Proceeding Book of International Conference on Association of Indonesian Entrepreneurship Study Programs

The 4th APSKI International Conference 2026
"Empowering Future Ventures: The Nexus of AI & Entrepreneurial Excellences"

Bali - Indonesia, 23 July 2026

ISSN 3064-3635, Vol 04, Ed 01 (2026), pages 65 - 75

The Role of Emotional Branding in Creating Memorable Customer Experiences: A Case Study of Local Coffee Startups TUKU

Sabekti Dewi L[1,*], Zidny Maghfiroh[1], Rifqa Apta N [1], Farah Nabila W[1]
[1]Universitas Pandanaran
*Correspondence: sintapetri@unpand.ac.id

Abstract: In hyper-saturated markets like the Food and Beverage (F&B) sector, conventional marketing mix strategies often fail to secure sustainable growth for early-stage entrepreneurial ventures. This study explores alternative marketing paradigms by investigating the structural role of emotional branding in creating memorable customer experiences (MCE) for youth startups expanding into regional economies. Utilizing an exploratory qualitative single-case study design, this research examines the market dynamics of Toko Kopi Tuku (TUKU) in Semarang, Central Java—a city characterized by rational consumer behaviors and deep-rooted local coffee traditions. Data was gathered through direct field observations, digital archive analysis, and in-depth semi-structured interviews with both internal management and high-frequency consumers selected via purposive sampling. The thematic analysis reveals that TUKU's standardized tetangga (neighbor) narrative systematically humanizes the corporate identity by replacing rigid, transactional service with organic hospitality. This emotional position triggers intense sensory and affective impressions among regional consumers, transforming a simple purchasing routine into a memorable, culturally nostalgic ritual. Consequently, this emotional equity fosters high brand stickiness, generates organic word-of-mouth advocacy, and builds a powerful resilience against competitor price-cutting tactics. This study contributes to entrepreneurship literature by offering an empirical model of how capital-constrained startups can scale localized emotional strategies during geographic relocation. For student entrepreneurs, the findings provide a practical playbook on leveraging psychological and socio-cultural equity to bypass capital-intensive price wars and secure long-term customer lifetime value in competitive landscapes.

Keywords: Emotional Branding; Memorable Customer Experience; Entrepreneurship; Local Coffee Startups; Toko Kopi Tuku.

A. Introduction

In the rapidly evolving global economy, entrepreneurship has emerged as a critical driver of innovation, job creation, and economic resilience. For undergraduate entrepreneurship students, understanding the dynamics of market survival is no longer just about product quality or pricing strategies; it is about mastering consumer psychology. In highly saturated markets, such as the food and beverage (F&B) sector, conventional marketing mix approaches often fall short of sustaining long-term venture growth. Today's consumers do not merely buy products; they seek meanings, identities, and emotional connections. Consequently, contemporary entrepreneurial ventures must shift their focus from transactional marketing to relational marketing, where the creation of a memorable customer experience becomes the ultimate competitive advantage.

At the heart of creating these memorable experiences lies the concept of emotional branding. Emotional branding is a strategic marketing approach that appeals directly to a consumer's emotional state, needs, and aspirations. By forging a profound emotional bond, brands can transcend commodities and become integral parts of consumers' lifestyles. In the context of startups, where resources are inherently constrained compared to established multinational corporations, emotional branding offers a powerful, cost-effective tool to build intense brand loyalty and induce positive word-of-mouth. When a startup successfully triggers positive emotions—such as nostalgia, belonging, or comfort—it elevates the customer experience from a routine transaction to a memorable, affective journey.

The global coffee shop phenomenon perfectly illustrates this paradigm shift, with Indonesia serving as one of the most vibrant battlegrounds for local coffee startups. Among the pioneers of the modern Indonesian coffee wave, Kopi Toko Tuku (TUKU) stands out as a phenomenal case study. While many competitors heavily invested in affluent, high-tech, or aesthetically lavish store concepts, TUKU revolutionized the market by introducing Es Kopi Susu Tetangga—a simple, affordable, yet deeply nostalgic beverage. TUKU did not just sell coffee; they successfully branded themselves as the "friendly neighbor" (tetangga), tap-dancing into the communal and warm cultural fabric of Indonesian society. This strategic positioning created an authentic emotional resonance that resonated deeply with the local urban populace.

