

Building Loyalty through Value: Differences of Rose-colored Glasses for Indonesian Middle Class Mall Visitor

AMELIA*

RONALD

Management Study Program

Universitas Pelita Harapan Surabaya

Jl. Jend. A. Yani 288, Surabaya 60234 Indonesia

Telp. +62 31 5825 5409. Fax. +62 31 5825 1020

amelia.fe@uph.edu / monica_amelia1987@yahoo.com

ABSTRACT

Currently mall has become a lifestyle for Indonesians. This is because the increase of income resulting in the shifting of lifestyle from low to middle and upper class. This change causes the buying behavior of the society to change also (bisnis.tempo.co). This is because the growth of Indonesian middle class experience increase that naturally Indonesians buying behaviour moves from traditional market to modern ritel market (nasional.sindonews.com).

The goal of this research is to understand the factors that affect mall loyalty for middle class mall visitor. The variable used is utilitarian value and hedonic value in forming customer satisfaction and mall loyalty. Variable that form utilitarian value is formed by monetary saving, selection, convenience, and customized product. While hedonic value is formed by variable entertainment, exploration, place attachment, and social status. Research method used in this research is quantitative method and SPSS 22.0 is used to analyze the data. The type of this research is causal research and for the respondents are 150.

The results of this studies showed that the variables which monetary saving, convenience, and customized product to utilitarian value, have positive and significant effect. Entertainment and place attachment to hedonic value have positive and significant effect. Social status has a significant but negative effect to hedonic value. Utilitarian value and hedonic value to customer satisfaction have positive and significant effect. Also, customer satisfaction to customer loyalty has positive and significant effect. In addition, the results also showed that selection to utilitarian value and exploration to hedonic value have positive but not significant effects of Royal Plaza. So, it can be concluding that from eleven proposed hypotheses, nine hypotheses are supported and three hypotheses are not supported.

20

Keywords: Mall Loyalty, Customer Satisfaction, Utilitarian Value, Hedonic Value

INTRODUCTION

Currently mall has become a lifestyle for Indonesians. This is because the increase of income resulting in the shifting of lifestyle from low to middle and upper class. This change causes the buying behavior of the society to change also (bisnis.tempo.co). This is because the growth of Indonesian middle class experience increase that naturally Indonesians buying behaviour moves from traditional market to modern ritel market (nasional.sindonews.com).

This is also experienced by the people of East Java, especially the Surabaya community. As the second largest city in Indonesia and also as the capital city of the province of East Java. The city of Surabaya is a place where there are many offices and is a business

center of the East Java province. Surabaya government is support the investor in the retail sector, which focuses on the central business distric for mall development in Surabaya, this aims to facilitate the Surabaya community in consuming various domestic and foreign products (surabayanews.co.id).

The number of malls or shopping centers built in the city of Surabaya shows that Surabaya is a good business place and has a very strong purchasing power. Each mall in Surabaya also has different functions, such as being a technology center, wholesale center, family-oriented shopping center and lifestyle shopping center. This shows that the city of Surabaya is called the metropolitan city in the eastern part of Java. And the malls or shopping centers have different functions, there are malls that function as technology centers, some also function as wholesale centers, and some function as shopping centers with different types of social class customer (properti.kompas.com).

However, the difference in social class also become the cause of choosing to visit a mall. In this research, it is attempted to see the rose-colored glasses that middle class mall visitors use in choosing the mall. One of the most visited malls by visitors from the middle class in Surabaya is Royal Plaza. So this reseach will focusing on Royal Plaza visitor to find the reason to be loyal to that mall.

Royal Plaza is also a mall with complete tenants in South Surabaya. For example for daily household needs, there is a Hypermart on the LG floor. Some restaurant names like Pizza Hut, KFC, Hoka-Hoka Bento, Master D, Quali, D'Cost, Solaria, Top Noodle, CFC, and many others (<http://surabaya.tribunnews.com>). From the tenants available at the Royal Plaza, it can be seen that the target market of the Royal Plaza is a community with middle social class.

In a competitive environment, loyal customers are crucial to maintain the market share (Wright and Sparks, 1999). Therefore, it is not surprising that the issue of shopping mall loyalty has recently received attention from researchers and managers. This is because, they believe loyal shoppers will visit the shopping malls and purchase more from them; consequently, it increases the possibility of getting higher rent from shopkeepers (Pan and Zinkhan, 2006; Adkins Lehew et al., 2002; Ahmad, 2012; Rabbanee et al., 2012).

Many studies have begun to focus on finding factors that significantly affect mall loyalty. Customer satisfaction is a variable mentioned in various studies that has a positive and significant influence on mall loyalty (Babinetal.,1994, 2005; Roy,1994; Wakefield and Baker,1998). In addition, because the mall has a different target market so it not only affects shopping behavior but also strengthens the importance of value. It has been found that some customers enter the mall primarily to get value of sensual and emotional satisfaction during shopping process, (Batra and Ahtola, 1991; Roy, 1994; Wakefield and Baker, 1998) representing hedonic shopping values. These shoppers love the fun and enjoyment of shopping process and viewed shopping malls as a place of entertainment and exploration (Blochetal., 1994). According to Khare (2011) shopping behavior of Indian consumer is affected by shopping orientations, personal values, and social influences.

This research seeks to provide a clear perspective to mall managers in the extremely competitive market situation. The results of this study can be used to develop a marketing strategy that can ultimately improve mall loyalty for middle-class malls. In addition, the study will clarify the rose-colored glass that is used by middle-class visitors in loyalty to a mall so that the mall manager can make a marketing strategy that is appropriate for the target market.

LITERATURE REVIEW

A. Mall Loyalty ⁸

The concept of mall loyalty has been considered by many researchers to possess the same features of brand loyalty and store loyalty (Bloemer and De Ruyter, 1998; Macintosh and Lockshin, 1997; El Hedhli et al., 2013; Ahmad, 2012; Pandey et al., 2015). According to Lehew et al. (2002), conceptualization of loyalty relies on behavioural loyalty (which focus on repurchase and patronage behaviour) and attitudinal loyalty (which focus on evaluation of mall based on the expectations of its attributes). Shafiee, et al. (2017), mall loyalty is a multidimensional construct, which consists of both, and it is a consumer's preference to shop from a specific mall. Making shoppers more loyal as a strategic goal is of great interest to both researchers and managers (El Hedhli and Chebat, 2009; El Hedhli et al., 2013).

