1	0.927	0.870	0.930	0.926	2.226
	BAT2	0.957				
	BAT3	0.918				
Brand Preference	BP1	0.867	0.818	0.889	0.888	2.211
	BP2	0.937				
	BP3	0.908				
Brand Loyalty	BLOY1	0.761	0.694	0.854	0.852	1.665
	BLOY2	0.828				
	BLOY3	0.866				
	BLOY4	0.872				

Source: Processed Data (2024)

In the initial stage, discriminant validity was evaluated using criteria from Fornell & Larcker (1981). Subsequently, the Heterotrait-Monotrait (HTMT) method was employed to determine the correlation ratio (Hair et al., 2022). The square root of the AVE for every construct exceeding the required intercorrelation conformity threshold is described in Table 4. The HTMT value is smaller than the cut-off value of 0.9, thus explaining the validity of the discriminant.

Table 4. Discriminant validity of HTMT

Variables	MBE	BAT	BP	BLOY
MBE	0.862			
BAT	0.641	0.897		
BP	0.651	0.783	0.838	
BLOY	0.512	0.653	0.833	0.782

Source: Processed Data (2024)

4.1.3 Analysis of Structural Model

Table 5 describes the R^2 value for brand preference (BP) as 0.548, and the R^2 of brand loyalty (BLoy) is 0.548. These results show that the independent variables (memorable brand experience and brand attitude) can explain 54.8% of brand preference variance and 54.8% of brand loyalty variance. These results show a relatively robust and predictively relevant model.

Table 5. Results of Coefficient Determinant

Dependent Variables	R^2	Adjusted R^2
Brand Preference (BP)	0.548	0.535
Brand Loyalty (BLoy)	0.548	0.538

Source: Processed Data (2024)

Table 6 describes the chi-square (χ^2) value = 339.675 and the significance at the level ($p = 0.00$). SRMR (residual squared standard mean) is a guideline for model conformity requirements from the study model. Based on the agreed provisions, a model study will have a model that meets the reasonable requirements if the SRMR value is less than 0.08. Table 5 explains the SRMR value = 0.084 and the Normed fit index (NFI) = 0.742, meaning the study model met the data analysis requirements.

Table 6. Summary of Goodness of Fit

Goodness of fit	Mod. Estimated
SRMR	0.084
d-ULS	0.638
d-G	0.645
Chi-square (χ^2)	339.675
NFI	0.742

Source: Processed Data (2024)

The output of the structural model analysis under study is described in Table 7. The memorable brand experiences increase brand preference significantly (β : 0.252, t : 2.676, p : 0.007) and support H1. Attitude to the brand substantially increased brand preference (β : 0.563, t : 6.013, p : 0.000) and supported H2. A memorable brand experience cannot increase brand loyalty significantly (β : 0.009, t : 0.099, p : 0.921) and reject H3. The attitude to the brand was not able to increase brand loyalty significantly (β : 0.136, t : 0.839, p : 0.401) and rejected H4. Then, brand preference can substantially increase brand loyalty (β : 0.632, t : 6.238, p : 0.000) and support H5.

Table 7. Result of the hypothesis assessment

Hyp. path	Stand.	t-value	p-value	Decision
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		Beta (β)			
H1	MBE $\rightarrow$ BP	0.252	2.676	0.007	Supported
H2	BAT $\rightarrow$ BP	0.563	6.013	0.000	Supported
H3	MBE $\rightarrow$ BLOY	0.009	0.099	0.921	Rejected
H4	BAT $\rightarrow$ BLOY	0.136	0.839	0.401	Rejected
H5	BP $\rightarrow$ BLOY	0.632	6.238	0.000	Supported

Table 8 shows that a memorable brand experience can increase brand loyalty through partial brand preference mediation (β : 0.159, t : 2.458, p : 0.014) and supports H6. Then, attitudes to brands could increase brand loyalty through partial mediation of brand preferences (β : 0.356, t : 3.862, p : 0.000) and support H7.

