



**THE IMPACT OF UNDERGRADUATE STUDENTS' PERCEIVED
VALUE ON STARBUCKS' BRAND LOYALTY: A CASE STUDY
OF HANGZHOU, CHINA**

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**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
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This Independent Study Has Been Approved as a Partial Fulfillment of the
Requirements for the Degree of Master of Business Administration

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ABSTRACT

The growing significance of brand loyalty in the competitive landscape of chain coffee brands, coupled with the increasing purchasing power of undergraduate students as a key consumer group, has underscored the role of perceived value in shaping their brand choices. This study examined the impact of undergraduate students' perceived value, encompassing functional value, emotional value, social value, and experiential value, on brand loyalty to Starbucks, with a focus on undergraduate students in Hangzhou, China. A quantitative approach was adopted, and online questionnaires were distributed to collect data from 400 undergraduates across five public universities in Hangzhou, China. Descriptive statistics and correlation analysis were employed to analyze the data. Results revealed significant positive correlations between all dimensions of perceived value and Starbucks' brand loyalty, with experiential value showing the strongest correlation. These findings highlighted the critical role of comprehensive perceived value in fostering students' brand loyalty. To enhance brand loyalty in this group, Starbucks should strengthen functional value by maintaining product quality consistency, optimizing service efficiency, and ensuring reasonable pricing. It should deepen emotional value through personalized services and effective dissemination of brand stories to strengthen emotional resonance. Efforts to reinforce social value should involve emphasizing its role as a social gathering space and engaging in public welfare activities to align with peer norms. Additionally, upgrading experiential value by refining store ambiance and designing interactive activities can further boost repeated engagement. These strategies provide practical implications for Starbucks to optimize its value communication strategies targeting undergraduate students, while also contributing to the understanding of brand loyalty formation mechanisms among young consumer groups.

Keywords: undergraduate students, perceived value, brand loyalty, Hangzhou, Starbucks

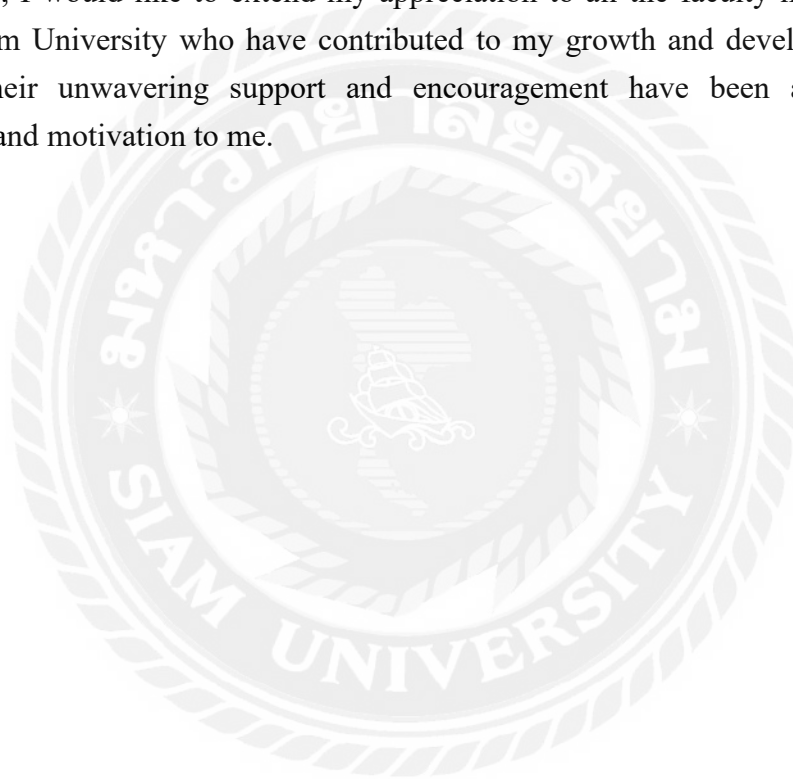
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YU SHUAI



DECLARATION

I, Yu Shuai, hereby declare that this Independent Study entitled “The Impact of Undergraduate Students' Perceived Value on Starbucks' Brand Loyalty: A Case Study of Hangzhou, China” is an original work and has never been submitted to any academic institution for a degree.

(YU SHUAI)
MAR 1, 2025



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Chapter 1 Introduction

1.1 Research Background

The rapid expansion of Starbucks in China has solidified its position as a leading brand in the specialty coffee market, with Hangzhou emerging as a pivotal market due to its vibrant youth culture and robust consumption power. As a core consumer group, undergraduate students in Hangzhou have increasingly become a focus for Starbucks, given their growing purchasing power, frequent consumption habits, and significant influence on peer consumption trends. Their interactions with the brand, ranging from daily purchases to social gatherings, play a crucial role in shaping the brand's market performance in the region. In an era of intensified competition within the coffee retail sector, brand loyalty has become a critical determinant of a brand's sustainable growth. Baloglu and Erdem (2023) emphasized that brand loyalty reduces customer acquisition costs and ensures revenue stability, making it indispensable for enterprises aiming to maintain a competitive edge. For Starbucks, fostering strong brand loyalty among undergraduate students is particularly vital, as this group not only contributes to immediate sales but also holds long-term potential as future consumers. Perceived value, as a key antecedent of brand loyalty, has garnered increasing attention in academic and practical circles. Sánchez-Fernández et al. (2021) highlighted that perceived value is a multidimensional construct, encompassing functional, emotional, social, and experiential dimensions, which collectively shape consumers' evaluations of a brand. However, Wang and Li (2020) noted that existing research on perceived value and brand loyalty has often overlooked the unique consumption patterns and cultural contexts of Chinese undergraduate students, leading to a gap in understanding how specific value dimensions operate in this demographic. Against this backdrop, exploring how undergraduate students in Hangzhou perceive the value of Starbucks across functional, emotional, social, and experiential dimensions, and how these perceptions influence their brand loyalty, becomes imperative. Such an investigation not only responds to the need for context-specific research on young consumers but also provides insights to support Starbucks' strategic decisions in catering to this influential group, ultimately enhancing its market position in Hangzhou and beyond.

1.2 Research Questions

The strategic expansion of Starbucks across China, notably within key cities like Hangzhou, has intensified academic and managerial interest in understanding its core customer segments. Undergraduate students represent a vital consumer base for the

brand within this market, making their specific consumption patterns and engagement with the Starbucks brand a critical area for investigation. Perceived value stands as a fundamental antecedent shaping consumer brand loyalty, a relationship of particular consequence within the competitive food and beverage retail sector. Consequently, examining the precise influence of undergraduate students' perceived value dimensions functional, emotional, social, and experiential on their loyalty towards Starbucks in the Hangzhou context has become an essential research priority. This study specifically aims to investigate this causal link, analyzing the distinct contributions of each perceived value facet to the development of Starbucks brand loyalty among university undergraduates in Hangzhou, China, thereby revealing the underlying mechanisms through which these dimensions operate. Based on these objectives, this study raises the following four research questions:

1. How does the functional value perceived by undergraduate students affect Starbucks' brand loyalty?
2. How does the emotional value perceived by undergraduate students affect Starbucks' brand loyalty?
3. How does the social value perceived by undergraduate students affect Starbucks' brand loyalty?
4. How does the experiential value perceived by undergraduate students affect Starbucks' brand loyalty?