B. Customer Satisfaction ¹

Customer satisfaction is a response to an evaluation process (Howard and Sheth, 1969; Oliver, 1980, 1987; Fornell, 1992), when the customer's goal related to purchase and use of products and services is satisfactory, represents an achievement. Olajide and Israel (2012) who conducted a research on the effect of customer satisfaction on customer loyalty among bank customers in Ado-Ekiti Metropolis. The result of the study is strengthened the relationship between customer satisfaction and customer loyalty. The study revealed that there is a significant relationship between customer satisfaction and customer loyalty. From these statements, we can make hypotheses that:

H₁₁: Customer satisfaction has a positive and significant effect on customer satisfaction.

C. Utilitarian Value ¹

According to Kesari and Atulkar (2016), utilitarian shoppers have a greater desire to get more value for their purchases. Utilitarian shopping value starts with a mission or task, and perceived benefit depends on whether the mission is completed efficiently during the process or not (Sherry et al., 1993; Babin et al., 1994). For utilitarian value is more task-oriented, functional and logical (Chebat et al., 2014). Utilitarian customers perceived more utility and value (Batra and Ahtola, 1991; Sherry et al., 1993; Babin et al., 2005) when they get branded products in discounted and relatively competitive rates with effortless shopping (Babin et al., 1994; Babin and Darden, 1995). From these statements, we can conclude hypotheses as follows:

H₉: Utilitarian value has a positive and significant effect on customer satisfaction.

D. Hedonic Value

Some shoppers visit mall only because of hedonic shopping values (Jones et al., 2006). For them, shopping malls are viewed as a place for recreation and entertainment (Bloch et al., 1994; Deb, 2012). Hedonic value can be defined as value that shoppers find because of fun, enjoyment and excitement of shopping at mall (Velitchka and Barton, 2006). Hedonic Value of shopping includes the joy of shopping, the feelings associated with buying, getting rid of daily activities, drowning in exciting products, playfulness, and passing time enjoyably (Shafiee, et al., 2017). Hedonic shopper considered mall as a place where they can remove their strain, negative emotions, create emotional bonding and enjoy (Rintamaki et al., 2006) the shopping process. Bloch et al., (1994) show that mall patrons with stronger hedonic motives experience higher pleasure and arousal feelings (Hirschman and Holbrook, 1982; Wakefield and Baker, 1998) create belief in customer which they share their natives. Thus, the following hypothesis is proposed:

H₁₀: Hedonic value has a positive and significant effect on customer satisfaction.

E. Monetary Saving

According to Kesari and Atulkar (2016), customers perceive monetary savings as a utilitarian benefit, which can enhance the satisfaction of mall shoppers. Customers receive more utility and value when they get quality products (Bettman, 1979; Sinha and Banerjee, 2004) for relatively competitive and discounted rates, for which, they do not want to waste their valuable time, effort and money during shopping process (Bettman, 1979; Chandon et al., 2000). Thus, the following hypothesis is proposed:

H₁: Monetary saving has a positive and significant effect on utilitarian value.

F. Selection

In shopping malls, customers get a wide range of branded retail stores (Wakerfield and Baker, 1998; Sinha and Banerjee, 2004) for selection, such as department stores, apparel stores, grocery stores and leisure facilities (Sinha and Banerjee, 2014) for doing profitable business activities in one place. Wakerfield and Baker (1998) suggest that varieties of shops like branded showrooms, apparel stores, household products etc, along with facilities (Bloch et al., 1994) like food courts, gaming area, sitting area and cinema halls under one roof generate positive effect and enable customers to prefer the mall (Khare, 2011). Thus, the following hypothesis is proposed:

H₂: Selection has a positive and significant effect on utilitarian value.

G. Convenience

Before going to shop in malls, customers look first for parking facilities (Bearden 1977, Yan and Eckman, 2009) and to avoid negative aspects of shopping mall such as convenient store operating hours, parking facilities (Beardem, 1977; Yan and Eckman, 2009) and security (Bloch et al., 1994). According to Holbrook, (1999); Seiders et al., (2000), convenience in shopping means effortless shopping, amount of time consumed in search of location, store, product and information. If the shopping ends without much effort then the customer perceives more utility and values from the shopping process (Kesari and Atulkar., 2016). Thus, the following hypothesis is proposed:

H₃: Convenience has a positive and significant effect on utilitarian value.

H. Customized Product

Customization in product is based on customer visiting patterns (Guijun et al., 2006) and shopping trip values (Diep and Sweeney, 2008). Varieties in merchandise (Bearden 1977; Wakefield and Baker, 1998; Yan and Eckman, 2009) motivate customers to shop in malls. To et al., (2007) study shows that customization includes product specifications, product quality, product packaging, design etc, that fulfill the basic needs and assist customer to enjoy the decision making process (Lyengar and Lepper, 2000). Mall increase customer patronage by offering large variety of high quality merchandise (Wakefield and Baker, 1998) to shoppers to compare and select products from available product categories (To et al., 2007). Thus, the following hypothesis is proposed:

H₄: Customized product has a positive and significant effect on utilitarian value.

I. Entertainment

The entertainment factor of hedonic shopping value is considered as the most important competitive tool which enables customers to select any mall for shopping (Arnold and Reynolds, 2003). Bloch et al., (1994) shows that hedonic shopping values are recognized through entertainment facilities like music, events, refreshment facility, re-creational centers and gaming areas. They generate excitement and enjoyment (Wakefield and Baker, 1998;

Arnold and Reynolds, 2003; Deb, 2012) of shopping process. Sinha and Banerjee (2004) found that shoppers in the category of leisure stores (lifestyle, books and music) may place greater importance for entertainment value. Thus, the following hypothesis is proposed:

H5: Entertainment has a positive and significant effect on hedonic value.

1 J. *Exploration*

Exploration offers hedonic shopping value when the customers appreciate the excitement of product or information search (Babin et al., 1994; Chandon et al., 2000, Deb, 2012). Mall impression is based on the facilities provided to the customer in the form of functional factors and psychological factors (Arnold and Reynolds, 2003). Hedonic shopper loves the fun and fantasy (Babin et al., 1994; Arnold and Reynolds, 2003) of shopping experience which they share with their friends and family members. Thus, the following hypothesis is proposed:

H6: Exploration has a positive and significant effect on hedonic value.

