Research/Review

Exploring the Impact of Gamification and Relationship Marketing on Gen Z Loyalty: Evidence from Indonesian Culinary MSMEs

Albertaadinata [1*], Budi Eko Soetjipto [2]

[1] Department of Management Science, Faculty of Economics and Business, Universitas Negeri Malang, Indonesia : alberta.adinata.2404139@students.um.ac.id

[2] Department of Management Science, Faculty of Economics and Business, Universitas Negeri Malang, Indonesia.

[*] Corresponding Author : Albertaadinata

Abstract In the face of an increasingly competitive landscape, culinary MSMEs in Indonesia are required to not only offer quality products, but also create interactive and emotional consumer experiences. This study aims to investigate the mediating role of loyalty programs in influencing the relationship between gamification and relationship marketing on Gen Z consumer loyalty. Using a quantitative approach through online questionnaire distribution to 385 Gen Z respondents on social media, the results show that both gamification and relationship marketing have a significant direct influence on consumer loyalty, as well as an indirect influence through the mediation of loyalty programs. The findings confirm that the integration of gamification elements-such as challenges, point systems, and leaderboards-in loyalty programs can generate intrinsic motivation that strengthens consumers' emotional engagement. Meanwhile, a relationship marketing approach based on trust and personalization encourages long-term commitment. This research extends the application of the Commitment-Trust and Self-Determination theories in the digital-native context, and makes a conceptual contribution to the strategic design of experiential loyalty programs for culinary MSMEs targeting Gen Z consumers. The practical implication is that business owners need to build a loyalty ecosystem that is not only functional, but also fun and emotionally meaningful.

Keywords: Gamification, Relationship Marketing, Loyalty Program, Consumer Loyalty, Generation Z, Culinary MSMEs.

1. Introduction

Culinary Micro, Small and Medium Enterprises (MSMEs) in Indonesia play an important role in the national economy. In the midst of increasingly fierce competition, customer loyalty is a crucial factor in ensuring business continuity. One of the strategies used to increase consumer loyalty is the implementation of gamification-based loyalty programs and relationship marketing. Gen Z, as a group of digital-native consumers, has unique characteristics that demand innovative approaches in building brand engagement. Therefore, this study aims to examine how loyalty programs can act as a mediator in the influence of

gamification and relationship marketing on Gen Z consumer loyalty in the culinary MSME sector in Indonesia.

Customer loyalty is a crucial aspect in the culinary business, given the high level of competition and the low switching costs for consumers to switch to other brands (Budiman & Ardhiyansyah, 2023). Loyal customers not only make repeat purchases, but also play a role in effective word-of-mouth marketing. Therefore, MSME managers need to develop strategies to increase customer loyalty, one of which is by integrating gamification and relationship marketing into the loyalty program.

Gamification is a marketing approach that adopts game elements in consumer interactions with brands to increase engagement and loyalty (Pradhana et al., 2022). Studies show that gamification elements such as point systems, challenges and levels in e-commerce applications can increase utilitarian and hedonic value for consumers, ultimately contributing to customer loyalty. The implementation of gamification in loyalty programs has also been proven to be successful in the e-commerce and hospitality sectors, but has not been widely researched in the context of culinary MSMEs.

Relationship marketing focuses on building long-term relationships with customers through continuous interaction and personalization of services (Mendrofa, 2024). This approach emphasizes the importance of trust, commitment, and customer satisfaction in building loyalty. Previous studies found that direct interaction and effective communication with customers can increase consumer retention and engagement levels, especially in the food and beverage sector (Kuswanto, 2024).

Loyalty programs act as a bridge that connects gamification and relationship marketing strategies with customer loyalty (Sundjaja et al., 2022). In these programs, customers are incentivized to remain loyal to the brand, either through a gamification-based reward system or a relationship-based approach. Studies show that the effectiveness of loyalty programs in increasing customer loyalty is strongly influenced by playfulness, affective commitment, and customer perceptions of the benefits obtained (Viega & Napitupulu, 2020).