1.3 Research Objectives

With the increasing competition in the consumer market, particularly in the coffee retail sector, the brand loyalty of undergraduate students, as a key consumer group for brands like Starbucks, has attracted growing attention due to its significant impact on the sustainable development of enterprises. The objective of this study is to explore the influence of undergraduate students' perceived value on Starbucks' brand loyalty, with a case study of Hangzhou, China, analyzing how functional value, emotional value, social value, and experiential value affect undergraduate students' loyalty to the Starbucks brand. Through this research, new insights and empirical support are provided for a deeper understanding of the role of perceived value in shaping undergraduate students' brand loyalty to Starbucks and for relevant marketing practices aimed at enhancing such loyalty among this group. Based on the above research questions, the following four research objectives are proposed:

Objective 1: To examine the relationship between the functional value perceived by undergraduate students and Starbucks' brand loyalty.

Objective 2: To examine the relationship between the emotional value perceived by undergraduate students and Starbucks' brand loyalty.

Objective 3: To examine the relationship between the social value perceived by undergraduate students and Starbucks' brand loyalty.

Objective 4: To examine the relationship between the experiential value perceived by undergraduate students and Starbucks' brand loyalty.

1.4 Research Scope

The research scope specifically targeted undergraduate students from five public universities across Hangzhou, China. The study focused exclusively on this defined population within the geographical confines of the city. Data collection was conducted with these undergraduate students to investigate the relationships between perceived value dimensions and brand loyalty. The dimensions of undergraduate students' perceived value included Functional Value, Emotional Value, Social Value, and Experiential Value. Brand loyalty was the dependent variable.

1.5 Research Significance

Theoretical Significance

This investigation significantly advances the current body of knowledge concerning perceived value and its relationship with brand loyalty by deliberately concentrating on a distinct demographic segment: undergraduate students within the specific urban context of Hangzhou, China. The study rigorously examines the interplay of four critical dimensions of perceived value assessing their collective influence on the development and sustenance of brand loyalty towards Starbucks within this localized market setting. Focusing on this young, educated consumer group in a major Chinese city renowned for its dynamic economy and dense concentration of universities offers a valuable perspective often underrepresented in broader consumer behaviour research. By integrating these four dimensions and empirically testing their combined effect within this specific cultural and demographic environment, the research provides substantial contributions to cross-cultural consumer behaviour theory. It furnishes robust empirical evidence that helps validate the generalizability of established perceived value frameworks,

particularly the multifaceted structure employed here, in explaining brand loyalty formation across diverse cultural contexts. The findings specifically illuminate how these value dimensions operate synergistically among Chinese undergraduates, thereby enriching theoretical understanding and offering practical insights for international brands like Starbucks seeking to cultivate enduring loyalty within similar, strategically important young consumer segments in China and comparable markets.

Practical Significance

This research delivers concrete value for Starbucks management and the broader food and beverage industry by pinpointing the specific dimensions of perceived value that drive brand loyalty among a critical demographic – university undergraduates in Hangzhou. Understanding whether functional aspects like price and convenience, emotional connections, social recognition, or unique in-store experiences most strongly influence student allegiance allows Starbucks to make targeted, efficient investments. Management can strategically refine marketing communications, optimize store environments, adjust product offerings, and design loyalty programs that resonate powerfully with this segment's dominant value drivers. This focused approach enhances customer retention and maximizes return on marketing expenditure within Hangzhou's competitive and student-dense market. Beyond Starbucks, the findings offer a valuable framework for other consumer brands targeting young, educated Chinese consumers. The study demonstrates how empirically identifying and prioritizing key perceived value components enables businesses to cultivate deeper, more sustainable brand loyalty. This insight supports the development of more effective customer relationship strategies in a market where youthful consumers significantly influence trends and spending power.

1.6 Key Terms Definition

Undergraduate Students' Perceived Value refers to the overall assessment by college students of the net benefit of a product or service, formed by comparing perceived gains (functional, emotional, social, experiential) with incurred costs. Investigating this value holds significance as it uncovers how this specific demographic's unique consumption needs and experiences shape their evaluations, offering insights into tailoring strategies for young consumer groups.

Functional Value refers to the utilitarian benefits from a product or service, linked to practicality, quality, and price. Exploring it is meaningful because it reveals the foundational role of tangible benefits in driving students' purchasing decisions,

helping brands optimize product quality and pricing to align with budget constraints and daily needs.

Emotional Value refers to affective benefits and positive emotional experiences from brand engagement, including pleasure, comfort, and emotional resonance. Studying it is important as it highlights how enduring emotional bonds strengthen brand attachment, guiding brands to foster deeper emotional connections that transcend transactional interactions.

Social Value refers to perceived benefits from a brand's social implications, such as enhanced social connections and group belonging. Researching it matters because it uncovers how brands facilitate social integration among undergraduates, aiding in positioning brands to align with peer norms and enhance social recognition.

Experiential Value refers to subjective worth from direct brand engagement, encompassing sensory, emotional, and interactive elements of consumption. Examining it is valuable as it demonstrates how memorable in-store experiences cultivate attachment, informing brands on designing immersive environments and interactions to boost repeat engagement.

Brand Loyalty refers to consistent commitment to repurchase a brand, with positive attitudes resisting competitors. Investigating it is crucial as it clarifies how perceived value dimensions collectively shape long-term loyalty, providing a framework for brands to sustain market performance and reduce customer acquisition costs.

Chapter 2 Literature Review

2.1 Introduction

With the continuous expansion of Starbucks' market presence in China and the growing significance of undergraduate students as a core consumer group, especially in cities like Hangzhou, understanding the dynamics of brand loyalty among this demographic has become increasingly crucial for sustainable business growth. This study focuses on the perspective of perceived value to systematically examine the influence mechanism of undergraduate students' perceived value on Starbucks' brand loyalty. The research positions undergraduate students' perceived value as the independent variable, encompassing four core dimensions: functional value, emotional value, social value, and experiential value, while setting brand loyalty to Starbucks as the dependent variable. Through an in-depth exploration of how these perceived value dimensions operate within the context of Starbucks' brand interactions, this research aims to reveal how perceived value effectively shapes undergraduate students' brand loyalty, thereby providing theoretical foundations and practical insights for enterprises in brand management and marketing strategies targeting young consumer groups.

2.2 Concepts

2.2.1 Undergraduate Students' Perceived Value

Undergraduate students' perceived value refers to the overall assessment made by college students regarding the net benefit of a product or service, which is formed through comparing the perceived gains (encompassing functional, emotional, social, and experiential dimensions) with the costs they incur. This subjective evaluation is shaped by their unique consumption needs, preferences, and experiences as a specific demographic. Chen and Chen (2021) noted that perceived value among young consumers, including undergraduates, is a dynamic construct that reflects their judgment of whether a product or service meets or exceeds their expectations, with direct implications for their subsequent behavioral intentions. Hsu et al. (2022) further elaborated that for undergraduate students, functional value relates to practical benefits like quality and price; emotional value involves feelings of pleasure or comfort; social value is tied to gaining social recognition or fitting into peer groups; and experiential value stems from the enjoyment derived from the consumption process itself. These dimensions collectively contribute to their holistic perception of value. Wang and Li (2020) added that in the Chinese context, undergraduate students'

perceived value also incorporates cultural factors, making it a context-specific evaluation that significantly influences their loyalty to brands such as Starbucks.