K. *Place Attachment*

Place attachment is associated with positive evaluation of a retail setting, excellent customer services and loyalty (Westbrook and Black, 1985; Kyle et al., 2004; Alexandris et al., 2006; To et al., 2007) which generates positive attitude and comforts to shop at mall. Researchers in the past, examined mall ambience (Swait and Sweeney, 2000; Darian et al., 2001; Yavas, 2003), customer services and facilities and have concluded that they contribute towards mall attractions and attachment (Darian et al., 2001) where the traditional selling activities are combined with additional motivating customer services. As a result, malls producing emotional attachment with its customers would receive positive evaluation (Kesari and Atulkar, 2016). Thus, the following hypothesis is proposed:

H7: Place attachment has a positive and significant effect on hedonic value.

L. *Social Status*

During shopping process customer obtains positive feeling and belief (Hirschman and Holbrook, 1982) which they can share with their family member and friends, realize them the state of social status (Holbrook, 1999; Deb, 2012). Hirschman and Holbrook (1982) considered malls as a central point of community entertainment followed by boosting social status of the customer. Shopping malls are attractive locations offering status and taste which are actively pursued, intentional and instrumental (Holbrook, 1999; Chandon et al., 2000) increases self-esteem in the shoppers motivated by hedonic values. Shopping malls provide an opportunity to shop merchandise from branded retail stores hold status and self-esteem (Deb, 2012). Therefore the association with mall increases the status and self-esteem of customer in the society (Holbrook, 1999; Chandon et al., 2000) preferred mostly by the hedonic shoppers. Thus, the following hypothesis is proposed:

H8: Social status has a positive and significant effect on hedonic value.

2 RESEARCH ISSUE AND METHODOLOGY

A. *Research Issue*

In this study, the target of population are consumers in Surabaya who visit often at Royal Plaza (middle class mall visitor). The characteristics are as follow: men and women, residing in Surabaya, well-educated and often visit and shop at Royal Plaza. This research uses

primary data that is the data obtained from the distribution of questionnaires to the respondents in accordance with the characteristics of populations. Data collection procedure is a questionnaire given to a sample that meets the characteristics of the sample that has been determined (purposive sampling). The questionnaires were given in the form of one sheet of back and forth questionnaires. From 160 questionnaires distributed for Royal Plaza, 150 questionnaires were returned for Royal Plaza can be used for further research.

From the questionnaire completed by respondents, the indicators to measure were built from previous researches. For mall loyalty from researches by Shafiee, et al., (2016); monetary saving, selection, convenience, customized product, entertainment, exploration from researches Kesari and Atulkar (2016), Chandon et al., (2000), Wakefield and Baker, (1998); utilitarian value and hedonic value from researches Babin et al., (1994); Kesari and Atulkar (2016); and Shafiee et al., (2017); customer satisfaction from researches Kesari and Atulkar (2016) and Kesari and Atulkar (2016). There were 36 indicators for 12 variables tested, and these can be seen from the following research model:

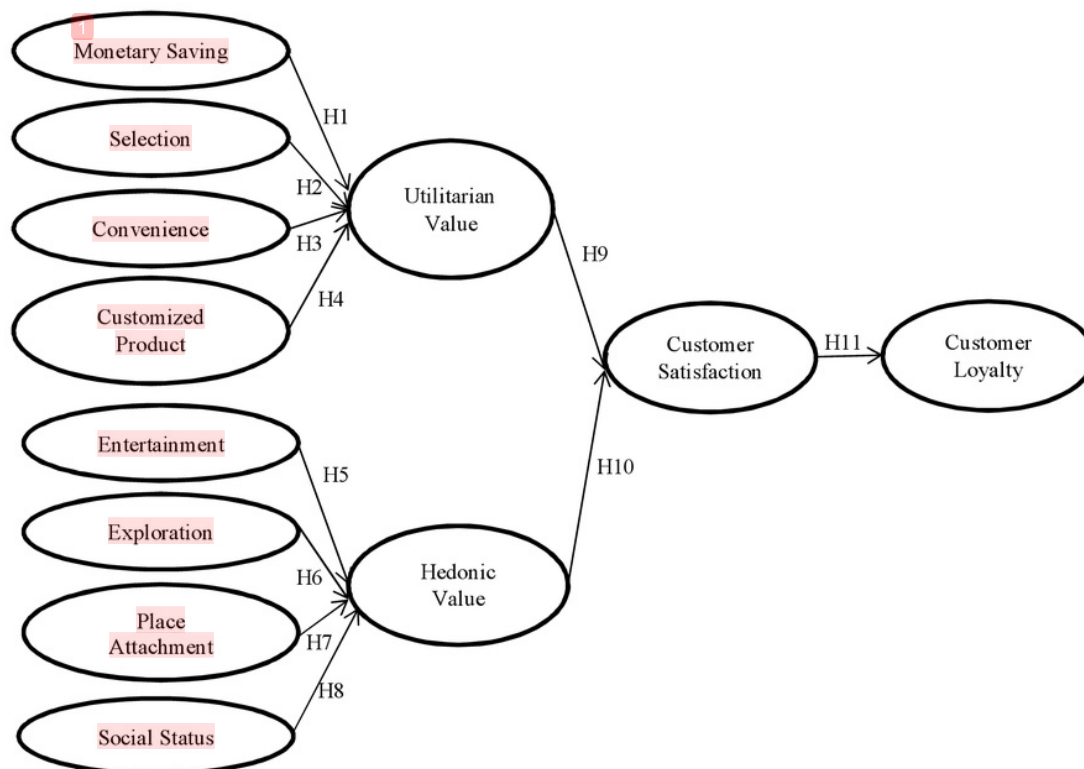


Figure 1. Research Model
Source: Analysis, 2018

B. Methodology

Aras which was used within this research were interval level measurement. Type of scale used was Summated Likert, a statement which has a range from 1 = disagree to 5 = agree, the scale represent the respondents' opinion for the questions regarding the objects being studied. In which the highest the score or number selected indicated the higher of ratings, and vice versa.

FINDING AND DISCUSSION

A. Findings

This study used Multiple Regression in testing between the variables. Statistical analysis tool used to answer the problem formulation of this research is SPSS 22.0. Once the questionnaires were returned, the next step that must be conducted is descriptive statistic-analysis.

In Table 1, it shows that respondents who fill out questionnaires are mostly done by women, this can be seen from 79 respondents (52.67%) of respondents who are middle class mall visitors are women while 71 respondents (47.33%) are men. This indicates that the mall today are better to able to attract the attention of female users.