Despite the widespread commercial success of TUKU, there remains a distinct gap in entrepreneurial literature regarding how localized emotional branding tactics systematically translate into scalable, memorable customer experiences for early-stage startups. Most existing research on emotional branding focuses on global giants like Apple, Nike, or Starbucks, which possess massive capital. There is a scarcity of empirical documentation on how a local grassroots startup can achieve similar emotional equity with limited initial capital.

Therefore, this study aims to investigate the role of emotional branding in creating memorable customer experiences, using Kopi Toko Tuku as a primary case study. By analyzing TUKU's brand touchpoints, community engagement, and narrative strategies, this research provides actionable, empirical insights for entrepreneurship students and budding founders on how to leverage emotional equity to build resilient, customer-centric startups in competitive landscapes.

The Global and National Entrepreneurial Landscape in the F&B Sector

In the modern globalized economy, entrepreneurship plays a vital role as a primary engine for macroeconomic resilience, grassroots innovation, and workforce absorption. Governments worldwide actively cultivate entrepreneurial mindsets within higher education to transform students from conventional job seekers into dynamic job creators. Within this entrepreneurial surge, the Food and Beverage (F&B) industry—particularly the coffee shop sector—has consistently proven to be one of the most accessible yet volatile entry points for nascent entrepreneurs. Globally, coffee consumption has evolved from a simple dietary routine into a massive cultural and lifestyle phenomenon.

In Indonesia, this phenomenon manifested as the "Third Wave Coffee" movement, which subsequently evolved into a highly hyper-competitive local coffee startup wave. Over the last decade, urban centers in Indonesia have witnessed an exponential growth of coffee startups utilizing digitized supply chains, localized pricing, and grab-and-go business models. However, this explosive growth brings a fundamental challenge for student entrepreneurs: severe market saturation. The low barriers to entry in the F&B sector mean that traditional product differentiation—such as variations in coffee beans, milk formulations, or aggressive price-cutting strategies—is no longer sufficient to secure a sustainable market share. When functional benefits become generic, startups must pivot toward advanced paradigm marketing strategies to survive.

Shifting Paradigms: From Transactional Marketing to Experiential Value

The contemporary consumer landscape has shifted fundamentally from a transactional economy to an experiential economy. In this new market structure, consumers do not merely buy physical commodities; they purchase the emotional and sensory narratives woven around those products. Traditional marketing frameworks, which heavily emphasize the functional parameters of the marketing mix (Product, Price, Place, Promotion), often fail to address the psychological needs of modern consumers. Today's consumers look for authenticity, belonging, and identity alignment in the brands they support.

Consequently, entrepreneurial ventures must master the art of generating a "Memorable Customer Experience" (MCE). An MCE occurs when a company intentionally uses services as a stage and goods as props to engage individual customers in a way that creates a highly personal, long-lasting impression. In highly saturated markets like the coffee industry, the physical taste of the beverage forms only the baseline expectation. The sustainable competitive advantage is constructed through the holistic emotional journey a customer undergoes from the moment they discover the brand to the post-purchase phase. For a local startup, creating an MCE is the ultimate mechanism to bypass costly price wars and establish high customer lifetime value (CLV).

Theoretical Framework: The Power of Emotional Branding

To methodically construct a memorable customer experience, entrepreneurial theory points toward the strategic deployment of emotional branding. Coined and popularized in contemporary marketing literature, emotional branding is a holistic strategy that focuses on appealing directly to a consumer's affective state, subconscious desires, aspirations, and psychological needs. While traditional branding addresses the rational mind by broadcasting quality metrics and utility, emotional branding targets the heart. It transforms a corporate entity into a trustworthy companion, changing a consumer's relationship with a product from "using it" to "feeling connected to it."

For early-stage startups that operate under acute resource constraints, emotional branding offers an asymmetric strategic advantage. Startups cannot compete with multinational corporations on capital-intensive mass media campaigns or massive geographical footprints. However, they can outperform large corporations in agility, authentic storytelling, and genuine community integration. Emotional branding utilizes relational strategies—such as humanizing the corporate voice, designing nostalgic brand narratives, and cultivating high-trust community networks—to establish intense brand loyalty. When a customer forms an emotional attachment to a startup, their price sensitivity decreases dramatically, and their advocacy increases, turning regular consumers into organic brand ambassadors.

