Factors influencing (Reputation, Perceived Value, Location, Convenience, Internal Environment, and Staff) on Customer Loyalty through Satisfaction: Perspective from Malaysia Hypermarket Industry

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Abstract
The purpose of this paper is to contribute to knowledge on the influence to the role of hypermarket services in crafting reputation, perceived value, location, convenience, internal environment, and staff to customers, thus creating satisfied and loyal customers (hypermarkets). With the support of empirical evidence and rational arguments, a set of eight (8) hypotheses were proposed for testing. A sample of 384 respondents visiting hypermarket in Kuala Lumpur using a convenience sampling method was used. Statistical analysis was done through SPSS for primary analysis and Smart PLS for analysis of the outer model and testing the relationships hypothesized. Findings revealed that all the hypotheses were significantly supported. The originality and value of this paper is the study of consumer-oriented hypermarket services as a variable that allows competitive differentiation of the company, by improving the relationship with the consumers and the generation of satisfaction and loyalty. One of the major conclusions of the study is that hypermarket services can yield optimal performance for customer satisfaction and customer loyalty if it is combined with the knowledge, experiences, and outstanding abilities in the use of hypermarket services in crafting reputation, perceived value,
location, convenience, internal environment, and staff to customers, thus creating satisfied and loyal customers.

Keywords - Customer satisfaction, customer loyalty, hypermarket, reputation, perceived value, location, convenience, internal environment, and staff.

1. Introduction

A traditional sundry store was the initial phase of retail industry in Malaysia and it developed to supermarkets and eventually to hypermarkets (Kadhim, K. G., Harun, A., Othman, B., Falah, F. S., & Alfarttoosi, A., 2020). The term hypermarket refers to a modern retailing store that enables customers to purchase most of their basic needs. This concept of having almost all customers’ needs under one roof made hypermarkets key attraction for customers shopping purposes, particularly in purchasing monthly household necessities (Ghaffarkadhim, K., Harun, A., Othman, B. A., & Raja, P., 2020). The steady growth in the retail markets are mainly supported by the Malaysian middle-income population as they are willing to spend more on non-discretionary goods with their disposable incomes (Euromonitor International, 2018b). Despite the strong presence of home-grown and foreign retail corporations, the Malaysian retail industry is considered fragmented. Different from developed nation, traditional grocery retailers and non-grocery retailers located in the rural areas and neighborhood districts still hold major shares in the local Malaysian retail market (Euromonitor International, 2018a). Importantly, despite the technological advancement changes in consumer buying pattern, the number of grocery stores still experiences an increasing trend in 2017, implying that store-based conventional grocery formats such as hypermarkets, supermarkets, and minimarkets are still highly relevant in Malaysia. Majority of the retail businesses, particularly the grocery retailers, rely heavily on consumer patronage on daily basis. Consumers in the urban area prefer grocery stores with hassle-free navigation floorplan and offer a wide-ranging merchandise offering as convenience is prioritize in their busy lifestyles. These time-starved urban consumers also visit neighborhood supermarkets, convenience stores (stock keeping unit; Levy, Weitz, & Grewal, 2015), conventional neighborhood hypermarket is found to a popular option compared to large hypermarket as it allows the consumers to restock their daily grocery needs in small quantity on daily basis rather than the latter as they need to do it on weekly basis at larger quantity (Euromonitor International, 2018a).

However, maintaining of customer satisfaction and loyalty still posts a great challenge to many grocery retailers as brand switching is getting common among consumers due to stiff market competition. What worrying more is that grocery retailers such as hypermarkets are reported to hardly withstand the stiff retail competition due to changes in consumer shopping behaviors where weekly shopping at the big supermarkets are shift to ad hoc purchases at convenience stores (Ruddick, 2015). Malaysian retailers, specifically supermarkets are findings it difficult to attract new customers while retaining existing customers as customers are spoilt with a wide range of stores that carry similar products as the supermarkets did. Importantly, it is “expected that what constitutes the in-store customer shopping experience in hypermarkets today
are likely to differ from those reported in previous studies a decade ago” (Terblanche, 2018). The study of Malaysian retail market particularly in the context of hypermarket is hence interesting and in need. Unfortunately, there are limited studies on customer experiences in in-store environment. Unfortunately, there are limited studies on customer experiences in in-store environments from an all-inclusive approach (Petermans et al., 2013 in Terblanche, 2018). Most of the retail studies are focusing on examining the various in store experiences such as visual merchandising (Park, Jain, & Sullivan, 2015); store atmosphere (Hussan & Ali, 2015); or even compare omni-retailing store atmosphere on purchase intention (Lazaris, Vrechopoulos, Doukidis, & Fraidaki, 2015). Furthermore, there is only a handful of Malaysian recent retail study focusing on hypermarket retail. Considering the tougher and more competitive market outlook, this study will investigate the relationship of hypermarket (reputation, price, location, convenience, internal environment and staff) with the effects on customer satisfaction lead to customer loyalty.