Table 1. Respondents Characteristic by Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	71	47.33	47.33	47.33
Female	79	52.67	52.67	100.0
Total	150	100.0	100.0	

Source: data, compiled by researcher, 2019

From the results in Table 2, it can be seen that the characteristics of respondents based on age are dominated by age group 22-35 which is 93 respondents (62%), followed by 18-22 age group which is 38 respondents (25.33%), and last age group which is mall visitor from middle class and become respondents is age group 35-50 which is 19 respondents (12.67%). This shows that the majority of online travel agent users are in the age subgroup of generation X and Y and baby boomers, the last respondents are from the senior age group.

Table 2. Respondents Characteristic by Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-22	38	25.33	25.33	25.33
22-35	93	62	62	87.33
35-50	19	12.67	12.67	100.0
Total	150	100.0	100.0	

Source: data, compiled by researcher, 2019

Table 3. Descriptive Statistics

	N	Mean	Std. Deviation
MS1	150	4.180	.6663
MS2	150	4.160	.6029
MS3	150	4.220	.6006
MS	150	4.186666666666666	.534394916624
SE1	150	3.853	.7453
SE2	150	4.173	.6212
SE3	150	4.160	.6029
SE	150	4.06222222221	.484489732329
CO1	150	4.140	.7145
CO2	150	4.160	.6029
CO3	150	4.160	.7149
CO	150	4.15333333334	.542909003793
CU1	150	4.173	.6103
CU2	150	3.993	.7815

CU3	150	4.173	.6829
CU	150	4.11333333331	.523611049286
		9997	761
EN1	150	4.067	.7479
EN2	150	4.153	.7574
EN3	150	4.233	.6176
EN	150	4.15111111112	.542849480102
		0001	456
EX1	150	4.180	.6763
EX2	150	4.180	.6663
EX3	150	4.240	.6623
EX	150	4.20000000000	.546154613724
		6670	691
PA1	150	4.287	.6275
PA2	150	4.193	.6419
PA3	150	4.233	.6697
PA	150	4.23777777779	.492049642922
		3334	525
SS1	150	4.140	.7145
SS2	150	4.153	.7574
SS3	150	4.347	.7141
SS	150	4.21333333339	.558681733773
		3329	426
UV1	150	4.160	.6029
UV2	150	4.113	.7098
UV3	150	4.207	.6584
UV	150	4.15999999997	.576341931817
		3332	396
HV1	150	3.473	.8800
HV2	150	3.693	.7767
HV3	150	3.860	.7688
HV	150	3.67555555558	.694010453491
		6667	871
CS1	150	4.180	.6663
CS2	150	4.160	.6029
CS3	150	4.113	.7098
CS	150	4.15111111112	.590234557810
		0001	019
CL1	150	3.880	.6846
CL2	150	3.833	.6797
CL3	150	3.913	.6339
CL	150	3.87555555556	.592705681492
		6667	323
Valid N (listwise)	150		

Source: data, compiled by researcher

Based on the results from data processing in table 3, it shown that the average score of the mean for overall indicator is 4.1. This shows that all indicators of variables that tested can be perceived positive by all respondents. In addition, the standard deviation is under 2.0. this shows that the answers given by respondents are homogeneous or relatively the same. It is known that the highest mean average is place attachment is 4.23. This may indicate that the indicators of perceived usefulness are best perceived by the respondents than other variables. Hedonic value has the highest score for standard deviation, that is 0.69. This may indicate that the respondents give answers for hedonic value least homogeneous compared with other variables.

Before going for *Single Regression* and *Multiple Regression* testing, first steps that must be conducted is the testing of the validity and reliability to prove that the data from the questionnaire is valid, reliable and able to be used for the next analysis.

2 Validity Test

The criteria is if the value of the factor loading is higher than 0.160, then the statement is considered valid, however, if the value of the factor loading is less than the 0.160, then the statement is considered invalid or failed. Based on the test of the data validity, it is prove that all indicators used to estimate each variable are valid, since the value of the factor loading for every questions are more than 0.160.

Table 4. Validity Test

Indicator	FL	Indicator	FL	Indicator	FL	Indicator	FL	Indicator	FL
Monetary Saving:		Selection:		Convenience:		Customized Product:		Entertainment:	
MS1	0.670	SE1	0.306	CO1	0.523	CU1	0.318	EN1	0.466
MS2	0.768	SE2	0.454	CO2	0.569	CU2	0.440	EN2	0.403
MS3	0.588	SE3	0.409	CO3	0.528	CU3	0.547	EN3	0.508

Indicator	FL	Indicator	FL	Indicator	FL	Indicator	FL	Indicator	FL
Exploration:		Place Attachment:		Social Status:		Utilitarian Value:		Hedonic Value:	
EX1	0.669	PA1	0.439	SS1	0.428	UV1	0.731	HV1	0.661
EX2	0.626	PA2	0.580	SS2	0.481	UV2	0.726	HV2	0.782
EX3	0.454	PA3	0.336	SS3	0.469	UV3	0.699	HV3	0.589

Indicator	FL	Indicator	FL
Customer Satisfaction:		Customer Loyalty:	
CS1	0.775	CL1	0.674
CS2	0.752	CL2	0.772
CS3	0.750	CL3	0.804

Source: data, compiled by researcher

Reliability Test

Reliability test is do by comparing cronbach's alpha value, if the value is higher than 0.6, then the statement is considered reliable.

Table 5. Reliability Test

Variable	Cronbach's Alpha Based on Standardized Items
Monetary Saving	0.820
Selection	0.603
Convenience	0.722
Customized Product	0.618
Entertainment	0.652
Exploration	0.751
Place Attachment	0.639
Social Status	0.649
Utilitarian Value	0.850
Hedonic Value	0.821
Customer Satisfaction	0.875
Customer Loyalty	0.869

Source: data, compiled by researcher

From the table 5, it is proven that all variables having the Cronbach alpha value higher than 0.60. So, it can be concluded that the statements develop the variables can be said to be consistent/reliable and can be used for further analysis.