2.2.2 Functional Value

Functional Value refers to the utilitarian benefits that consumers perceive from a product or service, primarily associated with its practicality, quality, and price. For undergraduate students, this dimension often reflects their focus on tangible aspects that meet their daily needs and budget constraints. Hsu et al. (2018) highlighted that functional value is a critical factor in students' purchasing decisions, particularly in contexts where cost-effectiveness and reliability are prioritized. Similarly, Wang and Li (2020) noted that within the coffee consumption context, functional value encompasses elements such as product quality, consistency, and affordability, which directly influence students' perceptions of a brand's utility. Shakoor et al. (2022) further emphasized that for Chinese undergraduate students, functional value extends beyond basic functionality to include convenience and accessibility, especially in urban environments like Hangzhou where time efficiency is highly valued. Collectively, these studies underscore the importance of functional value as a foundational component of perceived value, shaping students' evaluations and subsequent loyalty to brands like Starbucks.

2.2.3 Emotional Value

Emotional Value refers to the affective benefits and positive emotional experiences that consumers gain from their engagement with a brand, encompassing feelings of pleasure, comfort, attachment, and emotional resonance. Hwang and Lyu (2018) highlighted that emotional value emerges from the emotional connection formed between consumers and a brand, which can be shaped by elements like brand personality, service interactions, or personal associations, and plays a crucial role in strengthening consumers' positive dispositions. Wang and Li (2020) further elaborated that emotional value extends beyond momentary positive emotions to include the development of enduring emotional bonds, where consumers perceive the brand as a source of emotional support or a reflection of their inner selves. Additionally, Chen and Hung (2021) noted that in retail settings such as coffee chains, emotional value involves mitigating negative emotions like stress or dissatisfaction, thereby enhancing consumers' overall brand experience and their tendency to sustain loyalty.

2.2.4 Social Value

Social Value refers to the perceived benefits consumers derive from the social implications of engaging with a brand, including enhanced social connections, group belonging, and positive recognition from others within their social circles. Smith et al. (2019) noted that social value is rooted in the brand's ability to facilitate social interactions and reinforce one's position within a social group, as consumers often use brands to signal shared values or identities to peers. For undergraduate students, this may involve the perception that choosing Starbucks aligns them with a desirable social image, strengthening their integration into peer networks. Chen & Lee (2020) further explained that social value encompasses the symbolic meaning a brand holds in social contexts, such as conveying a sense of sophistication or belonging to a specific social group, which is particularly influential among young consumers seeking social approval. Wang & Zhang (2022) added that in the context of coffee consumption, undergraduate students often associate social value with the brand's role in enabling social gatherings and reflecting membership in mainstream youth culture, thereby fostering a sense of inclusion that contributes to long-term brand loyalty.

2.2.5 Experiential Value

Experiential Value refers to the subjective worth that consumers perceive through their direct engagement with a brand's products, services, or environments, encompassing sensory, emotional, and interactive elements derived from the consumption process. Schmitt (2018) emphasized that experiential value arises from the dynamic interaction between consumers and brands, involving not only functional interactions but also the stimulation of senses, emotions, and cognitive involvement during the experience. Brakus et al. (2020) further elaborated that it includes the depth of immersion, memorable moments, and personal connections formed when individuals participate in brand-related activities, which go beyond mere utilitarian benefits. In the context of China's consumer market, Chen and Wang (2022) noted that experiential value in food and beverage settings, such as Starbucks, is shaped by factors like store ambiance, staff interaction quality, and the uniqueness of the overall consumption experience, all of which collectively influence consumers' psychological attachment and willingness to repeat engagement.

2.2.6 Brand Loyalty

Brand Loyalty refers to a consumers' consistent and sustained commitment to repeatedly purchase a specific brand's products or services, accompanied by a

positive attitude that resists switching to competitors, even when faced with alternative options or external influences. This concept encompasses both behavioral aspects, such as repeated purchases and increased consumption frequency, and attitudinal dimensions, including emotional attachment, positive word-of-mouth, and a strong preference for the brand over others. Wang and Tsai (2019) emphasized that brand loyalty is not merely a behavioral pattern but a deep-seated psychological inclination, where consumers develop a long-term bond with the brand, driven by accumulated positive experiences and perceived value. Baloglu and Erdem (2023) further noted that in competitive markets, brand loyalty serves as a critical indicator of a brand's market performance, as it reduces customer acquisition costs and enhances revenue stability through sustained patronage. Additionally, Alnawas and Altarifi (2019) highlighted that brand loyalty is reinforced by trust and satisfaction, with loyal consumers often acting as brand advocates, actively recommending the brand to others, thereby extending its market reach and strengthening its competitive position.

2.3 Perceived Value Theory

Perceived Value Theory is central to understanding consumer decision-making and loyalty formation, particularly within service industries like specialty coffee. This theory posits that consumers evaluate brands based on a multifaceted assessment of perceived benefits relative to perceived sacrifices. Sánchez-Fernández et al. (2021) emphasized that this perceived value is inherently multidimensional, encompassing functional aspects like price and quality, emotional benefits derived from feelings, social value related to self-image and group affiliation, and experiential value tied to sensory stimulation and enjoyment. In the context of Starbucks targeting undergraduates in Hangzhou, these dimensions collectively shape the overall perceived worth of the brand experience. Alnawas and Altarifi (2019) further demonstrated that experiential value, a critical dimension in hedonic service settings, significantly influences attitudinal loyalty and subsequent behavioral intentions like repurchase and advocacy. Thus, the theoretical framework suggests that the undergraduate students' aggregated perception across these value dimensions directly drives their commitment and loyalty to the Starbucks brand in this specific market context.

2.4 Brand Relationship Theory

Fournier's (2020) seminal work on consumer-brand relationships provides a rich theoretical lens for understanding the role of emotional value in driving deep brand

loyalty. This theory conceptualizes brands as active relationship partners, with consumers forming meaningful, multifaceted bonds analogous to human relationships. The emotional value dimension—feeling happy, relaxed, a sense of belonging, or trust towards Starbucks—represents the affective quality of this brand relationship. Strong emotional connections transform a transactional interaction into a valued relationship characterized by commitment, intimacy, and partner quality. Such relationships yield robust loyalty characterized by repeat patronage, resistance to competitors, and advocacy. Chaudhuri and Holbrook (2021) empirically linked brand effect directly and strongly to both purchase loyalty and attitudinal loyalty. For undergraduates, the emotional resonance derived from Starbucks experiences acts as a powerful relational glue, fostering loyalty that transcends functional utility or social signaling.

2.5 Relevant Research

Relevant research has extensively explored the intricate relationship between consumers' perceived value and brand loyalty, with a growing focus on dissecting the multifaceted dimensions of perceived value and their distinct impacts. Studies have consistently highlighted that perceived value, as a core driver of consumer behavior, exerts significant influence on the formation and maintenance of brand loyalty across various industries, including the food and beverage sector. Kim and Park (2017) examined the role of perceived value dimensions in shaping brand loyalty within casual dining restaurants, emphasizing that functional value—encompassing factors like product quality, price fairness, and service efficiency—serves as a foundational element. Their findings indicated that when consumers perceive high functional value, they are more likely to develop consistent repurchase intentions, a key indicator of brand loyalty. Additionally, they noted that emotional value, derived from positive feelings and emotional connections with a brand, strengthens the bond between consumers and the brand, further reinforcing loyalty. Chaudhuri and Holbrook (2021) extended this line of inquiry by focusing on social value, particularly among younger consumer cohorts. Their research, conducted in urban Chinese contexts, revealed that social value—defined as the perceived benefits of brand association in enhancing social identity or facilitating social interactions—plays a pivotal role in driving brand loyalty among undergraduate students. They argued that for this demographic, brands that align with their social needs and group norms are more likely to be favored and recommended, thereby fostering long-term loyalty. Wu and Wang (2020) specifically investigated the impact of experiential value on brand loyalty in the specialty coffee market, using major international chains as case studies. Their analysis demonstrated that experiential value, encompassing elements such as store ambiance, sensory

experiences, and interactive services, significantly predicts brand loyalty. They found that memorable and positive in-store experiences not only increase immediate satisfaction but also cultivate a sense of attachment, leading to sustained patronage and resistance to switching to competitors.