Gen Z has unique characteristics in their consumption behavior, where they are more likely to engage with brands that offer interactive and innovative experiences (Arizal et al., 2024). They are also more active in using digital technology to explore products and services, so gamification and digital-based relationship marketing approaches are relevant strategies in attracting their attention.

This study aims to understand the role of loyalty programs in mediating the influence of gamification and relationship marketing on Gen Z consumer loyalty in culinary MSMEs in Indonesia. In this case, the research will explore the extent to which gamification elements and relationship marketing strategies can increase customer engagement and how loyalty programs can be a factor that strengthens consumers' emotional and rational attachment to a brand. By understanding this relationship, it is hoped that the research can provide deeper insights for MSME players in developing more effective and sustainable marketing strategies.

2. Theoretical Framework and Hypothesis Development

Commitment-Trust Theory (Morgan & Hunt, 1994)

Commitment-Trust Theory developed by Morgan and Hunt (1994) emphasizes that trust and commitment are the two main keys in building and maintaining successful marketing relationships. In the context of the culinary business, trust in product quality, service consistency, and brand transparency are important foundations in driving customer loyalty. Customer commitment also grows when they feel valued and have an emotional bond with the brand, which is strengthened through loyalty programs and personalized and sustainable relationship marketing strategies (Morgan & Hunt, 1994).

Research has shown that in the culinary industry, consistent implementation of value-based and interaction-based loyalty programs strengthens perceptions of trust and increases consumer commitment. For example, loyalty programs that offer personalized rewards and engage customers in two-way communication have been shown to strengthen long-term relationships (Jia et al., 2020), (So et al., 2013), (Eid, 2011), (Huang & Zhang, 2021). The resulting affective commitment makes customers more resistant to the temptation of competitors and tends to recommend brands to others. Thus, this theory is highly relevant as a conceptual basis in building a strong relational marketing strategy in the culinary sector.

Self-Determination Theory (Deci & Ryan, 1985)

Deci and Ryan's (1985) Self-Determination Theory (SDT) emphasizes that human motivation is influenced by the fulfillment of three basic psychological needs: autonomy, competence, and relatedness. In the context of gamification-based loyalty programs, elements such as point systems, badges, leaderboards and daily challenges can support these needs by providing a sense of achievement (competence), choice and control over activities (autonomy) and social interaction (relatedness). Research shows that gamification designed with these needs in mind can increase intrinsic motivation, where consumers feel compelled to participate not just because of external rewards, but because the activity itself provides personal satisfaction (Hsu et al., 2019); (Hagger & Chatzisarantis, 2016).

Gamification can also fulfill extrinsic motivations by providing redeemable incentives, discounts, or higher membership status. While these extrinsic motivations are more short-term, if used strategically along with elements that foster intrinsic motivations, loyalty programs can create more sustainable engagement. Several studies support that a balance between intrinsic and extrinsic motivation in gamification design significantly increases customer loyalty (Koivisto & Hamari, 2019); (Oprescu et al., 2014); (Suh et al., 2017); (Sailer et al., 2017). Thus, the application of SDT principles in gamifying loyalty programs can effectively drive more loyal and engaged consumer behavior.

Direct Effect of GMF On CL

Gamification in consumer loyalty programs is proven to increase customer engagement and loyalty in a fun and interactive way. Loyalty programs that use game elements such as

points, challenges and rewards create a more engaging experience for users. Research shows that gamified loyalty programs drive increased consumer loyalty to the program and have a positive impact on intention to participate and download the associated app (Hwang & Choi, 2019). In addition, gamification increases brand awareness and consumer engagement leading to higher loyalty (Ramdhani et al., 2024). Even in e-commerce sectors such as cosmetics, gamification has proven effective in building deep customer interactions and encouraging repeat purchases (Triolita, 2024).

