Marketing Strategies And Reservation Purchase In The Retail Industry

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ABSTRACT

In the face of the increasingly competitive market competition, retail marketing strategies are essential in maximizing customer satisfaction and loyalty, which are essential in increasing the likelihood of repurchase intentions. This study aims at identifying customer characteristics and determining customer perceptions in hypermarket company marketing strategy, satisfaction, loyalty in increasing repurchase intention as well as retail marketing strategy that is the basis in creating loyalty. Data analysis was by Confirmation Factor Analysis, SEM-PLS and Biplot. Findings indicate that the characteristics of hypermarket customers include individuals aged 18-29 years, married, unmarried, undergraduate, middle-income, and private employee. The dominant factor affecting loyalty is the quality of retail service. The retail mix strategy of hypermarkets in Banjarmasin is predicted not to affect loyalty, while effective customer loyalty directly affects repurchase intention.

Keywords: retail marketing strategy, trust, satisfaction, loyalty, purchase intentions

INTRODUCTION

The retail sector is growing rapidly despite the economic slowdown and intense competition (Li & Green, 2010, Abu & Roslin, 2008 in Khalilur R, 2014). Growth and competition of the retail industry in the modern Indonesian market is increasing rapidly. In the face of increasingly competitive market conditions, retail marketing strategies and tactics are essential in maximizing customer satisfaction and loyalty (Heng, et al., 2011, in Khalilur R, 2014) and delivering value to consumers by engaging them in long-term relationships that may increase the likelihood of repurchase intentions (Chinomona & Sandada, 2013). Buyers repurchase intention is very important for business practitioners as it indicates business continuity, future earnings and profit prospects (Chang, 2012 in Chinomona & Sandada, 2013). Business practitioners and academics are interested in identifying the customer's intention to buy, satisfaction, trust and loyalty as a factor affecting a customers' buying intentions (Li & Wang, 2006; Hui, Kandampully & Juwaeheer, 2009; Hong & Cho; 2011; Sindeshmurk, Sigh & Sabel, 2012 in Chinomona & Sandada, 2013). The researchers point out that it is very important for a company to provide products or services that can satisfy customers because satisfied customers develop trust and become loyal. In addition, these factors are also considered key success factors for achieving competitive advantage in the retail industry (Kang Okamoto & Donovan, 2004; Hui, Kandampully & Juwaheer, 2009; Hamadi, 2010 in Chinomona & Sandada, 2013).

Considering the competitive world of retail business and increasing consumer awareness in purchasing decisions, customer satisfaction is an important issue for companies to survive. Customer satisfaction has a positive effect on repurchase intentions (Lee, 2004, Huddleston, Whipple, Mattick & Lee, 2009), and also positively affects customer confidence (Dabholkar & Sheng, 2012; in Chinomona & Sandada, 2013). Customer satisfaction positively affects loyalty (Lee, 2010 in Chinomona & Sandada, 2013). The overall high level of satisfaction
leads to customer trust and loyalty (Kang et al., 2004 in Chinomona & Sandada, 2013). Customer satisfaction has become an important measure of consumer behavior and a key indicator of business performance (Chinomona & Sandada, 2013).

In the period of the last six years from 2007-2012 the number of modern retail outlets in Indonesia experienced an average growth of 17.57% per year, while traditional retail only 5% per year. In 2007 the number of retail business in Indonesia is still 10,365 outlets, then in 2011 reached 18,152 outlets spread in almost all cities in Indonesia (www.marketing.co.id, accessed 2017). Retail business began to penetrate the city of Banjarmasin South Kalimantan Province not only in modern shopping centers but also in the middle of residential settlements. According Ikhsan in Hasan Zainuddin (2014), said that began the rampant retail business in Banjarmasin along the development of the community economy. One type of retail that flourishes in Banjarmasin are hypermarkets such as Hypermart, Giant, Lottemart, and Ramayana Robinson as well as minimarkets with franchise system, as well as local minimarkets that have existed before. The rise of the retail industry has led to intense competition among retailers, in addition to other issues that often occur such as management issues and lack of retail marketing strategies that are unable to meet the needs and wants of consumers (Pettigrew, Mizerski & Donovan, 2005 in Khalilur R, 2014 ). The problem lies in product quality, service quality and price strategy and so on endlessly, for example there are some products that lack hygiene and freshness, customers do not feel comfortable in shopping products and services in certain hypermarket, especially when hypermarket is not well organized in the price system to allow the items listed to be problematic and confusing to the customer, as some of the prices of the items on the product are not properly inserted in the storage rack (Khalilur R, 2014). Therefore an effective retail marketing strategy is very important in maximizing customer satisfaction to gain trust and loyalty that can eventually generate interest in repurchase so as to create retail industry competitiveness.

