

The Effect of Customer Loyalty and Satisfaction's Factors in Visiting Mall XYZ

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Abstract—Mall Success can be seen with a large number of mall visitors and visitors coming. In this case, one of the malls in the Tidar area of Surabaya is more important than most of the malls in general in the city of Surabaya. At the XYZ mall area, visitors are seen lonely from day to day, this is a big question mark whether visitors are satisfied to receive a compilation of visiting the mall. For this reason, the satisfaction of visitors and customers in the mall is an important factor in determining the buying and selling activities in the mall. The research offered suggests about customer satisfaction and customer loyalty proposed by, hedonic value, Relaxation Value, socialization value, Utilitarian Value. This can affect the purchasing power of consumers to buy at the mall. Satisfaction can provide a supported spending will, thus providing a significant turnover of money. By creating a sense of satisfaction can generate customer loyalty in the mall. This research was conducted by distributing questionnaires to visitors or customers who have come to the XYZ mall. The method used in this research is Structural Equation Modeling. by Processing data using Smart PLS software because the research model is complex. The findings in this study are the outcome variable, Hedonic Value, Relaxation Value, and Socialization Value regarding customer satisfaction and customer loyalty, while the Utilitarian Value only has a significant effect on customer satisfaction. The results of this study are expected to make the mall management considerations to develop the right strategy in increasing the number of visitors and customers to come to the mall.

Keywords—Customer Satisfaction, Customer Loyalty, Structural Equation Modeling, Shopping Center.

I. INTRODUCTION

MALL culture plays a significant role in consumers' lifestyle [1] [2] and it is essential for mall managers to design the mall ambience along with entertainment facilities, as sort men to products and services by targeting customer preferences [3] and shopping values [4] [5] [6]. Study of [4] verifies the existence of hedonic shopping value, relaxation shopping value, socialization shopping value and utilitarian shopping value and shows that the satisfaction procured will influence consumer behavior. In utilitarian shopping values, shoppers consider shopping as a mission oriented experience and only by acquiring each product or service he completes this mission [7]; [6]. For example, shoppers perceive greater utilitarian shopping value only when they need to buy something; they buy it and then leave. [8] study shows that the task-oriented shoppers derive shopping value from the outcome of the shopping activity itself and not necessarily by buying a product or services. Academicians believe that studying about the procurement of product or completion of mission is not enough to represent shopping value. It has been found that some customers enter the mall

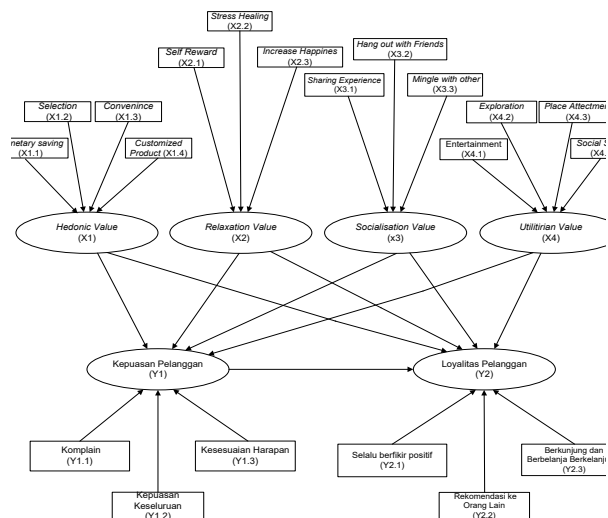


Figure 1. Framework Customer Satisfaction dan Customer Loyalty

primarily to get value of sensual and emotional satisfaction during shopping process.

A. Hedonic Value

In contrast, some shoppers visit malls only because of hedonic shopping values [9]. For them, shopping malls are viewed as a place for recreation and entertainment [1][10][8] study shows that hedonic shopping values include fun, enjoyment and excitement of shopping at a mall. Hence, the hedonic values are more personal and subjective than utilitarian value, resulting in fun, fantasy, multisensory and emotional aspects of shopping experience with the products [11]. Hedonic shoppers satisfied with themed environments, events and contests, food courts, gaming zone, music, aroma, seating space, and overall store atmospherics that make shopping experience more entertaining and exploring [11][12][10]. Mall ambience and entertaining facilities provided by the mall owners create place attachment [13] and the purchase from mall increase social status of the customer in the society [10]. Therefore, the researchers considered entertainment, exploration, place attachment and social status factors for hedonic shopping values.