Table 8. Analysis of the Mediation Model

Hypothesis	Stand. Beta (β)	t-value	p-value	Decision
H6 MBE $\rightarrow$ BP $\rightarrow$ BLOY	0.159	2.458	0.014	Supported
H7 BAT $\rightarrow$ BP $\rightarrow$ BLOY	0.356	3.862	0.000	Supported

Source: Processed Data (2024)

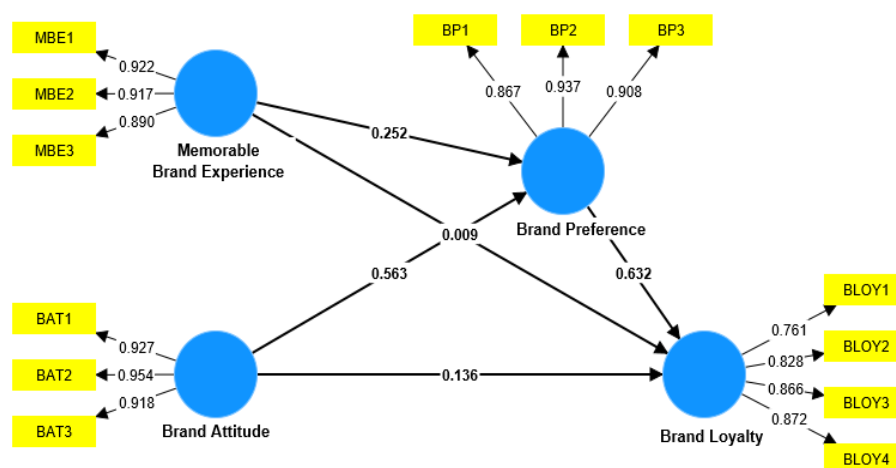


Figure. 2 Structural Model Measurement
Source: Processed Data (2024)

4.2 Discussion

The study seeks to uncover the effects of memorable brand experiences and attitudes on brand loyalty and to find the role of brand preferences in mediating memorable brand experiences and brand attitudes toward brand loyalty. The study has seven hypotheses. Five hypotheses (H1, H2, H5, H6, and H7) have evidence, while two (H3 and H4) have no evidence. The H1 to H5 hypotheses relate to direct influences, while the H6 and H7 hypotheses relate to indirect influences.

The study's results revealed a direct impact of memorable brand experiences on brand preference (β : 0.252, t : 2.676, and p : 0.007), so H1 can be confirmed. The results have bolstered and followed the study of Hwang & Lee (2018); Kim & Sullivan (2019); Nawaz et al., (2020); Yasri et al., (2020); Dwivedi et al., (2021); Ahmadi & Ataei (2024); Feng et al., (2024), who describe memorable brand experiences as having a pivotal role in shaping and solidifying brand preferences among consumers. An outstanding brand that revels in coffee attracts millennials' hobbies and loyalty. The memorable experience at a coffee shop is not only about the coffee's excellence; it includes the

environment, customer service, and brand engagement with the community. Millennials search for coffee shops that offer cozy and pleasant surroundings where they can loosen up, paint, or meet up with friends. Coffee shops that efficaciously entice millennials often spotlight values of sustainability, social justice, and involvement within the local network. Millennials generally search for coffee shops that offer a comfortable and pleasant environment to loosen up, work, or hang up with friends. Coffee shops serving this combination will have a great chance of becoming a favorite in the eyes of millennials, who are increasingly connected to their values and experiences.

Attitude to the brand directly influences brand preference prominently and positively (β : 0.563, t : 6.013, and p : 0.000), so H2 can be confirmed. The results have bolstered and followed the study of Nayeem et al., (2019); Boubker & Douayri (2020); Šerić et al., (2020); Belanche et al., (2021); Xi et al., (2022); Liu & Wang (2023); Feng et al., (2024), who describe brand attitude as a significant predictor of brand preferences and attitudes closer to brands influence millennials' choice of coffee shops. Millennials have a unique mindset that is closer to manufacturers' and generally search for coffee shops that replicate their values, lifestyle, and identity. Coffee shop brands considered authentic, transparent, and committed to values that matter to millennials, such as environmental sustainability and social justice, tend to get high preferences. Millennials are also often looking for coffee shops offering unique experiences. The millennial attitude towards coffee shop brands reflects not only a preference for the taste of the coffee served but also brand values, customer experience, and brand interaction with online and offline communities.

