

THE INFLUENCE OF RETAIL SERVICE QUALITY TOWARDS LOYALTY: A SURVEY AT PT SANTAFI TRAVEL CUSTOMERS IN CIKARANG

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Abstrak: *Pengaruh Kualitas Pelayanan Eceran Terhadap Loyalitas: Sebuah Survei Pada PT. Santafi Travel Costumers di Cikarang.* Sebuah survei pada PT. SANTAFI TRAVEL costumers di Cikarang, dengan sekitar 70 juta orang berpendapatan kelas menengah di Indonesia dan keinginan untuk bepergian yang juga sedang meningkat dari tahun ketahun hingga mencapai 9 juta, PT. SANTAFI TRAVEL seharusnya sudah mengambil keuntungan dalam mengembangkan bisnis perjalanan, tetapi sebaliknya mereka mengalami penurunan. Kurangnya loyalitas pelanggan yang merupakan akibat dari kurangnya kepuasan barangkali adalah salahsatu alasannya. Sehingga, tujuan penelitian ini adalah untuk mempelajari efek dari skala kualitas pelayanan eceran R S Q S (Retail Service Quality Scale) dan kepuasan pelanggan terhadap loyalitas. R S Q S di kembangkan oleh Dhabolkar dengan mengembangkan SERVQUAL oleh PARASURAMAN yang didapati tidak cocok untuk bisnis eceran. Pendekatan kuantitatif digunakan 250 sampel. Tes validitas dengan analisa faktor ternyata valid dan tes reabilitas dengan menggunakan alpachronbach ternyata berkisar dari 0,6 sampai 0,65. Sedangkan untuk regresi ganda, data memadai untuk dilanjutkan karena lulus model asumsi klasikal. Dari koefisien determinasi, variabel terikat dapat menjelaskan kira-kira 23,7% dari variasi pada variabel terikat. Secara parsial masing-masing bebas (R S Q S) mempengaruhi loyalitas pelanggan. Reliabilitas mempunyai pengaruh tertinggi terhadap loyalitas pelanggan, diikuti oleh interaksi pribadi, pemecahan masalah dan aspek-aspek fisik.

Kata kunci: eceran, kualitas pelayanan, loyalitas, pelanggan.

Abstract: *The Influence of Retail Service Quality Towards Loyalty: A Survey at PT Santafi Travel Customers in Cikarang.* With around 70 million people of middle class income in Indonesia and the passion to travel which is also increasing year by year up to 9 million, PT Santafi Travel should have taken advantage in expanding the travel business, but instead they are declining. Lack of customer loyalty which is the result of lack satisfaction might be one of the reasons. Hence, this research aim is to examine the effect of retail service quality scale (RSQS) and customer satisfaction on loyalty. RSQS was developed by Dhabolkar expanding SERVQUAL by PARASURAMAN which he found not suit for retail business. Quantitative approach was used with 250 samples. Validity test with factor analysis came out to be valid and reliability test with Cronbach's alpha came out ranging from 0.6 to 0.65. As for the Multiple Regression, data were adequate to proceed since they passed the classical assumptions model. From the coefficient of determination dependent variables can explain about 23.7% of the variation in dependent variable. Partially, each independent variable (RSQS) influences Customer Loyalty. Reliability has the highest influence towards customer loyalty, followed by personal interaction, problem solving, and physical aspects.

Keywords: retail, service quality, loyalty, customer

Indonesia as the fourth largest populated country in the world has shown a significant growth of 5-6 % per year despite the slowing down of world economy. Not only that, the number of middle class income has also shown a significant increase. There are around 70 million middle class income people and an increasing number of 8 to 9 million of every year. It is also expected that by 2020 there will be 141 million middle class income people (Boston Consultant Group, 2014). Industries see this amazing fact as huge opportunities since Indonesians are consumptive that can be seen from the decrement of Marginal Propensity to Save for the last three years from 2011-2013 (OtoritasJasaKeuangan, 2015).