2.6 Conceptual Framework

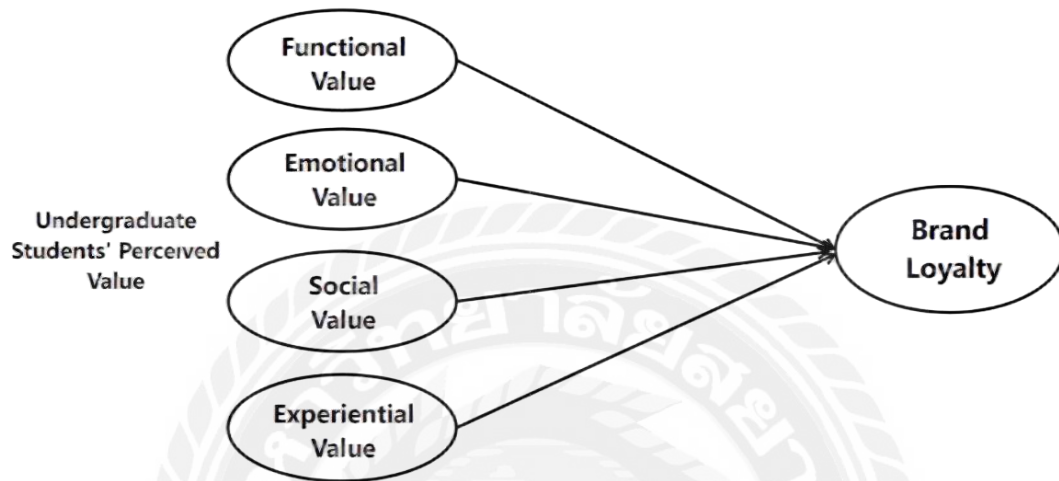


Figure 1 Conceptual Framework

Chapter 3 Research Methods

3.1 Research Design

This chapter outlines the research methodology employed to investigate the impact of undergraduate students' perceived value on Starbucks' brand loyalty in Hangzhou, China. A quantitative research design was adopted to systematically analyze the relationships between key variables, including the four dimensions of undergraduate students' perceived value (functional value, emotional value, social value, and experiential value) and brand loyalty. The study utilized a questionnaire as the primary data collection tool, distributed to a randomly selected sample of 400 undergraduate students from five public universities in Hangzhou. Data analysis involved descriptive statistics to summarize demographic profiles and variable distributions, reliability and validity tests (Cronbach's alpha, KMO, and Bartlett's test) to ensure measurement consistency, and Pearson correlation analysis to explore associations between the dimensions of undergraduate students' perceived value and brand loyalty. Statistical software SPSS 28.0 was used for processing.

3.2 Questionnaire Design

This study aimed to explore the impact of undergraduate students' perceived value on Starbucks' brand loyalty in Hangzhou, China. By analyzing the dimensions of perceived value, including functional value, emotional value, social value, and experiential value, this research reveals how these factors contribute to brand loyalty, providing a theoretical basis for optimizing Starbucks' brand strategies. A questionnaire was designed, incorporating 5-point Likert scales to measure variables including perceived value (functional value, emotional value, social value, experiential value) and brand loyalty.

Table 3. 1 Measurement Items

Variable	Measurement item	NO.
Functional Value	Starbucks coffee provides good value for money.	Q1
	The quality of Starbucks beverages meets my expectations.	Q2
	Starbucks offers convenient locations for students.	Q3
	The variety of menu options at Starbucks is satisfactory.	Q4
	Starbucks provides efficient service during visits.	Q5
Emotional Value	Visiting Starbucks makes me feel happy.	Q6
	I feel a sense of comfort when I am at Starbucks.	Q7
	Starbucks helps me relax during stressful times.	Q8
	I enjoy the atmosphere at Starbucks.	Q9
	Starbucks evokes positive emotions in me.	Q10
Social Value	Starbucks is a good place to socialize with friends.	Q11
	Being seen at Starbucks enhances my social image.	Q12
	I feel connected to others when I visit Starbucks.	Q13
	Starbucks is a popular meeting spot among my peers.	Q14
	Using Starbucks products makes me feel part of a community.	Q15
Experiential Value	The overall experience at Starbucks is enjoyable.	Q16
	I appreciate the ambiance and decor at Starbucks.	Q17
	Trying new drinks at Starbucks is exciting.	Q18

	The staff at Starbucks provide a pleasant experience.	Q19
	Starbucks offers unique experiences that I value.	Q20
Brand Loyalty	I intend to keep purchasing Starbucks products in the future.	Q21
	Starbucks would be my first choice when buying coffee.	Q22
	I would strongly recommend Starbucks to others.	Q23
	I consider myself a loyal customer of Starbucks.	Q24

3.3 Hypotheses

In this study, the independent variables are the dimensions of undergraduate students' perceived value, including: functional value, emotional value, social value, and experiential value. The dependent variable is brand loyalty. The model of this study is built on in-depth analysis of the relationships between these independent and dependent variables. These relationships are set through a series of hypotheses. Therefore, the following hypotheses are proposed:

H1: There is a significant positive correlation between the functional value perceived by undergraduate students and Starbucks' brand loyalty.

H2: There is a significant positive correlation between the emotional value perceived by undergraduate students and Starbucks' brand loyalty.

H3: There is a significant positive correlation between the social value perceived by undergraduate students and Starbucks' brand loyalty.

H4: There is a significant positive correlation between the experiential value perceived by undergraduate students and Starbucks' brand loyalty.

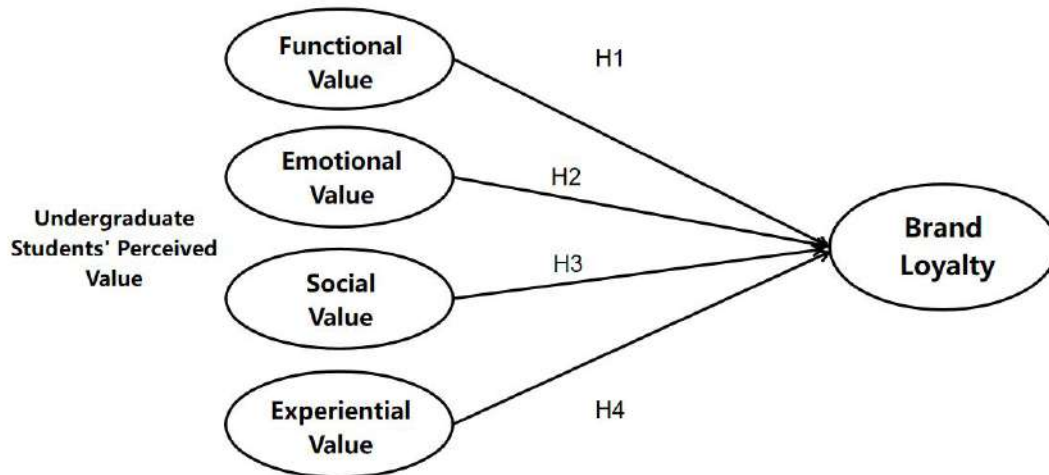


Figure 2 Hypotheses

3.4 Population and Sampling

To achieve the research objectives, this study adopted a questionnaire survey method for data collection. Given that the research subjects were undergraduate students in Hangzhou, this study used a random sampling method to determine the required sample size, ensuring the representativeness and accuracy of the research.

$$n = \frac{s^2 * p^2}{E^2}$$

The standard normal distribution is represented by n (sample size) and s (standard deviation). The confidence level is 95%, with the corresponding Z -value being 1.96. The sample standard deviation is denoted by p . The error margin (E) represents the maximum allowable difference between the sample mean and the population mean, set at 0.05. The calculated sample size was 383.78.

