INTRODUCTION

Retail or retail business can be understood as all activities involved in selling goods or services directly to end consumers for personal use and not business use (Cox and Brittain, 2004; 3). Retail business opportunities in the country are still considered very lucrative. Indonesia, with a large population and supported by improving economic conditions, has encouraged retailers, both minimarkets and hypermarkets, to open up new outlets. (http://www.indopos.co.id). In the last 5 years, hypermarkets have been the main driver of modern retail development in Indonesia. In the period 2004 – 2009. In 2004, the market shares modern retail turnover was 53.5% of the total modern retail turnover in Indonesia. In 2009 it has increased to 78.7% (www.swa.co.id).

The results of AC Nielson's research stated that the level of spending of Indonesians always ranked third in the Asia Pacific region, even in the first quarter of 2009 it rose from 14 per cent to 15 per cent (http://economy.okezone.com/). This is influenced by the style of shopping which has changed from shopping at simple traditional outlets to modern outlets that are clean, organized and air-conditioned. The population of this study are customers who shop at in hypermarkets in Malang City, namely, Carrefour and Giant. The total population cannot be known with certainty, so the sample size is determined by multiplying the number of indicators from 5 variables by 10, this refers to the opinion expressed by Solimun (2002:78) that the determination of the sample size is equal to 5 to 10 times the number of manifest variables (indicators) of all latent variables. The number of indicators in this study was 15 indicators. Based on these provisions, the sample size used is 15 X 10 = 150 respondents. The results showed that the respondent's characteristics seen from the frequency of shopping in 1 month were dominated by respondents who shopped 3 times in 1 month. This can be interpreted that to meet their daily needs, respondents in determining where to shop prefer hypermarkets because they prioritize places that are clean, comfortable and offer cheaper prices. Respondents tend to give answers agreeing that service performance is shaped by the quality of interaction, physical environment quality and yield quality. Respondents tend to give an agreeable answer that store attributes are formed by facilities, employee service, after-sales service and merchandise.

Keywords: Service Performance, Customer Satisfaction.
Entrepreneurs Association (Aprindo) Malang, AG Agus Setiawan (2008), stated that Malang’s potential for retail business development is still very good. The community’s economic rate has also increased significantly compared to other cities in East Java. The people of Malang have also become increasingly reduced and have begun to demand a higher level of comfort. In addition, AG Agus Setiawan added that the city of Malang, together with the city of Jember, is currently investors' favourite cities for retail businesses in the East Java region.

LITERATURE REVIEW

According to Griffin (2002:16) stated that "loyalty is defined as non-random purchase expressed over time by some decision-making unit". Based on this definition, it can be seen that loyalty is more directed to a behaviour, which is indicated by routine purchases, based on the decision-making unit. Customer loyalty has an important role in a company, retaining them means improving company performance, this is the main reason for a company to attract and retain.

Oliver (1997:130) reveals the definition of customer loyalty as follows: "Customer loyalty is deeply held commitment to rebuy or patronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behaviour".

From this definition, it can be seen that loyalty is a persistent customer commitment to re-subscribe or re-purchase a selected product or service consistently in the future, even though the influence of the situation and marketing efforts have the potential to cause behaviour change.

According to Hurriyat (2005:135), customer loyalty reflects the consumer's behavioural intentions for the product or service, and this behaviour is likely to result in future repeat purchases or renewal of service contracts or vice versa, this behaviour also describes how likely customers will switch to service providers or brands. Others, as well as how likely customers will provide positive information to other parties.

According to Griffin (2007:16), the benefits that will be obtained by the company if it has loyal customers include:

- Can reduce marketing costs (because the cost to attract new customers is more expensive).
- Can reduce transaction costs.
- Can reduce costs turn over customers (because of less customer turnover).
- Can increase cross-selling, which will enlarge the company's market share.
- Encourage word of mouth more positive, assuming that loyal customers also mean they are satisfied.
- Can reduce failure costs (such as replacement costs, etc.)

Customer loyalty can be measured by indicators; the willingness of customers to make the company their first choice, the willingness of customers to buy the products offered by customers, the willingness of customers to invite others to buy, and the willingness of customers to tell good things about the company (Foster and Cadogan, 2000). Meanwhile, indicators of customer loyalty according to Kotler & Keller (2006) are Repeat Purchase (loyalty to product purchases); Retention (resistance to negative influences on the company); referrals (referencing the total existence of the company). Trang TM Nguyen, et al. (2007), revealed that loyal customers will consider themselves to be loyal to the supermarket, do shopping at this supermarket in the next few weeks, shopping at this supermarket is the first choice, will go shopping at this supermarket in the future. Future, and will promote this supermarket to family and friends.