Results of Coefficient Determination

Table 6. Coefficient Determination 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.928 ^a	.862	.858	.217348585684 218

a. Predictors: (Constant), CU, SE, CO, MS

Table 7. Coefficient Determination 2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.636 ^a	.404	.388	.542988751703 306

a. Predictors: (Constant), SS, PA, EX, EN

Table 8. Coefficient Determination 3

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947 ^a	.898	.896	.190051257507 519

a. Predictors: (Constant), HV, UV

Table 9. Coefficient Determination 4

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.348 ^a	.121	.115	.557471344241 510

a. Predictors: (Constant), CS

From table 6, determinant coefficient/R-square (R^2) generated is 0.858, which means that the variations of variables of monetary saving, selection, convenience, and customized product together can explain the variation of variable utilitarian value by 85.5%, while the rest 14.5% explained for other variables beyond the model which is not yet observed. Meanwhile, from table 7 determinant coefficient/R-square (R^2) generated is 0.388 which means that entertainment, exploration, place attachment and social status together can explain the variation of variable hedonic value by 38.8%, while the rest 61.2% explained for other variables beyond the model which is not yet observed.

From table 8, determinant coefficient/R-square (R^2) generated is 0.896, which means that the variations of variables of utilitarian value and hedonic value together can explain the variation of variable customer satisfaction by 89.6%, while the rest 10.4% explained for other variables beyond the model which is not yet observed. Meanwhile, from table 9 determinant coefficient/R-square (R^2) generated is 0.121 which means that customer satisfaction together can explain the variation of variable customer loyalty by 12.1%, while the rest 87.9% explained for other variables beyond the model which is not yet observed.

Results of Multiple Regression

1. Monetary Saving, Selection, Convenience, And Customized Product to Utilitarian Value

The results of multiple regression are as follows:

7
Table 10. Coefisien Regression Model 1

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.446	.163		-2.730	.007
	MS	.561	.060	.520	9.290	.000
	SE	.085	.059	.072	1.455	.148
	CO	.296	.059	.279	4.995	.000
	CU	.165	.053	.150	3.135	.002

a. Dependent Variable: UV

Source: data, compiled by researcher

2
 From table 8, the regression equation can be written as follows:

$$UV = b_1MS + b_2SE + b_3CO + b_4CU$$

$$UV = 0.520MS + 0.072SE + 0.279CO + 0.150CU$$

Based on table 10, all the independent variables have positively influence towards utilitarian value. Monetary saving has the greatest regression coefficient compare to other variables, that is 0.520. Therefore, monetary saving is the most influential variable to utilitarian value. In the other side, selection has the smallest effect on utilitarian value, that is 0.072.

6
2. Entertainment, Exploration, Place Attachment and Social Status to Hedonic Value

Based on table 11, entertainment, exploration, and place attachment have positively influence towards hedonic value. Entertainment has the greatest regression coefficient compare to other variables, that is 0.350. Therefore, entertainment is the most influential variable to hedonic value. In the other side, exploration has the smallest effect on hedonic value, that is 0.127.

2
 From table 9, the regression equation can be written as follows:

$$HV = b_5EN + b_6EX + b_7PA + b_8SS$$

$$HV = 0.544EN + 0.127EX + 0.336PA + (-0.340SS)$$

3
Table 11. Coefisien Regression Model 2

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.113	.419		-.269	.789
	EN	.695	.212	.544	3.284	.001
	EX	.161	.155	.127	1.037	.302
	PA	.474	.146	.336	3.236	.002
	SS	-.423	.183	-.340	-2.308	.022

a. Dependent Variable: HV

34
3. Utilitarian Value and Hedonic Value to Customer Satisfaction

Based on table 12, all the independent variables have positively influence towards customer satisfaction. Utilitarian value has the greatest regression coefficient compare to other variables, that is 0.906. Therefore, utilitarian value is the most influential variable to customer satisfaction. In the other side, hedonic value has the smallest effect on customer satisfaction, that is 0.071.

From table 9, the regression equation can be written as follows:

$$CS = b_9UV + b_{10}HV$$

$$CS = 0.906UV + 0.071HV$$

Table 12. Coefisien Regression Model 3

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.066	.116		.570	.569
	UV	.928	.032	.906	28.739	.000
	HV	.061	.027	.071	2.261	.025

a. Dependent Variable: CS

4. Customer Satisfaction to Customer Loyalty

Based on table 13, the independent variables has positively influence towards customer loyalty, that is 0.348

From table 9, the regression equation can be written as follows:

$$AC = b_4PU + b_5PE + b_6CO + b_7PV$$

$$AC = 0.253PU + 0.066PE + 0.048CO + 0.350PV$$

Table 13. Coefisien Regression Model 4

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.424	.324		7.471	.000
	CS	.350	.077	.348	4.520	.000

a. Dependent Variable: CL

F-test

Based on the calculation of SPSS, the significance of F test value in the model 1 and model 2 are 0.000, this mean H0 is rejected, so it can be concluded each model's independent variables together influencing dependent variable significantly.

Table 14. Result of F-test 1

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	42.643	4	10.661	225.673	.000 ^b
	Residual	6.850	145	.047		
	Total	49.493	149			

a. Dependent Variable: UV

b. Predictors: (Constant), CU, SE, CO, MS

Table 15. Result of F-test 2

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	29.015	4	7.254	24.602	.000 ^b
	Residual	42.751	145	.295		
	Total	71.766	149			

a. Dependent Variable: HV

b. Predictors: (Constant), SS, PA, EX, EN

7
Table 16. Result of F-test 3

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	46.599	2	23.299	645.062	.000 ^b
	Residual	5.310	147	.036		
	Total	51.908	149			

a. Dependent Variable: CS
b. Predictors: (Constant), HV, UV

15
Table 17. Result of F-test 4

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.349	1	6.349	20.430	.000 ^b
	Residual	45.995	148	.311		
	Total	52.344	149			

a. Dependent Variable: CL
b. Predictors: (Constant), CS

t-test

1. Monetary Saving, Selection, Convenience, and Customized Product to Utilitarian Value

6
The t test used to determine whether the independent variables of monetary saving, selection, convenience, and customized product partially (independently) have significant influence on utilitarian value. If the value of t test is below 0.05, then it can be stated that the variable is significantly influenced by partially. From table 18, it can be seen that monetary saving, convenience, and customized product partially (independently) have significant influence on perceived value but selection insignificantly influenced utilitarian value.