Contextualizing Toko Kopi Tuku: The Pioneer of Organic Emotional Bonding

Within the narrative of Indonesia's coffee industry revolution, PT Karya Tetangga Tuku, known widely as Toko Kopi Tuku (TUKU), represents an empirical marvel of emotional branding. Founded in 2015 in Cipete, Jakarta, by Andanu Prasetyo, TUKU single-handedly disrupted the market by introducing Es Kopi Susu Tetangga—a localized espresso-based beverage sweetened with native arenga palm sugar (gula aren). At a time when the coffee landscape was sharply divided between expensive international corporate chains and premium, elitist specialty coffee roasters, TUKU carved out a revolutionary niche: high-quality, culturally resonant, and highly affordable coffee. What truly sets TUKU apart is not merely its product formulation, but its profound mastery of emotional branding. TUKU purposefully rejected the glamorous, detached aesthetic typical of modern cafes. Instead, they built an entire corporate identity around the socio-cultural concept of tetangga (the neighbor). By designating their customers not as "consumers" or "clients" but as Tetangga Tuku (Tuku's Neighbors), the brand tapped into the deeply rooted communal values of Indonesian society, such as gotong royong (mutual cooperation) and warm hospitality. Every touchpoint—from the minimalist, unpretentious store design to the empathetic, conversational tone of their staff—was meticulously engineered to project the feeling of visiting a trusted neighbor's house. This organic emotional equity allowed TUKU to grow exponentially through peer-to-peer word-of-mouth, transforming a tiny grassroots coffee shop into a nationwide cultural icon.

Geographical Relocation and Localized Dynamics: The Semarang Market

While TUKU's emotional branding matrix achieved historic success in its birthplace of Jakarta, analyzing its geographical expansion into secondary and tertiary urban centers—specifically Semarang, Central Java—unveils a compelling layer of entrepreneurial complexity. Semarang possesses a unique macroeconomic and cultural ecosystem that differs substantially from the hyper-metropolitan landscape of Jakarta. The city boasts a thriving, dense student population, a booming industrial sector, and a deeply embedded traditional coffee culture historically dominated by heritage coffee shops (warung kopi) and localized casual hangout spaces (angkringan).

When a culturally distinct brand like TUKU opens branches in Semarang, it cannot merely copy paste its Jakarta narrative. It faces a dual challenge: it must maintain its core corporate identity while simultaneously adapting to the specific local nuances, socio-demographic traits, and lifestyle habits of consumers in Semarang. The local consumers in Semarang are highly observant of price-to-value ratios, heavily community-oriented, and intensely loyal to established local brands. Therefore, examining how TUKU applies its tetangga emotional branding blueprint within the specific socio-cultural landscape of Semarang provides a fertile academic ground to evaluate the scalability and adaptability of emotional marketing strategies for F&B startups.

The Research Gap and Problem Statement

Despite the extensive volume of general academic literature covering emotional branding and experiential marketing, a major gap remains within contemporary entrepreneurial research, particularly concerning local F&B startups expanding into secondary regional markets in developing countries. The vast majority of foundational emotional branding theories are built upon empirical case studies of Western multinational giants with near-limitless budgets, such as Apple, Nike, Harley-Davidson, or Starbucks. There is a distinct scarcity of systematic, empirical documentation detailing how a localized, capital-constrained startup can capture regional markets through emotional resonance.

Furthermore, existing studies on Indonesian coffee startups frequently limit their scope to operational logistics, financial feasibility, digital marketing tools, or general consumer satisfaction surveys in major metropolitan areas. There is an absolute lack of deep qualitative or mixed-method inquiries exploring how the specific concept of tetangga-driven emotional branding converts into a long-lasting, memorable customer experience in a culturally distinct regional market like Semarang. This research gap creates an urgent need for an empirical investigation that bridges theoretical emotional branding models with the real-world operational realities faced by regional F&B startups.

Research Objectives and Significance for Entrepreneurship Students

To address this critical knowledge gap, this study focuses directly on analyzing the structural role of emotional branding in creating memorable customer experiences, using Toko Kopi Tuku in Semarang as the focal case study. Specifically, this research aims to deconstruct TUKU's localized brand touchpoints, investigate how Semarang consumers perceive and internalize the tetangga narrative, and evaluate the specific mechanisms through which these emotional attachments translate into positive customer experiences and brand loyalty.