The objectives of this study are to: firstly identify the characteristics of modern retail customers (hypermarkets) and determine their perceptions of retail marketing strategies, satisfaction, and loyalty in order to foster interest in repurchases in modern retail in Banjarmasin. Second, analyze the retail marketing strategy that became the basis in achieving customer loyalty to hypermarket in Banjarmasin. Third, predict the intention of repurchasing customers formed based on retail marketing strategy, satisfaction, trust and loyalty and explain its role in creating the competitiveness of modern retail hypermarket industry. Fourth, determine the positioning of modern hypermarket retail products in Banjarmasin in the minds of customer-based products and product quality, pricing strategies and shop attributes.

LITERATURE REVIEW
Retail Marketing Strategy

Retail strategy is a marketing strategy planning focused on the products offered, product discounts, promotions and services to consumers (Khalilur R, 2014). Retail strategy shows how best to display products in retail outlets and attract consumers with promotions, discounts, placement settings and signs. The retail strategy is a plan to satisfy the needs of the target market and the retailer plans to build a sustainable competitive advantage. (Berman & Evans, 2004, in Khalilur R, 2014). Retail marketing is very important for small retailers in the fight against large chain stores. Components of marketing mix (product, price, place and promotion) are very important as a variable of retail marketing success. (Khalilur R, 2014)

The effectiveness of retail marketing strategies is very important to maximize satisfaction and loyalty (Heng, et al., 2011 in Khalilur R, 2014). The importance of developing customer loyalty through the improvement of strategic tools such as service quality, product quality, store price attribute pricing and customer satisfaction to compete
(Khalilur R, 2014). Retailers need to satisfy customers to earn trust and loyalty that ultimately foster interest in repurchase.

Customer satisfaction

Giese & Cote (2000) in Tsiotsou, Roudova (2005), define satisfaction as a summary of affective responses of varying intensities with specific time points and limited duration directed at aspects of product acquisition and or consumption. Consumer satisfaction has been regarded as one of the most important constructs (Morgan et al., 1996; McQuitty et al., 2000) and one of the main goals in marketing (Erevelless & Leavitt, 1992) in Tsiotsou, Roudova (2005). Customer satisfaction positively affects repurchase intentions (Lee, 2004; Huddleston, Whipple, Mattick & Lee, 2009), it is an important predictor of customer loyalty (Cheng, Chiu, Hu & Chang, 2011) and also positively impacts customer confidence (Dabholkar & Sheng, 2012; in Chinomona & Sandada, 2013). Customer satisfaction is an important measure of consumer behavior (Cheng et al., 2011) and business performance indicators (Sandada, 2013 in Chinomona & Sandada, 2013).

According to Dutka (1995) in Basrah Saidani & Samsul Arifin (2012) there are three dimensions in measuring universal customer satisfaction that is 1). Attributes related to product are the dimensions of satisfaction related to the attributes of the product such as the determination of the value obtained by the price, the product's ability to determine the satisfaction, the benefit of the product. 2). Attributes related to service are the dimensions of satisfaction related to the attributes of the service eg with the warranty promised, the service fulfillment process or delivery, and the problem solving process provided. 3). Attribute related to purchase is the dimension of satisfaction related to the attributes of the decision to buy or not from the manufacturer such as ease of getting information, employee decency and also the influence of the company's reputation. Meanwhile, according to Homburg, Christian & Bettina Rudolph, 2001) there are seven dimensions of consumer satisfaction including satisfaction with product, satisfaction with salespeople, satisfaction with product-relation with information (satisfaction with product-related information, satisfaction with order handling, satisfaction with technical services, satisfaction with interaction with internal staff, and satisfaction with complaint handling. In this study, satisfaction indicators adopted from research conducted by Khalilur Rahman, 2014) include: hypermarkets satisfy my expectation; I have the right decision on hypermarkets; Overall I feel satisfied to hypermarkets; I shop regularly at hypermarkets; Hypermarket satisfy customer's.

Consumer Confidence

Consumer trust is all knowledge possessed by the consumer and all conclusions made by the consumer about the object, its attributes, and its benefits. (Mowen & Minor, 2002). Objects can be products, companies, people, and everything in which a person has trust and attitude. Attributes are characteristics or features that may or may not be possessed by an object. Benefits are positive results given attributes to consumers. Managers must recognize that beliefs in objects, attributes, and benefits show consumers' perceptions, and therefore generally a consumer's belief is different from that of other consumers.