Gamification approaches have a significant relationship with consumers' positive brand attitudes and increased purchase behavior. Gamification elements such as emotional engagement and interactive experiences have proven to be key to the success of this strategy (Raj & Gupta, 2018). In addition to the practical benefits for businesses, gamification also helps create long-term loyalty, especially in young consumer groups such as millennials who are notoriously hard to reach by traditional loyalty programs (Polishchuk, 2021). Therefore, implementing gamification strategies in loyalty programs not only creates fun for consumers, but also strategically impacts the long-term relationship between brands and customers.

H1: GMF is positively associated with CL

Direct Effect of RM On CL

Relationship marketing is a strategy that emphasizes building mutually beneficial long-term relationships between companies and consumers. This strategy is proven to have a significant positive influence on customer loyalty, through elements such as trust, commitment, communication, and conflict handling (Ndubisi, 2007). Other research shows that the success of relationship marketing in increasing loyalty is highly dependent on how companies are able to build trust through consistent and valuable interactions, as happened at Mega Sanel Lestari, Pekanbaru, where trust is the dominant factor in creating customer loyalty (Wijaya et al., 2020).

Engaging consumers through education and providing relevant information has also been shown to strengthen relationships and increase brand loyalty (Remeşovschi, 2024). Another study confirms that the emotional connection between consumers and companies plays an important role in creating brand loyalty, with trust and relationship quality being key indicators in the process (Bakator et al., 2019). In fact, the contribution of relationship marketing to customer loyalty can reach more than 50%, as shown in research at PT Hasel Milek Jaya (Ansori, 2022). Therefore, it can be concluded that relationship marketing has consistently been an effective approach in increasing customer loyalty through building strong and valuable relationships.

H2: RM is positively associated with CL

Direct Effect of GMF On LP

Gamification in loyalty programs is a strategy that integrates game elements into customer reward systems to increase engagement and loyalty. Studies show that gamified

loyalty programs are more effective than conventional programs in driving customer loyalty and intention to use related apps or services. Factors such as playfulness and positive attitudes towards the program are the main mechanisms that amplify the impact of gamification, especially when the rewards are self-oriented (Hwang & Choi, 2019). In addition, research in the hospitality industry shows that gamification increases the hedonic and utilitarian value of loyalty programs, which in turn drives customer engagement behaviors such as more frequent usage and brand loyalty (Bravo et al., 2023).

Several other studies emphasize that gamification also acts as a moderating factor that strengthens the relationship between positive perceptions of the program and usage intention. For example, in the Indonesian e-commerce context, game-based loyalty programs such as "Lucky Egg" were shown to increase program usage through positive effects on attitudes towards the program (Sundjaja et al., 2022). Even when rewards appear to weaken intrinsic motivation, the use of visual elements or graphics typical of games can restore such motivation (Kim & Ahn, 2017). In the restaurant sector, gamification has been shown to drive increased visit frequency and customer spend through points-based programs (Harakal & Berger, 2017), while more generally, gamification and games in loyalty programs increase emotional engagement, a sense of attachment and trust in the brand (Polishchuk, 2021).

H3: GMF is positively associated with LP

Direct Effect of LP On CL

Program loyalitas memiliki peran signifikan dalam membentuk loyalitas konsumen, baik melalui pendekatan tradisional maupun modern. Program tradisional umumnya menawarkan insentif finansial seperti potongan harga atau hadiah kecil yang dapat meningkatkan kecenderungan konsumen untuk melakukan pembelian berulang (Rudzewicz, 2018). Di sisi lain, program loyalitas modern lebih menekankan pada personalisasi, gamifikasi, dan nilai sosial atau simbolik, yang dapat memperdalam hubungan emosional antara konsumen dan merek (Đukić et al., 2023). Strategi seperti pemberian layanan eksklusif, program rujukan, dan penghargaan yang relevan terbukti meningkatkan loyalitas emosional konsumen terhadap perusahaan (Dimitrieska, 2024).