The significance of this study is multi-dimensional. Academically, it enriches the entrepreneurship literature by providing a localized, contextualized empirical model of emotional branding in a developing market's secondary city. Practically, for undergraduate entrepreneurship students and aspiring youth entrepreneurs, this study serves as a strategic playbook. It demonstrates how to creatively leverage psychological and cultural equity to build a resilient, highly differentiated business model capable of thriving in hyper-saturated regional markets without relying on capital-intensive pricing wars.

B. Literature Review

The Shift to the Experience Economy

The foundational premise of contemporary entrepreneurial marketing lies in the evolution of economic value. As conceptualized by Pine and Gilmore (1998), global markets have progressively shifted from a commodities and goods-based economy to an Experience Economy. In this advanced market structure, businesses must transcend the mere selling of physical products or standard services. Instead, they must position their offerings as a stage, utilizing their products as props to engage individual consumers in a deeply personal and memorable way.

Unlike goods, which are tangible, and services, which are intangible activities, experiences are inherently memorable, highly subjective, and emotionally charged (Holbrook & Hirschman, 1982). For early-stage entrepreneurial ventures operating within highly commoditized sectors like the Food and Beverage (F&B) industry, entering the experience economy is no longer an optional differentiation strategy; it is a critical survival mechanism to prevent brand dilution and customer churn.

Memorable Customer Experience (MCE) and Experiential Marketing

In marketing literature, a Memorable Customer Experience (MCE) is defined as a holistic psychological construct that occurs when a consumer internalizes a series of interactions with a brand over time, leaving a long-lasting, positive impression in their cognitive and emotional memory (Brakus et al., 2009). To systematically engineer an MCE, businesses must utilize Experiential Marketing.

According to Schmitt (1999), experiential marketing targets five primary strategic experiential modules (SEMs), which serve as the building blocks for consumer perception:

Sense: Appealing to consumers' five physical senses (sight, sound, scent, touch, taste) to create sensory recognition.

Feel: Triggering consumers' inner feelings and emotions, ranging from mild positive moods to intense joy and affection.

Think: Engaging consumers' cognitive, problem-solving, and creative faculties.

Act: Influencing consumers' physical behaviors, lifestyles, and bodily experiences.

Relate: Expanding the individual experience by connecting the consumer to a broader social community or cultural identity.

[Experiential Marketing Modules] ⟶ Stimulate [Sense, Feel, Think, Act, Relate] ⟶ Result in [Memorable Customer Experience]

When a local startup successfully aligns these five modules, the resulting experience fosters immense cognitive brand equity and behavioral brand loyalty, which heavily decreases consumer price sensitivity (Gentile et al., 2007; Zarantonello & Schmitt, 2010).

The Paradigm of Emotional Branding

While experiential marketing provides the tactical modules to engage consumers, Emotional Branding serves as the overarching strategic philosophy that guides these interactions. Popularized by Marc Gobé (2010), emotional branding is a revolutionary marketing paradigm that focuses on building deep, long-term, and meaningful connections between a brand and an individual's emotional state, psychological needs, and aspirations.

Gobé (2010) contrasted traditional branding with emotional branding across several core tenets, emphasizing a fundamental shift in how corporations must view their market.

Table 1. Paradigm

Traditional Branding Paradigm	Emotional Branding Paradigm
Focuses on *Consumers* (Transactions)	Focuses on *People* (Relationships)
Promotes *Product Utility & Quality*	Communicates *Brand Experience & Narrative*
Establishes *Honesty* (Functional Promises)	Cultivates *Trust & Emotional Authenticity*
Aims for *Identity* (Visual Recognition)	Strives for *Personality & Shared Values*

In the context of entrepreneurial startups, emotional branding serves as an asymmetric strategic asset. Startups naturally suffer from "the liability of newness" and severe resource constraints, preventing them from competing with multinational corporations through capital-intensive mass media advertising (Zaheer & Mosakowski, 1997). However, by deploying emotional branding, startups can humanize their corporate voice, craft intimate brand narratives, and foster genuine trust. As argued by Thompson et al. (2006), when a consumer develops an affective attachment to a brand, the relationship mimics a close interpersonal friendship. This deep emotional equity effectively shields the startup from aggressive pricing counter-attacks by larger, well-funded competitors.