Customer trust is the customer's belief that service providers have reliability and competence (Boshoff & du Plessis, 2009 in Chinomona & Sandada, 2013). According to Chang (2012), customer trust consists of affective and cognitive trust. Cognitive consumers are convinced that service providers are competent and reliable in keeping promises, while affective consumers believe that in addition to service providers seeking to maximize profits they also have a genuine concern for customer needs. According to Chinomona & Sandada (2013), to gain customer trust, the retail industry must be reliable and competent in service provision.
Customer loyalty

Customer satisfaction must be coupled with customer loyalty. Loyal customers are not only very potential to be the word of mouth advertisers, but are also likely to be loyal to the company's product and service portfolio for years. Associated with the measurement of purchase behavior and the cost or sacrifice of brand switching, Hermawan Kertajaya (2007) argues otherwise that the number and frequency of repeat purchases including transfer of customers to other brands is not the only measure of customer loyalty. He says that the core of customer loyalty is emotional and not functional i.e how deep the customer feel the connection with the product. As long as the connection is still in the heart, even though the product is not used then as long as it also includes loyal customers. He also added that the size of the emotional connection between customers and products is a reference and a recommendation and that is the most valid measure of customer loyalty. As long as customers are willing to reflect and recommend a brand to others, so long as it includes loyal customers.

Loyalty is a complex multi-dimensional concept (Tjiptono, 2014). According to Deng, Lu, Wei, Zhang (2010) in Chinomona & Sandada (2013), states that customer loyalty refers to a customer's commitment to a consistent repurchase of a preferred brand or service regardless of situational and marketing efforts to influence switching behavior. Benefits of customer loyalty are loyal customers, cheap to maintain, price sensitive, spread positive word of mouth, always give advice and they always try new products (Boshoff & du Plessis (2009) in Chinomona & Sandada (2013).

Purchase intent

The buyer's repurchase intentions are post-purchase behavior intentions that are affected by customer loyalty, complaints of intent to switch (Meng, Liang & Yang, 2011; in Chinomona & Sandada, 2013). James & Sasser (1995) in Feng, Ji & He Yanru (2013) explain that the intention of repurchase is the derivative behavior of loyalty. If a satisfied customer is likely to have a desire to buy back, repeat to buy or recommend others to buy. (Feng, Ji & He Yanru, 2013). The intention of repurchasing is the process of purchasing repeat goods and services from a particular store (Hellier, et al., 2003) and the main reason for experience after shopping (Ranjbarian, Bahram et al., 2012). The intention of repurchasing is the customer's commitment to the brand and their willingness to have a long-term relationship. Therefore the best strategy for dealing with complaints and switching behaviors is to satisfy the customer. (Chinomona & Sandada, 2013). The consumer's intention to buy back depends on the customer's evaluation of the previous purchase transaction (Bansal, Irving & Taylor, 2008 in Chinomomora & Sandada, 2013). Olaru et al., (2008) in Chinomora & Sandada, 2013 states that when evaluating their previous experience, consumers usually consider factors such as product performance, costs and benefits derived from the product. The intention of repurchasing is influenced by seven important factors such as service quality, equity and value, customer satisfaction, past loyalty, expected switch cost and perception value (Hellier, et al., 2003). According to Hamadi (2010) in Chinomona & Sandada, 2013, states that satisfied customers are vulnerable to re-making repeat purchases and they reject the influence of competing brands. Customer satisfaction, customer trust and customer loyalty must be recognized as an antecedent and tool that affects repurchase intentions in the retail business (Chinomona & Sandada, 2013).

The relationship between retail marketing strategy and loyalty

Consumer loyalty means consumer loyalty to shopping at specific retail locations (Christina, 2006). How to build loyalty is to develop clear and precise strategies and create an
emotional connection with consumers through a loyalty program. To maintain survival and progress and excellence in an increasingly competitive retail business, the business manager must strive to implement a strategy in the form of retail sales mix program which is expected to create consumer buying interest. (Christina, 2010). The marketing relationship on consumer loyalty from an empirical point of view is very important (Ayed et al, 2012). Baldauf et al., (2009) in Ayed et al. (2012) indicates that the marketing mix has a strong and positive effect on brand profitability performance. According to Cengiz & Yayla (2007) in Ayed et al, (2012) found that the marketing mix has a positive impact on satisfaction and loyalty from mouth to mouth communication at accounting offices in Turkey.

**The relationship between satisfaction and loyalty**

Satisfaction plays a central role in marketing because it is a good predictor of purchasing behavior (buyback, buying interest, brand choice and displacement behavior) (McQuitty et al., 2000) in Tsiotsou (2005). According to Lin & Wangs (2006) and Avramakis (2011) in Chinomona & sandada (2013), stated that customer satisfaction positively affects loyalty. Customer loyalty is important and requires a quality service strategy, pricing strategy, product attributes and customer satisfaction to win the competition. (Khalilur, R, 2014). Satisfaction is the feeling of pleasure or disappointment of a person arising from comparing perceived performance of a product (or outcome) to their expectations (Kotler & Keller, 2009, p.139). Customer satisfaction positively affects loyalty (Lee, 2010 in Chinomona & Sandada, 2013). Satisfaction directly affects buying interest (Tsiotsou, Rodoula, 2006). According to Anwar Saleha & Amir Gulzar (2011) said that there is a positive relationship between customer satisfaction through word of mouth and re-buy interest.

