Merging Repatronage Behavior Model (RBM) Towards Hypermarkets in Malaysia

Hossein Nezakati, Ang Siew Hui and Manoochehr Jofreh

Department of Management and Marketing, Faculty of Economics and Management, University Putra Malaysia (UPM), Malaysia
Tehran Central Branch, Islamic Azad University, Tehran, Iran

Abstract: This study aimed to extend the existing research on repatronage behavior of customers in retailing industry. Retailing industry has become one of the sectors contributing a lot to gross domestic products of Malaysia in recent years. This study tries to investigate the relationship between service quality and customer satisfaction and identify factors influencing the repatronage behavior of customer. Using Descriptive Analysis, Pearson Correlation, Multiple Regression Analysis, F-test and Reliability Analysis, Statistical Processing SPSS Version 18.0 was applied to analyze the data. Results of the analysis showed that customer satisfaction, perceived value for money and store image are positively and significantly related to repatronage behavior of customers in hypermarket context. Overall, customer satisfaction played a much more significant role in affecting the repatronage intention of the customers. Similarly, service quality was shown as a predictor of customer satisfaction.

Keywords: Repatronage behavior, customer satisfaction, perceived value for money, store image, service quality

INTRODUCTION

One of the key decisions faced by customers is where to shop in terms of location and store choice (Sit et al., 2003) while retailer’s intention is to increase the repeated customers (Theodoridis and Chatzipanagiotou, 2009). To become the leader in retailing sector, retailer definitely requires identifying areas of improvement in order to retain their current customers and attract new customers to visit their hypermarkets. As a result, determining of factors influencing consumers’ perception and attitude towards the hypermarkets that they have visited, are visiting and will visit in the future is an important thing to be recognized. Retailer’s concern with patronage and repatronage is not only an important topic of marketing research (Machleit et al., 2005) but also of practitioners.

The study objectives are to investigate the relationship between service quality and customer satisfaction and to identify factors influencing the repatronage behavior of customer. The study aim is to notify the management of hypermarkets which elements actually customers expect from the store in order for them to re-visit it again in the future. The ability to underlie these elements may assist the management to develop and implement new strategies and policies to retain the customers and attract more and more customers to visit their hypermarkets. Next, this study, aims to provide preliminary empirical evidence to the existing research and a foundation for future research as well. Besides that, since this sector is anticipated to have a growing trend in the future, it is useful to have a clear picture of the factors affecting customers’ purchase intention both locally and internationally. Lastly, no known research has been conducted to investigate what variables contribute to repatronage behavior in Malaysia context.

RESEARCH BACKGROUND

Overview of retailing in Malaysia: Retailing refers to all activities directly related to the selling of small quantities of goods and services, at a profit, to the ultimate customers for personal and non-business consumption (Mohd-Said, 1990). It has been categorized into three groups: (1) Convenience goods including groceries and daily provisions, (2) Shopping or comparison goods that refer to relatively more expensive items bought at less regular intervals and (3) Specialty goods which are unique items appealing to customers with higher income level (Guy, 1980).

Retailing industry has become one of the sectors, contributing a lot to the gross domestic products of
Malaysia in recent years (15.2% or RM 53,456 million of the national income in 2010, rising from 14.7% or RM 38,437 million in 2005). Besides that, this sector has provided job opportunities to the citizens of Malaysia during 2000 to 2010. The employment rate for this sector shows an increasing number from 17.1% or 158,2900 positions in 2000 to 18.0% or 217,1000 positions in 2010 (Malaysia, 2006).

Overview of hypermarkets in Malaysia: Hypermarket starter comes into Malaysia in the early 1990s (Lim et al., 2003). In Malaysia, modern retail formats are mainly located in the major urban centers (Shamsudin and Selamat, 2005) where the population is higher and more affluent-Selangor, Kuala Lumpur, Johor, and Penang. In 2000, there were 392 supermarkets and 22 hypermarkets around Malaysia (Malaysia, 2006). Five years later, the numbers increased to 550 and 81, respectively. Most hypermarkets are foreign-owned such as Giants (Hong Kong), Jaya Jusco (Aeon Group, Japan), Carrefour (France) and Makro (Holland). Local retail chains include The Store (The Store Corporation), Parkson (Lion Group), Ngiu Kee Corporation (TKN Enterprise), Ocean Capital and Mydin (Arshad et al., 2006).