Cultural Nostalgia and Community-Driven Marketing

A critical dimension of localized emotional branding is the strategic integration of cultural nostalgia and community-driven marketing. Cultural nostalgia involves invoking shared, positive memories of a community's collective past—such as traditional social habits, local flavors, or historical communal values—to create an immediate sense of comfort and familiarity (Holak & Havlena, 1992). When a startup embeds cultural nostalgia within its brand identity, it instantly bypasses consumer skepticism by triggering pre-existing, positive neurological pathways.

Furthermore, this emotional resonance is sustained over time through community-driven marketing. Rather than executing a top-down, corporate-to-consumer communication model, successful startups facilitate a horizontal, peer-to-peer communal ecosystem (Muniz & O'Guinn, 2001). By framing consumers as active members of a exclusive, values-driven community, the brand satisfies the fundamental human psychological need for belonging. In emerging economies like Indonesia, where social collectivism is deeply ingrained, leveraging communal narratives like gotong royong (mutual cooperation) or keakraban (warm intimacy) serves as a powerful catalyst to transform standard retail transactions into highly collaborative, memorable community experiences.

Entrepreneurial Marketing in the Coffee Startup Sector

The global and local coffee industry serves as the primary empirical battleground for experiential marketing theories. Historically, coffee shops have evolved past their functional role as simple beverage vendors to become what sociologists call the "Third Place"—a vital social surroundings separate from the two primary environments of home ("first place") and the workplace ("second place") (Oldenburg, 1989).

In Indonesia's hyper-competitive coffee startup sector, the rise of grab-and-go digital applications and automated kiosks risks stripping the coffee shop of its human-centric "Third Place" value, reducing it to a cold, transactional mechanism. Entrepreneurial marketing literature emphasizes that local startups must counteract this digital alienation by consciously designing distinct emotional touchpoints (Ramaseshan & Stein, 2014). For a coffee startup, this means integrating the physical aroma of local coffee (Sense), localized human-centric barista hospitality (Feel), and unpretentious communal spatial designs

(Relate) to synthesize a cohesive, competitive value proposition that cannot be easily replicated by purely tech-driven or automated competitors.

C. Methods

1. Research Design

This study employs an exploratory, qualitative single-case study design to investigate the role of emotional branding in generating memorable customer experiences. A qualitative approach is highly justified for this inquiry because emotional branding and experiential value are deeply subjective, abstract, and socio-culturally embedded phenomena that cannot be adequately captured through rigid numerical indicators or statistical correlations alone. As argued by Yin (2018), a case study design is most appropriate when "how" or "why" questions are being posed, and when the focus is on a contemporary phenomenon within its real-world context.

By framing Toko Kopi Tuku (TUKU) in Semarang as a bounded case, this research delves into the specific operational tactics, narrative structures, and customer psychological responses within a regional market ecosystem. The exploratory nature of this research allows the researcher to unpack the nuances of the tetangga (neighbor) narrative and observe how a specific brand philosophy manifests locally in Central Java.

2. Research Site and Informant Selection

The empirical investigation was conducted in Semarang, Central Java, Indonesia, focusing specifically on Toko Kopi Tuku's active branches within the city. Semarang provides a unique research setting due to its distinct demographic blend of a massive student population, a rising middle class, and deep-rooted local culinary traditions.

To secure rich, credible, and context-dense data, informants were selected using a combination of purposive sampling and criterion sampling techniques. The informants were divided into two primary groups to capture both the supply and demand sides of the emotional branding ecosystem:

Internal Informants (The Brand Side): This group includes key personnel from TUKU Semarang, including store managers, brand supervisors, and front-line baristas. These informants were selected because they act as the direct executors of TUKU's emotional branding strategy and are responsible for delivering the tetangga hospitality experience.

External Informants (The Consumer Side): To qualify for the study, customers had to meet specific criteria: (a) aged between 18–35 years old (representing the core millennial and Gen-Z entrepreneurial consumer base), (b) residing in Semarang, and (c) having visited and purchased from TUKU Semarang at least four times within the last three months. This high-frequency baseline ensures that the informants have moved past casual consumption and have developed a recognizable cognitive or emotional perception of the brand.