The memorable brand experiences did not directly affect brand loyalty significantly (β : 0.009, t : 0.099, and p : 0.921), so H3 could not be confirmed. The results are contrary to the study of Hwang & Lee (2018); Kim & Thapa (2018); Ong et al., (2018); Iglesias et al., (2019); Cuong (2020); Pina & Dias (2020); Stein & Ramaseshan (2020); Na et al., (2023) who describe that memorable brand experiences can spur brand loyalty. Millennials, with high access to information and exposure to diverse brands, tend to be more critical and selective consumers. Millennials pay attention to pleasant, memorable brand experiences and consider other aspects like values, sustainability, and consistency in meeting consumer expectations. Sometimes, an unforgettable brand experience may only have a brief and unsustainable impact on millennials' brand loyalty. Although millennials may initially feel happy with the experience, they can easily switch to another coffee shop offering better value if a coffee shop cannot maintain product quality. Coffee shops must continuously strive to serve high-quality products, provide good customer service, and consistently meet millennials' expectations to maintain millennials' loyalty.

Brand attitudes do not significantly affect brand loyalty (β : 0.136, t : 0.839, and p : 0.401), so H4 cannot be confirmed. The results are contrary to the study of Song et al., (2019); Trang et al., (2019); Boubker & Douayri (2020); McLean et al., (2020); Smith (2020); Foroudi et al., (2021); Medina-Molina et al., (2021); Troiville (2024), which describes that increasing customer loyalty to brands as part of business outcomes is associated with positive customer attitudes towards brands or products. Millennials, regarded for their critical and brand-skeptical attitudes, are frequently unfazed with the aid of traditional advertising techniques or brand photographs. Millennials seek more profound prices and proper experiences from the manufacturers they support. Although millennials may have a positive attitude towards a coffee shop, such as liking the vision or values that the coffee shop upholds, this does not necessarily mean that millennials will remain loyal. Millennials are more likely to constantly evaluate coffee shops based on the experience they have had, coffee shop consistency, and the relevance of the product or service to their needs and lifestyles. Millennials tend to trust personal reviews or experiences from people within their social networks more than brand marketing claims.

Brand preference influences brand loyalty significantly (β : 0.632, t : 6.238, and p : 0.000), so H5 can be confirmed. The results have bolstered and followed the study of Wroblewski & Mokrysz (2018); Kronrod & Huber (2019); Boubker & Douayri (2020); Cuong (2020); Yasri et al., (2020); Cardoso et al., (2022); Na et al., (2023); Nyamekye et al., (2023), who describe that a strong brand preference often serves as a precursor to brand loyalty, as consumers consistently prefer a brand. In an era where coffee shops are becoming more than just places to get caffeine, brand preference and brand loyalty among millennials are often inextricably linked. Millennials frequently look for coffee shops that offer high-quality coffee and satisfying experiences. The brand's fit often drives millennials' preference for coffee

shops to their values and lifestyle. Consistent and positive experiences at coffee shops also contribute to millennial brand loyalty. Millennials who find a coffee shop they like, whether because of the product's quality, the friendly service, or the cozy atmosphere, are interested in returning and even recommend the coffee shop to others.

The results revealed that memorable brand experiences indirectly affect brand loyalty via brand preference (β : 0.159, t : 2.458, and p : 0.014), so H6 can be confirmed. The results have bolstered and followed the study of Stein & Ramaseshan (2020); Tyrväinen et al., (2020); Ruiz & Cruz (2023); Wang et al., (2024); Zha et al., (2024) which describe that brand preferences, cultivated through memorable brand experiences, and have an imperative role in the evolution of brand loyalty. Millennials tend to be consumers who connect with coffee shops that offer experiences that are unique, meaningful, and consistent with their values. Millennials who have had a positive experience with a coffee shop, whether through friendly customer service, good product quality, or engaging social media interactions, trigger strong brand preferences. Brand preferences driven by positive brand experiences often have long-term consequences in the form of brand loyalty. Coffee shops can build strong and sustainable relationships with millennials who are increasingly aware of the brand and the values they uphold by understanding the benefit of a positive, memorable brand experience in shaping brand preferences.

The study's results describe how brand attitudes indirectly affect loyalty via preferences (β : 0.356, t : 3.862, and p : 0.000), so H7 can be confirmed. The results have bolstered and followed the study of Ong et al., (2018); Nayeem et al., (2019); Song et al., (2019); Vredenburg et al., (2020); Hwang et al., (2021); Feng et al., (2024); Khan & DePaoli (2024) describe that attitudes, preferences, and brand loyalty are developed based on permanent memories related to experiences with brands. Millennials often have a critical and selective attitude toward coffee shops. The millennials are not only concerned about the aspects of the product offered by a coffee shop but also consider the coffee shop's values, image, and reputation in the eyes of the public. Brand preferences mediate the millennials' positive attitude toward loyalty to the coffee shop. Millennials who strongly prefer a brand tend to be loyal customers who return to buy or use products from coffee shops. Brand preferences act as mediators between brand attitudes and brand loyalty. Coffee shops can build strong relationships with millennials and increase brand loyalty through consistency, transparency, and conformity with this generation's values by understanding the importance of attitudes toward brands in shaping brand preferences.