Due to high profit-making of hypermarkets, competition in this particular sector will become much intense. To make themselves different from others, each particular hypermarket implements different kinds of strategies like member card, delivery services and warranty upon the purchasing on some particular products (e.g., furniture).

Satisfying customers’ needs and wants, this particular sector will gain more and more popularity and attention from the public. The most important thing to be noticed here is that the products to be sold in hypermarkets are so low in prices that are in the affordable range of the public. Furthermore, the existence of hypermarkets provides convenience for the public facing the problem of rushing for time. Providing wide range of products including clothes, foods, shoes, accessories, toys and many others, they assist shoppers to avoid travelling to different places to buy those things that they need. Besides that, as compared to traditional market, the atmosphere in hypermarket is much better and more comfortable for shoppers to visit by providing a lot of sales assistance and air-conditioning system.

MATERIALS AND METHODS

Concept and theory: Retailers have traditionally been more oriented towards transactions than relationships, but an increasing number of retailers are moving towards a strategy with customer relations and store loyalty as the central focus (Fullerton, 2005; Pan and Zinkhan, 2006; Leenheer and Bijmolt, 2008). Consumer patronage behavior can be enhanced by implementing an appropriate retail marketing strategy based on a profound understanding of factors and relationships influencing shoppers’ attitudes favorably (Ravald and Gronroos, 1996; Pan and Zinkhan, 2006).

Competition among retailers, especially hypermarkets, is intense with large international retailers like Carrefour, Tesco and Giant. These hypermarkets are frequently engaged in price wars to establish their presence as major players in the market. Carrefour has successfully launched the price cuts strategy for about 1,200 products in their stores. Meanwhile, Giant, the largest hypermarket operator in Malaysia, is reported to sacrifice profits in order to maintain the low-price leader status. Pressure is mounting for local retailers such as The Store to maintain competitive prices (Arshad et al., 2006).

Repatronage behavior or purchase intention: As a key to the success of a particular retail business and a premier objective for marketers (Osman, 1993), understanding of patronage behavior is a crucial issue for retail managers. It enables them to identify and target those consumers most likely to purchase (Pan and Zinkhan, 2006).

Once a customer is being retained, he or she will tend to visit the same store again and repurchase the items in that store. As the items are less price elastic, the customer already becomes loyal to that particular store. Hence, retail patronage studies have focused primarily on explaining repeat behavior (store loyalty) by attempting to profile “loyal” customers and understanding reasons for store patronage (e.g., Hisrich et al., 1972; Reynolds et al., 1974; Dash et al., 1976).

The consumer’s decision to remain in the relationship is of practical importance to the retailers because there is evidence that long-time customers are more profitable as they tend to purchase in greater quantity and more frequently than new customers (Reichheld and Sasser, 1990). A 1% improvement in the customer retention rate improves firm value by 5% (Gupta et al., 2004). Retail stores are not different but the degree to which customers are motivated to repatronize the store can mean the difference between sustained prosperity and growth of the retail store or permanently closing the doors (Grace and O’Cass, 2005).

Customer satisfaction: Nowadays, grocery retailers are conscious of the importance of customer satisfaction on the success of their commercial strategies (Gomez et al., 2004; Betancourt et al., 2007). It has become an important
marketing performance metric in the last two decades (Johnson et al., 2001; Szynanski and Hennard, 2001). Many companies have acknowledged the crucial importance of being customer-oriented and been encouraged to place more emphasis on quality, value, customer satisfaction and customer retention (Reichheld and Teal, 1996, Siu and Cheung, 2001).

Customer satisfaction refers to the customer's satisfaction with the store and can be defined as “a post-experience, subjective evaluation of the extent to which this store answers or even exceeds the customer’s expectation” (Demoulin and Zidda, 2008). It is the customer's feelings that result from a comparison of perceived performance in relation to expectations (Darian et al., 2001, 2005).

