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The Role of Mobile Applications in Building Customer Loyalty: A Qualitative Study

Müşteri Sadakati Oluşturmada Mobil Uygulamaların Rolü: Nitel Bir Araştırma

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Abstract

In an increasingly competitive environment, brands need to retain existing customers and attract potential customers. Brands that employ various promotional activities to develop brand loyalty use different strategies. Especially with the developments in technology and the increase in social media use, mobile applications have become tools for these promotional activities. From this point of view, this study aims to examine the importance of mobile applications in creating customer loyalty. For this purpose, the Starbucks brand, one of the leading coffee chains in the world, was selected. A qualitative research method, semi-structured interviews, was conducted with 20 participants. While selecting the participants, customers who fit the definition of “loyal customer” in the literature were chosen. The question form consisted of two parts. In the first part, information about the participants’ demographic characteristics was collected, and in the second part, questions related to the purpose of this research were asked. The findings of the research were examined under the following themes namely; *loyalty drivers of the customers, usage of mobile applications and customer loyalty, and impact of the mobile application on customer loyalty*. Loyalty drivers of the customers were examined under three main themes as *service-related choices, location of the stores, quality and taste*. Besides, under the “Service-related choices” theme, *internal environment and store atmosphere, and self-service* sub-themes were discussed. As a result, it was revealed that service related choices, quality-taste, and location of the stores are the drivers that effect customer loyalty. The mobile applications were not used frequently by

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the consumers yet, and it was not found as a strong indicator of customer loyalty.

Keywords: Customer Loyalty, Mobile Applications, Starbucks, Customer Satisfaction, Brand Loyalty

Öz

Artan rekabet ortamında markalar için potansiyel müşterileri etkilemenin yanı sıra, mevcut müşterileri tutmak da oldukça önemlidir. Günümüzde müşteri sadakatini yaratmak için firmalar çeşitli stratejiler kullanmaktadır. Özellikle teknoloji alanında yaşanan gelişmeler ve sosyal medya kullanımının artması ile birlikte mobil uygulamalar da bu tanıtım ve promosyon faaliyetlerinin bir aracı haline gelmiştir. Bu noktadan hareketle, bu çalışmanın amacı müşteri sadakati yaratmada mobil uygulamaların kullanımının önemini incelemektir. Bu amaçla dünyanın önde gelen kahve zincirlerinden biri olan Starbucks markası seçilmiştir. Bu araştırmada nitel araştırma yöntemi kullanılmıştır ve derinlemesine görüşme tekniğiyle 20 katılımcı ile yarı yapılandırılmış mülakatlar gerçekleştirilmiştir. Katılımcılar belirlenirken literatürdeki “sadık müşteri” tanımına uyan kişiler seçilmiştir. Hazırlanan soru formu iki bölümden oluşmaktadır. Birinci kısımda katılımcıların demografik özelliklerine ilişkin bilgiler toplanmış, ikinci kısımda ise araştırma amacı doğrultusunda hazırlanan sorular sorulmuştur. Araştırma bulguları, sadakat ölçütleri, mobil uygulama kullanımı ve mobil uygulamanın müşteri sadakatine olan etkisi başlıkları altında incelenmiştir. Sadakat ölçütleri hizmetle ilgili tercihler, mağazaların lokasyonu, kalite ve lezzet olarak üç ana tema altında ele alınmıştır. Hizmet temasının altında iç mekan ve mağaza atmosferi ve self-servis alt temaları ele alınmıştır. Sonuç olarak; hizmet, kalite – lezzet ve lokasyonun müşteri sadakatini etkileyen ölçütler olduğu, mobil uygulamanın tüketiciler tarafından sık tercih edilmediği ve bir sadakat programı olarak etkili bir şekilde kullanılmadığı saptanmıştır.

Anahtar Kelimeler: Müşteri Sadakati, Mobil Uygulama, Starbucks, Müşteri Tatmini, Marka Sadakati

Introduction

Brands have become a means of expression used by consumers, as well as an indicator of social status. Based on this situation, consumers prefer brands and products that give them an identity or status (Yılmaz, 2005, p. 258). Several factors such as market growth, continuously changing customer demand, and altering consumer profiles day by day have caused brands to develop different strategies to preserve the already existing customers and to attract new ones. Companies try to make customers loyal to their brands to gain an advantage in the marketplace.