3.5 Data Collection

The survey questionnaire was distributed and collected via “Wenjuanxing” (an online survey platform). The collected data were categorized, analyzed, and the research hypotheses were validated. The survey period was from March 1, 2025 to April 1, 2025, with 400 valid questionnaires.

3.6 Data Analysis

3.6.1 Reliability

This research employed a questionnaire adapted from an established assessment instrument. Significant refinements were made to the tool prior to its application in this study, with thorough verification of item validity and reliability. In empirical research, conclusions regarding relationships between constructs depend fundamentally on high-quality data. The credibility and relevance of collected information directly determine the trustworthiness of findings derived from model fit analysis and hypothesis testing. Consequently, rigorous examination of data quality through reliability and validity assessments is essential before investigating variable relationships.

Reliability addresses the consistency and stability of measurement outcomes. It evaluates whether comparable results can be obtained when measuring identical phenomena or groups across different time periods or methodological approaches. Scale reliability manifests through stability, reproducibility, and internal cohesion. Every measurement contains both true values and error components; enhanced reliability corresponds to reduced error variance, yielding more stable results less susceptible to temporal or methodological fluctuations.

This study calculated Cronbach's alpha coefficient to assess internal consistency reliability. Higher alpha values for each latent construct indicated greater measurement reliability, signifying stronger internal validity for the overall scale. All values are within the range of 0.8–0.9, indicating good reliability, allowing for further validity analysis. Table 3.2: Reliability Test shows this in detail, confirming the excellent reliability of the questionnaire used in this study.

Table 3. 2 Reliability Test

Items	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted	Cronbach's Alpha
Q1	0.689	0.84	
Q2	0.699	0.837	
Q3	0.665	0.846	0.867
Q4	0.701	0.837	
Q5	0.698	0.838	
Q6	0.702	0.841	
Q7	0.671	0.849	
Q8	0.698	0.842	0.870
Q9	0.674	0.848	
Q10	0.731	0.834	
Q11	0.72	0.857	
Q12	0.719	0.857	
Q13	0.711	0.859	0.883
Q14	0.734	0.854	
Q15	0.708	0.86	
Q16	0.69	0.858	
Q17	0.682	0.86	
Q18	0.736	0.848	0.879
Q19	0.725	0.85	
Q20	0.725	0.85	
Q21	0.661	0.777	
Q22	0.667	0.774	
Q23	0.655	0.78	0.826
Q24	0.623	0.794	

3.6.2 Validity

The assessment of validity centers on determining how effectively a measurement aligns with established external benchmarks. Validity itself encompasses two primary forms: content validity and construct validity. Construct validity requires the establishment of both convergent and discriminant validity to be fully demonstrated. Content validity signifies that the measurement instrument comprehensively addresses all relevant facets of the concept it aims to capture. Demonstrating that the instrument incorporates key representative elements of the target concept confirms its content validity.

For this research, the measurement variables derived from a scale with strong prior validation. The researcher carefully adapted this scale to fit the specific context

of the investigation in Hangzhou. This adaptation involved modifying existing items and introducing new ones, followed by further refinement based on insights gained from a preliminary survey. Consequently, the instrument employed in this study possesses robust content validity.

To evaluate the suitability of the data for factor analysis, this study utilized two critical tests: the Kaiser-Meyer-Olkin (KMO) measure and Bartlett’s test of sphericity. The KMO value provides a key indicator of data adequacy for factor analysis. Interpretation standards are clear: a KMO above 0.9 signifies excellence, between 0.8 and 0.9 is good, 0.7 to 0.8 is acceptable, 0.6 to 0.7 is marginal, 0.5 to 0.6 is weak, and values below 0.5 are generally unsuitable. Bartlett’s test determines if the correlation matrix significantly differs from an identity matrix, implying sufficient inter-correlation among variables. A statistically significant Bartlett’s test result, typically indicated by a p-value below 0.05, confirms the presence of substantial correlations within the scale items, thereby justifying the application of factor analysis techniques.

Table 3. 3 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.978
	Approx. Chi-Square	7325.274
Bartlett's Test of Sphericity	df	276
	Sig.	0

Table 3.3: KMO and Bartlett Test shows that the KMO value for this study is 0.978, and Bartlett’s test indicates a significant correlation between indicators ($p = 0.000$), confirming that the data meet the conditions for factor analysis. Factor loadings greater than 0.5 indicate stronger convergent validity, and the greater the number of items with factor loadings greater than 0.5, the stronger the discriminant validity.

3.6.3 Descriptive Statistics and Correlation Analysis

Descriptive statistics serves as a statistical approach that categorizes, characterizes, and summarizes the fundamental features of sample data, transforming raw data into analyzable insights and statistical metrics. Key components of this analysis encompass data frequency, mean, standard deviation, and variance. In this study, relevant data from respondents was analyzed to establish a foundation for subsequent hypothesis testing.

This research also utilized correlation analysis, a prominent method for illustrating the strength and direction of relationships between multiple variables, with such relationships quantified through correlation coefficients. In existing literature, the Pearson coefficient (typically denoted as R) is frequently employed to indicate the nature of correlations between variables—whether positive or negative—while the magnitude of the R value reflects the strength of the relationship. Specifically, an R value below 0.3 signifies a weak correlation between two variables; an R value ranging from 0.3 to 0.7 indicates a moderate correlation; and an R value exceeding 0.7 points to a strong correlation. Potential factors contributing to these observed correlations include common linear issues or inadequacies in surface-level measurements.



Chapter 4 Research Findings

4.1 Introduction

A total of 400 valid questionnaires were collected in this study, with a response rate of 97.09%. Descriptive statistical analysis was conducted on the collected data, and Pearson correlation analysis was used to determine the relationships between variables. Finally, the research findings were derived through analysis.

4.2 Descriptive Statistics of Sample

The key demographic parameters included gender and grade as shown in Table 4.1.

Table 4. 1 Demographic Data

Basic Information	Count	Percentage
1. Gender		
Male	172	43.00
Female	228	57.00
2. Grade		
First grade	81	20.25
Second grade	139	34.75
Third grade	128	32.00
Fourth grade	52	13.00

Among the 400 respondents, gender distribution showed that 228 were female, representing 57.00% of the total, and 172 were male, comprising 43.00%. In terms of grade breakdown, the respondents were grouped into four categories: 81 were first grade students, accounting for 20.25%; 139 were second grade students, making up 34.75%; 128 were third grade students, constituting 32.00%; and 52 were fourth grade students, representing 13.00%. Second grade and third grade students formed the primary respondent groups, which reflects their higher level of participation in the survey.