**Service quality:** Service encounter is very unpredictable because “service is often primarily based on personal interaction or information processing” (Rust and Chung, 2006). Regarding service, the study of consumption emotion has been relatively limited to examining broader affective states in relation to satisfaction (Menon and Dube, 2000) and behavioral intentions (Babin and Babin, 2001). Grouroos (1984) defined service quality as a perceived judgment, resulting from an evaluation process where customers compare their expectations with the service they perceive to receive. Bolton and Drew (1991) and Parasuraman et al. (1988) also described service quality as a form of attitude, related but not equivalent to satisfaction that results from the comparison of expectations with performance. The degree, to which the customer evaluates the experience as either positive or negative and adopts approach or avoidance behaviors, is largely influenced by the emotions experienced during service encounter.

**Store image:** Images are formed by various constituencies about a variety of entities such as brands, stores and organizations (Fombrun, 1996; Lemmink et al., 2003). Image building is an essential tool with respect to both attracting and retaining customers (Johnson et al., 2001; Helgesen and Nesset, 2007; Gupta and Pirsch, 2008; Bloemer and de Ruyter, 1998; Pan and Zinkhan, 2006).

Store image is defined as “the way in which a store is perceived by shoppers” (Pan et al., 2006). It can be “expressed as a function of the salient attributes of a particular store that are evaluated and weighted against others” (Bloemer and de Ruyter, 1998) and measured by attributes such as “product variety, employee service, store atmosphere, process and product quality and overall attitude” (Collins-Dodd and Lindley, 2003). Retail image has been found as a major predictor for explaining shopping frequencies (Pan and Zinkhan, 2006).

**Perceived value for money:** Value is defined as a cognitive evaluation that represents the trade-off between benefits gained and sacrifices made (Sweeney, 1994); “what you get for what you pay” (Zeithaml, 1988). As, Berry and Yadav (1996) argue “value is the dominant purchase motivation among consumers today.” Satisfaction models do not take into account the sacrifices (monetary, psychological, etc.) associated with an exchange for benefits, whereas perceived value does (Grace and O’Cass, 2005). In addition, perceived value for money is a cognitive evaluation that incorporates the bundling of various aspects of the service and the associated costs of the service in comparison to other competitive offerings (McDougall and Levesque, 2000).

Value, in supermarket shopping, consists of several benefit components such as variety, service, facilities, quality, nutrition, convenience and freshness (Bishop, 1984; Doyle, 1984). In other words, the consumer’s evaluation of the quality of the store’s service will be traded off against their perceived sacrifices, which may include both monetary costs (e.g., the price bands of the store) and nonmonetary costs (e.g., time cost).

**Research Framework and Hypothesis**

**Service quality and customer satisfaction:** Consumer’s perceptions of service quality are related to satisfaction (Bei and Chiao, 2001). There are advocates that customer satisfaction and service quality provide the key to achieving repeat patronage or purchase (Spreng et al., 1995), while others advocate value perceptions are superior indicators of behavioral intentions (Berg, 1999).

Service quality refers to a global evaluation of a firm’s service delivery system (Anderson et al., 1994) whereas satisfaction refers to a cognitive and/or affective response that is related to an individual or set of service encounters occurring over time (Sivadas and Baker-Prewitt, 2000). Iacobucci et al. (1995) conclude that the key difference between service quality and customer satisfaction is that quality relates to managerial delivery of the service while satisfaction reflects customers’ experiences with that service. Hence, quality improvements that are not based on customer needs will not lead to improved customer satisfaction.

Service quality appears to be a causal antecedent of consumer satisfaction, which mediates the relationship between service quality judgments and behavioral intentions (Taylor and Baker, 1994). Bolton and Drew (1991) point out “customer satisfaction depends on preexisting or contemporaneous attitudes about service quality”. Bitner et al. (1994) and Anderson et al. (1994) also point to this link by suggesting that improved service quality will result in a satisfied customer.
One general distinction argued between satisfaction and service quality is that, satisfaction is a post-consumption response whereas service quality is not (Cronin and Taylor, 1992; Boulding et al., 1993; Caruana, 2002). It is argued that service quality influences satisfaction rather than the other way around and this was confirmed through empirical analyses by Cronin and Taylor (1992) and Spreng and Mackoy (1996) whose work supports the quality or satisfaction causal link. Hence, the following hypothesis is developed:

H1: Service quality is positively related to customer satisfaction

**Customer satisfaction and repatronage behavior:**
Research has found that as satisfaction increases, so do positive intentions (Oliver and Linda, 1980, Swan et al., 1985). Swan et al. (1985) stated that satisfaction with hospitals was found to be positively related to patients' intentions to revisit. Apart from that, Miller (1976) found a positive relationship between consumers' satisfaction with grocery stores and patronage frequency. Newman and Werbel (1973) noted that consumers who were not satisfied with a brand were less likely to repurchase that brand than satisfied customers.