**The relationship between satisfaction and trust**

In general, satisfaction is the feeling of pleasure or disappointment of someone who arises because it compares the perceived performance of the product (or outcome) to their expectations. (Kotler & Keller, 2009). Consumer satisfaction is the overall attitude formed based on experience after purchasing a product or use of services (Fornell, 1992, in Seyed & Mahnoosh G, 2012). According to Salciuviene et al., (2011) defines trust as the basis for constructive, credibility and trustworthiness in individual reliability and competence. Consumer satisfaction as an antecedent of trust in service providers (Ha et al, 2010, in Seyed & Mahnoosh (2012) .The previous research has shown that trust and satisfaction constructs are positively correlated (Crosby et al., 1990; Yoon, 2002; in Seyed & Mahnoosh G. (2012).

**The relationship between trust and loyalty**

Loyalty has been defined as a committed commitment to consistently repurchase products or services consistently in the future, resulting in the same brand being repeated or purchasing the same set of brands, although situational influences and marketing efforts have the potential to cause switching behavior. (Oliver, 1999, in Seyed & Mahnoosh (2012) .The beliefs can lead to long-term loyalty and strengthen relations between the two parties (Singh & Sirdeshmukh, 2000, in Seyed & Mahnoosh (2012).) Like loyalty, trust is a special psychological state can only occur in certain relationships. (Seyed & Mahnoosh, 2012) According to Deng et al. (2010) in Chinomona & Sandada (2013), believes that customer trust is a major contributor to loyalty.

**The relationship between loyalty and repurchase intention**

Customer loyalty is a major factor predicting the intention to buy back. (Deng, et al., 2010). The buyback intention refers to the willingness of the consumer to buy more from the
company (Gounaris et al., 2010 in Seyed & Mahnoosh (2012).) Based on customer satisfaction survey in Sweden, Anderson and Sulliyan (1990) found that customer loyalty was positively associated with repurchase Reichheld & Sasser (1990) in Feng, Ji & He Yanru (2013) note that the loyalty of satisfied customers will be increased which means that the possibility of repurchasing increases.

**METHOD**

This research uses descriptive research approach and verification method that aims to ascertain the relationship between variables that are causal through a hypothesis testing. The research method used is survey method based on the research questionnaire which includes the description of the variables: marketing mix strategy, satisfaction, trust and loyalty, where the measurement using Likert scale five points (1 = Strongly Disagree s / d 5 = Strongly Agree). The analytical tool in this study consists of a) Confirmation Factor Analysis (used to find the factors of marketing mix strategy considered to achieve loyalty so as to form new factor, that is, strategy factor of retail marketing mix), b) Structural Equation Modeling - Partial Least Square ( SEM with PLS is used to predict that the variables of retail marketing mix strategy, customer satisfaction, trust, and customer loyalty will affect the variable of repurchase intention) and c) BiPlot (used to know the positioning of hypermarket products in the customer's mind based on demographic characteristics and linked with a factor of retail marketing mix strategy).

The population of this research is people who buy and use consumer goods in hypermarkets (like Lottemart and Hypermart) in Banjarmasin. While the sample is the respondents of the study set based on the method of sampling non-probability with purposive sampling technique, the sampling is based on the consideration of respondents who met not every day shopping. While the criteria for the selection of respondents is a minimum age of 17 years, where at the age is assumed the respondent is mature enough and understand and can provide a good response to each question in the questionnaire; has purchased and consumed products in hypermarket (Giant, Lottemart, Hypermart) and visited at least 2 times in 6 months period, assumed to feel the service and benefit so that it can do the assessment.

The sample size is determined based on the analysis tool used for the proposed hypothesis. Because of this research using SEM, the sample size is set by 150 samples; with the allocation of the distribution of the number of sample unit members is 50 people for each hypermarket.

This study uses 5 variables namely customer satisfaction, customer trust, retail marketing mix, customer loyalty, and re-purchase intention with 40 indicator variables. Operationalization of research variables is presented in Table 1.