Sung Jin Yoo and Young Jae Chang (2005) revealed that customer loyalty is formed due to favourable wording, repetitive purchase and intention of repurchase. While Chen (2008) identified with the best choice for shopping, loyalty to hypermarkets, the desire to always shop at hypermarkets, the order of shopping choices at hypermarkets, has a character where visitors are served quickly. So far, the concept and measurement of service quality have developed rapidly. Fast. One of the contributors that are often used in developing service quality measurements is the service quality measurement tool, namely SERVQUAL (Service Quality) which was developed by Parasuraman, Zeithaml, and Berry (1988:12) Fromscale SERVQUAL, they argue that in evaluating service quality/service, consumers compare the service they expect with the perception of the service they receive (Gap analysis). Several concepts state that the description of the 5 dimensions (tangibles, reliability, responsiveness, assurance, and empathy) which is often used in SERVQUAL to assess service quality is still a problem (Cronin and Taylor, 1994: 125).

Cronin and Taylor (1992:55) disagree with Parasuraman et. al which states that the measurement of service quality as proposed by the model SERVQUAL has caused confusion and ambiguity. In addition, the measurement of service quality with the model SERVQUAL forms a less strong paradigm (Bittner, Bolton, and Drew, 1992: 56) because consumer expectations of service quality refer to consumer expectations of service providers in general, while perceptions of service performance lead to companies. more specific services

According to Cronin and Taylor (1994:102) Service Performance (service performance) is the performance of the service received by consumers themselves and assess the quality of service who felt. This means that service performance is the performance of the service received by consumers and assesses the
quality of the service that is felt. In contrast to what was stated by Parasuraman, Zeithaml and Berry (1988) the measurement of service performance is measured by the customer's feelings when receiving service quality.

So it is not between customer perceptions and expectations of the quality of service received. So that service performance (SERVPERF) is better able to answer the problems that arise in determining service quality because consumers are more able to feel the service received compared to general perceptions and expectations of the product received. The scale is SERVPERF stated to be more appropriate in measuring service quality (Teas, 1994:132) because the scale, SERVQUAL, which uses a comparison of perceptions and expectations to measure service quality, defines the concept of service quality received about the conception (perception-expectations). The definition of expectations is used, not as what will be provided but what should be provided by the service provider. Service performance is more able to answer the problems that arise in determining service quality because after all, consumers will only be able to judge the quality they receive from a particular producer not on their perception of service quality in general (Cronin and Taylor, 1994: 102).

From some of the theories above, it can be concluded that Service Performance is a comprehensive assessment of consumers on the perceived service results when receiving services from service providers so that the quality of services/services is more precise using the model SERVPERF.

Measuring the quality of services/services as in the model ServQual has given rise to doubts and double meanings, measures based on performance will better reflect the quality of services/services. This measurement will provide consumer/customer expectations of service performance. Service performance (service performance) is more precise in measuring the quality of services/services so that the concept of service quality/services received is associated with the conception of expectations. The definition of expectations used is not as what is provided but what consumers should want. According to Parasuraman and Berry (1994:111) about expectations are consumer normative expectations that represent the ideal standard of service/service performance expectations in general, not a measure of a particular service provider.

There is a serious problem in service quality which is expressed as the difference in value between the expectations and perceptions of customers or patients so that the most appropriate use of service quality measurement is based on performance. There is little evidence to support the relevance of the gap between expectations and perceptions as a basis for assessing service quality so that service performance becomes a good predictor of service quality and customer satisfaction (Cronin and Taylor, 1994:102).

Service performance is better able to answer the problems that arise in determining the quality of services/services because how consumers will only be able to judge the quality they receive from a particular producer not on their perception of the quality of services/services in general (Balton and Drew, 1991: 375).

Patterson and Spreng (1997:8) revealed that the measurement of service performance variables was carried out based on the dimensionality formed from the nature of the service, namely:

a. The outcome, namely as a result measured according to the level of product usability.

b. Method, namely the level of ability and accuracy of the product in helping customers to solve their problems

c. Service, namely aspects related to the company's responsiveness to customer needs or desires, trust in the promises made, reliability and professionalism

d. Relationship, namely the level of product support in helping improve individual performance abilities or group performance (if the service customer is an organization) that the customer needs.

e. Problem identification, which makes the customer better understand the purpose and feel confident about the problem at hand so that they understand what must be done to solve the problem appropriately.

Indicators Service performance based on Hui and Chuang (2004) are: friendly in helping customers, speed in understanding customers, asking good questions and listening to find out what customers want, able to help customers when needed, show customer-related needs, suggest customer needs that he had not thought of, explaining the features and benefits of the product if the customer object.