2. Literature review

2.1. Retailing in Malaysia Hypermarket

Hypermarkets could be considered as a modern retailing format that provides everything under one roof (Hassan, H., Mahdee, J., & Sade, A. B., 2015). Most products in hypermarkets are based on fast moving consumable products, and the majority of departments in hypermarkets are selling basic household necessities, for example, food, vegetables, kitchen materials, and cleaning materials. In supermarkets, there are more departments that sell durable products. For example, we can get more varieties or brands for clothes, shoes and electrical products. A shopping mall is a retail concept where there are many sub-retailers within one roof. Usually more than half of the overall layout in the building is being rented to sub-retailers. The layout of the building is purposely designed to be rented to other sub-retailers to earn revenue from rental.

According to Basso and Hines (2007), the way consumers define retailing and how the quality and service level is perceived depends on price, store appearance and image, which is communicated through commercial medium. However, the perception will fade upon maturity. The concept of everything under one roof, self-service, discount price and free parking have invented a new word in the industry – hypermarket (Kamath and Godin, 2001). A hypermarket can be defined as a modern household retailing concept that sells a combination of department store merchandise and groceries in wide assortment, within a store of more than 2,500 square meters (27,777.7 square feet) to over 8,000 square meters (86,000 square feet) (Malaysian Magazines, 2003; Kadhim, K. G., Harun, A., Othman, B., Melhem, I., Mechman, A., & Mohammed, A, 2019), which includes a free and large parking area and other services. Based on a combination of perspectives from various authors, a hypermarket is mainly based on self-service (Swoboda et al., 2007) that sells a variety of retailer product brands, manufacturer product brands and generic products (Esbjerg and Bech-Larsen, 2009). Intangible assets, such as product brands, retail formats and managerial technology are features of the retailing sector. Introduction of computers to the banking system organizations have adopted the usage of

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computers in their operations in order to improve efficiency (Ismael et al., 2020). Linking people and different world is the work of modern technology is the carrier of globalization all over the world (Othman et al., 2020). The capital market is one of the most important parts of the economy, that it is not covered they're important to anyone (MIR et al., 2020). The use of accounting techniques to generate financial reports, which shows an overly positive view of the business activities and financial position of the company (Hamawandy et al., 2020). Restatement of financial statements to the market contains new information (Sulaiman et al., 2020). Due to the introduction of computers to the banking system organizations have adopted the usage of computers in their operations in order to improve efficiency (Ismael et al., 2020).

2.2 Conceptual model and hypothesis development

hypotheses Development and Research Framework This study is aimed at analyzing the impact that reputation, perceived value, location, convenience, internal environment, and staff have on the satisfaction of customers that lead to customer loyalty for hypermarkets in Kuala Lumpur. From the framework, seven hypotheses are proposed for this study according to discuss literature. that the targeted use of these transactions and their lack of disclosure or insufficient disclosure is a factor in the fall of companies (Hamawandy et al., 2020). Corporate governance systems aim to achieve economic efficiency (Al-Kake & Hasan, 2019). The study utilizes the vast empirical literature available on the subject plus data gathered from various reputable organizations (Baban & Hasan, 2019). better state of improving the process of learning in a bid to enhance their performance while equally creating possibilities to attain their competitive advantages (Jabbar et al., 2019). The study reviews and highlights the influence of environmentally supportive behavior among Malaysian and Nigerian consumers (Ogiemwonyi et al., 2020). Reliability was found to show the highest impact on customer satisfaction followed by tangibility (Ogiemwonyi, Humran, 2020). Customer satisfaction and customer loyalty Extant literature provides substantial evidence of the impact of Customer satisfaction on customer loyalty (Ahmad, Hussain, & Rajput, 2015). In addition, customer satisfaction is the prime objective of a retail store. It is part and parcel of every business strategies in today’s highly hypermarket environment (Barcelos et al., 2015). P Kotler and Keller (2006), explains that customer satisfaction is a customer’s state of pleasure or displeasure due to its performance relative to the expectations. According to Richard L Oliver (1981), costumer satisfactions is defined as “the summary of the psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer’s prior feelings about the consumption experience”. Nimako (2012) said that costumer satisfactions have two types: attribute specific which is associated with particular product or service while overall performance is based upon the overall performance of product or service provider. There is another perspective to see the costumer satisfactions that is transactional or cumulative. Transaction specific satisfaction is based upon alone-time post-purchase evaluation of service encounter (Richard L Oliver, 1980). While cumulative satisfaction is developed upon the overall service experience and post-purchase behavior developed over the time (Wang & Lo, 2002). This study operationalized
costumer satisfactions as a cumulative phenomenon. Previous studies hypothesized costumer satisfactions as direct antecedent of customer loyalty (George & Upadhyaya, 2015). These studies revealed that costumer satisfactions have a significant positive affect on customer loyalty. therefore,