3. Data Collection Methods

To achieve robust data triangulation and enhance the internal validity of the qualitative findings, data were gathered from three distinct primary sources:

a. In-Depth, Semi-Structured Interviews

The primary data collection tool consisted of in-depth, semi-structured interviews conducted with both internal and external informants. Semi-structured interviews provide a structured framework while allowing the flexibility to pursue unexpected, valuable insights that emerge during the conversation.

b. Direct Field Observations

To complement the self-reported interview data, the researcher conducted passive, direct field observations at TUKU Semarang branches over a period of four weeks. Using an observation checklist, the researcher captured real-time, unscripted interactions between baristas and customers. Key observational points included physical store layouts, background music, auditory ambiance, the non-verbal cues of staff during service delivery, and the behavioral patterns of customers within the physical space.

c. Document and Digital Archive Analysis

Secondary data were gathered through a systematic review of TUKU's digital touchpoints. This included analyzing TUKU's official social media narratives (Instagram captions, digital campaigns), customer reviews on digital platforms (Google Maps, food delivery apps), and public media interviews given by the startup's founders regarding their regional expansion blueprints.

D. Result and Discussion

1. Results

Based on the thematic analysis of the in-depth interviews, field observations, and digital archives, three major themes emerged regarding how Toko Kopi Tuku (TUKU) Semarang implements emotional branding to cultivate memorable customer experiences (MCE). These findings illustrate how a grassroots startup scales its emotional equity when expanding into a regional market.

Theme 1: Deconstructing the "Tetangga" Blueprint in a Regional Landscape

The internal interviews with TUKU Semarang's store management and baristas revealed that the tetangga (neighbor) concept is not merely a superficial slogan, but a highly standardized operational framework. Front-line staff are explicitly trained to avoid the rigid, transactional politeness common in corporate fast-food or premium international coffee chains. Instead, they practice what management calls "organic hospitality."

During field observations, it was highly visible that baristas consciously minimize the physical and psychological distance between themselves and the customers. They often remember the names and preferred orders of regular customers, initiating casual, non-scripted conversations. One informant from the consumer group emphasized how this approach alters the perception of a commercial transaction:

"When I enter TUKU, they don't say 'Welcome to our store' in a robotic voice. They just say, 'Eh, Mas Budi, the usual today?' It feels exactly like walking into a neighbor's house who happens to brew great coffee. It takes away the corporate coldness." > — (Informant C-3, 24 years old, Student)

Furthermore, the physical environment of TUKU's branches in Semarang deliberately reflects an unpretentious, minimalist garage-like aesthetic. By opting for intimate, community-centric spaces rather than massive, lavishly decorated aesthetic cafes, TUKU lowers the "psychological barrier" for local consumers. The physical space functions as a tangible anchor for the neighbor narrative, reinforcing feelings of safety, simplicity, and unpretentious comfort.

Theme 2: Triggering Sensory and Affective Impressions (MCE Generation)

To understand how TUKU's emotional branding converts into a Memorable Customer Experience, the study examined consumer touchpoints through the lens of experiential marketing. The findings indicate that TUKU triggers a powerful combination of Sensory (Sense) and Affective (Feel) impressions that stick in the consumer's long-term memory.

The Sensory Signature: The distinct, sweet aroma of localized arenga palm sugar (gula aren), combined with a specific, curated acoustic ambiance (acoustic lo-fi or nostalgic Indonesian indie music playing softly in the background), creates an immediate sensory recognition zone the moment a customer steps in.

The Affective Journey: Because the product (Es Kopi Susu Tetangga) is deeply tied to a collective cultural nostalgia of traditional Indonesian iced milk coffee, drinking it evokes feelings of comfort and belonging. Informants consistently reported that their interaction with TUKU generates a sense of "emotional refuge" from their hectic daily routines.

[Unpretentious Store & Barista Interactions] ──► Triggers [Sense & Feel Impressions] ──► Creates [Memorable Customer Experience]

Theme 3: Relational Outcomes: Community Bonding and Price-Premium Tolerance

The ultimate structural result of TUKU's emotional branding in Semarang is the creation of high-trust relational outcomes. The empirical data shows that Tetangga Tuku in Semarang have formed an organic community network. Customers do not just consume the product individually; they actively participate in co-branding the experience by sharing it on their personal social media accounts, framing themselves as part of the "Tuku Neighborhood."

Crucially, from an entrepreneurial perspective, this emotional attachment builds a high tolerance to competitor dynamics. Despite the constant emergence of newer, cheaper local coffee startups in Semarang offering heavy discounts, TUKU's core customer base exhibits intense brand stickiness. Informants noted that switching to another brand feels like "betraying a friend," proving that emotional equity successfully mitigates price-sensitivity.