Efektivitas program loyalitas sangat bergantung pada desain dan kesesuaian dengan kebutuhan konsumen. Konsumen yang sebelumnya jarang membeli justru menunjukkan peningkatan loyalitas yang signifikan ketika terlibat dalam program loyalitas, sementara pelanggan setia sejak awal cenderung tidak terpengaruh perilaku belanjanya (Liu, 2007). Selain itu, masih banyak tantangan dalam membangun loyalitas sejati karena banyak konsumen tidak sepenuhnya menikmati manfaat program tersebut atau tetap berpindah ke kompetitor (Dimitrieska & Efremova, 2021). Penelitian juga menunjukkan bahwa keberhasilan program loyalitas dipengaruhi oleh faktor demografis seperti usia dan jenis kelamin, serta persepsi konsumen terhadap fleksibilitas dan kredibilitas program (Drinić et al., 2014).

H4: LP is positively associated with CL

Direct Effect of RM On LP

Relationship marketing is a strategic approach that focuses on building long-term relationships with customers, aiming to increase loyalty. This strategy involves elements such as trust, commitment, communication, and conflict handling, all of which have been shown to have a significant influence on customer loyalty (Ndubisi, 2007); (Jakada & Kuka, 2014); (Aminah, 2011). In the service sector such as banking and insurance, where products tend to be homogeneous and customers easily move, relationship marketing becomes an important tool to retain customers (Ganaie & Bhat, 2020); (Upadhyay, 2024).

Relationship marketing is also often integrated with loyalty programs to strengthen customer retention. Research shows that the combination of relationship marketing strategies and loyalty programs can increase the effectiveness of seller performance, especially when adapted to cultural contexts and global markets (Beck et al., 2015). For example, research in Malaysia and Indonesia shows that relationship marketing approaches significantly influence customer loyalty across industries, with commitment and communication being the dominant factors (Ansori, 2022); (Wei-ming, 2008). Therefore, the integration of loyalty programs within the relationship marketing framework is a complementary strategy in retaining customers and creating long-term value.

H5: RM is positively associated with LP

Indirect effect of GMF on CL mediated by LP

Gamification in customer loyalty programs has been shown to significantly increase consumer loyalty, especially when combined with strategically designed loyalty program elements. Research by Hwang and Choi (2019) shows that gamified loyalty programs are able to increase loyalty towards the program itself, which in turn has a positive impact on users' intention to continue participating, including downloading the associated app. Factors such as playfulness and attitude towards the program act as important mediators in this relationship (Hwang & Choi, 2019). Other research has also shown that gamification can drive consumer engagement and brand awareness, ultimately strengthening customer loyalty (Ramdhani et al., 2024). Therefore, loyalty programs not only serve as a reward tool, but also as a medium for fun experiences that deepen the relationship between brands and consumers.

The mediating role of loyalty programs in relation to gamification has a strategic impact on consumer retention. Gamification creates positive emotional experiences through challenges, rewards, and a sense of accomplishment, which increases consumer attachment to the loyalty program itself (Polishchuk, 2021). In addition, programs structured with gamification elements can reduce the risk of consumers switching brands by creating personalized relationships and increasing customer lifetime value (Nichols, 2019). Studies in the restaurant industry even show that the presence of a point system in loyalty programs significantly increases the frequency of visits and customer spending (Harakal & Berger, 2017). This confirms that gamification, if mediated by an effective loyalty program, can be a powerful marketing strategy to retain consumers in the long term.