**Test Validity and Reliability**

Validity test is done by correlating the score of each item with the total score which is the sum of each score of item. Data validity test is done by product moment correlation method (Pearson's correlation). A data is valid if (1) has significance level <0,05 and (2) has correlation coefficient> 0,300 and reinforced with correlation of inter-item with correlation value above 0,60 as evidence of construct research validity. Meanwhile, reliability testing instrument in this research is done by Composite Reliability method. Instrument reliability reflects the stability and keajegan of measuring instruments used based on the criteria proposed by Yarnest (2003).

Table 2 shows that the research instrument yields valid and reliable data.

**RESEARCH RESULT**
Retail business is experiencing rapid growth, marked by the increasing number of traditional retail businesses that began to fix themselves into modern retail business as well as the emergence of new modern retail business. Retail must have certain characteristics or characteristics that are different from competitors that can be featured to be able to seize the consumer. In order to maintain the survival as well as the progress and competitive advantage of the retailers should strive to implement a marketing mix strategy that is expected to foster interest in repurchase. Banjarmasin is a city with a large market space where the total population of 3,496,125 people makes the competition in the retail business (modern retail) become increasingly competitive. This brings consequences for businesses to be able to apply the right marketing strategy in order to maintain or even expand their market share. One way to do this is to know the effectiveness of marketing mix strategy, trust, satisfaction and loyalty in predicting buyback interest and perceptual mapping between user and marketing strategy.

**Characteristics of Hypermart Customers in Banjarmasin Demographic Segment Based.**

The largest segment of hypermarket customers in Banjarmasin based on demographic variables were male customers (51.30%), age of respondents 18-29 years old (65.33%), married (53.30%), had no children (54.67%), undergraduate education (53.30%), income Rp. 2,000,000 to Rp 2,999,999 (27.30%), and employees of private entities and other employees (82%). With this segmentation approach, it can be seen that the profile of modern retail industry customers in Banjarmasin are able to provide better product and marketing mix for a relatively homogeneous part of the whole market. Retailers combine elements of the retail mix to create a method in an effort to attract its target market. The combination of this retail mix projects store image that affects consumers’ perceptions.

**Marketing Mix Strategy Analysis Underlying Hypermarket Customer Loyalty**

An effective retail concept is a management orientation that focuses on retailing in determining the needs of the target market and meeting its needs more effectively and efficiently than its competitors (Christina, 2010). Retail business managers must implement a retail mix strategy to foster consumer buying interest in order to achieve competitive advantage. The effectiveness of retail marketing strategies is very important to maximize satisfaction and loyalty (Heng, et al., 2011 in Khalilur, 2014). Consumer loyalty means that consumers are willing to shop at retail locations and are reluctant to subscribe to competing retailers.

Hypermarkets in Banjarmasin run their business in learning the stages of their product purchasing process and develop elaborate retail mix strategies to attract consumers and keep loyal customers. In addition, they also seek to understand customer behavior in relation to products called mapping customer consumption systems, customer activity cycles or customer scenarios as well as factors underlying consumers to loyal to retailers.

In this study, we studied the factors of retail mix strategy that influence consumer loyalty in hypermarket products by using 24 variable indicators into 4 predetermined factors (based on marketing mix theory). The result of factor analysis shows the Kaiser-Meyer Olkin index value (KMO) of 0.901 which means factor analysis model is very precise and Barlett's Test of Spherricity (BTS) is 2882.344 and significance is 0.00000. The relatively large BTS value identifies that the correlation between variables in the population is relatively unrelated or has a weak relationship, so it can be said that the factor analysis model has high accuracy. The value of Communalities is basically the number of correlations between the particular variables and the formed factor of 0.5 indicates a strong correlation between retail variables with the factors of Quality of retail service, Quality of retail products, retail pricing strategy and retail store attributes.
From the factor analysis there are 24 explanatory variables belonging to 4 factors with factor loading more than 0.50 and has relatively big variation, that is 70.078% from all variables, presented in Table 3. Table 3 gives an illustration that the four factors produced can be defined based on the indicator of the variables that make up it, except the X46 variable (product innovation) that merges into the retail store attribute factor. The variables that have the highest loading are clearly more dominant in forming factors. Dimensions of Quality of Retail Services that have dominance and main role. The second, third and fourth factors respectively are the dimensions of Retail Price Strategies, Retail Store Attributes, and Quality of Retail Products.

The results of this study refers to research conducted by Ayed et al., (2012) which states that the relationship of marketing mix strategy regardless of its ability to help understand customer needs can also lead to customer loyalty and cost reduction. According to Cengiz & Yayla (2007) in Ayed et al., (2012) found that the marketing mix has a positive impact on satisfaction and loyalty. This is supported by the opinion of Yelkur (2000) in Ayed et al., (2012) found that the essential elements of service in the marketing mix have an effect and give a positive effect on customer satisfaction.