B. Relaxation Value

Relaxation Value is the values of relaxation are values associated with shopping or visiting the mall to relieve stress, shopping to reduce negative moods, and shopping as a special treatment for yourself. Some respondents admitted that they went shopping to relieve stress or forget their problems. Other respondents see the experience of shopping as a way to reduce tension, relax, improve positive mood, or just pamper yourself by shopping based on [14] is a collection of theories to reduce tension from human motivation [10] which states that humans motivated to behave is a way to reduce tension, thereby

Table 1.
Definition Hypothesis

Hypotesis	Definition Hypothesis
H1	Hedonic value has a significant positive influence on customer satisfaction
H2	Hedonic value has a significant positive influence on customer loyalty
H3	Relaxation value has a significant positive influence on customer satisfaction
H4	Relaxation value has a significant positive influence on customer loyalty
H5	Socialisation value has a significant positive influence on customer satisfaction
H6	Socialisation value has a significant positive influence on customer loyalty
H7	Utilitarian value has a significant positive influence on customer satisfaction
H8	Utilitarian value has a significant positive influence on customer loyalty.
H9	Customer satisfaction has a significant positive influence on customer loyalty

maintaining equanimity and returning to a state of homeostasis. [4] recognize the value of shopping as a form of self-satisfaction, escape, and therapeutic activities, describing respondents who view shopping as "pick-me-up" and "lift" when they feel depressed. Therefore, the researchers considered entertainment, self reward, stress healing, and increase happiness factors for Relaxation shopping values.

C. Socialitation Value

The values of socialization in social shopping, which refers to the happiness of shopping with friends and family, socializing while shopping, and bonding with others when shopping. Some respondents from previous studies quite often mentioned that shopping is a way to spend time with friends and / or family members. Some previous research respondents also stated that they only enjoyed socializing with others while shopping and that shopping gave them the opportunity to connect with other buyers. Social values in shopping found in [14] are a collection of human motivational affiliation theories that collectively focus on people who are altruistic, cohesive, and seek acceptance and affection in interpersonal relationships. A large number of previous studies have revealed the social aspects of shopping motivation. [15], first identified "personalization" of shoppers, people who sought personal relationships while shopping, whereas [16] recognized "psychosocialisation" of shoppers. [17] also recognizes the shopper's desire to carry out social interactions outside the home, communicate with others who have similar interests, and be affiliated with reference groups. In addition, [18] identify "affiliation" as a shopping motivation, and [2] discuss social motivations for shopping there are several namely are sharing expression, hangout with friends and mingle with other.

D. Utilitarian Value

Utilitarian shoppers have a greater desire to get more value for their purchases. Utilitarian shopping value starts with a mission or task, and the perceived benefit depends on whether the mission is completed efficiently during the process or not [19] [4]. The basic criterion of Indian customer is to shop economically and they do not want to sacrifice their time, efforts and money for shopping process [20]. Customers perceive more utility and value [7][19] [6] when they feel satisfied after getting a branded product at discounted rates with effortless shopping [4] [6]. For increasing utilitarian shopping values, retailers offer wide range of high quality branded merchandise to customers to shop from shopping malls. Therefore, the shoppers will have the opportunity of monetary saving [12] by selecting products from available product choices with convenience [12]. These studies

categorize utilitarian shopping values into monetary saving, selection, convenience and customized products.

E. Customer Satisfaction

Customer satisfaction is the overall consumer action for the goods or services they have obtained and used [21][22] state that satisfaction is a feeling that arises in someone, whether happy or disappointed when comparing the results of product performance against their expectations. Consumer satisfaction occurs when a service or product meets or exceeds consumer expectations themselves. Products or services received by consumers are worse than they expected, will create consumer dissatisfaction [23]. Based on the definition from several sources of experts and previous research, overall consumer satisfaction can be defined as the overall attitude displayed by consumers based on the feelings felt when consumers get services or products as expected by consumers. This study uses three indicators obtained from the variable customer satisfaction [24] which asks the key to customer satisfaction are complaint, overall satisfaction and comformity expectation.

F. Customer Loyalty

Having loyal customers and customers is the ultimate goal of all companies, especially shopping centers. However, most companies do not know if a loyalty can be formed with several stages ranging from looking for potential customers to advocate customers who will bring benefits to the company. According to [25] that loyalty is valued as the backbone of the seller in relation to consumers. A seller who has loyal customers means that he has reached a step further in terms of customer satisfaction. Loyal consumers are also a distinct advantage and if coupled with continuous relationship development, the cost of serving consumers will be reduced. Maintaining old customers will be easier than finding new customers. Even as time goes by loyal consumers become business builders, buy more, pay higher and bring in new customers. This study uses three indicators obtained from customer loyalty variables [24] which ask the key to customer loyalty are, always thinking positively, recommend to friends, visit and shop continusly. For hipotesis can see at Table 1. To look framework for this research you can look Figure 1.