The development of technology has started to change lifestyles and demands, together with increasing mobility. Therefore, digital applications such as social media, gift cards, and mobile applications are used to establish customer loyalty with consumers who use online channels. Thus, brands have started to offer different opportunities and purchasing options to build customer loyalty. Primarily, mobile applications facilitate the interaction between the customer and the brand, and they can reach their consumers more efficiently and offer personalized opportunities as needed.

This study aims to show the importance of mobile applications on customer loyalty. A qualitative methodology is used in this study, and semi-structured interviews were conducted with 20 participants who fit the “loyal customer” definition according to the literature.

Brand Loyalty and Customer Loyalty

Brand loyalty and customer loyalty are essential for the brands. These two concepts tend to be similar, but they have different definitions. Oliver (1999, p. 35) mentioned that “the brand loyalty exhibited is directed at the degree of affect (liking) for the brand,” but customer loyalty is more about being satisfied with the purchased product. Satisfaction lets consumers re-buy the same product again. According to Kotler and Armstrong (2011), delighted customers remain loyal, and they tend to talk more favorably to other people about the company or the product.

Companies adopt different strategies to maintain their market shares through creating brand loyalty, which means stable sales for their businesses (Yalçın & Ene, 2013, p. 113). Brand loyalty is defined as positive attitudes and behaviors towards the brand (Yoo, 2009, p. 43). It is the set of behaviors that encourage consumers to prefer the product or service in the future. Businesses provide a competitive advantage against their competitors by creating brand loyalty (Eren & Erge, 2012, p. 4457).

Brand-loyal customers show loyalty in their purchasing behavior (Jacoby & Kyner, 1973, p. 1). According to Oliver (1999), the brand loyalty process starts with the customer’s loyalty to the brand according to its performance and characteristics, among others. This bond is carried to the emotional dimension after a while. When it comes to encouraging the intention of buy, the brand loyalty issue comes into the picture (Kalyoncuoğlu, 2017, p. 387). Customers’ attitude towards a brand and their repeat purchase behavior creates brand loyalty (Ogba & Tan, 2009, p. 135). It can be argued that consumer involvement directly affects brand loyalty (Leckie, Nyadzayo & Johnson, 2016, p. 562).

Customer loyalty is the consumers’ preference of the brand and the frequency of purchasing the product (Çoban, 2005, pp. 296-297). To improve the profitability of the company, having loyal customers is crucial for the company (Budianto, 2019, p. 302). In an environment where the competition rapidly changes and develops, the survival of businesses depends on protecting their existing customers and gaining new customers. In this sense, customer loyalty is defined according to the frequency of purchasing a product or not choosing any other product on the side. It can also be defined as the customers continuing to buy a product or shop from the same place despite other options (Bayuk & Küçük, 2007, pp. 286-287).

Customer loyalty is the most critical measurement in economic success. Customer satisfaction is achieved by offering the quality expected by users. Besides the significant effect of customer satisfaction on creating loyalty, it is not always possible to call every customer loyal; these individuals make positive contributions to brands as they develop stable purchasing behavior (Gönüller, 2018, pp. 114-116). One of the top priorities in building customer loyalty is creating value based on customer requests and purchasing behavior. This approach can also be summarized as the expectation of the customer during and after the purchasing process and obtaining more in return for the fee paid. In this way, customers pay less than their expectations for the products they purchase or the services they can prefer or receive services that exceed their expectations (Karaca, 2001, pp. 130-133).

In order to create and maintain loyal customers, brands have started to develop different loyalty programs. These programs serve to increase loyalty through rewarding by monitoring the customers' purchasing behavior (Oyman, 2002, p. 175). In these programs, bonuses, prizes, and discounts are offered to consumers, and their purchases are supported through accumulating points. The concept of loyalty is not the same for each consumer, and loyalty programs may not always be suitable for each segment. For example, they may not find much support among consumers in segments that require immediate service and satisfaction. Since customers' need, wants and desires might differ, short-term and incentive-based programs were developed by the companies. (Palmer, McMahon-Beattie & Beggs, 2000, pp. 47-55).