Table 18. Result of t-test

5 Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.446	.163		-2.730	.007
	MS	.561	.060	.520	9.290	.000
	SE	.085	.059	.072	1.455	.148
	CO	.296	.059	.279	4.995	.000
	CU	.165	.053	.150	3.135	.002

a. Dependent Variable: UV

6
2. Entertainment, Exploration, Place Attachment and Social Status to Hedonic Value

The t test used to determine whether the independent variables of entertainment, exploration, place attachment and social status partially (independently) have significant influence on hedonic value. If the value of t test is below 0.05, then it can be stated that the variable is significantly influenced by partially. From table 19, it can be seen that entertainment, place attachment and social status partially (independently) have significant influence on hedonic value. However, exploration variable has no significant effect on actual usage.

Table 19. Result of t-test

5 Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.113	.419		-.269	.789

EN	.695	.212	.544	3.284	.001
EX	.161	.155	.127	1.037	.302
PA	.474	.146	.336	3.236	.002
SS	-.423	.183	-.340	-2.308	.022

a. Dependent Variable: HV

3. Utilitarian Value and Hedonic Value to Customer Satisfaction

The t test used to determine whether the independent variables of utilitarian value and hedonic value partially (independently) have significant influence on customer satisfaction. If the value of t test is below 0.05, then it can be stated that the variable is significantly influenced by partially. From table 20, it can be seen that utilitarian value and hedonic value partially (independently) have significant influence on customer satisfaction.

Table 20. Result of t-test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.066	.116		.570	.569
UV	.928	.032	.906	28.739	.000
HV	.061	.027	.071	2.261	.025

a. Dependent Variable: CS

4. Customer Satisfaction to Customer Loyalty

The t test used to determine whether the independent variable of customer satisfaction partially (independently) has significant influence on customer loyalty. If the value of t test is below 0.05, then it can be stated that the variable is significantly influenced by partially. From table 21, it can be seen that customer satisfaction partially (independently) has significant influence on customer loyalty.

Table 21. Result of t-test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.424	.324		7.471	.000
CS	.350	.077	.348	4.520	.000

a. Dependent Variable: CL

B. Discussion

The results of this studies showed that the variables which monetary saving, convenience, and customized product to utilitarian value, have positive and significant effect. Entertainment and place attachment to hedonic value have positive and significant effect. Social status has a significant but negative effect to hedonic value. Utilitarian value and hedonic value to customer satisfaction have positive and significant effect. Also, customer satisfaction to customer loyalty has positive and significant effect. In addition, the results also showed that selection to utilitarian value and exploration to hedonic value have positive but not significant effects of Royal Plaza. So, it can be concluding that from eleven proposed hypotheses, nine hypotheses are supported and three hypotheses are not supported.

The first hypothesis stating that perceived usefulness has a positive effect on perceived value of Traveloka is supported. The first hypothesis stating that monetary saving has a

positive and significant effect on utilitarian value is supported because the t test value is 0.000, below 0.05. This shows the consistency results of this study with Chandon et al., (2000) that states that monetary saving has a positive and significant effect on utilitarian value.

The second hypothesis stating that selection has a positive and significant effect on utilitarian value is not supported. The second hypothesis stating that Selection has a positive and significant effect on utilitarian value is not supported because the t test value is 0.148, higher than 0.05. This shows the inconsistency results of this study with Khare (2011), that varieties of shops like branded showrooms, apparel stores, household products etc, along with facilities (Bloch et al., 1994) like food courts, gaming area, sitting area and cinema halls under one roof generate positive effect and enable customers to prefer the mall.

The third hypothesis stating that convenience has a positive and significant effect on utilitarian value is supported. The third hypothesis stating that convenience has a positive and significant effect on utilitarian value is supported because the t test value is 0.000, below 0.05. This shows the consistency results of this study that if the shopping ends without much effort then the customer perceives more utility and values from the shopping process (Kesari and Atulkar., 2016).

The fourth hypothesis stating that customized product has a positive and significant effect on utilitarian value is supported. The fourth hypothesis stating that customized product has a positive and significant effect on utilitarian value is supported because the t test value is 0.002, below 0.05. This shows the consistency results of this study that mall increase customer patronage by offering large variety of high quality merchandise (Wakefield and Baker, 1998) to shoppers to compare and select products from available product categories (To et al., 2007).

The fifth hypothesis stating that entertainment has a positive and significant effect on hedonic value is supported because the t test value is 0.001, below 0.05. This is consistent with the results of previous researches that the entertainment factor of hedonic shopping value is considered as the most important competitive tool which enables customers to select any mall for shopping (Arnold and Reynolds, 2003).

The sixth hypothesis stating that exploration has a positive and significant effect on hedonic value is not supported because the t test value is 0.519, higher than 0.302. This is not consistent with the results of previous research that exploration offers hedonic shopping value when the customers appreciate the excitement of product or information search (Babin et al., 1994).

The seventh hypothesis stating that place attachment has a positive and significant effect on hedonic value is supported because the t test value is 0.002, below 0.05. shows a consistency of the results with previous researches that malls producing emotional attachment with its customers would receive positive evaluation (Kesari and Atulkar, 2016).

The eighth hypothesis stating that Social status has a positive and significant effect on hedonic value is not supported because the coefficient regression is negative which is -0.340 (0.022). This is not consistent with the results of previous research that Shopping malls are attractive locations offering status and taste which are actively pursued, intentional and instrumental (Holbrook, 1999; Chandon et al., 2000) increases self-esteem in the shoppers motivated by hedonic values.

The ninth hypothesis stating that utilitarian value has a positive and significant effect on customer satisfaction is supported because the t test value is 0.000, below 0.05. shows a consistency of the results with previous researches that utilitarian shopping value starts with a mission or task, and perceived benefit depends on whether the mission is completed efficiently during the process or not (Sherry et al., 1993; Babin et al., 1994).

The tenth hypothesis stating that hedonic value has a positive and significant effect on customer satisfaction is supported because the t test value is 0.025, below 0.05. shows a consistency of the results with previous researches that Hedonic shopper considered mall as a place where they can remove their strain, negative emotions, create emotional bonding and enjoy (Rintamaki et al., 2006) the shopping process.

The eleventh hypothesis stating that place attachment has a positive and significant effect on hedonic value is supported because the t test value is 0.000, below 0.05, shows a consistency of the results with previous researches that malls producing emotional attachment with its customers would receive positive evaluation (Kesari and Atulkar, 2016).