According to Day (1994), underpinning of the marketing concept is that identification and satisfaction of customer needs lead to improved customer retention. Similarly, it can be concluded that satisfaction with hypermarket will be positively related to customers' intentions to repurchase as well. Besides that, customer satisfaction and service quality are the implicit assumption of the link between customers' positive evaluation of their experience and intentions to repeat their purchase/consumption behavior (Fader et al., 2005; Gabbott and Hogg, 2000). Spreng et al. (1995) also stated that customer satisfaction provides the key to achieve repeat patronage or purchase. The greater the degree to which a consumer experiences satisfaction with a retailer, the greater the probability the consumer will revisit the retailer (Wong and Sohal, 2003).

Taylor and Baker (1994) have documented the correlation between customer satisfaction and consumer's purchase intention. Satisfaction is positively associated with repurchase intentions, likelihood of recommending a product or service, loyalty and profitability (Anderson et al., 1994; Anton, 1996; Bitner et al., 1990). Rust and Williams (1994) found that a greater customer satisfaction resulted in a greater intention to repurchase.

A customer, who is satisfied, is more likely to have positive feeling towards the retailer and vice versa. In other words, as the satisfaction level of a customer increases, this will lead to higher repatronage behavior from that particular as well. As a result, the following hypothesis is being developed:

H2: Customer satisfaction is positively related to repatronage behavior

**Perceived value for money and repatronage behavior:**
Perceived value has been proposed as a mediating construct in the effects of price and other information on purchase intention (Dodds and Monroe, 1985; Zeithaml, 1988). Consumer's formation of intention to buy is strongly influenced by the perceived monetary sacrifice (Monroe, 2003), because consumer often has an acceptable price range outside which products may not be considered (Dodds, 1991).

Consumer price perceptions may have a significant effect on brand preference and purchase intention (O'Cass and Lim, 2001; Varki and Colgate, 2001). Berry and Yadav (1996) argue “value is the dominant purchase motivation among consumers today.” Similarly, Baker et al. (2002) have shown that “monetary price perception” is a contributor to “perceived merchandise value”, which determines patronage intention. Since purchase intention is positively associated with perceived value (Dodds et al., 1991; Grewal et al., 1998, therefore, the following hypothesis is being developed:

H3: Perceived value for money is positively related to repatronage behavior

**Store image and repatronage behavior:** Image formations result in predispositions that generally guide patronage (Darley and Lim, 1993) including shopping trips, expenditure behavior and store loyalty (Arnold et al., 1983; Sirgy and Samli, 1985). The impressions shoppers' forms of stores have a significant impact on their store patronage (Pan et al., 2006). The retail store environment offers a multitude of stimuli that can serve as cues to consumers looking for information-processing heuristics (Baker et al., 1994). A positive store image and good value merchandise are keys for retailers to achieve and sustain success in an increasingly competitive marketplace (Grewal et al., 1998). Cuneo (1997) faults their inability to project their store name and image as the main reason for the failure, meaning that how important store image is to the success of an organization.

Consumers tend to make judgments about stores on the basis of their subjective impressions (e.g., ambient design, social factors) (Baker et al., 1994). Empirical evidence suggests that image perceptions account for a
very high proportion of the variance in retail patronage (Finn and Louvierie, 1996; Kasulis and Lusch, 1981).

The retail store environment provides informational cues that consumer can use to form an impression of the store (Sirgy et al., 2000). Sirgy also noted that consumer evaluates a store based on the perceived importance of such environmental cues and develop a retail patron image that influences their store choices and patronage behaviors. A number of studies have supported the notion that store image is an important component of store patronage (Nevin and Houston, 1980). More specifically, Buckley (1991) found a link between store image and intention to purchase a product. Apart from that, store image has a direct, positive relationship with purchase intention (Grewal et al., 1998).