4.3 Descriptive Statistics of Variables

Descriptive statistical analysis mainly involves screening, analyzing and summarizing the large amount of data obtained after the survey, and summarizing the central tendency and dispersion of these data. Using SPSS statistical software for

descriptive analysis can generate relevant descriptive statistical data. The central tendency of the analyzed data includes the mean and median, and the descriptive data deviation includes the maximum value, minimum value, variance and standard deviation. These descriptive statistical data comprehensively analyze the characteristics of the variables.

This study used a 5-level Likert scale questionnaire (agreement level) to collect the sample's attitude towards each measured variable. To interpret the data obtained, the following arbitrary scale was used.

Table 4. 2 Arbitrary Levels of Interpretation of Questionnaire Data

Arbitrary level	Account for
1.00 - 1.79	disagree
1.80 - 2.59	slightly disagree
2.60 - 3.39	neutral
3.40 - 4.19	agree slightly
4.20 - 5.00	agree

(Pimentel, 2010)

Table 4. 3 Descriptive Statistics of Variables

Items	N	Minimum	Maximum	Mean	Std. Deviation
Q1	400	1	5	3.22	1.306
Q2	400	1	5	3.26	1.394
Q3	400	1	5	3.3	1.332
Q4	400	1	5	3.24	1.325
Q5	400	1	5	3.3	1.38
Q6	400	1	5	3.17	1.434
Q7	400	1	5	3.24	1.367
Q8	400	1	5	3.1	1.352
Q9	400	1	5	3.31	1.382
Q10	400	1	5	3.21	1.375
Q11	400	1	5	3.37	1.442
Q12	400	1	5	3.29	1.419
Q13	400	1	5	3.3	1.302
Q14	400	1	5	3.33	1.386
Q15	400	1	5	3.37	1.396
Q16	400	1	5	3.21	1.354
Q17	400	1	5	3.2	1.379
Q18	400	1	5	3.35	1.342
Q19	400	1	5	3.35	1.379

Q20	400	1	5	3.16	1.379
Q21	400	1	5	3.21	1.386
Q22	400	1	5	3.31	1.396
Q23	400	1	5	3.24	1.395
Q24	400	1	5	3.37	1.388

As shown in Table 4.3, the scoring range for each item is from 1 to 5, representing the respondents' degree of agreement towards different dimensions of undergraduate students' perceived value (functional value, emotional value, social value, and experiential value) and brand loyalty to Starbucks. From Table 4.3, it can be seen that the mean values of all items (Q1 to Q20) are mostly around 3.2, indicating that the respondents' degree of agreement towards various dimensions of perceived value is at a moderately high level. The mean values show that most respondents' answers tend to be in the medium to higher range, reflecting that the overall evaluation of the respondents towards these aspects of perceived value is relatively positive, yet there remains room for further exploration. In terms of standard deviation, most are between 1.302 and 1.442, indicating that there are certain differences in the degree of agreement among respondents. Despite the overall average score being moderately high, different respondents do not hold completely consistent views on the various dimensions of perceived value, with some showing higher agreement and others relatively lower.

From the results of descriptive statistical analysis, it can be found that the respondents have relatively positive degrees of agreement towards the dimensions of perceived value, including functional value, emotional value, social value, and experiential value (Q1-Q20), with an overall moderately high level. However, the existence of standard deviation also reflects obvious individual differences in the degrees of agreement among different respondents.

For brand loyalty (Q21-Q24), the mean values are between 3.21 and 3.37, close to the level of "neutral" or "slightly agree". This indicates that most respondents have a moderately positive evaluation of brand loyalty towards Starbucks, reflecting a certain degree of recognition. The standard deviations are between 1.386 and 1.396, showing differences in the evaluations of different respondents regarding brand loyalty. Although the overall evaluation is at a moderately high level, some respondents still gave lower or higher evaluation. From the analysis of these four items related to brand loyalty, the respondents' evaluation of brand loyalty to Starbucks is generally at a medium to moderately high level, with certain individual differences. Most respondents' self-evaluation falls within the "neutral" or "slightly agree" range, indicating a relatively balanced perception of brand loyalty towards Starbucks, neither pessimistic nor overly optimistic.

From the overall analysis, undergraduates' perceived value and brand loyalty to Starbucks are at a moderately high level with certain differences. This provides a preliminary background for further exploring how perceived value influences their brand loyalty to Starbucks. In the final stage, correlation analysis was conducted to deeply explore the internal connections between perceived value and brand loyalty, thereby providing more valuable references for understanding the mechanism underlying undergraduates' brand loyalty towards Starbucks.

4.4 Correlation Analysis

To investigate the intricate web of relationships that shape brand loyalty, this study leaned on correlation analysis as the core statistical lens. Rather than merely listing associations, the technique gauges the directional strength and probability of linkages among the perceived value dimensions and Starbucks loyalty among Hangzhou undergraduates. The resulting correlation coefficients condense these linkages into a single metric: the nearer the r drifts toward the absolute value of one, the tighter the bond between constructs, whereas an r hovering around zero signals a fragile or negligible connection. The empirical evidence outlined in Table 4.4 reveals coefficients that sit comfortably above zero yet short of perfect unity, all of which clear the stringent threshold set at the 0.01 significance level. These figures confirm that functional, emotional, social, and experiential value perceptions do not operate in isolation; instead, they intertwine in a statistically robust manner with brand loyalty, giving the model both explanatory power and managerial relevance.

Table 4. 4 Correlations between Items (Pearson Correlation Matrix)

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20	Q21	Q22	Q23	Q24	
Q1	1																								
Q2	.610**	1																							
Q3	.545**	.543**	1																						
Q4	.551**	.567**	.568**	1																					
Q5	.557**	.575**	.545**	.613**	1																				
Q6	.545**	.568**	.542**	.659**	.628**	1																			
Q7	.568**	.543**	.511**	.617**	.538**	.600**	1																		
Q8	.596**	.534**	.604**	.601**	.544**	.552**	.525**	1																	
Q9	.532**	.505**	.564**	.548**	.564**	.591**	.510**	.562**	1																
Q10	.636**	.567**	.597**	.529**	.573**	.569**	.590**	.602**	.571**	1															
Q11	.574**	.558**	.569**	.579**	.566**	.625**	.584**	.560**	.555**	.602**	1														
Q12	.617**	.588**	.585**	.634**	.607**	.631**	.656**	.593**	.585**	.578**	.589**	1													
Q13	.545**	.544**	.546**	.570**	.557**	.579**	.602**	.594**	.507**	.587**	.588**	.608**	1												
Q14	.575**	.618**	.599**	.608**	.603**	.597**	.527**	.566**	.572**	.583**	.659**	.598**	.594**	1											
Q15	.606**	.645**	.583**	.677**	.618**	.652**	.642**	.619**	.568**	.572**	.573**	.615**	.596**	.595**	1										
Q16	.566**	.647**	.542**	.658**	.598**	.663**	.614**	.546**	.581**	.568**	.566**	.648**	.582**	.563**	.602**	1									
Q17	.551**	.543**	.518**	.564**	.573**	.589**	.620**	.585**	.574**	.602**	.613**	.618**	.573**	.638**	.626**	.522**	1								
Q18	.596**	.553**	.571**	.595**	.609**	.573**	.592**	.604**	.558**	.590**	.617**	.617**	.598**	.596**	.628**	.626**	.578**	1							
Q19	.576**	.549**	.575**	.585**	.582**	.591**	.602**	.574**	.566**	.589**	.583**	.634**	.605**	.640**	.580**	.574**	.568**	.651**	1						
Q20	.579**	.590**	.611**	.613**	.654**	.616**	.585**	.565**	.541**	.614**	.620**	.617**	.588**	.666**	.654**	.591**	.619**	.583**	.615**	1					
Q21	.567**	.594**	.523**	.592**	.544**	.570**	.588**	.555**	.571**	.584**	.564**	.590**	.575**	.601**	.641**	.580**	.701**	.596**	.609**	.595**	1				
Q22	.599**	.510**	.618**	.549**	.545**	.620**	.524**	.553**	.503**	.598**	.531**	.620**	.552**	.550**	.599**	.555**	.552**	.606**	.549**	.553**	.560**	1			
Q23	.579**	.545**	.563**	.570**	.517**	.592**	.586**	.539**	.576**	.537**	.587**	.621**	.601**	.599**	.642**	.554**	.616**	.546**	.533**	.555**	.543**	.585**	1		
Q24	.538**	.538**	.466**	.534**	.533**	.537**	.502**	.543**	.576**	.551**	.600**	.561**	.535**	.577**	.573**	.532**	.506**	.560**	.563**	.604**	.547**	.517**	.509**	1	