The Use of Mobile Applications to Build Customer Loyalty

Digitalization has emerged with the transformation of digital environments in many fields, such as information technologies (IT). With the emergence of digitalization, information is presented to users more quickly and economically (Kurcan, 2014, p. 10). According to the statistics, the number of mobile applications downloaded worldwide was 140.68 billion in 2016, while this number reached 204 billion in 2019 (Statista, n.d.). The data show that the most used mobile applications are game applications, followed by video playback, editing programs, travel, and local applications. In the following years, it is estimated that mobile applications' advertising investments will increase depending on the usage (Clement, 2019). According to the TUIK (TURKSTAT) "Survey on Information and Communication Technology (ICT) Usage in Households and by Individuals" research findings, in 2020, 79% of households in Turkey use internet and 90,7% of the population got internet access at home, %95,3 of the individuals use mobile phones (TUIK, 2020). Also, it has been stated that there is an increase in online shopping (TUIK, 2020).

Digitalization lets individuals transfer their social lives to digital environments, which causes organizations to spend more time on getting feedback and having interactions (Bat, 2014, p. 100) in these digital environments. The development of technology also has changed the communication channels of the brands. The increased use of mobile devices is one of the most critical factors in these developments. As consumers tend to use mobile devices, businesses increased their use of such applications in order to increase customer loyalty in line with the expectations and needs of the customers. In this way, brands can meet the customers' expectations and create customer loyalty (Kırlar, Yeşilyurt, Sancaktar & Koçak, 2017, pp. 60-61).

Companies have started to replace traditional loyalty cards with mobile applications to adapt to innovations. Every day, innovations appear in marketing, advertising, and promotional activities to adapt to the schedules and the requests of its consumers. Thanks to mobile applications, brands can instantly send different content to their consumers, and consumers can access these contents whenever and wherever they want (Li, 2018, pp. 2-3). Along with the widespread use of smartphones in our daily lives, companies have started to carry their brand loyalty programs to mobile phones.

The concept of loyalty can change behavior (Donio, Massari & Passiante, 2006, pp. 446-447). In previous studies by Deng, Lu, Kee & Zhang, (2010) on customer satisfaction and loyalty, mobile applications' importance in retaining existing customers and strengthening customer loyalty was stated (as cited in Chang, 2015, p. 3). It is essential to attract loyal customers who spend less time in the decision-making process in a short time.

Starbucks Mobile Application

Starbucks is a coffee shop established in Seattle in 1971, which its founders aimed to serve as a third address for people to come together and chat outside of their homes and workplaces. Starbucks has grown over the years and has become a brand with more than 21,000 stores in 65 countries today (Starbucks Heritage, n.d.). According to Turkey's 2018 data, Starbucks, one of the most preferred coffee chain stores globally, has 409 stores in Turkey, which makes Starbucks the 9th leading store in the country. The lack of alternative coffee chains has led Starbucks to be the most preferred coffee shop in Turkey (Bozkurt, 2018). Starbucks offers a personalized store experience to customers who purchase high-quality products, which gives the brand a competitive advantage. Considering the increasing importance and the use of technology in daily life, Starbucks also provides Wi-Fi access in its coffee shops, which satisfies the needs of consumers and creates value for the customers. At the same time, there are three management practices for value creation; product management, customer management, and communication of these values (Haskova, 2015, pp. 13-16).

Changes in mobility and lifestyles have led consumers to use online channels, therefore; it is necessary to create brand awareness and loyalty in these online channels (Kotler, Kartajaya & Setiawan, 2017, pp. 75-80). Starbucks uses social media and mobile apps to develop better customer relationships. Many payment-related improvements in customer experience have been made, and this initiative has been expanded globally. In addition to ease of payment, the application provides more comfortable and faster access to its users (Brotman & Garner, 2013, pp. 1-2). The Starbucks mobile application has a bank feature due to its ability to upload money (Bıçakçı, 2019). The application, which is a loyalty program, encourages one to earn stars and buy coffee with these stars. Also, it offers personalized opportunities and easy payment opportunities on special occasions (Starbucks Rewards, n.d.).