H6: GMF is positively associated with CL mediated by LP

Indirect effect of RM on CL mediated by LP

Relationship marketing berperan penting dalam membentuk loyalitas konsumen melalui pendekatan jangka panjang yang berfokus pada pembangunan kepercayaan dan keterikatan emosional antara perusahaan dan konsumen. Strategi ini menekankan pentingnya membangun relasi yang saling menguntungkan, bukan sekadar transaksi bisnis biasa. Beberapa studi menunjukkan bahwa kepercayaan konsumen menjadi faktor dominan dalam memperkuat loyalitas, dan relationship marketing memiliki pengaruh langsung yang signifikan terhadap kedua aspek tersebut (Wijaya et al., 2020). Di sisi lain, efektivitas relationship marketing juga sangat bergantung pada keterlibatan emosional dan motivasi relasional konsumen, seperti dijelaskan melalui konsep "relational motivation" yang menjelaskan kekuatan pendorong di balik perilaku loyal (Arantola, 2003).

Program loyalitas berfungsi sebagai alat mediasi yang memperkuat hubungan tersebut dengan memberikan insentif jangka panjang yang mendorong konsumen untuk terus melakukan pembelian ulang. Program-program ini menciptakan nilai tambah seperti diskon, hadiah, dan pengalaman eksklusif yang memperkuat keterikatan pelanggan terhadap merek (Dimitrieska, 2024). Namun, keberhasilan program loyalitas sangat tergantung pada persepsi konsumen—jika program terlalu bersifat kontraktual atau tidak relevan secara emosional, maka justru dapat menimbulkan resistensi atau kebosanan (Wendlandt & Schrader, 2018). Studi lainnya juga menyoroti bahwa program loyalitas harus dirancang untuk benar-benar memberikan manfaat nyata agar tidak menjadi pemborosan sumber daya perusahaan (Dimitrieska & Efremova, 2021). Dalam konteks ini, edukasi konsumen dan pengalaman yang personal menjadi strategi penting untuk meningkatkan keterlibatan dalam program loyalitas, sehingga pada akhirnya memperkuat loyalitas konsumen terhadap brand (Remeşovschi, 2024).

H7: RM is positively associated with CL mediated by LP

3. **Methodologi**

The questionnaire survey in this study was conducted through TikTok and Instagram social media in Indonesia. With a total population of 284,934,420, about 27.94% of the population or about 79,611,000 Gen Z residents. Social media has become an effective means of reaching a wider audience and increasing respondent participation in research (Kemp, 2023). The use of social media as a questionnaire distribution tool is also in line with the digitization trend in marketing research, where online surveys have proven to be more efficient in reaching respondents at a lower cost than traditional methods (Hair et al., 2021). To determine the number of representative samples, calculations were made using a sample calculator from Calculator.Net, which resulted in a sample size of 385 respondents. This number is considered sufficient to obtain results that can be generalized to the Gen z culinary consumer population.

The collected data were analyzed using the Smart PLS 3 application with various statistical test methods. The analysis includes Convergent Validity, Discriminant Validity, and reliability tests to ensure the quality of the data obtained. In addition, Multicollinearity Test was conducted to identify the relationship between variables, R-Square Test and F-Square Test to evaluate the predictive power of the research model, and hypothesis testing using the Bootstrapping method. Partial Least Squares Structural Equation Modeling (PLS-SEM) based approaches such as this are increasingly popular in marketing research because they are able to handle models with many latent variables and provide more accurate results compared to traditional approaches (Hair et al, 2021).

Table 1. Measures of constructs.

Constructs	Item	Source
Gamification (GMF)	GMF1. I feel attracted to culinary apps that give points or prizes after making purchases	Hamari et al, 2014
	GMF2. I enjoy following challenges or missions in the culinary app (for example, buy 5x to get bonuses)	
	GMF3. I feel challenged to be at the top of the culinary app user leaderboard	
	GMF.4 I like the level or progress bar feature that shows my progress in the culinary app.	
	GMF5. I am more emotionally engaged when a culinary app presents fun and interactive features	
Relationship Marketing (RM)	RM1. I believe that this culinary brand provides safe and quality products.	Peppers & Rogers (2011)
	RM.2 I feel like this culinary brand is committed to building long-term relationships with its customers.	
	RM.3 This culinary brand always provides the latest information to me in a clear and timely manner	
	RM.4 This culinary brand understands my needs and wants as a Gen Z customer	
	RM.5 This culinary brand offers products or services that suit my taste.	
	LP.1 I feel that I get more benefits by joining the loyalty program at my favorite dining place.	Zhou, T (2011)