TESTING HYPOTHESES AND IMPLICATIONS

In the PLS statistical test each hypothesized relationship is performed using a simulation. In this case the bootstrap method is performed on the sample. Testing with bootstrap is also intended to minimize the problem of research data abnormalities. The test results with bootstrapping from PLS analysis can be seen in Figure 1.

The basis used to test the hypothesis that the value contained in the output result for inner weight. The value of significance on the output of result for inner weight will provide information about the relationship between research variables. Direct bootstrapping test results from PLS analysis can be seen in Table 4 below:

Hypothesis 1: there is influence of significance of marketing strategy mix variable to hypermarket customer loyalty in Banjarmasin

Table 4 shows that the relationship between marketing mix strategy variables (MMA) and customer loyalty (CL) is not significant with T statistic of 0.60 (<1.96). The original sample estimate is 0.141 indicating that the relationship between retail marketing strategy and loyalty is positive but not significant. Thus the hypothesis H1 in this study was rejected. This suggests that the existence of the marketing mix is not a major driver of customer loyalty. In fact, hypermarket marketing mix strategy in Banjarmasin does not appear as a direct factor affecting customer satisfaction.

Empirically, hypermarket customers belong to the middle class category, private employees with high level of activity and undergraduate education, where they make purchases of products in hypermarkets pay little attention to the functional and emotional value of a product. For those who matter most is all of their needs are met in the retail. Shopping patterns are monthly so sometimes retail marketing mix is less concerned. The results of this hypothesis do not support the opinions expressed by Cengiz & Yayla (2007) in Ayed et. al. (2012) that the marketing mix has a positive impact on satisfaction and loyalty.

Hypothesis 2: There is a significant influence of customer satisfaction variable on customer loyalty hypermarket in Banjarmasin

The relationship between satisfaction variable (CS) and loyalty (CL) was not significant with statistic T equal to 1.23 (<1.96). The original sample estimate is 0.17 indicating that the relationship between satisfaction and loyalty is positive but not significant. Thus the hypothesis H2 in this study was rejected. This shows that satisfaction does not result in them...
being faithful to shopping at hypermarkets in Banjarmasin. The phenomenon that occurs in hypermarket customers in Banjarmasin is more than 50% of customers consider quite satisfied with the services provided by retailers and the decision to choose a hypermarket is the right decision. Customers are mostly male so satisfaction is not the main thing, most importantly what they can be obtained form one store without having to switch to another store.

Hypothesis 3: there is an influence of customer satisfaction variable on hypermarket customer trust in Banjarmasin

The relation between variable of satisfaction (CS) and trust (TR) was significant with statistic T equal to 9.13 (> 1.96). The original sample estimate is 0.67 indicating that the direction of the relationship between satisfaction and trust is positive and significant. Thus the hypothesis of H3 in this study is accepted. Most customer responses to hypermarkets are quite satisfied with what retailers already offer to meet their needs and preferences and the choice of hypermarket stores is a pretty right decision. In addition, customer perceptions related to indicators of ability to meet customer needs, reliability, have enough safety and safety standards and have the aspect of honesty. Thus it can be concluded that hypermarket customer satisfaction can grow their trust to the retail store. Previous research has shown that trust and satisfaction constructs are positively related (Crosby et al., 1990; Yoon, 2002; in Seyed & Mahnoosh (2012). Consumer satisfaction as an antecedent of trust in service providers (Ha et al., 2010; in Seyed & Mahnoosh (2012).

Hypothesis 4: there is influence of trust variable to hypermarket customer loyalty in Banjarmasin

That relationship between trust variable (TR) and loyalty (CL) is not significant with T statistic of 1.2 (<1.96). The original sample estimate is 0.15 indicating that the relationship between trust and loyalty is positive and not significant. Thus the hypothesis H4 in this study was rejected. The beliefs of hypermarket customers in Banjarmasin do not necessarily affect loyalty, as evidenced by customer responses wherever they believe that hypermarkets have the ability to meet customer needs, reliability, security and safety standards and have honesty aspect but in reality they want to shop, sometimes sometimes want to influence others to shop at hypermarkets, and the store is not the first choice, and want an affordable price, a discounted price, a fair price, a rebate, a promotion. The indication is that if there is a price increase the possibility to switch to another store. This empirical evidence supports the insignificant influence of trust on loyalty.