II. METHOD

Structural Equation Modeling (SEM) is a statistical tool used to solve multilevel models simultaneously which cannot be solved by linear regression equations. SEM can also be considered as a combination of regression analysis and factor analysis. SEM can be used to solve equation models with

Table 2.
Demographic Breakdown of Respondent

Demography	N	Percentage
Gender		
Male	97	
Female	135	
Age		
≤ 20 tahun	64	
20 - 30 tahun	98	
30 - 40 tahun	38	
40 - 50 tahun	27	
> 50 tahun	5	
Marital Status	108	
Married	124	
Single		
Education	84	
Senior High School	29	
Asociated degree	105	
Bachelor Degree	14	
Master Degree	0	
Doctorate Degree		
Job	78	
Civil Cervant	42	
Employee	18	
Entrepreneur	12	
Retired	36	
Part Time Worker	46	
Student		
Salary	36	
<3 Juta	89	
3-6 Juta	72	
6-9 Juta	23	
9-12 Juta	12	
>12 Juta		
Place		
Surabaya	156	
Gresik	24	
Mojokerto	9	
Sidoarjo	28	
Pasuruan	13	
Malang	2	

more than one dependent variable and also the reciprocal influence (recursive)

If the research model only uses exogenous latent variables and only endogenous latent variables, then regression techniques (simple linear regression or multiple linear regression) can be used. However, if the research model uses a number of exogenous latent variables and endogenous latent variables, moderating and intervening variables, then it must use a more comprehensive analysis technique, Structural Equation Modeling [26]. Intervening variables are variables that theoretically affect the relationship between exogenous latent variables and endogenous latent variables into indirect and unobservable relationships. This variable is an interrupting variable / between an exogenous latent variable and an endogenous latent variable, so that the endogenous variable does not directly affect the change or emergence of exogenous variables [27]

There are two types of SEM models that are widely used, namely covariance-based SEM represented by AMOS and LISREL software, and variance-based SEM, which is often called Component Based SEM with software such as Smart PLS and PLS Graph. Covariance Based SEM requires a variety of assumptions that must be met, such as multivariate normal distribution, the indicator model must be reflective, the scale of indicator measurement must be continuous and the number of samples must be large. Whereas Component Based SEM ignores all of that, because it is non-parametric.

The main difference between Covariance Based SEM and Component Based SEM is that the Covariance Based SEM model analyzed must be developed based on a strong theory and our aim is to confirm this model with empirical data. While Component Based SEM places more emphasis on prediction models, so strong theoretical support is not the most important thing [27]. and at this research demographic breakdown of respondent can see at Table 2.

III. RESULTS AND DISCUSSION

From the questionnaire obtained the total number of respondents who filled in as many as 254 respondents who filled out the questionnaire until the deadline determined by the researcher. This amount has met the initial planned target of at least 200 respondents. Out of 254 respondents, there were 232 respondents who met the research criteria. With 10 respondents filling in with the same value of all questions asked, and 12 respondents only filling in demographics, for questions items were not filled in, so the data from these respondents were not included by researchers to process the data in Table 3.

The research framework used in the study was developed by partial least square (PLS) model using SmartPLS 2.0. software focusing on one dependent variable that is customer satisfaction. The model serves two purposes, first it determines the association of constructs with dependent variable and secondly it identifies the effects of each measuring construct on customer satisfaction. SmartPLS 2.0. software is used to measure and structural model estimates. Parallel to this it also estimates the statistical significance of factor loading and path coefficients [12] [28] using non-parametric bootstrap procedure. Use SI unit or SI derived units in Table 5.

Based on Table 6 there are eight hypotheses that were accepted while one hypothesis was rejected, from the above hypothesis test it can be concluded that there are several variables that influence the Customer Satisfaction (KP) variable, including Hedonic Value (HV), Relaxation Value (RV), Socialitation Value (SV) and Utilitarian Value (UV), while the variables that influence Customer Loyalty (LP) are Hedonic Value (HV), Relaxation Value (RV), and Socialitation Value (SV), while Utilitarian Value (UV) does not significantly influence Customer Loyalty (LP) as seen at Table 4.