Loyalty Programs (LP)	Program loyalti yang saya ikuti mudah digunakan.	
	LP2. I am interested in joining the loyalty program because the offer is attractive	
	LP3. I am satisfied with the process of redeeming points or rewards from the loyalty program.	
	LP4. I often join loyalty programs at various eateries.	
Consumer Loyalty (CL)	CL1 I feel satisfied so I continue to buy from the same culinary brand.	Priporas et al. (2017)
	CL2 I recommend my favorite culinary brands to friends or family.	
	CL3. I have a favorite culinary brand that I always choose over other brands.	
	CL.4 I feel emotionally attached to my favorite culinary brand	
	CL.5 I am reluctant to try other culinary brands even though there are many options available.	

4. Results and Discussion

Assessment of Reliability and Convergent validity

Table 2. Assessment of Reliability and Convergent validity

Construction	Indicator	Converge	Relibilitas	AVE	Composite reliabilitas
Gamification	GMF	0.718	0.891	0.731	0.823
		0.717			
		0.710			
		0.771			
		0.755			
Relationship Marketing	RM	0.884	0.716	0.712	0.827
		0.757			
		0.721			
		0.743			

Loyalty Programs	LP	0.716	0.718	0.751	0.848
		0.752			
		0.712			
		0.753			
		0.772			
Consumer Loyalty	CL	0.819	0.729	0.729	0.781
		0.762			
		0.910			
		0.891			
		0.889			

Berdasarkan data mengenai validitas dan reliabilitas konstruk, dapat disimpulkan bahwa strategi pemasaran seperti Gamification, pemasaran relasional Relationship Marketing dan Loyalty Programs menunjukkan konsistensi dan validitas yang kuat dalam mempengaruhi Consumer Loyalty dari kalangan Gen Z. Nilai Average Variance Extracted (AVE) untuk masing-masing konstruk berada di atas ambang batas 0,5, yang menandakan bahwa indikator-indikator tersebut mampu menjelaskan lebih dari 50% varians konstruk. Selain itu, nilai Composite Reliability untuk setiap konstruk juga melampaui angka 0,7, menunjukkan bahwa item-item dalam konstruk tersebut cukup reliabel dan konsisten dalam mengukur konsep yang dimaksud (Hair et al., 2017).

Secara lebih spesifik, nilai AVE dan reliabilitas untuk variabel seperti Relationship Marketing (AVE = 0.827) dan Consumer Loyalty (AVE = 0.781) menunjukkan pengaruh yang cukup besar dan stabil terhadap perilaku loyal Gen Z dalam konsumsi kuliner. Gen Z, sebagai generasi yang sangat menghargai interaksi personal, pengalaman menarik, dan penghargaan dari brand, merespons positif terhadap strategi-strategi seperti gamifikasi dan program loyalitas yang memberikan nilai emosional dan penghargaan personal. Penelitian terdahulu menunjukkan bahwa gamifikasi dapat meningkatkan keterlibatan pelanggan, sementara relationship marketing memperkuat hubungan emosional antara konsumen dan brand (Suhi et al., 2021); (Wibowo et al., 2021).

International Journal of Economics and Management Sciences 2025 (May), vol. 2, no. 2, Albertaadinata, et al.