Methodology

This study aims to explore the importance of mobile applications in creating customer loyalty. To achieve this aim, a qualitative methodology was used, and semi-structured interviews were conducted. In some cases, concerning the nature of the subject to be studied, interviewing is the best way to collect data (King, Horrocks & Brook, 2019, p. 56). Clifford and colleagues mentioned that "a semi-structured interview is a verbal interchange where one person, the interviewer, attempts to elicit information from another person by asking questions" (as cited in Longhurst, 2016, p. 143).

In this study, there were 20 participants in total, and these participants were selected through the snowball sampling method which is defined as “a recruitment method that employs research into participants’ social networks to access specific populations” (Browne, 2005, p. 47). It should be noted that in this study, the data given below are gathered from 20 coffee chain visitors, so it cannot be generalized to all Starbucks customers or coffee chain consumers.

Each participant mentioned that they are loyal customers of Starbucks. In addition to their perception, their loyalties were also evaluated according to the literature. To this end, customers continuing to buy a product or shop from the same place (Bayuk & Küçük, 2007, pp. 286-287) and consumers’ preference of the brand and the frequency of the purchasing the product (Çoban, 2005, pp. 296-297) were also examined for each participant.

To obtain the data, an interview form was designed by the authors. Open-ended questions were asked to the participants during semi-structured interviews. The questions were prepared according to the literature (Andaleeb & Conway, 2006; Bilgin, 2017). While developing the question types, suggestions of King, Horrocks, and Brooks (2011, p. 65) were taken into account. Experience/ behavior questions, opinion questions, feeling questions, and knowledge questions were prepared in such a way. The question form included two parts.

The first part was the “Demographic Information Form,” in which the questions were designed to gain data on interviewees’ demographic characteristics, including gender, age, and occupation. The second part was the “Interview Question Form”. In the second part, there were 15 questions in total. The questions in this part were formed under these headings; “service-related choices”, “quality and taste”, “location of the stores”, “usage of mobile applications and customer loyalty”, and “impact of the mobile app on customer loyalty”. Service-related choices were explored through the questions as; “Why do you choose Starbucks?”, “How do you feel in Starbucks?”, “How will you define the service that employees provide?”, “Do you feel satisfied when you go to the Starbucks?”. For the quality and taste, the questions were designed as “Why do you prefer Starbucks?”, “Do you think that their products’ tastes are different than their competitors?”. To determine the importance of the location of the stores, the question as, “If you won’t be able to see Starbucks around, will you go to another coffee shop?”, “Do you think that the number of branches is important for you?” were asked to the participants. In order to understand the relationship between customer loyalty and usage of Starbucks’ mobile application, the questions such as; “Do you use Starbucks mobile application?”, “What are the advantages of mobile applications relating with the brand?”, “Do you think that mobile applications affect your purchasing decisions?” were asked. Besides, as a strong predictive indicator of customer loyalty, usage-based behavioral segments have also conceived the questions as; “How many times a week do you shop from Starbucks?” or “For how many years have you been shopping from Starbucks?”.

Before obtaining the data, ethical approval was obtained from the Ethical Review Board of Atılım University. Also, each participant signed a written informed consent form. Semi-structured interviews were conducted by the first author, and the duration of each interview was approximately 25 minutes. The next part includes the findings of this study.

Findings

In total 20 participants were participated in this study. 13 of whom are males and 7 participants were females. The participants' ages were between 23 to 27 with an average of 25.4. All participants shopped at Starbucks at least once a week and the average time that they spent at Starbucks is 2 hours 25 minutes.