Brady and Cronin (2001: 34) the main dimensions of service quality consists of three components: quality of interaction (interaction quality), the quality of the physical environment (Physicalenvironmentquality) and the quality of the results (outcome quality). Each of these dimensions consists of 3 different sub-dimensions. Dimensions of interaction quality include attitudes, behaviour and expertise of service employees. The dimensions of the quality of the physical environment consist of ambient conditions, facility design and social factors. Ambient factors refer to nonvisual aspects, such as temperature, music, and smell. The facility design includes the layout or architecture of the environment and can be functional (practical) or aesthetic (visually appealing). While social factors are the number and types of people in service settings, along with their behaviour. Outcome
quality dimensions include waiting time, physical evidence and valence. In the Brady & Cronin (2001:34) model, the waiting time measured is not absolute waiting time, but customer perceptions of the length of time waiting for service delivery. Tangible evidence reflects the relevant physical facilities in the service concerned. Valence (valence) refers to the attributes that affect customer confidence that the results of service are good or bad, regardless of the evaluation of other aspects of his experience.

METHODS

A. Study Site

The study was conducted in two hypermarkets ie, Carrefour and Giant in Malang. The reason for choosing this location is the number of outlets Hypermarket in Malang City so that the level of competition between outlets is high so that loyalty is customer concern of management hypermarket.

B. Research Population and Sample The

The population of this research is customers who shop at hypermarkets Malang City, namely, Carrefour and Giant. The total population cannot be known with certainty, so the sample size is determined by multiplying the number of indicators from 5 variables by 10, this refers to the opinion expressed by Solimun (2002:78) that the determination of the sample size is equal to 5 to 10 times the number of manifest variables (indicators) of all latent variables. The number of indicators in this study was 15 indicators. Based on these provisions, the sample size used is 15 X 10 = 150 respondents.

After determining the number of samples of 150 respondents, then sampling was carried out using a purposive sampling technique, sampling which is a technique by selecting a sample among the population according to the criteria desired by the researcher. The criteria for the research sample are as follows:
1. Customers who have their initiative and authority in shopping at Carrefour and Giant at least 2 purchases in 1 month
2. Minimum age 18 years which is based on the assumption that respondents are independent in giving answers because they are considered adults
3. Minimum limit of 2 shopping times based on the assumption that the respondent has fully understood the shopping decision made.

RESEARCH RESULTS AND DISCUSSION

Based on the results of filling out respondents' identities in questionnaires conducted by customers hypermarket in Malang City, the data on the composition of respondents according to age were obtained as follows:

Table 4: Characteristics of Respondents Based on Age

<table>
<thead>
<tr>
<th>No</th>
<th>Age (years)</th>
<th>Total</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>20-30</td>
<td>33</td>
<td>22</td>
</tr>
<tr>
<td>2</td>
<td>31-40</td>
<td>69</td>
<td>46</td>
</tr>
<tr>
<td>3</td>
<td>41-50</td>
<td>40</td>
<td>26.7</td>
</tr>
<tr>
<td>4</td>
<td>51 years and over</td>
<td>8</td>
<td>5.3</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>150</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2016

Based on Table 4 it can be seen that of the 150 customers hypermarket in Malang City who were used as respondents, the majority were aged 31-40 years as many as 69 or 46%, followed by respondents aged 41-50 years as many as 40 or 26.7%. This shows that the age between 31-40 years is a period when respondents are already established in their employment and income status, so they are more daring to spend their money and have financial maturity.

Based on the results of filling out respondents' identities in questionnaires conducted by customers hypermarket in Malang City, the data on the frequency of shopping at hypermarkets in 1 month is as follows:

Table 5: Characteristics of Respondents Based on Shopping

<table>
<thead>
<tr>
<th>No</th>
<th>Frequency Shopping Frequency</th>
<th>Total</th>
<th>Per cent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1 time</td>
<td>27</td>
<td>18</td>
</tr>
<tr>
<td>2</td>
<td>2 times</td>
<td>40</td>
<td>26.7</td>
</tr>
<tr>
<td>3</td>
<td>3 times</td>
<td>61</td>
<td>40.6</td>
</tr>
<tr>
<td>4</td>
<td>&gt; 3 times</td>
<td>22</td>
<td>14.7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>180</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data Processed, 2016

In Table 5 it can be seen that the characteristics of respondents seen from the frequency of shopping in 1 month are dominated by respondents who shopped 3 times in a month. 1 month. This can be interpreted that to meet their daily needs, respondents in determining where to shop prefer hypermarkets because they prioritize places that are clean, comfortable and offer lower prices.

The descriptive statistical analysis describes the frequency distribution of respondents' answers based on responses to the statements in the
questionnaires that have been distributed including variables, namely service performance, store attributes, customer satisfaction and loyalty.