Previous studies have discovered that favorable store image has a positive impact on store choice, frequency of patronage at a particular store, store satisfaction and store loyalty. It is a major determinant of successful retailing strategy (Bloemer and de Ruyter, 1998; Chowdhury et al., 1998; Darley and Lim, 1999; Grewal et al., 1998; Jones, 1978; Joyce and Lambert, 1996; Nevin and Houston, 1980; Reardon et al., 1995). Among different proposed dimensions of store image, merchandise, service and location appear to be the key image functions.

**H4**: Store image is positively related to repatronage behavior

Based on the above, the following conceptual framework of study is illustrated in Fig. 1 and the hypothesis are shown on it. There are two research objectives which are able to be recognized here. The research objectives being identified are as follow:

- To investigate the relationship between service quality and customer satisfaction
- To identify factors that will influence the repatronage behavior of customers

![Fig. 1: Conceptual framework of study](image)

**MATERIALS AND METHODS**

**Sampling technique**: The sampling strategy that has been used for this study is the non-probability sampling, where it means the likelihood of any member of the population being selected is unknown. There are two types of non-probability sampling, which are convenience sampling and quota sampling. Convenience sampling, rather than quota sampling has been used in this study because it is a convenience and inexpensive way of collecting the responses. Convenience sampling refers to sampling by obtaining people or units that are conveniently available (Zikmund et al., 2010). Quota sampling is not being used because there is no primary focus group of people to be studied in this study. As a means of using internet survey, the only sampling method that can be and has been used is convenience sampling. For this study, the research method that has been used was survey, which was distributing questionnaire to the respondents in order to collect for their responses.

**Data collection**: Questionnaire survey was applied for this study. The questionnaires have been distributed to the respondents in order to study their repatronage behavior towards hypermarkets in Malaysia. A total of 200 completed questionnaires have been distributed in order to collect the responses from the respondents. The respondents are not limited to any particular categories. These questionnaires have been distributed by using face to face approach and through the famous social networking for time being, which is facebook, and online survey. There are no limits for gender or races for this particular questionnaire as well.

Since the students today will appear to become the purchaser in the future, their repatronage behavior towards hypermarket should not be ignored. Hence, part of the questionnaires had been distributed to students in both local university and private college. They are the students in Universiti Putra Malaysia and International Medical College (IMU). The remaining questionnaires were filled through the internet. This is to ensure that the result of this study will be able to generalize to the population, since the respondents consists of students and employees.

**Data analysis**: For this particular study, Statistical Processing for the Social Sciences (SPSS) Version 18.0 has been used to analyze the data collection. This is because it has been viewed as more “user-friendly” in the past (Zikmund et al., 2010).

**Measurement**: All items used within the questionnaire of this study were being adapted from pre-existing valid and
reliable measures within the marketing literature. The measurements being used are discussed accordingly as follow.

**Service quality:** Seven items adapted from Parasuraman *et al.* (1988) was used in the questionnaire. All of the items were measured by using five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

**Customer satisfaction:** A three items satisfaction scale, previously shown to be reliable (coefficient alpha of 0.87) by Caruana *et al.* (2000) was selected and in addition to measure the satisfaction of respondents more accurately, the other two items by Grace and O'Cass (2005) are being included as well. Those items were measured by using five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

**Perceived value for money:** Four-items adapted from the price value dimension taken from Sweeney and Soutar (2001) PERVAL scale was used in the questionnaire. This scale was considered an appropriate measure of the construct with Sweeney and Soutar (2001) reporting reliability of the scale at 0.80 and establishing face and content validity during their scale development stage (Grace and O'Cass, 2005). Similarly, those items were measured by using five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

**Store image:** Store image was measured with 5 indicator variables, adapted from various store image studies (Baker *et al.*, 1994; Birtwistle *et al.*, 1999; Bloemer and de Ruyter, 1998; Mazursky and Jacoby, 1986) and a retail service quality research (Datbolkar *et al.*, 1996). Those items were measured by using five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

**Repatronage behavior:** The four items repatronage behavior scale originating from Oliver and Swan (1989) and used by Jones *et al.* (2000) in their study of switching barriers in services, was chosen in this study due to Jones *et al.* (2000) reporting a high coefficient alpha of 0.99. Those items were measured by using five-point Likert scales ranging from 1 (strongly disagree) to 5 (strongly agree).