Apart of fulfilling their hedonic needs, Indonesians are also fond of travelling. By December 2014 there was a 15-20% increment in domestic tourists, around 38 million as reported by Kohei Nakajima, Chief Operating Officer of PegiPegi.com. As an archipelago country, Indonesia stretches from Sabang (Aceh) in the east and Merauke (West Papua) in the west, hence transportation like bus or taxi cannot accommodate it. Thus the airline industries emerge rapidly. Since 1990 – 2014, the number of airline companies has tripled from 7 in 1990 to 22 companies in 2014 (mebis.com, 2015). Therefore buying ticket at the airport is not the only answer anymore as the opportunities arise a new line of business is also arisen that is the travel and tour agency.

The total number of tours and travels agencies per 2014 registered as members at Association of the Indonesia Tours and Travel Agencies (ASITA) are 6000 stated by Asnawi Bahar, Chairman of ASITA. But looking at the big opportunities he argues that more travel agencies should be established because tourists are not coming only from domestic but also from international. PT. Santafi Travel is one among other travel agencies that seek this opportunity. Located at Bekasi Timur which was established in 2005, Santafi Travel positions itself as a ticketing agent and design tour packages. Santafi sells tickets for Garuda Indonesia, Lion Air, Sriwijaya Air, Batik Air, etc through online and offline system. In contrary to Bahar's statement that more and more travel agencies are needed, Santafi had indeed the

chance to enjoy the juicy of the travel business before declining from 2011 until the second quarter of 2014 up to 40 percent (PT. Santafi Travel, 2015). It's hard to believe that the declining is because of the growing competition as more and more middle income people are arising. Hence the researcher believes that customer satisfaction as the antecedent of re-purchase behavior is not being fulfilled well by Santafi as the major reason of the declining stage.

Thus, this research aims to find out the influence of retail service quality scale (RSQS) which is developed by Dabholkar (1996), since SERVQUAL developed by Parasuraman has not been successfully adapted to and validated in a retail store environment, towards customer loyalty. This research is divided into 5 sections, where in section 2, a review literature of RSQS is being elaborated, section 3 is devoted for research method and section 4 and 5 are devoted for results and conclusions respectively.

With today's tight competition, companies have to survive by winning customers' heart. That can only be achieved by satisfying their needs. Unlike tangible products that is easy to measure the dislike and like, service industries are too abstract to measure. Not to mention from its characteristics which are intangibility, perishability, inseparability, inconsistency and involvement (Kotler and Keller, 2007). It is intangible since it cannot be touched, gripped, handled, looked at, smelled, and tasted. As for perishability, it cannot be kept in storage for future use.

Since the consumer is involved from requesting the service up to consuming the rendered benefits, hence it qualifies the inseparability characteristic. It is inconsistency since the service is one-time generated, rendered and consumed and can never be exactly repeated as the point in time, location, circumstances, conditions, current configurations and/or assigned resources are different for the next delivery, even if the same service consumer requests the same service. And for the last but not the least characteristic, involvement, the consumer is involved in the delivery process which means the consumer has the opportunity to get the services modified according to specific requirement (Kotler and Keller, 2007).

But all these problems have been solved by Parasuraman et al (1988) with their SERVQUAL which stands for service quality with five dimensions: Reliability, Assurance, Tangible, Empathy and Responsiveness. Using a Likert Scale to measure the 5 dimensions, it has helped the management to understand how to serve their consumers better. The idea of SERVQUAL is to find out the gap between perception and expectation of the consumers (Parasuraman et al, 1985, 1988), and somehow it works very well in many industries, such as health industries, banks, retail stores, restaurants and hotels. But Cronin and Taylor (1992) researched has outperformed SERVQUAL in which their point of view is based on perception only since it is a tendency of people to expect higher than what they have perceived.

Hence, looking from this angel consumers will never satisfied with what the company has and gives. There is also an incomplete measurement in retail context, hence Dabholkar et al (1996) has proposed a new version of SERVQUAL which he calls it as Retail Service Quality or RSQS which also consists of 5 dimensions. They are Physical Aspects (or Tangible in SERVQUAL) cover store appearances and convenience of store layout, Reliability covers promises that retailers promise to do, Personal Interaction covers employee's courteous, helpful and they inspire confidence and trust from the customer, Problem Solving covers employee's handling complaints, and Policy covers operating hours, payment options, store charge cards, parking, and so forth. Loyalty is the condition where satisfied consumers will spread word of mouth, repurchase at the same store and even recommend it to other parties regardless other competitor gives more discount (Griffin, 2002).