Based on the data collected from the questionnaire about the service performance provided to respondents, it can be seen that the frequency distribution of these variable items is shown in Table 7 below:

Table 7: Frequency Distribution of Service Performance Variables

<table>
<thead>
<tr>
<th>No</th>
<th>Item</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Mean</th>
<th>Mean Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1,1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25</td>
<td>16.7</td>
<td>91</td>
<td>60.7</td>
<td>34</td>
</tr>
<tr>
<td>X1,2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1.3</td>
<td>27</td>
<td>18.0</td>
</tr>
<tr>
<td>X1,3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0.7</td>
<td>24</td>
</tr>
<tr>
<td>X1,4</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20</td>
<td>13.3</td>
<td>83</td>
<td>55.3</td>
</tr>
<tr>
<td>X1,5</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>1.3</td>
<td>19</td>
<td>12.7</td>
<td>75</td>
</tr>
<tr>
<td>X1,6</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>0.7</td>
<td>32</td>
<td>21.3</td>
<td>63</td>
</tr>
<tr>
<td>X1,7</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>2.0</td>
<td>33</td>
<td>22.0</td>
<td>86</td>
</tr>
<tr>
<td>X1,8</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6</td>
<td>4.0</td>
<td>30</td>
<td>20.0</td>
<td>80</td>
</tr>
<tr>
<td>Average-rata</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Quality indicator interacts si obtained an average of 4.06, this shows that respondents tend to agree that employees can serve in a friendly manner, be polite to customers and have extensive knowledge when answering customer questions. Based on the instruments answered by the respondents, the instrument about having broad knowledge when answering customer questions is the strongest forming the quality of interaction. The indicator of the quality of the physical environment is obtained by an average of 4.17, this indicates that respondents tend to agree that hypermarkets have cool rooms, must have aromas and places, shopping clean. Based on the instruments answered by the respondents, instruments about the smell of a fragrant room provide the greatest contribution to the formation of physical qualities.

The result quality indicator obtained an average of 3.67, this indicates that respondents tend to agree that hypermarkets always withdraw products that expired from displays and products are Hypermarket arranged according to the grouping of goods based on their use which is the strongest in shaping the quality of the results.

Based on Table 7, it can be explained that the average value of the service performance variable is 4.00, these results indicate that respondents tend to give an agreeable answer that service performance is formed by the quality of interaction, the quality of the physical environment and the quality of results. The main forming indicator of service performance is the quality of the physical environment. This means that the quality aspect of the physical environment becomes important as a measure of service performance because respondents will perceive good service performance in hypermarkets if the room temperature is cool, the room smells fragrant and the shopping place is clean. is the strongest shaping the quality of the physical environment?

The linearity assumption test is performed using the method Curve Fit, calculated with the help of software SPSS. The reference used is the principle parsimony, that is, if all models used as the basis for testing are significant or non-significant, the model is said to be linear. The results of the linearity test of the relationship between variables are presented in full in the following table:

Table 16: Results of Testing Assumptions of Linearity of

<table>
<thead>
<tr>
<th>Independent</th>
<th>Variables Bounded Variables</th>
<th>Results of Testing</th>
<th>Decisions on</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Performance</td>
<td>Satisfaction</td>
<td>Value Sig 0.000 &lt;0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>Attribute Shop</td>
<td>Satisfaction</td>
<td>Sig Value 0.002 &lt;0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>Service Performance</td>
<td>Loyalty</td>
<td>Value Sig 0.004 &lt; 0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>Store Attributes</td>
<td>Loyalty</td>
<td>Value Sig 0.000 &lt; 0.05</td>
<td>Linear</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>Loyalty</td>
<td>Value Sig 0.000 &lt; 0.05</td>
<td>Linear</td>
</tr>
</tbody>
</table>

Source: Appendix 6, 2016
CONCLUSIONS AND SUGGESTIONS

Based on the results of the analysis and discussion of this study, it can be concluded that: Respondents tend to give an agreeable answer that performance service is shaped by the quality of the interaction, the quality of the physical environment and the quality of the results. Respondents tend to give an agreeable answer that store attributes are formed by satisfied shopping at hypermarkets, the main choice for shopping, fulfilment of expectations and conformity of product quality and price with expectations and respondents tend to give answers strongly agree that customer loyalty is formed by the desire to always shop at hypermarkets, loyalty to hypermarkets, saying positive things about hypermarkets and service performance affect customer satisfaction. These results indicate that customer satisfaction at hypermarkets in Malang City is obtained because of good service performance such as cool room temperature, fragrant room aroma and clean shopping places and good store attributes such as a neat, orderly arrangement of merchandise, easy to find/reachable and appropriate interior colouring patterns. /interesting.

REFERENCE