**H1: costumer satisfactions positive affects customer loyalty in hypermarket.**

Perceived hypermarket reputation and perceived customer satisfaction: As a collective determinant of dependability (trustworthiness), reputation can be a premise for customers’ trust in a hypermarket. The perceived reputation emanates from the customer’s overall estimation/believes of the character, quality or standing of a retailer (Suh & Houston 2010). This overall customer evaluation of the retailer’s character is coupled with its ability to continuously meet the customers’ needs in a manner that consequently result in their satisfaction (Guenzi et al., 2009; Money et al., 2010). Thus, overtime, a hypermarket’s reputation can be expected to lead to customers’ satisfaction in that hypermarket (Helm, 2007; Josang, Ismail & Boyd, 2007). therefore,

**H2: reputation positively affects customer satisfaction in hypermarket.**

Perceived value is a compromise between money spent and benefits offered by supermarket. perceived value definitions describe value as perceptions of what customers have received and what they have given which is based on the customer’s overall evaluation of the utility of a store, product, and brand image (Zeithaml, 1988). It is consumer’s overall evaluation of the store’s merchandise based on the perceived fit between the overall quality and price of the merchandise (Chaudhuri & Ligas, 2009). Even though a number of value perception based on the past literature has identified (i.e., functional motives, non-functional motives), the first one is functional motives which refer more to tangible need such as price, quality and the second one is non-functional motives which is more related to intangible wants such as emotional and social needs (Chen & Hu, 2010). However, the growing body of the literature have a fragmented knowledge regarding perceive value but the current study attempts to incorporate functional value and symbolic value as a construction of the value. Functional value in this study refers to overall assessment of consumers about the quality of the products which they purchase from the hypermarket, and the money they pay for it whether worth and symbolic value refers. Perceived value can potentially control customer actions targeting satisfaction and loyalty (Sirdeshmukh, Singh, & Sabol, 2002). Customer perceived value is found to affect purchase intention (Urška Tuškej, 2013) Perceived value had strong impact against customer satisfaction which would manipulate the feeling of customers towards the stores (Sivadas & Jindal, 2017). Hanaysha (2018) suggested retailers to convey the store’s values to their customers in order to maintain its competitive advantage in the highly competitive marketplace environment. Therefore,

**H3: Perceived value positively affects customer satisfaction in hypermarket.**

Location is one of the key factors for getting retail customers loyalty through satisfaction in hypermarket. If any hypermarket wants to get customer satisfaction, first, they should ensure accessible and convenient location, meaning hypermarket location must be near to residential area, entrance of the city and heart of the city. Second, availability of transportation facility is
very important for a store location otherwise consumers cannot visit the store easily; therefore, the sale margin will collapse. Additionally, consumers also prefer to have a routine shopping experience that is simple and efficient in a convenient place (Muhammad Khalilur Rahman et al., 2014). Third, hypermarket location must be in urban and semi urban areas, because it is obvious that in rural areas the density of population is less than city. Besides, the affordability of city people is much higher as they earn more. Therefore,

**H4: Location positively affects customer satisfaction in hypermarket.**

It is generally agreed that businesses that fulfilled the convenience criteria set by customers will be able to gain more customers (Brown, 1990) because consumers would prefer to spend minimal effort in order to get the desired outcomes. Convenience is significantly related to customer satisfaction and behavioral intentions (Jiang, Yang, & Jun, 2013). However, researchers and consumers may base on different benchmarks in assessing the convenience aspects of a retail store (Reimers, 2014), making the assessment of convenience inaccurate. Importantly, consumers could shift their definition of convenience based on the nature of retail stores. In-store convenience provided by retailers (e.g., air conditioning, return policy, and payment option) was much valued compared to accessibility or parking spaces in the case of retail store. Shopping enjoyment among consumers increased as their satisfaction against the store convenience increased (Reimers & Chao, 2014). Access convenience is less important for consumers on choosing the stores as consumers tend to switch stores based on the offers given by retailers (Benoit, Klose, & Ettinger, 2017). Search convenience, transaction convenience, and decision convenience are more applicable as these three aspects are found to enhance customer satisfaction level among consumers in the retail stores and service-based stores (Benoit et al., 2017; Nyuyen, DeWitt, & Russell-Bennet, 2012). Roy, Shekhar, Lassar, and Chen (2018) concluded that businesses; especially service-based businesses have to factor service convenience into their operation to ensure their customers undergo seamless experience from pre-consumption stage, consumption stage, and post-consumption stage. The seamless experience experienced by consumers is part of the convenience aspect provided by the businesses which will further enhance customer satisfaction. Therefore,