**Descriptive analysis:** Descriptive analysis is the elementary transformation of data in a way that describes the basic characteristics such as central tendency, distribution, and variability (Zikmund *et al.*, 2010). The sample descriptive statistics are used to make inferences about characteristics of the entire population of interest. Descriptive analysis regarding the age and gender is able to help to understand more about the respondent’s profile.

**Pearson correlation:** All the hypotheses and first research objective were analyzed by using Pearson correlation. Both the independent and dependent variables of the hypotheses are metric and were measured by using Likert scale, showing that they are interval variables. Zikmund *et al.* (2010) stated that when correlations estimate relationships between continuous variables, the Pearson correlation is appropriate. Independent variable is represented by “X” while dependent variable is denoted by “Y”. “r” appear as the correlation coefficient and is ranges from -1.0 to +1.0. -1.0 signifies that a perfect negative relationship exists between the two variables being measured, whereas +1.0 shows that a perfect positive relationship exists. It indicates the magnitude of the linear relationship and the direction of that relationship. The coefficient of determination (R2) measures that part of the total variance of customer satisfaction (Y) that is accounted for by knowing the value of service quality (X). Lastly, the T-test will be used in order to test for the statistical significance of the hypothesis. If the p-value is less than 0.05 (p<0.05), the hypothesis is supported and vice versa.

**Multiple regression analysis:** The second research objective was analyzed by using multiple regression analysis. Multiple regression analysis is an analysis of association in which the effects of two or more independent variables on a single, interval-scaled dependent variable are investigated simultaneously (Zikmund *et al.*, 2010). It allows a metric dependent variable to be predicted by multiple independent variables. In this case, the dependent variable is the repatronage behavior, whereas the independent variables are customer satisfaction, perceived value for money and store image. The R2 indicates the percentage of variation in repatronage behavior (Y) explained by the combination of all independent variables. F-test will be used to test statistical significance by comparing the variation explained by regression equation to the residual error variation. If the p-value is less than 0.05 (p<0.05), the hypothesis is supported and vice versa.

**Reliability analysis:** Reliability occurs when a test measures the same thing more than once and results in the same outcomes (Salkind, 2009). Reliability is the “extent to which a measurement is free from variable errors” (Tull and Hawkins, 1987, p.53). For this study,
Cronbach Alpha's (a) test of reliability was used to determine the reliability of multi-item scales. The reliability coefficient of 0.70 and above is considered as acceptable in this study. Test-retest method is used for the pilot study of this study. This means that the same group of 30 people are answered the same set of questionnaire at two different point of time.

**Questionnaire design:** The questionnaire for this study consists of two sections, which are Section A and B. Section A collecting information regarding all of the variables of this study, which are the service quality, customer satisfaction, perceived value for money, store image and repatronage behavior. Section B is questions that are used to collect information regarding the respondent profile. Respondent profile is being assigned on the second section rather than the first section because this is to reduce the possible bias or reluctant of the respondents to provide their real respondents.

**RESULTS AND DATA ANALYSIS**

Cronbach's Alpha is range between 0 and 1. The more closer the Cronbach's Alpha is to 1.0, the more reliable is the variable. The size of alpha is determined by both the number of items in the scale and the mean inter-item correlations. According to Nunnally (1978), reliability coefficient of 0.7 and above is considered adequate.

The scales reliability ranged from 0.70-0.91. Since they were at least 0.70, all the scales were reliable for use in this study.

The respondents of this study consist of 84 (42%) male and 116 (58%) female. Among the respondents, 12.5% aged below 19 years old, 66.0% from 20 to 24, 16.0% fall within age category of 25 to 29, 2.5% 30 to 34 and 3.0% 35 years old and above. The respondents consist of 44% of Malay, 39% of Chinese, 11.5% of Indian and the remaining of 5.5% are other races. From this study, it is noticed that the majority of the respondents are from urban area, which is 127 (63.5%) people. The remaining 36.0% are stay at rural area. None of the respondents hold primary school qualifications. The majority (73.5%) is having education of at least degree and above. The 6.5% of 200 respondents are having only secondary school qualifications and 19.5% are having diploma or matriculation. Most of the respondents (57.5%) visit hypermarket once or less per week. Only 3.0% of them visit hypermarket 4 times or more per week. 30.5% of the respondents visit hypermarket 2 times per week while the remaining 18% visit 3 times per week.