Table 1. Demographic Characteristics of Participants

Participant	Age	Gender	Occupation	Coffee Shopping Frequency	The Time spent at Starbucks
P1	25	Male	Education Specialist	3 times in a week	2 hours
P2	26	Male	Student	Once in a week	3 hours
P3	26	Male	Unemployed	Everyday	2 hours
P4	26	Male	Electrical Engineer	Everyday	2 hours
P5	25	Male	Unemployed	3 times in a week	1 hour
P6	24	Male	Unemployed	4 times in a week	2 hours
P7	27	Female	Student	4 times in a week	1 hour
P8	26	Male	Publicity Agent	3 times in a week	2 hours
P9	23	Female	Student	Everyday	1 hour
P10	23	Female	Student	Once in a week	1 hour
P11	27	Male	Sales Expert	4 times in a week	2 hours
P12	27	Male	Hotel Manager	4 times in a week	1 hour
P13	27	Female	Accountant	Once in a week	1 hour
P14	24	Female	Student	Everyday	2 hours
P15	26	Male	Engineer	3 times in a week	1 hour
P16	24	Female	Freelance Expert	3 times in a week	4 hours
P17	26	Male	Mechanical Engineer	4 times in a week	1 hour
P18	27	Male	Officer	Everyday	2 hours
P19	25	Male	Unemployed	5 times in a week	3 hours
P20	24	Female	Unemployed	4 times in a week	3 hours

The analysis revealed three customer loyalty driver themes namely, service-related choices, quality-taste, and location of the store. Under theme 1, two sub-themes emerged. These sub-themes were, internal environment and store atmosphere, and self-service. Also, the usage of mobile applications, and the impact of the mobile applications on customer loyalty were discussed. For behavioral segments, the frequency of purchasing was explored. Regarding the behavioral segments, some of the interview questions aimed to comprehend the consumers' coffee consumption level. For this purpose, the question of how often consumers buy coffee was asked. Six of the interviewees answered that they buy coffee four times a week, five of them purchased it triweekly, and five of them purchase coffee every day. However, three of the interviewees mention that their coffee purchase was once a week. It should also be noted that all of the interviewees claim to be loyal customers of the Starbucks coffee chain stores; however, their

coffee consumption level shows an alteration as the finding mentioned above indicates different behavioral segmentation.

Loyalty Drivers: Service-Related Choices, Quality and Taste, Location of the Stores

Three loyalty drivers were defined based on the interviewees' answers. The three main categories that explain why the customers choose Starbucks were service related choices, location of the stores and quality-taste. The category of service related choices comes into prominence; in contrast, the number of interviewees who claim the importance of location of the stores, quality, and the taste was equal. In total, 17 of the interviewees claimed that spatial elements and aspects of quality and taste were the drivers to prefer Starbucks rather than other coffee chain stores or third-wave coffee shops.

Theme 1. Service-Related Choices

In this context, as the essential factor impacting the consumers' choice of coffee chain stores, the interviewees emphasize the type of services that affect their preference for Starbucks. Their positive attitude towards Starbucks' service was divided into two subthemes: a suitable environment and a chance of self-service. Participants claimed that the spatial facilities and chance of individual service encourage preferring Starbucks over other coffee chain stores.

Internal environment and store atmosphere

Participants mentioned that the spatial facilities provided by Starbucks encourage them to spend more time in the store. The environment and the atmosphere of the store were found as being an important factor for their choice. Also, the technological infrastructure of the stores, such as having Wi-Fi access without having any problems was important for the customers. In addition, the availability of plug sockets around the tables was also mentioned by the participants. These opportunities were essential to participants' study or work online for a long time in the store as shown in the following quotes:

"I can work comfortably for hours in Starbucks. They have Wi-Fi access and I don't need to pay for it." (P1)

"Having access to the internet and plug sockets is a significant advantage. You can stay at Starbucks more than few hours." (P7)

"It has quite the relaxing environment to have a great time. I feel comfortable." (P9)

Self-service

The interviewees mentioned that self-service is a crucial element to consider when preferring a coffee shop. Although many participants state there is no problem with the staff's attitude, they emphasize the efficiency of self-service and being at ease while spending time in Starbucks. 16 of them emphasized that they don't need to wait for someone to serve them, whenever they

want to buy something they feel free to buy and this gives customers the feeling of freedom. The participants mentioned the following opinions on the self-service:

“When you have coffee at Starbucks, nobody bothers you. There is no problem with waiters.” (P8)

“No one breathes down your neck, and customer satisfaction is prioritized so you can have a good time.” (P4).