**H5: Convenience positively affects customer satisfaction in hypermarket.**

Tangible and intangible aspects of the shop environment can be utilised to produce emotional effects to increase the likelihood of consumer purchase (Marques, Cardosa & Palma, 2013). Consumers tend to react more positively to positive stimuli such as a coherent atmosphere (Mattila & Wirtz, 2001). Internal shop environment consists of various elements that are visible and invisible (i.e., amenities, fixtures, layout, and product presentation) to the consumers (Terblanche, 2018) and it plays an important role in triggering customer to make their purchase (Hanaysha, 2018; Terblanche, 2018). It is also the main factors inducing emotional responses that causing consumers to stay longer in the store, spend more money than he/she expected, and willingness to interact with the store’s employees (Donovan & Rossiter, 1982) For instance, store layout is found to be important in achieving greater satisfaction among the customers (Mohan, Sivakumaran, & Sharma, 2012; Marques et al., 2013; Tomazelli, Broilo, Espartel, &
Basso, 2017). Other researchers found stores with more posters regarding social content are able to increase perceived merchandise quality and perceived service quality among customers (Hu & Jasper, 2006). Therefore,

**H6: Internal environment positively affects customer satisfaction in hypermarket.**

Businesses need to aware of customer emotions in order for the former to be able to provide solutions consumers need (Menon & Dubé, 2000). Customer information obtained through the frontline employees is used to improve their services (Bitner, Booms, & Mohr, 1994). However, businesses cannot rely fully on that due to variability in service delivery among employees. Good and consistent service provided by the in-store employees is hence critical. The quality of interpersonal interaction between the customers and employees affects the customer satisfaction level as greater rapport and good employee responsiveness will bring higher customer satisfaction (Bitner et al., 1994; Brown & Lam, 2008; Marques et al., 2013; Menon & Dubé, 2000). Tomazelli et al. (2017) stated that customers, especially senior citizens; prefer store personnel assistance rather than having other customers to give them a hand in their shopping activity. In addition, well-mannered and knowledgeable store personnel are crucial in ensuring positive customer emotions that will led to positive customer satisfaction in the long-run (Terblanche, 2018). Therefore,

**H7: Interaction with staff positively affects customer satisfaction in hypermarket.**

2.3. Conceptual Framework

We propose a conceptual framework that explains how hypermarket might influence customers attitudes and behavior through this is reputation, perceived value, location, convenience, internal environment, and staff (see Figure 1). Lately, the interests of the customer satisfaction and customer loyalty have been prioritized in the business world. In view of this, framework focused on reputation, perceived value, location, convenience, internal environment, staff towards various customers interests and its impact on their attitudes and behaviors.

![Conceptual Framework Diagram]

The framework also takes into account the process through which hypermarket induces positive work outcomes by reputation, perceived value, location, convenience, internal
environment, staff as a mediator between hypermarket towards customers. It is believed that when customers come to know about this reputation, perceived value, location, convenience, internal environment, and staff for hypermarket they perceive their organization as prosocial and this in turn fosters their trust towards the organization. Hence, the proposed research framework considers reputation, perceived value, location, convenience, internal environment, and staff for hypermarket as strong influencers on customer satisfaction and loyalty such that when these factors are strong, the strength of the relationship is also strong and vice versa. To sum up, this article attempts to develop a link between customers hypermarket attitudes and behaviors by elaborating the roles of reputation, perceived value, location, convenience, internal environment, and staff.

The theoretical framework of the present study is developed based on the adaptation of the Stimulus-Organism-Response (S-O-R) Model (Mehrabian and Russell 1974) and the impulse buying literature. In the classical S-O-R model, stimulus is defined as those factors that affect internal states of the individual and can be conceptualized as an influence that stimulates the individual (Eroglu, Machleit, and Davis 2001). In this study the stimuli are the hypermarket environmental characteristics (reputation, perceived value, location, convenience, internal environment, staff) as they affect the emotional responses of the consumer. In this study, the S-O-R paradigm has been used to investigate the shopping outcomes of stores. The dimensions of corporate social responsibility (reputation, perceived value, location, convenience, internal environment, staff) it acts as stimuli that influence shoppers' emotional and cognitive states and then leads to the response -- the approach/avoidance behavior. A similar model (also based on the S-O-R) was constructed recently to examine the effects of CSR users’ emotional responses on their purchasing intentions in a hypermarket. It is found that vividness and interactivity have significant positive effects on users’ valence and arousal rates (Sheng & Joqinapelly 2012).