Note: *Correlation is significant at the 0.05 level (two-tailed). **Correlation is significant at the 0.01 level (two-tailed).

The correlation coefficients between the 20 items of undergraduate students' perceived value (Q1-Q20), which cover Functional Value, Emotional Value, Social Value, and Experiential Value, and the 4 items of brand loyalty (Q21-Q24) are mostly around 0.5, indicating a significant positive correlation at the 0.01 level (two-tailed).

The correlation coefficient between Q2 (The quality of Starbucks beverages meets my expectations) under Functional Value and Q21 (I intend to keep purchasing Starbucks products in the future) under brand loyalty is 0.594, showing that a stronger recognition of the quality of Starbucks beverages is linked to a higher intention to continue purchasing Starbucks products in the future.

The correlation coefficient between Q7 (I feel a sense of comfort when I am at Starbucks) under Emotional Value and Q22 (Starbucks would be my first choice when buying coffee) under brand loyalty is 0.524, indicating that a stronger sense of comfort from being at Starbucks is associated with a higher likelihood of choosing Starbucks as the first option when buying coffee.

The correlation coefficient between Q14 (Starbucks is a popular meeting spot among my peers) under Social Value and Q23 (I would strongly recommend Starbucks to others) under brand loyalty is 0.599, suggesting that a stronger perception of Starbucks as a popular peer meeting spot is related to a higher tendency to recommend Starbucks to others.

The correlation coefficient between Q19 (The staff at Starbucks provide a pleasant experience) under Experiential Value and Q24 (I consider myself a loyal customer of Starbucks) under brand loyalty is 0.563, implying that a more positive evaluation of the pleasant experience provided by Starbucks staff is associated with a stronger self-identification as a loyal customer of Starbucks.

These results show that various dimensions of undergraduate students' perceived value (functional value, emotional value, social value, and experiential value) significantly and positively impact brand loyalty toward Starbucks.

The four items of brand loyalty (Q21-Q24) exhibit varying correlations with undergraduate students' perceived value:

Q21 (I intend to keep purchasing Starbucks products in the future) shows strong correlations with most dimensions of perceived value, with coefficients all above 0.5.

Q22 (Starbucks would be my first choice when buying coffee) also has high correlations with perceived value, with coefficients all above 0.5.

Q23 (I would strongly recommend Starbucks to others) has relatively high correlations with perceived value, with coefficients all above 0.5.

Q24 (I consider myself a loyal customer of Starbucks) has high correlations with perceived value, with coefficients all above 0.5.

4.5 Hypothesis Test Results

This study employed Pearson correlation coefficients to analyze the correlation between undergraduate students' perceived value and their brand loyalty to Starbucks, based on data from 400 questionnaires completed by undergraduate students in Hangzhou, China.

Table 4. 5 Correlations between Variables (Pearson Correlation Matrix)

Variable	Functional Value	Emotional Value	Social Value	Experiential Value	Brand Loyalty
Functional Value	1				
Emotional Value	.866**	1			
Social Value	.886**	.881**	1		
Experiential Value	.879**	.883**	.902**	1	
Brand Loyalty	.840**	.852**	.876**	.861**	1

Note: *Correlation is significant at the 0.05 level (two-tailed). **Correlation is significant at the 0.01 level (two-tailed).

H1: There is a significant positive correlation between the functional value perceived by undergraduate students and Starbucks' brand loyalty. The Pearson correlation coefficient between the functional value perceived by undergraduate

students and Starbucks' brand loyalty is 0.840 ($P < 0.01$), indicating a significant positive correlation between the two variables. Therefore, Hypothesis 1 is supported.

H2: There is a significant positive correlation between the emotional value perceived by undergraduate students and Starbucks' brand loyalty. The Pearson correlation coefficient between the emotional value perceived by undergraduate students and Starbucks' brand loyalty is 0.852 ($P < 0.01$), indicating a significant positive correlation between the two variables. Therefore, Hypothesis 2 is supported.

H3: There is a significant positive correlation between the social value perceived by undergraduate students and Starbucks' brand loyalty. The Pearson correlation coefficient between the social value perceived by undergraduate students and Starbucks' brand loyalty is 0.876 ($P < 0.01$), indicating a strong positive correlation between the two variables. Therefore, Hypothesis 3 is supported.

H4: There is a significant positive correlation between the experiential value perceived by undergraduate students and Starbucks' brand loyalty. The Pearson correlation coefficient between the experiential value perceived by undergraduate students and Starbucks' brand loyalty is 0.861 ($P < 0.01$), indicating a strong positive correlation between the two variables. Therefore, Hypothesis 4 is supported.

Table 4. 6 Hypothesis Test Results

No.	Hypothesis	Result
H1	There is a significant positive correlation between the functional value perceived by undergraduate students and Starbucks' brand loyalty.	Supported
H2	There is a significant positive correlation between the emotional value perceived by undergraduate students and Starbucks' brand loyalty.	Supported
H3	There is a significant positive correlation between the social value perceived by undergraduate students and Starbucks' brand loyalty.	Supported
H4	There is a significant positive correlation between the experiential value perceived by undergraduate students and Starbucks' brand loyalty.	Supported

Chapter 5 Conclusion and Recommendation

5.1 Conclusion

This study focused on undergraduate students in Hangzhou China and explored the impact of perceived value on their brand loyalty to Starbucks. Four hypotheses were tested. Through the analysis of 400 valid questionnaires using descriptive statistics and correlation analysis the following key conclusions were drawn.

5.1.1 Relationship Between Functional Value and Brand Loyalty

The study found a significant positive correlation between functional value and brand loyalty of undergraduate students with a Pearson correlation coefficient of 0.840 and a significance level of $P < 0.01$. This indicates that as students' perception of functional value becomes stronger their brand loyalty toward Starbucks improves. A strong functional value such as recognizing the quality of Starbucks beverages meeting expectations the reasonableness of product prices and the practicality of product features lays a solid foundation for enhancing brand loyalty. It drives students to tend to continue purchasing Starbucks products and take Starbucks as their first choice when buying coffee and thus strengthens their overall loyalty to the brand.