2. Discussion

The empirical findings from TUKU Semarang offer profound insights into the mechanics of contemporary entrepreneurial marketing, validating, expanding, and contextualizing several foundational marketing theories within a regional Indonesian framework.

The Operationalization of Gobé's Emotional Branding Paradigm

The data strongly reinforces Gobé’s (2010) assertion that emotional branding shifts the corporate paradigm from consumers to people, and from product to experience. TUKU’s success in Semarang demonstrates how a startup can systematically humanize its brand. While traditional branding frameworks focus heavily on unique selling propositions (USP), TUKU focuses on an Emotional Selling Proposition (ESP).

By restructuring the customer-corporate relationship into a neighbor-to-neighbor dynamic, TUKU effectively replaces the transactional contract with a relational contract. In the minds of Semarang consumers, TUKU transcends its functional utility as an F&B vendor and becomes an emotional companion. This empirical reality supports Thompson et al. (2006), who argued that emotional branding creates an intense ideological attachment that shields a company from aggressive competitive counter-strategies.

Engineering Memorable Customer Experiences (MCE) in Saturated Markets

When mapped against Pine and Gilmore’s (1998) classic Experience Economy framework, TUKU’s operational model shows that an MCE does not require massive capital expenditure or high-tech immersive installations. Instead, authenticity and socio-cultural resonance serve as more potent tools for early-stage startups.

Traditional F&B Strategy:[Product Quality]+[Low Pricing]= Generic Value (High Churn)

TUKU's Strategic Matrix:[Cultural Nostalgia]+[Human Touch]= Memorable Experience (High Loyalty)

TUKU successfully transitions its customers through the four realms of an experience: entertainment, education, aesthetic, and escapism. The unpretentious, community-driven space in Semarang offers a form of aesthetic escapism where urban youth can slow down and engage in genuine human interactions. This sensory and affective stimulation is what transforms a simple routine of buying coffee into a memorable, repeatable ritual, aligning perfectly with the experiential scales developed by Brakus et al. (2009) and Zarantonello and Schmitt (2010).

Regional Expansion Nuances: Navigating the Semarang Ecosystem

A critical contribution of this study is the exploration of how emotional branding behaves during geographical relocation. Expanding a startup from a hyper-metropolitan hub (Jakarta) to a culturally conservative regional city (Semarang) introduces distinct market frictions. Semarang consumers are historically known to be highly rational, risk-averse, and cautious regarding price-to-value ratios.

TUKU successfully mitigated these regional barriers by leaning heavily into its gula aren nostalgic narrative and maintaining an accessible, flat pricing strategy. They did not position themselves as an elite "imported Jakarta brand," which could have alienated the local population. Instead, they adapted their community engagement to align with the local Central Javanese values of keakraban (warm intimacy) and kesederhanaan (simplicity). This strategic humility allowed the tetangga narrative to fit organically into Semarang’s pre-existing culture of community gathering, expanding the scope of experiential marketing theory (Schmitt, 1999) to include regional socio-cultural adaptation as a key variable for startup scalability.

3. Entrepreneurial Implications for Student Founders

For undergraduate entrepreneurship students and nascent founders, the case study of TUKU Semarang provides highly actionable strategic lessons:

De-escalate Price Wars: Early-stage startups operating under resource constraints cannot win prolonged capital-intensive price wars. Building emotional equity is the most reliable mechanism to build high customer retention without sacrificing profit margins.

Prioritize Human-Centric Systems over Automation: While digital automation (such as self-service kiosks and automated ordering apps) optimizes speed, it often dilutes the emotional touchpoints of a brand. Startups should protect and design front-line human interactions as high-value strategic assets.

Cultivate Cultural Authenticity: Branding narratives must stem from genuine cultural or psychological insights. Student entrepreneurs should look deeply into local traditions, societal values, or shared nostalgic memories to build concepts that resonate organically with their target demographic..