3. Methodology
This study aims to collect the required data in the Malaysian hypermarket industry, the survey approach will be used to observe the response of the customers of the hypermarket industry in Kuala Lumpur, Malaysia. This quantitative method is the most suitable method for data collection stage in the hypermarket industry (Babbie, E. R.,2015), the data collection process considers the ethical aspect such as (reliability, and confidential). Thus, to turn the literature and hypothesis into real data could be read and analyzed to figure out implemented results in the hypermarket industries, and achieving the objectives of the study, answering the research questions, and testing the hypothesis of the study. In this study, the use of quantitative method was employed to achieve the study objectives. By means of the design, the study type, methods of data collection and method of data analysis are planned. Due to the fact that the study seeks to investigate the influence of reputation, perceived value, location, convenience, internal environment, and staff on customer satisfaction towards hypermarkets in Kuala Lumpur. As a result of the limitations associated with this study, a cross-sectional investigation was conducted. More so, this study is also a correlational study which aims at
studying the correlation between the variables under study. The data for this study was collected using the survey method, and then analysed using SmartPLS. In this study a survey was carried out with the aim of investigating the conceptual model, research questions and related hypotheses. The survey was carried out among customers in shopping areas in Kuala Lumpur. For the collection of data, a questionnaire containing relevant questions was designed by the researcher. The aim of designing this questionnaire is to obtain relevant information that can provide more insight on the phenomenon under study. According to Sekaran (2003) questionnaire has some advantages which include, low cost and time required to reach out to a larger number of individuals. According to this scholar, the use of questionnaire is easier than the collection of qualitative data by means of interview, which requires more skills. Dillman (2007) noted that the questionnaire is one of the well-established instruments of data collection in social science research. The questionnaire used in this study contains measurement scales which were adopted from previous studies, and through review of literature. The kind of questionnaire used in this study is a Likert scale-type. According to Hair, Wolfinbarger, Ortinau, and Bush (2008) the use of Likert scales is most appropriate when the survey instrument is self-administered. Due to the ease of administering the Likert-scale kind of questionnaire, it has become very popular and widely-used (Zikmund, 2003).

Even though, it is acceptable to adopt and adapt a questionnaire to suit the current study, modifications made to the instrument could affect the validity and reliability of the instrument. In this study, the use of a questionnaire was employed in obtaining data from the selected sample within the Kuala Lumpur area. Based on the suggestion of Sekaran & Bougie (2016), a structured questionnaire was used a suitable instrument for data collection, since the researcher has knowledge on what is required, as well as how to measure the variables under study. The questionnaire used in this study contains different sections with items that covering the Demographic profile of the respondents, as well as questions on mediator (customer satisfaction) dependent variable (customer loyalty) and independent variables of the study. The section which contains questions related to the independent variables also contain sub-variables for measuring the dimensions of reputation, perceived value, location, convenience, internal environment, and staff as predictors of customer satisfaction and loyalty.

The adapted items indicate to some changes in the items structure regarding to the hypermarket industry and the sampling of the study, to fit into the response size is 500, while the valid and usable response was 384. According of statics in Malaysia (2018), there are 824,400 workers in Kuala Lumpur. Therefore, the sample size of this study was 384 according to the Cochran table, which reveals that 824,400 equals to 384 samples.

4. Results and Discussion

4.1 Respondent Profile

This section presents a profile of the respondents in the study, which includes age, gender, education, monthly income, ethnicity, religion, purchase goods from hypermarket in Kuala Lumpur or no, and frequency of shopping from the hypermarkets. With regards to age, the
Outcomes of descriptive analyses presented in Table 1 illustrates that 14.3% of all respondents were within age range of 18-25 years, followed by 32.3% of the respondents who were aged 26-35 years, 34.1% of them were within the age range of 36-45 years old at 34.1%, and then 19.3% of them were within the age range of 46 and above.

Table 1: Respondent’s Profile

<table>
<thead>
<tr>
<th>Variable</th>
<th>Group</th>
<th>Number</th>
<th>percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>18-25</td>
<td>55</td>
<td>14.3</td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>124</td>
<td>32.3</td>
</tr>
<tr>
<td></td>
<td>36-45</td>
<td>131</td>
<td>34.1</td>
</tr>
<tr>
<td></td>
<td>46 and over</td>
<td>74</td>
<td>19.3</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>66</td>
<td>43.2</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>218</td>
<td>56.8</td>
</tr>
<tr>
<td>Education</td>
<td>Primary school</td>
<td>34</td>
<td>8.9</td>
</tr>
<tr>
<td></td>
<td>Secondary school</td>
<td>146</td>
<td>38.0</td>
</tr>
<tr>
<td></td>
<td>University</td>
<td>188</td>
<td>49.0</td>
</tr>
<tr>
<td></td>
<td>Postgraduate</td>
<td>16</td>
<td>4.2</td>
</tr>
<tr>
<td>Income</td>
<td>Less than Rm 1000</td>
<td>62</td>
<td>16.1</td>
</tr>
<tr>
<td></td>
<td>Rm 1000 to Rm 2999</td>
<td>138</td>
<td>35.9</td>
</tr>
<tr>
<td></td>
<td>Rm 3000 to Rm 4999</td>
<td>125</td>
<td>32.6</td>
</tr>
<tr>
<td></td>
<td>Rm 5000 and over</td>
<td>59</td>
<td>15.4</td>
</tr>
<tr>
<td>How many times you shop from hypermarket in a week</td>
<td>1-3 times</td>
<td>178</td>
<td>46.4</td>
</tr>
<tr>
<td></td>
<td>4-6 times</td>
<td>129</td>
<td>33.1</td>
</tr>
<tr>
<td></td>
<td>7 and over</td>
<td>77</td>
<td>20.5</td>
</tr>
</tbody>
</table>