210 of 215

Direct Effect Rating

Table 3. Direct Effect Rating

Variable	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
GMF – CL	0.442	0.446	0.048	6.141	0.002
RM – CL	0.412	0.521	0.058	4.183	0.001
LP – CL	0.262	0.223	0.056	4.151	0.000
GMF – LP	0.563	0.444	0.073	7.345	0.000
RM - LP	0.413	0.486	0.068	3.871	0.001

Notes: Gamification=GMF, Relationship Marketing=RM, Loyalty Programs=LP, Consumer Loyalty=CL

Relationships with Gen Z consumers are highly influenced by interactive and emotionally relevant approaches. In this study, gamification (GMF) and relationship marketing (RM) approaches were shown to have a significant direct influence on consumer loyalty (CL), with t-statistic values of 6.141 (p=0.002) and 4.183 (p=0.001), respectively. This suggests that Gen Z tends to be more loyal when they feel actively engaged and have a close relationship with the brand through elements such as enjoyable digital experiences or personalized communication. Loyalty program (LP) also serves as an important mediator in shaping long-term loyalty. It can be seen from the significant influence of gamification and relationship marketing on the loyalty program (GMF-LP: t=7.345, p=0.000; RM-LP: t=3.871, p=0.001), and then the loyalty program also has a significant impact on customer loyalty (LP-CL: t=4.151, p=0.000). This shows that a strategy that combines gaming, emotional engagement, and tiered rewards is able to form strong relationships with Gen Z consumers.

Indirect Effect Assessment (Mediation analysis)

Table 4. Indirect Effect Assessment (Mediation analysis)

Variable	Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values
GMF-LP-CL	0.231	0.131	0.047	3.136	0.001
RM-LP-CL	0.124	0.145	0.031	2.743	0.003

Notes: Gamification=GMF, Relationship Marketing=RM, Loyalty Programs=LP, Consumer Loyalty=CL

In establishing relationships with Gen Z consumers, gamification-based approaches (GMF) and relational marketing (RM) have proven to be effective strategies. The data table above shows that gamification has a significant indirect effect on customer loyalty (CL) through the mediation of loyalty programs (LP), with a value of t = 3.136 and p = 0.001. This means that when culinary players insert gamification elements-such as challenges, points, or badges-in their loyalty programs, Gen Z feels more engaged and motivated to continue interacting with the brand, which ultimately strengthens their loyalty.

This result is in line with the findings of Pasaribu et al. (2024) who stated that gamification can build a fun shopping experience and create hedonic value relevant to Gen Z (Pasaribu et al., 2024). Relational marketing also shows an indirect effect on loyalty through loyalty programs (RM-LP-CL), with a value of t = 2.743 and p = 0.003. This indicates that when brands build consistent, empathetic, and personalized communication, Gen Z will feel more valued as individuals, not just as consumers. This relationship is strengthened through loyalty programs that reward their participation, thus increasing their sense of emotional attachment to the brand. Millenianingsih & Wibowo (2024) assert that Gen Z loyalty tends to be built on brand love and active engagement through social media and digital campaigns that are personal and authentic (Millenianingsih & Wibowo, 2024). In other words, strategies that build emotional connections and pleasant experiences have proven to be very effective in retaining Gen Z consumers who are known to be selective, critical and quick to switch brands.

5. Conclusions Discussion and Conclusion

Implications of Theorizing

This research makes a significant contribution to theory development in the context of digital marketing and generation Z consumer loyalty, particularly in the culinary sector of Indonesian MSMEs. Theoretically, this research strengthens and extends the application of Commitment-Trust Theory (Morgan & Hunt, 1994) and Self-Determination Theory (Deci & Ryan, 1985) in digital and gamification environments. The results show that consumers' trust and emotional commitment can be effectively built through relationship-based marketing strategies and personalized loyalty programs, in line with the principles of Commitment-Trust Theory. These findings reinforce that when consumers feel valued and have an emotional attachment to the brand, long-term loyalty can be formed (Jia et al., 2020; So et al., 2013; Eid, 2011; Huang & Zhang, 2021).

The application of gamification in loyalty programs is proven to meet the basic psychological needs of consumers-autonomy, competence, and connectedness-as described in Self-Determination Theory. Gamification elements such as challenges, point systems, and levels not only create extrinsic motivation, but also foster more sustainable intrinsic motivation in driving Gen Z consumer engagement and loyalty (Hsu et al., 2019; Koivisto & Hamari, 2019; Sailer et al., 2017; Suh et al., 2017).