5.1.2 Relationship Between Emotional Value and Brand Loyalty

The study found a Pearson correlation coefficient of 0.852 between emotional value and brand loyalty with a significance level of $P < 0.01$. This shows that a higher level of emotional value perceived by undergraduate students significantly enhances their brand loyalty toward Starbucks. Feeling a sense of comfort when staying in Starbucks gaining positive emotional experiences from the store environment and associating Starbucks with pleasant emotions all reflect a high level of emotional value. These emotional factors directly contribute to students' preference for Starbucks, making them more willing to choose Starbucks in daily life and enhancing their recognition of being loyal customers thereby strengthening their overall brand loyalty.

5.1.3 Relationship Between Social Value and Brand Loyalty

Social value has a strong positive correlation with brand loyalty with a Pearson correlation coefficient of 0.876 and a significance level of $P < 0.01$. This indicates that the stronger the perception of social value among undergraduate students the higher their brand loyalty toward Starbucks. Recognizing Starbucks as a popular meeting

spot among peers gaining social identity through consuming Starbucks products and enhancing social interactions in Starbucks all reflect a high level of social value.

5.1.4 Relationship Between Experiential Value and Brand Loyalty

The study found a significant positive correlation between experiential value and brand loyalty with a Pearson correlation coefficient of 0.861 and a significance level of $P < 0.01$. This indicates that undergraduate students with a stronger perception of experiential value have higher brand loyalty toward Starbucks. Such perception helps students form a sense of identity with Starbucks, making them more likely to consider themselves loyal customers and thus improving their overall brand loyalty.

5.2 Recommendation

Based on the findings of this research, which explores the relationship between perceived value and brand loyalty among undergraduate students in Hangzhou, several strategic recommendations can be proposed for Starbucks to strengthen its market position and foster deeper loyalty within this demographic. The study confirms that perceived value, encompassing functional, emotional, social, and experiential dimensions, significantly influences brand loyalty. Therefore, marketing strategies and operational tactics should be holistically aligned to enhance these value perceptions.

Starbucks should continue to innovate its product offerings to reinforce functional value. This involves not only maintaining consistent high quality in beverages and food items but also introducing more localized options that resonate with the preferences of Chinese young consumers. For instance, incorporating seasonal ingredients popular in Hangzhou or offering more tea-based beverages could meet specific taste preferences. Pricing strategies should also be considered; while Starbucks is positioned as a premium brand, offering student-specific discounts or membership benefits can increase affordability and perceived fairness, thereby strengthening functional value perception.

To amplify emotional value, Starbucks needs to build deeper emotional connections with students. This can be achieved through storytelling in marketing campaigns that reflect the aspirations, challenges, and lifestyles of university students. Creating relatable content that aligns with their values — such as sustainability, creativity, and personal growth — can foster an emotional bond. Additionally, Starbucks could initiate programs that support student well-being, such as sponsoring

university events or providing spaces for study and relaxation, which would enhance the brand's emotional resonance.

Social value is another critical area. Starbucks should leverage its store environments to facilitate social interactions and community building. Stores located near universities in Hangzhou can be designed to encourage group activities, such as study sessions or casual meetings, by providing ample seating and communal tables. The brand could also enhance its digital presence by creating online communities or social media groups where students can share experiences, participate in challenges, or engage with brand-related content. This would not only reinforce the social aspect of visiting Starbucks but also integrate the brand into their social identities.

Experiential value can be elevated by focusing on the in-store experience and digital integration. Starbucks should ensure that its store ambiance—through music, layout, and aesthetics—creates a welcoming and comfortable environment that students find appealing. Training staff to provide personalized and engaging service can significantly improve the customer experience. Moreover, enhancing the digital experience through the Starbucks China app is crucial. Features such as mobile ordering, personalized recommendations, and a seamless payment system can add convenience and novelty. Incorporating gamification elements, like reward systems or limited-time offers exclusive to students, can make the experience more interactive and enjoyable.

Beyond these value-specific strategies, Starbucks should consider developing a comprehensive loyalty program tailored to undergraduate students. The current rewards system could be modified to offer faster accumulation of points or exclusive benefits that cater to students' usage patterns, such as discounts during exam periods or free refills on certain items. This would not only increase frequency of visits but also reinforce all dimensions of perceived value simultaneously.

For future research, it is advisable to extend this study to other geographic locations within China to compare regional differences in perceived value and brand loyalty. Additionally, expanding the demographic scope to include postgraduate students or young professionals could provide deeper insights into how value perceptions evolve with age and lifestyle changes. Longitudinal studies would also be beneficial to understand how brand loyalty develops over time and in response to changing market conditions.

Starbucks has a significant opportunity to deepen brand loyalty among undergraduate students in Hangzhou by strategically enhancing functional, emotional, social, and experiential values. A focused approach that combines product innovation,

emotional storytelling, community building, and experiential excellence will be essential. By implementing these recommendations, Starbucks can not only strengthen its relationship with this key consumer segment but also build a sustainable competitive advantage in the dynamic Chinese coffee market.



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Appendix

Questionnaire

THE IMPACT OF UNDERGRADUATE STUDENTS' PERCEIVED VALUE ON STARBUCKS' BRAND LOYALTY: A CASE STUDY OF HANGZHOU, CHINA

Dear Student,

Thank you for taking the time to participate in this survey amid your busy schedule. The purpose of this survey is to examine the relationship between undergraduate students' perceived value and their brand loyalty towards Starbucks, within the context of Hangzhou, China. Please be assured that there are no right or wrong answers; your honest views are of great significance to this study.

This survey is conducted anonymously, and your responses will be used solely for academic research purposes. We assure you that all personal information will be kept strictly confidential.

Part 1

1. Gender:

Male Female

2. Grade:

First grade

Second grade

Third grade

Fourth grade

Part 2

Please select the most appropriate option and mark "√" on the corresponding number. The questionnaire uses a Likert scale from 1 to 5, where 1 means “strongly disagree,” 2 means “disagree,” 3 means “neutral,” 4 means “agree,” and 5 means “strongly agree.”

Question	1	2	3	4	5
Functional Value					
1.Starbucks coffee provides good value for money.					
2.The quality of Starbucks beverages meets my expectations.					
3.Starbucks offers convenient locations for students.					
4.The variety of menu options at Starbucks is satisfactory.					
5.Starbucks provides efficient service during visits.					
Emotional Value					
1.Visiting Starbucks makes me feel happy.					
2.I feel a sense of comfort when I am at Starbucks.					
3.Starbucks helps me relax during stressful times.					
4.I enjoy the atmosphere at Starbucks.					
5.Starbucks evokes positive emotions in me.					
Social Value					
1.Starbucks is a good place to socialize with friends.					
2.Being seen at Starbucks enhances my social image.					

3.I feel connected to others when I visit Starbucks.					
4.Starbucks is a popular meeting spot among my peers.					
5.Using Starbucks products makes me feel part of a community.					
Experiential Value					
1.The overall experience at Starbucks is enjoyable.					
2.I appreciate the ambiance and decor at Starbucks.					
3.Trying new drinks at Starbucks is exciting.					
4.The staff at Starbucks provide a pleasant experience.					
5.Starbucks offers unique experiences that I value.					
Brand Loyalty					
1.I intend to keep purchasing Starbucks products in the future.					
2.Starbucks would be my first choice when buying coffee.					
3.I would strongly recommend Starbucks to others.					
4.I consider myself a loyal customer of Starbucks.					