On gender basis, over half of the study respondents, which was about 56.8% were females, while the remaining of the respondents (43.2%) were males. With regards to the educational background of the respondents, the table above reveals that 8.9% of the respondents had only the primary school level of education, 38% had attained secondary school education, 49% held a Bachelor’s degree, while the remaining 4.2% were educated to postgraduate level. For the Income level of the respondents, outcomes in the table reveal that 16.1% of them earned less than Rm1000, 35.9% of them earned Rm1000-Rm2999, 35.9% of them earned Rm3000 to Rm4999 (32.6%), and the remaining 15.4% earned Rm5000 and above. The fifth aspect, which is frequency of shopping at hypermarkets, the table above shows that 46.4% of them indicated that they shopped 1 to 3 times weekly, 33.1% of them indicated that shopped 4 to 6 times weekly, followed by 20.5% of them who indicated that they shopped 7 and more times weekly.
Generally, based on the results it can be said that majority of the respondents were females, and
then most of them were within the age range of 36-45 years. More so, a majority had Bachelor’s
degree. With regards to their income, majority of them earned RM1000 TO RM2999. In addition,
 it was found that majority of them agreed that they shopped from hypermarkets in Malaysia, and
then most of the indicated that they shopped from hypermarkets 1 to 3 times in a week.

4.2 Normality Test
The synchronization between the respondent’s answers and the construction of data in the statistical analysis needs to be examined. For this reason, normality is essential as it were allowing the exploration of the points indicated earlier (Hair et al., 2010).

Table 2: Normality Test

<table>
<thead>
<tr>
<th>Statistics</th>
<th>CS</th>
<th>CL</th>
<th>R</th>
<th>PV</th>
<th>L</th>
<th>C</th>
<th>IE</th>
<th>S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>384</td>
<td>384</td>
<td>384</td>
<td>384</td>
<td>384</td>
<td>384</td>
<td>384</td>
<td>384</td>
</tr>
<tr>
<td>Missing</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Median</td>
<td>22.00</td>
<td>22.00</td>
<td>20.0000</td>
<td>20.0000</td>
<td>20.0000</td>
<td>21.0000</td>
<td>21.0000</td>
<td>21.0000</td>
</tr>
<tr>
<td>Mode</td>
<td>22</td>
<td>22</td>
<td>21.00</td>
<td>20.00</td>
<td>20.00</td>
<td>21.00</td>
<td>21.00</td>
<td>21.00</td>
</tr>
<tr>
<td>Skewness</td>
<td>-.702</td>
<td>-.629</td>
<td>-1.446</td>
<td>-.370</td>
<td>-1.270</td>
<td>-1.309</td>
<td>-.349</td>
<td>-2.379</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>.117</td>
<td>.200</td>
<td>5.946</td>
<td>5.639</td>
<td>5.270</td>
<td>5.265</td>
<td>5.546</td>
<td>5.540</td>
</tr>
</tbody>
</table>

In this section, the mean, median, mode of the variables is discussed. This is followed by the presentation of the overall value of skewness and kurtosis for each variable as shown in the above table. Each variable is presented by five items. as can be observed in the table above, it appears that all variables have values of mean that do not differ much from one another. Here, the highest mean score is for the variable of CL which is 21.86, followed by the variable of CS which is 21.75. The variable with the lowest score is PV at 19.3556. As for the median, highest scores can be observed for the variables of CL and CS at 22.00 while the lowest scores can be observed for the variable R, L, C, IE and S at 20.00. For mode, the highest variables attained the CS and CL value of 22 and the variable with the lowest score is PV and L at 20.00.

4.3 Convergent validity
Convergent Validity is used to identify whether the extent to which indicators of a specific construct converge or share a high proportion of variance (Hair, Black, Babin, & Anderson, 2010). Convergent Validity was assessed by looking at the value of Composite Reliability (CR), AVE, and factor loading as suggested by Hair et al. (2010). To assess good Convergence Validity, the loadings estimates should be of 0.7 or higher; AVE of 0.5 or higher; and CR of 0.7 or higher (Hair, Black, Babin, & Anderson, 2010) 2 shows that all the constructs’ AVE values
ranged from 0.698 to 0.793, which exceeded the recommended threshold value of 0.5. This outcome indicated that the study’s measurement model demonstrated adequate convergent validity.