“The staff’s respectful attitude towards the customers makes me feel warm and friendly.” (P3)

Theme 2. Quality and the Taste

The participants stated that the second significant element in the loyalty drivers were quality and taste of the product. Within this context, 14 of them emphasized the standard quality and transparency, while 4 refer to better taste, specifically that of the coffee. All of the participants claimed that quality puts the Starbucks ahead of the other coffee shops. Also, the standardization of quality and taste had an impact on the customer loyalty since the interviewees asserted that the standardization in all Starbucks branches encouraged them to choose this brand. Therefore, the taste of the product and the quality of the goods was found as an indicator of loyalty:

“There is a standardized quality in all Starbucks branches, so you will probably not run into a problem because of the inconsistent quality. I know what to expect”. (P13).

“Its coffees’ taste is different from other ones. Even their Turkish coffee is more delicious and quality.” (P2)

“You will always find the prices and the hygiene at the same high level.” (P9)

Theme 3. Location of the Stores

Location of the stores was also equally important as quality and taste with respect to customer loyalty. 13 of the participants asserted the number of Starbucks branches was quite sufficient; therefore, its accessibility and a short distance from home had an impact on loyalty. Five participants claimed the existence of branches closer to their home encouraged them to have a cup of coffee or dessert. Dropping by Starbucks becomes their daily routine. As a result, this theme showed that easy access to the branches can strengthen the loyalty of the customers as shown in the following quotes:

“You can find Starbucks branches everywhere, which allows for you routine.” (P14)

“It is a considerable advantage to have branches in every corner.” (P18)

Usage of Mobile Applications and Customer Loyalty

The participants of the study who are the loyal customers of Starbucks had different tendencies about the usage of the Starbucks mobile app. 11 of the participants mentioned they

use it quite often. Five of them said that they have never used it and three of them mentioned that they do not use it regularly. On the other hand, some participants had a positive view about the mobile app. Among 14 participants using the mobile app, 10 participants claimed the promotions provided by the mobile app were the most significant factor of their reason to use it. Moreover, 4 of them stated that payment through the mobile app is more convenient than cash payment. Especially, being able to pay quickly and making a payment without touching money were at the forefront in the participants' views as:

"The campaigns they created are very successful. These promotions make people addicted. I try to use it at every turn. Even though I have a credit card, I buy by using the app." (P16)

"You can easily make a payment by the app compared to using a credit card." (P13)

"Following up on the campaigns and promotions is an advantage. I also do not want to touch on money." (P10)

"You can get a free coffee if you collect enough stars in the app. You do not have to deal with money." (P9)

Impact of the Mobile Application on Customer Loyalty

Within the context of the mobile app's effect on the participants' choice of Starbucks, many interviewees claimed that the mobile application had no impact on their Starbucks preference. Only a few stressed that because of the app's promotions, it positively impacts their choice of Starbucks. Regarding the relationship between customer loyalty and the mobile app, 18 participants who use the mobile app regularly mentioned that it affects customer loyalty positively. However, a couple of participants also think that it does not. Some examples were given below:

"Because of the promotions provided by the mobile app, people tend to spend more money and take advantage of these promotions." (P12)

"Even if there is 1 Turkish Lira in my app account, I want to spend it." (P17)

Discussion and Conclusion

As consumers' demands and needs have changed, brands should give importance to customer loyalty to reach their consumers and ensure loyalty. The brands must establish relationships based on trust, satisfaction, and loyalty to maintain customer loyalty. With the widespread use of technology, mobile applications have been developed to reach customers and increase loyalty. In this research, the interviews were conducted to investigate the relationship between the importance of mobile applications and customer loyalty.

This study indicated that factors related to the *service* in Starbucks' branches have a significant positive impact on customer loyalty, which is in line with previous research findings (Passikoff, 2006; Dhisasmmito & Kumar, 2020). However, this study also revealed that service factors are the major loyalty drivers, contrary to other studies which stated that service was the contributing

driver of customer loyalty (Albari & Kartikasari, 2019; Githiri, 2018). The *service-related choices* theme addresses not only the significance of effective service but also spatial opportunities provided by Starbucks.