IV. CONCLUSION

Based on the results of the analysis conducted in this study, it can be concluded that:

- 1) Indicators that have an influence on latent variables aimed at customer satisfaction and loyalty for XYZ mall are:
- 2) Entertainment (X1.1), Exploration (X1.2), Place Attachment (X1.3), and Social Status (X1.4) have a positive effect on the Hedonic Value (HV) variable
- 3) Self Reward (X2.1), Stress Healing (X2.2), and Increasing Hapiness (X2.3) have a positive effect on the Relaxation Value (RV) variable

Table 3.
Result Validity Test

Var	Indicators	Value Outer loading	Information Outer Loading	Result AVE	Information AVE
HV	X _{1,1}	0.773	Valid	0.622	Valid
	X _{1,2}	0.838	Valid		
	X _{1,3}	0.703	Valid		
	X _{1,4}	0.833	Valid		
RV	X _{2,1}	0.874	Valid	0.632	Valid
	X _{2,2}	0.874	Valid		
	X _{2,3}	0.854	Valid		
SV	X _{3,1}	0.892	Valid	0.649	Valid
	X _{3,2}	0.913	Valid		
	X _{3,3}	0.617	Valid		
	X _{4,1}	0.725	Valid		
UV	X _{4,2}	0.628	Valid	0.752	Valid
	X _{4,3}	0.792	Valid		
	X _{4,4}	0.888	Valid		
	Y _{1,1}	0.783	Valid		
KP	Y _{1,2}	0.846	Valid	0.670	Valid
	Y _{1,3}	0.753	Valid		
LP	Y _{2,1}	0.892	Valid	0.584	Valid
	Y _{2,2}	0.854	Valid		
	Y _{2,3}	0.650	Valid		

- 4) Sharing Experience (X3.1), Hangout with Friends (X3.2), Combining with Others (X3.3) positively influences the value of Socialization Value (SV)
 - 5) Monetary Savings (X4.1), Options (X4.2), Punished (X4.3), Customized Products (X4.4). regards positively on Utilitarian Value (UV)
 - 6) Complaints (Y1.1), Overall Satisfaction (Y1.2), and Conformance of Expectations (Y1.3) have a positive effect on Customer Satisfaction (KP)
 - 7) Always Think Positive (Y2.1), Recommendations from Friends (Y2.2), Continuing Shopping and Shopping (Y2.3) try positively towards Customer Loyalty (LP)
- 1) Indicators that have a significant to insignificant influence on latent variables are seen using path coefficients to obtain customer satisfaction and loyalty in the XYZ mall as follows:
- 2) Hedonic Value (HV): Social Status (X1.4) of 30,092, Exploration (X1.2) of 29,141, Entertainment (X1.1) of 18,636, and Place Attachment (X1.3) of 18,620.
 - 3) Relaxation Value (RV): Stress Recovery (X2.2) of 35,573, Increase Happiness (X2.3) of 34,229, and Self Reward (X2.1) of 28,935.
 - 4) Socialization Value (SV): Hangout with Friends (X3.2) of 60,122, Experience Sharing (X3.1) of 38,922, Blend with Others (X3.3) of 8,782
 - 5) Utilitarian Value (UV): Special Products (X4.4) amounted to 67,419 Convicted (X4.3) of 28,055, Monetary Savings (X4.1) of 16,381, and Selection (X4.2) of 8,861.
 - 6) Customer satisfaction (KP): Overall satisfaction (Y1.2) of 31,635, Complaints (Y1.1) of 23,044, and Conformance of Expectations (Y1.3) of 20,407
 - 7) Customer Loyalty (LP): Always Think Positive (Y2.1) of 47,630, Friends Recommendation (Y2.2) of 32,781, and Visit and Shop Continuation (Y2.3) of 9,537
1. Based on the values of the path coefficient of each indicator to the variable, it is undeniable, the indicator that has the most significant influence on the variable in question is the Adjusted Product (X4,4) of 67,419 to the Utilitarian Value (UV), then turns into a

Exogenous latent variables that have a significant influence on endogenous latent variables to determine customer satisfaction and loyalty in visiting XYZ mall including Hedonic Value (HV), Relaxation Value (RV), Socialitation Value (SV) and Utilitarian Value (UV) significantly influence on Customer Satisfaction (KP) while the Hedonic Value (HV), Relaxation Value (RV), and Socialitation Value (SV) variables have a significant effect on Customer Loyalty (LP)

Exogenous latent variables that have a significant to less significant influence on endogenous latent variables to determine customer satisfaction and loyalty in visiting XYZ mall by looking at the path coefficient covering in the first place there is a Hedonic Value (HV) variable to Customer Loyalty (LP) of 0.306, and in the second rank there is a Hedonic Value (HV) variable to Customer Satisfaction (KP) of 0.277, then in the third there is a Utilitarian Value (UV) variable to Customer Satisfaction (KP) of 0.270, then in the fourth there is a Socialitation Value variable (SV) to Customer Loyalty (LP) of 0.231, then the fifth order of Socialitation Value (SV) variables to Customer Satisfaction (KP) of 0.218, the next sequence there is the Relaxation Value (RV) variable of Customer Loyalty (LP) of 0.213, then there is Variable Customer Satisfaction (KP) to Customer Loyalty of 0.184, and the last order a and the Relaxation Value (RV) variable on Customer Satisfaction (KP) of 0.157.

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