4.4 Path Coefficient
In SmartPLS 3.0, the directions between constructs are determined by examining their path coefficients and related t-statistics via the bootstrapping procedure. From the path coefficient output, the hypotheses testing can be done to test whether it is significant or not. Because the research hypotheses advocated the positive associations between two constructs, it seems appropriate for the current study to adopt 1-tailed testing. This is in accord with Hyun and Shuzo (2013) who suggested that a 1-tailed test is exceptional testing for directional hypotheses. Specifically, to obtain the path coefficient using SmartPLS 3.0, the researcher needs to click “Calculate→Bootstrapping”. The results of the path coefficients are presented in Figure 3.

Table 3: Average Variance

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Customer loyalty</td>
<td>0.793</td>
</tr>
<tr>
<td>2 Customer Satisfaction</td>
<td>0.752</td>
</tr>
<tr>
<td>3 Reputation</td>
<td>0.711</td>
</tr>
<tr>
<td>4 Perceived Value</td>
<td>0.698</td>
</tr>
<tr>
<td>5 Location</td>
<td>0.712</td>
</tr>
<tr>
<td>6 Convenience</td>
<td>0.724</td>
</tr>
<tr>
<td>7 Internal Environment</td>
<td>0.741</td>
</tr>
<tr>
<td>8 Staff</td>
<td>0.732</td>
</tr>
</tbody>
</table>

Table 4: Cronbach’s Alpha Values

<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>rho_A</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Customer loyalty</td>
<td>.914</td>
<td>0.896</td>
<td>0.987</td>
</tr>
<tr>
<td>2</td>
<td>Customer Satisfaction</td>
<td>.897</td>
<td>0.878</td>
<td>0.964</td>
</tr>
<tr>
<td>3</td>
<td>Reputation</td>
<td>.895</td>
<td>0.974</td>
<td>0.982</td>
</tr>
<tr>
<td>4</td>
<td>Perceived Value</td>
<td>.896</td>
<td>0.882</td>
<td>0.976</td>
</tr>
<tr>
<td>5</td>
<td>Location</td>
<td>.870</td>
<td>0.868</td>
<td>0.919</td>
</tr>
<tr>
<td>6</td>
<td>Convenience</td>
<td>.890</td>
<td>0.857</td>
<td>0.945</td>
</tr>
<tr>
<td>7</td>
<td>Internal Environment</td>
<td>.885</td>
<td>0.945</td>
<td>0.983</td>
</tr>
<tr>
<td>8</td>
<td>Staff</td>
<td>.895</td>
<td>0.854</td>
<td>0.969</td>
</tr>
</tbody>
</table>
The table above is showing that all variables in this study achieved good Cronbach’s Alpha, as all items obtained values are greater than 0.7. The values of both Cronbach’s Alpha and composite reliability should exceed 0.70 (Hair, J.F., C.M. Ringle, and M. Sarstedt, 2011, Alhasan et al., 2020). The value of alpha coefficient of 0.70 is considered good, but if the value is more than 0.60, it is acceptable (Bhatnagar, R., J. Kim, and J.E. Many, 2014). Hence, the scales were proven to be reliable and usable in the examination of the model proposed in the study.

4.5 Convergent validity Apart

From ensuring the discriminant validity of the measurement model, the cross-loading measurement was examined as per the indicator based on Fornell-Larcker’s criterion (1981) of measurements criteria. The discriminant validity was determined by comparing the square root of average variance extracted (AVE) with the correlations of the other variables. It is expected that the latent variable correlations (LVC) should not be larger than each latent variable. Table 3 shows the square root of the AVE for customer loyalty, customer satisfaction, reputation, perceived value, location, convenience, internal environment, and staff.

<table>
<thead>
<tr>
<th></th>
<th>Reputation</th>
<th>Customer loyalty</th>
<th>Customer Satisfaction</th>
<th>Convenience</th>
<th>Internal Environment</th>
<th>Staff</th>
<th>Perceived Value</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reputation</td>
<td>0.940</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>0.954</td>
<td>0.864</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.972</td>
<td>0.854</td>
<td>0.885</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenience</td>
<td>0.879</td>
<td>0.815</td>
<td>0.824</td>
<td>0.768</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Environment</td>
<td>0.775</td>
<td>0.779</td>
<td>0.874</td>
<td>0.745</td>
<td>7.943</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff</td>
<td>0.860</td>
<td>0.767</td>
<td>0.794</td>
<td>0.777</td>
<td>0.784</td>
<td>0.768</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perceived Value</td>
<td>0.763</td>
<td>0.854</td>
<td>0.782</td>
<td>0.763</td>
<td>0.782</td>
<td>0.794</td>
<td>0.745</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>0899</td>
<td>0.863</td>
<td>0.774</td>
<td>0.764</td>
<td>0.768</td>
<td>0.738</td>
<td>0.786</td>
<td>0.756</td>
</tr>
</tbody>
</table>