**Pearson correlation analysis:** The results of Table 1 illustrates that the Pearson Correlation r-value is 0.672 and p-value 0.000 (<0.001). Given that the p-value is lower than 0.05, it is concluded that there is a significant correlation between service quality and customer satisfaction. Hence, H1, which is “there is a positive relationship between service quality and customer satisfaction”, is supported.

According to Table 2, the results of the Pearson Correlation shows r-value = 0.613 and p-value = 0.000 (p-value < 0.001). Given that the p-value is lower than 0.05, it can be concluded that there is a significant correlation between customer satisfaction and repatronage behavior. Therefore, H2, which is “there is a positive relationship between customer satisfaction and repatronage behavior”, is supported.

Table 3 shows that the Pearson Correlation r-value is 0.514, while p-value is 0.000, which is lower than 0.05. Therefore, H3, which is “there is a positive relationship between perceived value for money and repatronage behavior”, is supported under this study.

**Table 1:** Pearson correlation for results service quality and customer satisfaction

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Service quality</th>
<th>Customer satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service quality</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson correlation</td>
<td>1</td>
<td>0.672*</td>
</tr>
<tr>
<td>Sig. (1-tailed)</td>
<td>200</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (1-tailed)**

**Table 2:** Pearson correlations for results customer satisfaction and repatronage behavior

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Customer satisfaction</th>
<th>Repatronage behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer satisfaction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson correlation</td>
<td>1</td>
<td>0.613*</td>
</tr>
<tr>
<td>Sig. (1-tailed)</td>
<td>200</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (1-tailed)**

**Table 3:** Pearson correlation for results perceived value for money and repatronage behavior

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Perceived value for money</th>
<th>Repatronage behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Perceived value for money</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson correlation</td>
<td>1</td>
<td>0.514*</td>
</tr>
<tr>
<td>Sig. (1-tailed)</td>
<td>200</td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**Correlation is significant at the 0.01 level (1-tailed)**
Table 4: Pearson correlation for results store image and repatronage behavior

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Store image</th>
<th>Repatronage behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pearson correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (1-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Repatronage behavior</td>
<td>0.580*</td>
</tr>
<tr>
<td></td>
<td>Sig. (1-tailed)</td>
<td>0.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.01 level (1-tailed)

Table 5: Multiple regression analysis summary for repatronage behavior

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R square</th>
<th>Adjusted R square</th>
<th>Std. error of the estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.683*</td>
<td>0.467</td>
<td>0.458</td>
<td>0.48182</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Store image, Perceived value for money, Customer satisfaction, Dependent variable: Repatronage behavior

Table 6: Multiple regression ANOVA (b) summary for repatronage behavior

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>39.788</td>
<td>3</td>
<td>13.263</td>
<td>57.129</td>
<td>0.000*</td>
</tr>
<tr>
<td>Residual</td>
<td>45.501</td>
<td>196</td>
<td>0.232</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>85.289</td>
<td>199</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), Store image, Perceived value for money, Customer satisfaction, Dependent variable: Repatronage behavior

In Table 6, the F-value scored 57.129 or F(3,196) = 57.129, p = 0.000, Mean S.E. (MSerror) = 0.232, α = 0.05. The p-value is 0.000, which is less than 0.05. Thus, there is a significant difference between dependent variable (repatronage behavior) and independent variables (customer satisfaction, perceived value for money and store image).

In this study, the regression equation is: Repatronage behavior = 0.600 +0.354 (Customer satisfaction) +0.204 (Perceived value for money) +0.317 (Store image).

The results of Table 7 show that all independent variables are significant and so influential in the repatronage behavior of consumers, because their p-value are less than 0.05, as such p customer satisfaction = 0.000, p perceived value for money = 0.003, and p store image = 0.000. Hence, it can be concluded that consumers will evaluate their satisfaction, perceived value for money and the store image, when they are to make decision whether or not to visit the same hypermarket again.