Retail Service Quality has proven to have strong influence on repurchase intention that leads to customer loyalty (Nadiri et al 2009; Soutar and Tunner, 2002). In line with the findings, Reddy, Reddy and Abdulazeem (2011) have also found similar influence of service quality on loyalty.

METHODS

This research was conducted in Cikarang with population more than 1.2 million came from different background and gender. It was difficult in determining SANTAFI TRAVEL's customers due to poor recorded database system; hence a purposive sampling was applied. During April to June 2015, a total of 250 questionnaires were returned and valid out of 400 distributed questionnaires. More women (64%) than man (36%) responded to the questionnaires ranging from highest to the least respectively: less than 20 years old (47%), followed by 20 to 30 years old (31%), 31 to 40 years old (12%), 41 to 50 years old (7%) and older than 50 years old (3%). Since the highest respondents came from the age less than 20, thus most of the respondents were not married (77%) and married (33%).

Regarding the background, most of the respondents were students (77%), followed by businessperson (9%), professional (7%) and employees (6%). As for education background, most of them were college students (48%), Primary to Secondary graduates (22%), Bachelor degree up to PhD graduates (18%), Senior High School graduates (7%) and others (3%). The survey also asked the frequency used of SANTAFI services, and the result shows that most of the respondents (50%) used the services once times, followed by twice (23%), thrice (10%) and four times (8%).

Data were collected by means of a questionnaire containing 29 others questions measured using 7 points likert-scale ranging from strongly disagree, second is disagree, third is slightly disagree, fourth is moderate, fifth is slightly agree, sixth is agree, and the seventh is strongly agree. Convergent and Discriminant validity (construct validity) was established using factor analysis (Table 1. Validity and Reliability Result), and was found to be an adequate level (Kaiser-Meyer-Olkin Measure of Sampling Adequacy, KMO = 0.685, Total Variance Explained, TVE = 72%, Communalities > 0.5) both for Retail Service Quality Scale and Customer Loyalty (KMO = 0.653, TVE = 67%, Communalities > 0.5) as recommended by Malhotra (2010). Policy, one of the RSQS dimensions, was taken out to strengthen the construct validity as well as two indicators from Physical Aspects (Santafi's employees are always dressed up neatly and

Santafi's facilities suit to the service given).

There were four indicators were taken out from Personal Interaction dimension (Santafi's employees have the ability to serve the customer, Santafi's employees are always

ready to be asked for help, Santafi's employees are very courteous, Santafi's employees are outperformed). And reliability result was also exceeded 0.6 which was adequate (Hair, 2010)

Table 1. Validity and Reliability Result

Code	Factor	Cronbach
	Loading	Alpha
	KMO=0.685	.000
	SIG=0.000	
PS2	.658	.628
PS3	.633	
PS5	.626	
PS1	.625	
PS4	.600	
R3	.660	.650
R2	.607	
R5	.595	
R4	.555	
R1	.542	
PI1	.776	0.606
PI4	.465	
PA2	.754	0.600
PA1	.579	
	KMO=0.653	0.00
	SIG=0.000	
CL		0.754

As to check on the causality effect, Multiple Regression was applied. First, the overall influence of RSQS towards Customer Loyalty was checked (F test), followed by the influence of each RSQS dimension towards Customer Loyalty (t test) and the strength of relationships among RSQS and Customer Loyalty were checked using adjusted R square. But before checking the causality effect, it is important to make sure the data are valid for regression. Hence, the classical assumptions (normality/linearity, heterocedasticity, and

multicollinearity) were conducted (Hair, 2010). Figure 1 (Classical Assumptions Test) shows that data are under the bell shape (normality) and scatter along the diagonal line which means the data are assumed normal. It is also scattered above and below zero not performing any patterns, hence no heterocedasticity is found.