CONCLUSION, LIMITATION, AND RESEARCH EXTENTION

Conclusion

From the research and discussion that have been done, this study successfully extends customer loyalty to the context of middle class mall visitor by using customer satisfaction, utilitarian value, hedonic value, monetary saving, selection, convenience, customized product, entertainment, exploration, place attachment and social status.

The results of this study indicate the importance of customer satisfaction variable because this variable directly affects customer loyalty for the middle class mall visitor. Therefore it is important for mall management to always strive to improve customer satisfaction so that customers continue to have customer loyalty.

In this study there are two variables that directly influence customer satisfaction, namely utilitarian value and hedonic value. Both of these variables have a positive and significant effect on customer satisfaction, but utilitarian value has the biggest influence on customer satisfaction. This shows that the majority of the middle class mall visitors feel that utilitarian value is the main impetus for them to be satisfied with a mall. This can be explained because for the middle class, money is an important consideration that requires serious thinking considering that the money owned is not as much as money from the upper class. Therefore, when the middle class visits a mall, their main consideration is the benefits that can be obtained from the sacrifices made to be able to visit the mall, so it is important for mall management to always increase the utilitarian value of a mall.

On the other hand, hedonic value is still needed to establish customer satisfaction even though the effect is not as big as the effect of utilitarian value but the effect remains significant. This is because, when going to the mall, of course, the hedonic value aspects such as the pleasure of the mall display, mall neatness will also help to satisfy customers. If a mall's hedonic value is not owned, it will cause the satisfaction of the mall to decrease even though it has a utilitarian value. Therefore, mall management needs to continue to increase the hedonic value to survive in competition.

In an effort to increase utilitarian value, it is important to know the important factors to increase the utilitarian value that can be directly controlled by the mall management. The variable that most influences the utilitarian value is monetary saving. This is because for the middle class the use of money is one of the important decisions in daily needs, moreover the majority of visitors are generation x, generation y and baby boomers where the income they have cannot be used for other things because of the many needs that must be met. Therefore it is important for mall management to always improve monetary saving by increasing cooperation with tenants who sell products at low guaranteed prices, both tenants who use everyday low price strategies and high low pricing strategies. This will attract the middle class to visit the mall.

The second variable that most influences utilitarian value is convenience. This is because every time the middle class decides to visit a mall, the middle class often makes sacrifices for costs, time and energy as an important part of decision making. This is because money and time are limited. In addition, the majority of midlevel classes are working class who must think carefully about the use of money and time. Therefore, it is important for mall management to think about the location of the mall which is close to the residence and work location of the middle class, adequate parking location especially motorcycle parking at affordable prices, and parking access to the mall which is not complicated to understand.

The third variable that most influences the utilitarian value is a customized product. That is because when the middle class thinks about the sacrifices that must be made to visit a mall, the middle class will also think about the entire product that can be obtained when visiting the mall. This can be explained by example by sacrificing transportation costs in a mall, so that daily necessities, restaurants, household appliances and various other needs can be obtained at the mall? This is an important consideration for the middle class. Therefore, it is important for mall management to improve customized products by providing various tenants with merchandise sold in broad categories and lines so that all visitor needs can be obtained by visiting the mall.

The fourth variable which has a positive but not significant effect is selection. This is because for the middle class the choice of brands to shop is limited by the price range of the brand's products. The majority of middle classes choose to use a certain brand that is appropriate because the money they have is limited to spending on an item. Therefore, various brand variations are not important for the middle class as long as the brands that are in line with the middle class are brands that have everyday low price strategies and high low pricing strategies, the middle class will visit the mall.

Besides utilitarian value, the hedonic value is also a variable that needs to be considered by the mall management. Therefore, it is important for the mall management to always try to increase the hedonic value by increasing the factors that affect the hedonic value. The variables that most influence the hedonic value are entertainment. This is because everyday life of the middle class which is also dominated by the working class often causes the middle class to get excessive stimulation, namely optimum stimulation level that is lower than the current reality (Schiffman and Kanuk, 2008) so that the middle class is free or trying to find calm or rest. A comfortable atmosphere that is sought after by the middle class in visiting the mall, from entertainment owned by a mall. Therefore, it is important for entertainment for mall management by playing music that is relaxed and comfortable, provides a pleasant mall environment in a way to get around the mall that is not complicated, provides a variety of restaurant choices in one place making it easier for visitors to choose food, and arrange Tenant location based on product categories sold so that it is not confusing for visitors to look for a tenant or a particular product.

The second variable that most influences the hedonic value is social class. The influence of the social class is that it has a negative effect on the hedonic value. For the middle class, visiting the mall to socialize with certain social classes is not the main goal. Middle class realizes that their social class is medium and has no intention to increase their social class or their self esteem by visiting a mall. Therefore, the more a mall strives to improve the mall environment to become a mall for higher social classes, the middle class increasingly feels the hedonic value has decreased. This is because an increase in the social class of a mall is of course realized by including tenants with a higher price range than tenants for the middle class, so that when the middle class thinks of sacrifices to visit a mall with the benefits obtained then the sacrifice will be greater because the available tenants provide products with price ranges that are less affordable by the middle class. Therefore, it is important for mall management to focus the mall on a particular social class and focus there. What can be done

by mall management is to provide a mall environment that is suitable for the social classes intended from both the interior, decoration and events held, to provide more family restaurants than cafes because cafes are often synonymous with upper classes that can afford to pay more (the cafe concept which is the price determined is more expensive because the place provided is more comfortable with more complete facilities such as electric plugs, comfortable sofas and wifi) to spend longer than the family restaurant.

The third variable that most influences the hedonic value is place attachment. This is because the middle class, which is exposed to high stimulation in their daily lives, in their leisure or leisure time, will try to find a place that offers relief, that is, it does not require deep thinking to go around the mall. Because of these considerations, when the middle class is accustomed to a mall, they will be tied to the mall because learning about a new mall is considered to be sacrificing money, time and energy more. Therefore, it is important for mall management to improve place attachments by providing mall employees who serve well, providing pleasant mall ambience (lighting, decoration, facilities, etc).

The last variable that affects the hedonic value with a positive but not significant effect is exploration. This is because the middle class is over stimulated in their daily lives so exploring a new place is not important. The majority of the middle class visits tenants who have often been visited for shopping but for tenants with a price range higher than their monetary capabilities, the tenants are not the first choice. Therefore, it is important for mall management to ensure that exploration is suitable for the middle class such as various new tenants with a price range that is suitable for the middle class, ensuring the place of tenants with the same product category is in the same location.