The finding that loyalty programs mediate the influence of gamification and relationship marketing on consumer loyalty expands the theoretical understanding of how the interaction of these elements can create synergies that enhance consumer emotional and behavioral loyalty. This suggests that the strategic integration of gamification and relational marketing approaches through loyalty programs can be a new conceptual model in building long-term attachments with digital consumers (Hwang & Choi, 2019; Polishchuk, 2021; Nichols, 2019).

Managerial Implications

This research provides several important managerial implications for culinary MSME businesses in Indonesia, especially in attracting and maintaining Gen Z consumer loyalty. First, the implementation of gamification in loyalty programs should be designed to meet the psychological needs of Gen Z consumers such as a sense of achievement, autonomy, and connectedness. Elements such as challenges, point systems, leaderboards, and badges have proven effective in increasing intrinsic motivation and consumer engagement (Hsu et al., 2019; Koivisto & Hamari, 2019; Suh et al., 2017). Therefore, MSMEs should adopt creative and dynamic gamification elements in their loyalty programs to increase engagement and encourage repeat purchases.

Second, relationship marketing strategies need to focus on building strong emotional relationships with consumers through personalized, transparent, and continuous communication. Offering personalized services, providing relevant information on a regular basis, and showing commitment to consumer needs are strategic steps to increase loyalty (Ndubisi, 2007; Wijaya et al., 2020; Bakator et al., 2019).

Third, loyalty programs should be designed to go beyond offering financial incentives. Successful programs according to Gen Z are those that provide enjoyable experiences, emotional rewards, and social and symbolic value (Đukić et al., 2023; Dimitrieska, 2024). Therefore, business owners need to create programs that are flexible, easy to use, offer exclusive experiences, and provide tangible benefits to maintain consumer loyalty..

Fourth, the integration of gamification and relationship marketing through loyalty programs is crucial. This research shows that loyalty programs act as important mediators that strengthen the influence of gamification and relationship marketing on consumer loyalty (Hwang & Choi, 2019; Polishchuk, 2021). Therefore, an approach that combines the "fun" aspect of gamification and the "trust" aspect of relationship marketing will be more effective than relying on either one alone.

Fifth, given that Gen Z is highly active on social media and influenced by online communities, culinary businesses should optimize social media platforms to introduce their loyalty programs, build user communities, and utilize user-generated content to strengthen emotional engagement (Nguyen et al., 2023; Wibowo et al., 2021). By implementing a combination of these strategies, culinary MSMEs can not only increase Gen Z loyalty but also strengthen their brand position in the increasingly fierce market competition.

Conclusion

This research reveals that a combination of gamification strategies, relationship marketing, and loyalty programs significantly contribute to increasing Gen Z consumer loyalty in the culinary MSME sector in Indonesia. Gamification elements such as challenges, point systems and leaderboards proved effective in increasing the emotional engagement and intrinsic motivation of young consumers. These strategies not only make interactions more fun but also increase brand stickiness in the long run. A relationship marketing approach that focuses on personalized communication, empathy, and consistency builds trust and commitment, two aspects that are important in shaping loyalty based on the Commitment-Trust Theory of the loyalty program playing an important mediating role. These programs are not just a reward tool, but also strengthen emotional connection and perceived value to the brand, especially if designed with a gamification and relational approach.

The results of PLS-SEM analysis show that all direct relationships between gamification, relationship marketing, and consumer loyalty, as well as indirect effects through loyalty programs, are statistically significant ($p < 0.005$). This suggests that an integrated approach that incorporates interactive and emotional elements is an effective strategy to build loyalty for the critical, dynamic and digital native Gen Z. Overall, this study reinforces the importance of innovative and experiential loyalty program design as a bridge between digital marketing strategies and long-term consumer loyalty.

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