The participants' positive opinion towards the self-service showed the importance of not being distracted while spending time at the coffee shops. Similarly, Haghighi and colleagues found that quality of the service is one of the factors that affect customer loyalty (Haghighi, Dorosti, Rahn timer & Hoseinpour, 2012, p. 5039). In terms of Starbucks coffee shops, it could be argued that the lack of staff's pressure to urge the customers to consume more coffee or dessert was one of the significant factors which impact customer loyalty. Furthermore, people spend considerable time at the coffee shops either for leisure or for studying, and this study showed that the facilities provided by Starbucks strengthen customer loyalty. The interviewees claimed that the technological opportunities such as uninterrupted, free Wi-Fi access, and always available plug-in sockets encouraged them to prefer the Starbucks' branches. Especially for those who choose Starbucks to work online or to study, these technological opportunities are significant service-related loyalty drivers. Since the participants mentioned the existence of an aesthetically pleasing and relieving store atmosphere while spending time at Starbucks, technical facilities and store atmosphere can be considered together. As the interviewees' claims assert, these service-related factors are fundamental elements within Starbucks to build long-term loyalty.

Regarding *quality and taste* as a loyalty driver, most participants emphasized the good and standard quality of service and products in Starbucks. It was also mentioned that transparency makes Starbucks reliable. Therefore, trust and confidence created a close relationship between the customer and the brand, which can be the foundation of loyalty. Similarly, Duffy argued that a genuine relationship between the consumer and the brand based on the truth, good service, and good products will end in long-term loyalty (2005, p. 286). In addition, some of the participants stated that they prefer Starbucks for a specific product, for example white chocolate mocha, when it comes to the taste of the products. Since the standardized quality was crucial for the participants to become loyal customers, the standardization in the taste of the products could be considered as a trust initiator between the customer and the brand. The customers know that no matter which branch they will go to, there will be a consistency in terms of the taste of the coffee or the dessert. This finding is parallel with what Duffy argued in the study investigating the methodological changes in cultivating customer loyalty (2005, p. 285).

With increased traffic as time passed, the reachability of the stores becomes important. Likewise, Jones, Mothersbaugh & Beatty (2003, p. 701) asserted that as the point of contact, *location* of the store was crucial to ensure success in creating customer loyalty. Locational convenience was considered by the consumers in their brand preferences and being loyal to the brand. The participants also affirmed that the proximity of the coffee shop to their home was important for their choice. Therefore, increasing number of Starbucks' branches allows its customers to purchase what they wish even more comfortably and let them to save their time.

Due to the competitive market in today's society, loyalty programs like the Starbucks mobile app have become a way for the brands to attract customers more effectively. When the choices of the participants were examined on *the usage of the mobile app*, they stated different preferences. This result showed that they did not utilize the mobile app as a loyalty program effectively. Rowley contended that in order to maintain customer loyalty through such programs; brands should make them more effective (2005, p. 367). Similarly, Uncles and his colleagues claimed that brands should assess their loyalty programs as to their characteristics of the target market (2003, p. 295).

When it comes to the participants' views on the *Starbucks mobile app*, the most significant feature that the participants emphasized was the benefits provided by the app. As a new trend in creating and retaining *loyalty*, these types of programs consisted of hard and soft rewards. Discounts and promotions could be considered within the context of hard rewards, while preferential treatment could be deemed as an example of the soft reward (Bridson, Evans & Hickman, 2008, p. 365). The participants of this study expressed that hard rewards were more important reason for them to use the mobile app. In addition, the existence of promotions in the mobile app was directly related to maintaining customer loyalty, as the participants stated. Apart from the promotions, the easy and fast form of payment through the mobile app encouraged the customers to use it, but promotions appeared to be the most essential factor in retaining customer loyalty.

As a conclusion, the purpose of this study was to examine the importance of using mobile applications in creating customer loyalty. By using the qualitative method, it was aimed to understand the personal experiences of the participants in detail. The themes indicated the importance of service, standardized quality and the location of the store. The impact of using mobile applications in building customer loyalty was also discussed. This study can contribute to the literature in terms of trying to understand customer loyalty in relation to brand and technological developments, such as mobile apps, as loyalty programs.

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