2

Limitation and Research Extention

There are several limitations within this research, first, this research is only using limited sample in Surabaya. It also can be concluded that researchers and strategists need to consider other issues relating to other variables. In further research, it is expected to increase the sample used in order for the data to be more generalized. Secondly, consider other issues such as socio – demographics factors related to actual usage.

REFERENCES



- Aceborn, L.B, Dopoco, D.C, (2000). The impotance of intrinsic and extrinsic cues to expected and experienced quality: an empirical application for beef. *Food Quality and Preference* 11 (3), 229-238.
- Ahira (2013). Ciri-ciri masyarakat modern. Retrived Mei 15, 2015 form the World Wide Web: <http://www.anneahira.com/ciri-ciri-masyarakat-modern.htm>
- Andaleeb, S.S, Conway, C, (2006). Customer satisfaction in the restaurant industry: an examination of the transaction-specific model. *Journal of Service Marketing* 20 (1), 3-11.
- Ang, S.H, Leong, S.M, Lim, J, (1997). The mediating influence of pleasure and arousal on layout and signage effects: comparing more and less customized retail services. *Journal of Retailing and Consumer Services* 4 (1), 13-24.
- Babin, B.J, Darden, W.R, Griffin, M, (1994). Work and/or fun: measuring hedonic and utilitarian shopping value. *Journal of Consumer Research* 20, 644-656.
- Babin, B.J. and Darden, W.R. (1995), "Consumer selfregulation in a retail environment", *Journal of Retailing*, Vol. 71, Spring, pp. 47-70.
- Babin, B.J. and Darden, W.R. (1996), "Good and bad shopping vibes: spending and patronage satisfaction", *Journal of Business Research*, Vol. 35 No. 3, pp. 201-6.

- Bagozzi, R.P, Gopinath, M, Nyer, P. (1999). The role of emotions in marketing. *Journal of the Academy of Marketing Science*. 27 (2), 184-206.
- Baker, J, Parasuraman, A, Grewal, D, Voss, G.B, (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing* 66, 120-141.
- Baker, J. and Cameron, M. (1996), "The effects of the service environment on affect and consumer perception of waiting time: an integrative review and research propositions", *Journal of the Academy of Marketing Science*, Vol. 24, Fall, pp. 338-49.
- Baker, J., Grewal, D. and Parasuraman, A. (1994), "The influence of store environment on quality inferences and store image", *Journal of the Academy of Marketing Science*, Vol. 22, Fall, pp. 328-39.
- Baker, J., Parasuraman, A., Grewal, D. and Voss, G.B. (2002), "The influence of multiple store environment cues on perceived merchandise value and patronage intentions", *Journal of Marketing*, Vol. 66, April, pp. 120-41.
- Barsky, J, Nash, L, (2003). Customer satisfaction applying concepts to industry-wide measures. *Cornell Hotel and Restaurant Administration Quarterly* 44 (5/6). 173-183.
- Bellizzi, J.A., Crowley, A.E. and Hasty, R.W. (1983), "The effects of color in store design", *Journal of Retailing*, Vol. 59, Spring, pp. 21-45.
- Bergenwall, M, Meddeladen Working Papers, no. 367 (1998). An overview of emotion theory: incorporating the concept of emotion into service quality research. Swedish School of Economics and Business Administration. Helsinki.
- Chandrashekar, R, Grewal, D, (2003). Assimilation of advertised reference prices: the moderating role involvement. *Journal Retailing* 79 (1), 53-62.
- Chebat, J.C, Michon, R, (2003). Impact of ambient odors on mall shoppers' emotions, cognition, and spending: a test a competitive causal theories. *Journal of Business Research* 56, 529-539
- Chebat, J.-C. and Michon, R. (2003), "Impact of ambient odors on mall shoppers' emotions, cognition, and spending: a test of competitive causal theories", *Journal of Business Research*, Vol. 56 No. 7, pp. 529-39.
- Chebat, J.-C., Filiatrault, P., Chebat, C.G. and Vaninsky, A. (1995), "Impact of waiting attribution and consumers' mood on perceived quality", *Journal of Business Research*, Vol. 34 No. 3, pp. 191-7.
- Donovan, R.J, Rossiter, J.R, Nesdate, A, (1994). Store atmosphere and purchasing behavior. *Journal of Retailing* 70 (3), 283-294.
- Ha, J, Jang, S, (2010). Percieved values, satisfaction, and behavioral intentions: the role of familiarity in Korean restaurants. *International Journal of Hospitality Management* 29 (1), 2-13.
- Laroche, M. (2002), "Selected issues in modeling consumer brand choice: the extended competitive vulnerability model", in Woodside, A.G. and Moore, E. (Eds), *Essays by Distinguished Marketing Scholars of the Society for Marketing Advances*, Elsevier Science Ltd, New York, NY, pp. 69-114.
- Mano, H. and Oliver, R. (1993), "Assessing the dimensionality of the consumption experience: evaluation, feeling and satisfaction", *Journal of Consumer Research*, Vol. 20, December, pp. 451-66.
- Michael Laroche, Lefa Teng, Richard Michon, & Jean-Charles Chebat. (2005). Incorporating service quality into consumer mall shopping decision making: a comparison between English and French Canadian Consumers. *Journal of Service Marketing*.







- Russell, J.A. and Pratt, G. (1980), "A description of the affective quality attributed to environments", *Journal of Personality and Social Psychology*, Vol. 38 No. 2, pp. 311-22.
- Spangenberg, E.R., Crowley, A.E. and Henderson, P.W. (1996), "Improving the store environment: do olfactory cues affect evaluations and behaviors?", *Journal of Marketing*, Vol. 60, April, pp. 67-81.
- Sunghyup Sean Hyun, & Juhee Kang (2014). "A better investment in luxury restaurants: Environmental or non-environmental cues?". *International Journal of Hospitality Management*.

Bu Amel

ORIGINALITY REPORT

 7 %	%	%	 7 %
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

 1	Submitted to Xianjiatong-Liverpool University Student Paper	2 %
 2	Submitted to American Intercontinental University Online Student Paper	1 %
 3	Submitted to Bournemouth University Student Paper	1 %
 4	Submitted to University of Hull Student Paper	1 %
 5	Submitted to Higher Education Commission Pakistan Student Paper	1 %
 6	Submitted to Laureate Education Inc. Student Paper	1 %