Hypothesis 5: There is an influence of customer loyalty to the intention of repurchasing hypermarket products in Banjarmasin. The relationship between customer loyalty (CL) and repurchase intention (RI) is positive and significant with T statistic of 13.28 (> 1.96). The original sample estimate value is 0.72 indicating that the direction of the relationship between loyalty and repurchase intention is positive and significant. Thus the hypothesis H5 in this study is accepted. These results are supported by research conducted by Chinomena & Sandada (2013) found that the relationship between customer satisfaction and trust, consumer satisfaction and loyalty, trust and loyalty, loyalty and the intention of repurchasing is positive and significant. In addition, Curtis et al. (2011) found that there was a significant and positive influence between commitment and repurchase intentions. A high level of overall satisfaction will lead customers to repurchase (Kang et al., 2004 in Chinomena & Sandada, 2013). According to Deng, Lu, Wei, Zhang (2010) in Chinomena & Sandada (2013), states that customer loyalty refers to a customer's commitment to a consistent reprieve of a preferred brand or service. Customer satisfaction, customer trust and customer loyalty must be
recognized as an antecedent tool and tool that affects repurchase intentions in the retail business (Chinomona & Sandada, 2013).

**Analysis of positioning Banjarmasin hypermarket products in the minds of customers and the marketing mix strategy**

Building loyalty programs. One of the clear retail programs in building an image in the minds of consumers is to set a positioning strategy. The key to successful positioning lies in the created perception. In this research, marketing mix strategy factor can be used to create hypermarket customer perception by using the Biplot analysis which is an analytical tool that can be used to perform positioning or perceptual mapping from a set of objects (product, service, or company).

Figure 2 explains the factor represented by a directed (vector) line. Since the Biplot analysis uses a correlation matrix, the angle between the vectors expresses the correlation. It appears that the factor 1 angle (Retail Servers Quality) and factor 3 (Retail Store Attributes) form a relatively small angle, which means the correlation is high. The marketing mix strategy factors and demographic segment conditions will produce follow-up information, which cannot be obtained when each is plotted in a separate image. From the picture it can be seen that low-educated customers and state-owned employees are dominant or close to all the factors that are formed. This means that customers who shop on hypermarkets have high involvement on all four factors. The implication is that they are loyal to the products in the hypermarket. This result is consistent with research conducted by Ayed et al., (2012) which states that the relationship of marketing strategies regardless of its ability to help understand customer needs can also lead to customer loyalty and cost reduction. According to Cengiz & Yayla (2007) in Ayed et al., (2012) found that the marketing mix has a positive impact on satisfaction and loyalty.

**CONCLUSION**

Based on the results and discussion, it can be concluded as follows:

1) The characteristics of hypermarket customers in Banjarmasin based on demographic variables are male customers, age of respondents 18-29 years old, married, no children, undergraduate, middle income and private employee and others.

2) The retail marketing mix strategy that forms the basis in creating hypermarket customer loyalty in Banjarmasin is Quality of Retail Services, Retail Price Strategy, Retail Store Attribute, and Quality of Retail Products. While the most dominant factor that affect customer loyalty is the quality of retail services.

3) The strategy of the retail marketing mix, satisfaction, trust and loyalty in predicting repurchase intentions in the hypermarket retail industry have a positive relationship with predicted distribution of influence: (a) between marketing mix strategy and insignificant loyalty, (b) between satisfaction with loyalty is not significant, (c) between satisfaction with significant trust, (d) trust with insignificant loyalty, and (e) loyalty with significant repurchase intentions.

4) The Biplot analysis of the various demographic segments relating to the four factors formed shows that low-educated customers and state-owned employees are dominant or close to all the factors that are formed.

**REFERENCES**


### Table 1. Operationalization of research variables

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<tr>
<th>Variable</th>
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| **Customer Satisfaction** (the result of customer evaluation on the products / services provided against their expectations) | $X_1.1$: Hypermarkets satisfy my expectation  
$X_1.2$: I have the right decision on hypermarkets  
$X_1.3$: Overall I feel satisfied to hypermarkets  
| **Customer Trust** (customer confidence that service providers have reliability and competence) | $X_2.1$: The ability of on object to continue to meet its obligations  
$X_2.2$: Belief about reliability  
$X_2.3$: Belief about safety  
$X_2.4$: Belief about honesty  
$X_2.5$: Overall brand trust | Chaudhuri & Holbrook (2001) |
| **Marketing Mix** (marketing strategy that refers to several variables in which the retailer can combine these variables into an alternative way of attracting consumers) | **Retail Service Quality**,  
$X_{3.1}$: Product display is important  
$X_{3.2}$: Staff’s courteousness is important  
$X_{3.3}$: Product warranty/quaranty is important  
$X_{3.4}$: Sales personnel’s skills are important  
$X_{3.5}$: Wider range of products offer is important  
$X_{3.6}$: Price tag on products is important  
$X_{3.7}$: Sufficient number of payment counter is important | Khalilur R. (2014) |
| **Retail Product Quality** | $X_{4.1}$: Different qualities product offer is important  
$X_{4.2}$: Product durability is important  
$X_{4.3}$: High quality food product offer is important  
$X_{4.4}$: Accurate product information is important  
$X_{4.5}$: Product reliability is important  
$X_{4.6}$: Innovative product is important | |
| **Retail Price Strategy** | $X_{5.1}$: Affordable price is important  
$X_{5.2}$: Price discount is important  
$X_{5.3}$: Reasonable price is important  
$X_{5.4}$: Promotional price is important  
$X_{5.5}$: Product variety offer at different prices is important  
$X_{5.6}$: Quantity discount on product purchase is important | |
| **Retail Store Attributes** | $X_{6.1}$: The store attributes at hypermarket is important  
$X_{6.2}$: Impressive music in the store is important  
$X_{6.3}$: Car parking facilities is an important attributes  
$X_{6.4}$: Store decoration is important  
$X_{6.5}$: Location is important | |
| **Customer loyalty** (customer commitment to make consistent recurring purchases of preferred brands or services regardless of situational and marketing efforts to influence switching behavior) | $X_{7.1}$: I will continue to shop at hypermarket  
$X_{7.2}$: I will influence others to shop at hypermarket  
$X_{7.3}$: Hypermart is the first choice for me  
$X_{7.4}$: If hypermarket raise price even then I will not switch to other stores | Khalilur R. (2014) |
Repurchase Intention
(behavioral intentions that are
affected by loyalty,
complaints and intentions to
switch)