used as the significant level coefficient. The level of acceptance and significance of hypotheses was determined using the values of obtained from the bootstrapping procedure which was performed using SmartPLS 3.0. The t-values which were obtained on SmartPLS 3.0. Bootstrapping of 384 resampling was used to determine the significance of the hypotheses for all
constructs. The following positive direction was advocated: to understand the impact of reputation, perceived value, location, convenience, internal environment, and staff on customer satisfaction and loyalty. It is only when the t-value is greater than 1.96 that the hypothesis will be accepted and supported (Hair et al., 2017). The result of the hypotheses testing is presented in Table 5, which shows that all the four hypotheses that were tested to determine direct effect, were proven and a positive influence obtained.

Table: 6 Results model path coefficient beta and r direct relationship

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>path coefficient</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics (O/STDEV)</th>
<th>P Values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>reputation -&gt; Customer Satisfaction</td>
<td>0.027</td>
<td>3.898</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H2</td>
<td>perceived value -&gt; Customer Satisfaction</td>
<td>0.028</td>
<td>3.887</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H3</td>
<td>location -&gt; Customer Satisfaction</td>
<td>0.026</td>
<td>3.892</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H4</td>
<td>convenience -&gt; Customer Satisfaction</td>
<td>0.027</td>
<td>3.987</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H5</td>
<td>internal environment -&gt; Customer Satisfaction</td>
<td>0.025</td>
<td>3.877</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H6</td>
<td>staff -&gt; Customer Satisfaction</td>
<td>0.028</td>
<td>3.847</td>
<td>0.000</td>
<td>Accept</td>
</tr>
<tr>
<td>H7</td>
<td>Customer satisfaction -&gt; Customer loyalty</td>
<td>0.028</td>
<td>3.872</td>
<td>0.000</td>
<td>Accept</td>
</tr>
</tbody>
</table>

5. Future research recommendations
Retailing is one of the major intermediaries at the downstream supply chain. Consumers in such channels are directly influenced by this final touch point before ordering goods. Future researchers may also bring diversification by adding more variables like assortment size, culture of customer, and discount factors. A comparative study among different countries may also be important to understand various aspects of consumer behavior. Moreover, the mediating effect can also be tested to get the better understanding of customer satisfaction and loyalty.

6. Conclusion and discussion
The study was conducted to investigate the effects of hypermarket experience towards customer satisfactions and the effect of customer satisfaction on customer loyalty in the context of Malaysian supermarket. All six external variables are study, namely reputation, perceived value, location, convenience, internal environment, and staff and their impact on customers satisfaction and thus loyalty of the customer to a retail store. Creating and retaining customers by variables mentioned above play a vital role in retaining and making the customers happy in the retail
environment through providing better replenishment schedules which helps customers gain their trust through the reputation of the hypermarket, perceived value for products, location of the store it’s near the customers, In-store convenience provided by retailers to customers (e.g., air conditioning, return policy, and payment option), shop environment utilized to produce emotional effects to increase the likelihood of consumer purchase, and the assistance that the staff provide to clients in solving all the problems facing the customers in the hypermarkets. On the other hand, the dimensions selected for perceived value, are perceived quality of the merchandise available in the retail store and perceived cost of the products available at retail store by the customer and this study also examines whether the satisfaction has any impact on customer loyalty, perceived value on satisfaction of the customer and store services on the satisfaction of the customer.

This study contributes to the area of marketing by providing insight on the level of hypermarkets through an examination of the relationship between reputation, perceived value, location, convenience, internal environment, and staffs and customer contentedness towards hypermarkets. One major way through which a sustainable competitive advantage can be built is by ensuring the customers are satisfied and loyalty. More so, these findings have several practical and theoretical implications. The study outcomes lead to conclusions that higher customer satisfaction levels positively affects customer loyalty. Despite the fact that logistics operations can give a retail store higher competitive advantage over their competitors in the market, they have not been given the required due attention in the retail environment with respect to their ability of customer retention and loyalty generation. The process of improvement in through control, design and planning (Samli et al., 2005), can help retailers gain satisfaction and better customer shopping experience. By reducing customers’ disappointments due or not getting the services they wanted in the hypermarket may enhance the satisfaction and thereafter loyalty of the customers towards the retail store.

Reference

(Doherty and Quinn, 1999). All of these are offered by almost all hypermarkets.


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