The study reveals the function of brand preferences in strengthening memorable brand experiences and brand attitudes with millennial brand loyalty, highlighting numerous crucial components related to the connection dynamics between millennial customers and brands inside coffee shops. The study results show that memorable brand experiences and attitudes toward brands play a prominent role in shaping brand preferences. Brand preference has a favorable effect on brand loyalty. Brand preferences are crucial in configuring the connection between memorable brand experiences, attitudes, and loyalty.

5. Conclusion

5.1. Conclusion

This research makes a significant theoretical contribution to brand management and consumer behavior by affirming the role of brand preferences as an important mediation mechanism in bridging the relationship between memorable brand experience, attitude towards brand, and brand loyalty. Unlike conventional approaches that position brand preferences as the result of experiences or attitudes, this study conceptualizes brand preferences as active drivers that reinforce consumers' cognitive-affective linkages to long-term loyalty. The results show that brand experience and attitude towards brands do not necessarily result in loyalty without strong brand preferences. These preferences act as a meaning filter that reflects the value match between the consumer and the brand, thus reinforcing the decision to stick to a particular brand. These findings expand the scope of the model of brand loyalty formation that has been limited to analyzing the direct relationship between variables and emphasize the importance of understanding complex psychological pathways in the consumer decision-making process. In addition, the research focuses on the context of developing countries, namely Indonesia, and provides a contextual contribution to cross-cultural literature. The study underscores the importance of

a local culture-based approach in understanding the dynamics of preferences and loyalty, which often differ in values, norms, and expectations compared to consumers in developed countries. Therefore, the theoretical implications of this study not only enrich the conceptual framework but also challenge the assumption of universality in the brand loyalty model.

From a practical perspective, the findings of this study provide strategic direction for coffee shop owners and managers in developing brand engagement strategies that are more relevant to the characteristics of millennial consumers. The results show that building customer loyalty is not enough to deliver a pleasant experience or build a positive brand image; instead, it must collaborate with creating brand preferences rooted in emotional attachment and value alignment. Coffee shops looking to reach millennial consumers must focus on creating authentic, consistent, and socially meaningful brand experiences. Meaningful brand experiences include aesthetic aspects of the place, the quality of service, and engagement in social and environmental issues that resonate with the values of the millennial generation. Brand storytelling strategies that build personal and community closeness can effectively trigger sustainable brand preferences. Furthermore, using digital technology to personalize experiences, such as loyalty apps based on preference data, can strengthen the emotional connection between consumers and brands. Digital word-of-mouth strategies through micro-influencers, user-generated content, and online communities are crucial in expanding the reach of preference-based loyalty due to the characteristics of millennials, who tend to trust fellow consumer reviews more than traditional advertising.

5.2. Limitation

Although this research makes significant theoretical and practical contributions, some limitations must be noted. First, the geographical scope of this study is limited to the city of Palembang, Indonesia. This specific local context can limit the generalization of findings to other regions in Indonesia and other developing countries with different cultural, economic, and behavioral dynamics. Therefore, it is necessary to replicate this study in other locations to test the external validity of the proposed conceptual model. Second, the sample size in this study is relatively small and based on purposive sampling, which, although by the initial exploration objectives, still has limitations in the representativeness of the millennial population as a whole. Using cross-sectional designs also does not allow for analyzing brand preferences or loyalty changes over time.

5.3. Suggestion

As a future research agenda, it is recommended that longitudinal studies be conducted to observe the long-term dynamics of brand preferences and consumer loyalty, particularly in the context of changes in digital marketing strategies or external events. In addition, follow-up studies can expand the model framework by including new variables such as brand sustainability value, digital engagement, and the power of online communities as mediators or moderators of the relationship between brand attitudes and loyalty. Finally, a mixed-method approach is also recommended to explore the qualitative dimensions of brand experience and consumer emotional preferences that may not be fully affordable through a quantitative survey approach. This approach will enrich theoretical understanding and offer deeper insights for strategic decision-making in brand management in the digital age.

Acknowledgment

This research has no financial or non-financial support

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