$Y_1$: I have intention to repurchase at hypermarket

$Y_2$: It is likely that I will repurchase at
hypermarket

$Y_3$: I expect repurchase at hypermarket in the
future

Chinomona & Cheng
Mosavi & Mahnoosh
Ghaedi (2012)

<table>
<thead>
<tr>
<th>No.</th>
<th>Item Pernyataan</th>
<th>Korelasi Pearson</th>
<th>Inter-item Correlation</th>
<th>Kesimpulan</th>
<th>Variabel</th>
<th>Composite Reliability</th>
<th>Kriteria Reliabilitas</th>
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Table 3. The results of marketing strategy mix factors determining the loyalty of hypermarket customers

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<tr>
<th>Factor</th>
<th>Eigen Value</th>
<th>Percentage Variables</th>
<th>Percentage Cumulative</th>
<th>Variables &amp; Loading Factors</th>
<th>Factor Definition</th>
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<td>1</td>
<td>5.100</td>
<td>21.250</td>
<td>21.250</td>
<td>$X_{51} (0.733); X_{52} (0.774); X_{53} (0.836); X_{54} (0.810); X_{55} (0.737); X_{56} (0.691); X_{57} (0.656)$</td>
<td>Quality of Retail Services</td>
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<td>2</td>
<td>4.414</td>
<td>18.391</td>
<td>39.641</td>
<td>$X_{51} (0.788); X_{52} (0.844); X_{53} (0.835); X_{54} (0.855); X_{55} (0.593); X_{56} (0.501)$</td>
<td>Retail Price Strategy</td>
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<td>55.791</td>
<td>$X_{51} (0.816); X_{52} (0.812); X_{53} (0.652); X_{54} (0.706); X_{55} (0.515); X_{56} (0.503)$</td>
<td>Retail Store Attributes</td>
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<td>4</td>
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<td>14.286</td>
<td>70.078</td>
<td>$X_{51} (0.573); X_{52} (0.615); X_{53} (0.641); X_{54} (0.579); X_{55} (0.559)$</td>
<td>Quality of Retail Products</td>
</tr>
</tbody>
</table>

Source: primary data, processed, 2017

Table 4. Inner Weights Result

|          | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | T Statistics ($|O/STERR|$) |
|----------|---------------------|-----------------|-----------------------------|-------------------------|-----------------|
| CL -> RI | 0.729862            | 0.729291        | 0.054956                    | 0.054956                | 13.280879       |
| CS -> CL | 0.172808            | 0.191888        | 0.140839                    | 0.140839                | 1.226991        |
| CS -> TR | 0.666479            | 0.663589        | 0.072997                    | 0.072997                | 9.130173        |
Figure 2
Biplot image The demographic segment deals with the four factors formed

Where:
Marketing Strategy Mix Factor
F1 (Retail Service Quality); F2 (Retail Price Strategy); F3 (Retail Store Attribute); F4 (Retail Product Quality)

Demographic
Pdd.Rndh (Low education); Pdd.Mngh (secondary education); Pdd.Tggi (Higher education).
Civil Servants (Civil Servants); K.swsta (Private Employees); K.SOE (BUMN Employee);
Swst (Entrepreneur); and Other Work. Pdpt. Tngg (High Revenue); Pdpt. Mngh (Medium Revenue); and Pdpt. Rndh (Low Revenue)