**DISCUSSION**

**Summary of major findings:** The main purpose of this study is to identify how the repatronage behavior of customers will be influenced by other factors in hypermarket context. Throughout this study, both two research objectives have been answered: to investigate the relationship between service quality and customer satisfaction and to identify factors influencing the repatronage behavior of customer.

Based on the results of pearson correlation, it was indicated that the independent variable, service quality, was significant at 0.01 levels. The relationship between the variables was in positive direction, indicating the higher level of the service quality that customers encounter, the higher satisfaction they experienced in the hypermarket that they visited. From the analysis, service quality can be concluded having a strong positive relationship with customer satisfaction, since the r-value is 0.672.

Multiple regression analysis was used to identify factors influencing the repatronage behavior of customers. The results of this analysis showed that all three independent variables, which were customer satisfaction, perceived value for money and store image, had contributed to a significant positive influence on the customer repatronage behavior in hypermarket context. All the independent variables were significant at 0.01
significant values. As from the result of multiple regression analysis, it was also obvious that customer satisfaction appeared to be the strongest predictor for customer repatronage. This showed that whenever the hypermarket was able to satisfy customers, there was a high possibility that the customers will re-visit the hypermarket one day in the future.

Implications of study: The importance of this study is two folds, where it can contribute to the management of hypermarkets and simultaneously, provide some insights to other researchers too. The findings of this study may unveil the factors contributing to the repatronage behavior of the customers in hypermarket context. As suggested by Gupta et al. (2004), a 1% improvement in the customer retention rate improves firm value by 5%, indicating the importance of studying the repatronage behavior for each firm. The results provide insights to the marketers and management of hypermarkets to better manage their operations. This is because the management would be able to know which factor is most significant in terms of influencing the customer repatronage behavior. From that, marketers and managers can generate or implement much better strategies to retain their existing customers.

Apart from that, this study can be served as a foundation for future studies as well. Retailing appeared to be another potential market and at the same time, retailer concern with patronage and repatronage is now an important topic of marketing research (Macleit et al., 2005). Hence, it can be concluded that there will be an increasing number of research in the same context of this study too.

Limitations of study: There are several limitations of this study such as time and cost constraints, non-probability and snowball sampling and sample size.

Some of the respondents refused to participate in this study because they found it time-consuming. Limited budget for this study had been a constraint for the data collection process, such as printing the questionnaire in a better quality paper, as well as to support the transportation fee, causing the difficulties to select respondents from different states and areas.

Adopting non-probability sampling in this study, the respondents, randomly picked from library of UPM and IMU, might not be representative of the whole population in Malaysia. Hence, it may lead to inaccurate and biased information. Besides that, the majority of the respondents fell in the age category of 20-24 years and held at least a degree. This caused inaccuracy of the result to generalize to the population too.

Time constraints caused only a small portion of samples to be selected as the respondents of this study, since this study was conducted just in about three months period. Hence, the result might not be perfectly portrayed or generalized to the whole population in Malaysia.

Suggestions for future studies: For future studies, it is suggested to use probability sampling method to ensure of more accurate results; where every single unit in the population has an equal chance to be selected as the respondents of the study. At the same time, it is recommended to increase the sample size of the study so as the error from the findings will be minimized.

Furthermore, other variables such as customer loyalty, store environment, reputation of hypermarket, price and brand trust should be studied in order to provide a deeper understanding on how other factors contribute to the repatronage intention of the customers. Further studies should consider social responsibility of corporate to consumers. Relationships built on mutual respect and cooperation facilitates the repeat purchases that are essential for success (Ferrell et al., 2011). On the other hand, green business conduct should be investigated to see if there is any relationship between green business conduct and repatronage behavior.

CONCLUSION

In order to know more about how to retain a customer, there is always a need to identify which factors contribute to repatronage behavior of customer. Consumer purchasing behavior will change as time goes by. Whenever consumers feel that there is another alternative which is able to satisfy their needs and wants much more than the previous ones, they will easily switch to the new one. Hence, it is so much important if the marketers and businesses would be able to enhance the customer loyalty. This is because it is always much more efficient cost to retain a customer rather than to attract a new one.

REFERENCES