E. Conclusion and Recommedation

1. Summary of Findings

This study demonstrates that emotional branding is a highly effective, alternative strategy for local startups looking to survive and thrive in hyper-saturated regional markets. The empirical investigation of Toko Kopi Tuku (TUKU) in Semarang proves that their tetangga (neighbor) narrative is not just a marketing gimmick, but a comprehensive operational philosophy. By intentionally humanizing every brand touchpoint—from unpretentious store layouts to organic, non-robotic barista hospitality—TUKU systematically lowers the psychological distance between the business and its consumers.

These localized emotional tactics trigger profound sensory and affective impressions that alter how consumers perceive value. Instead of engaging in generic, transactional coffee consumption, customers undergo a Memorable Customer Experience (MCE) rooted in cultural nostalgia, community belonging, and comfort. Consequently, this emotional equity fosters deep brand stickiness, sparks organic peer-to-peer word-of-mouth advocacy, and builds a robust tolerance against competitor price-cutting tactics in the Semarang ecosystem.

2. Theoretical and Practical Contributions

From a theoretical perspective, this research bridges a critical gap in entrepreneurship and marketing literature by documenting how a capital-constrained, grassroots startup can scale its emotional branding framework during geographical expansion into secondary regional markets. It proves that the principles of emotional marketing—traditionally studied through the lens of Western multinational giants—can be organically adapted to fit the unique socio-cultural fabric of regional Indonesian communities.

Practically, this study serves as a valuable strategic blueprint for undergraduate entrepreneurship students and nascent founders. It illustrates that when facing resource scarcity and fierce market saturation, startups do not need to rely on capital-intensive price wars or lavish architectural spending. Instead, by identifying deeply rooted cultural insights and maintaining authentic, human-centric interactions, student entrepreneurs can build highly resilient, customer-centric ventures capable of securing long-term customer lifetime value.

3. Limitations and Future Research

While this study provides deep qualitative insights into TUKU's market dynamics in Semarang, it is not without limitations. As a qualitative single-case study, the findings are deeply contextualized within the F&B sector and the specific socio-demographic climate of Semarang, meaning they cannot be widely generalized to other industries or distinctly different cultural regions. Furthermore, this study primarily captures a qualitative snapshot of consumer emotional attachment rather than measuring its longitudinal impact over time.

Therefore, future research should consider a mixed-methods or quantitative approach to empirically test the structural equations between emotional branding indicators, sensory experience scores, and long-term financial performance metrics across multiple startup brands. Additionally, longitudinal studies tracking how consumer emotional bonds evolve as a startup scales into a large corporate entity would greatly enrich the evolving narrative of contemporary entrepreneurial marketing.

References

Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand experience: what is it? How is it measured? Does it affect loyalty?. Journal of Marketing, 73(3), 52-68.

Gentile, C., Spiller, N., & Noci, G. (2007). How to sustain the customer experience: An overview of experience components that co-create value with the customer. European Management Journal, 25(5), 395-410.

Gobe, M. (2010). Emotional Branding: The New Paradigm for Connecting Brands to People. New York: Allworth Press.

Holak, S. L., & Havlena, W. J. (1992). Feelings, fantasies, and memories: An examination of the emotional components of nostalgia. Journal of Business Research, 24(4), 301-311.

Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. Journal of Consumer Research, 9(2), 132-140.

Muniz, A. M., & O'Guinn, T. C. (2001). Brand community. Journal of Consumer Research, 27(4), 412-432.

Oldenburg, R. (1989). The Great Good Place: Cafes, Coffee Shops, Community Centers, Beauty Parlors, General Stores, and Other Hangouts at the Heart of a Community. Paragon House Publishers.

Pine, B. J., & Gilmore, J. H. (1998). Welcome to the experience economy. Harvard Business Review, 76, 97-105.

Ramaseshan, B., & Stein, A. (2014). Connecting the dots between brand experience and customer loyalty. Journal of Brand Management, 21(3), 258-277.

Schmitt, B. (1999). Experiential marketing. Journal of Marketing Management, 15(1-3), 53-67.

Thompson, C. J., Rindfleisch, A., & Arsel, Z. (2006). Emotional branding and the strategic value of the doppelgänger brand image. Journal of Marketing, 70(1), 50-64.

Zaheer, S., & Mosakowski, E. (1997). The dynamics of the liability of foreignness: A global study of survival in financial services. Strategic Management Journal, 18(6), 439-463.

Zarantonello, L., & Schmitt, B. H. (2010). Using the brand experience scale to profile consumers and predict consumer behaviour. Journal of Brand Management, 17(7), 532-540.