In addition, variance - inflating factor (VIF) is around 1 and Tolerance is almost 1, hence no multicollinearity problem is found (Berenson et al, 2009). In overall, the data are set to be checked through Multiple Regression.

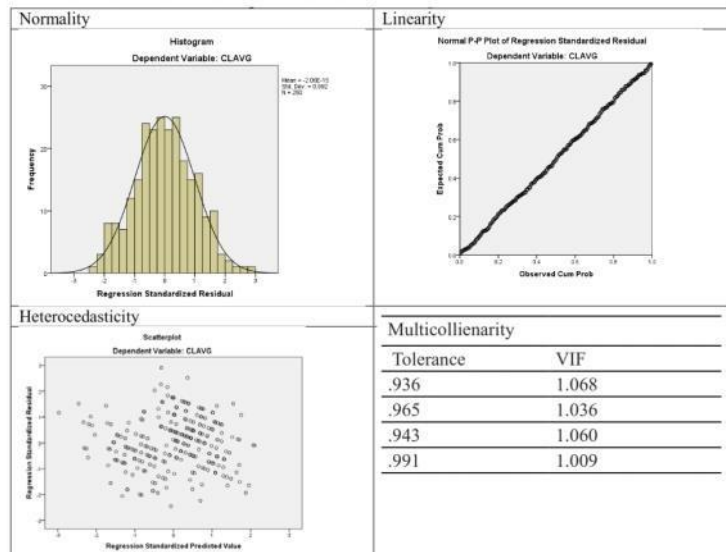


Figure 1. Classical Assumptions Test

RESULTS AND DISCUSSIONS

Table 2 (Model Summary) indicating that the coefficient of determination (R^2) is 0.237 that means the independent variables can explain about 23.7% of the variation in dependent variable. Table 3 (ANOVA) explains the overall independent variables (RSQS) influence significantly at 5% level towards Customer

Loyalty ($F_{4;245} = 20.321, p = 0.001$). Partially, each independent variable (RSQS) influences Customer Loyalty (Table 4). Reliability has the highest influence towards Customer Loyalty ($\beta = 0.570$), followed by Personal Interaction ($\beta = 0.078$), Problem Solving ($\beta = 0.051$), and Physical Aspects ($\beta = 0.025$).

Table 2. Adjusted R^2 (Model Summary)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.499 ^a	.249	.237	.61247

a. Predictors: (Constant), PSPA, PSPI, PSR, PSAVG

b. Dependent Variable: CLAVG

Table 3. F-test (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	30.491	4	7.623	20.321	.000b
	Residual	91.904	245	.375		
	Total	122.395	249			

a. Dependent Variable: CLAVG

b. Predictors: (Constant), PSPA, PSPI, PSR, PSAVG

Table 4.t-test

Model	Unstandardized Coefficients		t	Sig.
	B	Std. Error		
(Constant)	7.530	.560	13.450	.000
PSAVG	.051	.078	-.650	.017
PSR	.570	.069	-8.241	.000
PSPI	.078	.044	1.792	.007
PSPA	.025	.040	-.639	.023

CONCLUSIONS

It can be concluded that RSQS has proven to be the strong predictors to influence customer loyalty which in line with findings by Nadiri et al (2009) and Soutar and Tunner (2002), Reddy, Reddy and Abdulazeem (2011) and Griffin (2002). Reliability and Personal Interaction have been the first and second most significant to customer loyalty, hence SANTAFI has to focus and give more attention on them. Though Problem Solving and Physical Aspects become the third and fourth, it doesn't mean the company can go easy on this. To regain back their loyal customer, SANTAFI needs to increase their response better and faster to their customers since this factor has become the major issue of what the customer complain is. The employee needs to be trained well on their behavior handling customers. There shouldn't be any hidden information regarding extra fee and so forth to the customers and it needs to be told whether or not the customers inquiry about it. The parking area of SANTAFI is also needed to be taken care since the availability of parking lot becomes the major issue as well. In addition, SANTAFI needs to keep its promise without failing.

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