Marketing Communication Strategy in the Retail Sector: Examining Repurchase Intention

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Abstract
In the face of intensifying market competition, the significance of retail marketing strategies and tactics cannot be understated, as they are pivotal in enhancing customers’ satisfaction, fostering loyalty in customers, and ultimately elevating the likelihood of repurchase intentions. This research strives to discern the distinct attributes of customers and gauge their perceptions of the marketing strategies employed by Hypermarket Companies. Additionally, it examines the interplay between customer satisfaction, loyalty, and the consequent cultivation of repurchase intentions. Furthermore, the study explores the foundational retail marketing strategies that underpin the establishment of customer loyalty. The analytical approach encompasses Confirmatory Factor Analysis, SEM-PLS, and Biplot techniques. The findings underscore a customer profile primarily comprising males within the 18–29 age bracket, married, childless, holding undergraduate degrees, enjoying middle-income status, and engaged as private sector employees. Notably, the paramount driver shaping loyalty is the quality of retail service. It is intriguing to note that while the retail mix strategy within Bandung's hypermarkets is predicted to wield no direct influence on loyalty, marketing communication emerges as a potent determinant significantly impacting repurchase intentions. This study contributes to understanding customer behavior and loyalty in hypermarkets. It sheds light on the critical role of service quality in building loyalty. It highlights the importance of effective marketing communication for encouraging repurchase intentions and offers valuable insights for retail marketing strategies.

Keywords:
Retail Marketing Strategies; Repurchase Intention; Customer Loyalty; Marketing Communication; Customer Satisfaction.

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1- Introduction
The retail sector continues to grow rapidly despite economic deceleration and fierce competition [1]. The retail landscape in Indonesia’s contemporary market has witnessed a surge in both expansion and competition. In response to this escalating competitive environment, the strategic deployment of retail marketing approaches and tactics assumes paramount importance. They aim to amplify customer satisfaction and loyalty [1] and bestow value on consumers through enduring relationships, ultimately bolstering the likelihood of repurchase intentions [2]. The significance of customer repurchase intentions cannot be overstated, as they signify sustainability in business, potential income, and profit [3]. Practitioners and scholars alike have shown keen interest in discerning the antecedents of customer repurchase intentions, emphasizing factors such as satisfaction, trust, and loyalty [4]. Researchers assert the pivotal role of delivering products or services that engender customer satisfaction, as contented customers are inclined to develop trust and loyalty, ultimately culminating in repeat purchases. Moreover, these elements are pivotal to securing a competitive edge within the retail arena [5].

Given the cutthroat nature of the retail business landscape and consumers’ heightened consciousness of their purchasing choices, customer satisfaction emerges as a pivotal concern for ensuring business survival. Customer
satisfaction positively affects repurchase intentions [6] and shapes customer trust [7]. It is worth noting that customer satisfaction positively impacts loyalty [2]. A substantial degree of overall satisfaction sets the stage for developing customer trust and loyalty, subsequently attracting a larger consumer base for repeat purchases [2]. Indeed, customer satisfaction has evolved into a pivotal metric of consumer behavior, simultaneously serving as a vital gauge of business performance [2].

Over the last six years, spanning 2007 to 2012, the count of modern retail establishments in Indonesia has surged by an annual average of 17.57%, while traditional retail growth trails at a mere 5% per annum. This rise has seen the number of retail businesses in Indonesia ascend from 10,365 outlets in 2007 to 18,152 outlets by 2011, strewn across virtually all Indonesian cities [8]. This retail proliferation has begun to permeate Bandung, located in the West Java Province, within modern shopping enclaves and residential areas. The surge of large retail ventures in Bandung mirrors the region’s burgeoning economic landscape. Hypermarkets, including names like Hypermart, Giant, Lottemart, and Ramayana Robinson, as well as franchised minimarkets and local variants, represent the thriving retail landscape in Bandung [9]. The growth of the retail industry has engendered intense competition, exacerbating challenges in areas such as management and the lack of effective retail marketing strategies attuned to consumer needs and desires [1]. These challenges encompass product quality, service excellence, and pricing strategy. For instance, lapses in product cleanliness and freshness, coupled with organizational inadequacies within certain hypermarkets, can mar the shopping experience, while incongruities in the pricing system lead to customer confusion [1]. Thus, the strategic retail marketing approach emerges as a potent tool for optimizing consumer satisfaction, nurturing trust and loyalty, and consequently fostering repurchase intentions to propel the retail industry's competitiveness.

Amidst the extensive research on customer satisfaction, trust, loyalty, and their interconnectedness driving repurchase intentions, a notable research gap emerges about the specific dynamics within Bandung, Indonesia's rapidly evolving retail landscape. While existing literature has furnished valuable insights, it falls short of adequately addressing this dynamic retail environment's distinctive challenges and opportunities. This gap becomes particularly conspicuous given the proliferation of modern retail establishments, specifically hypermarkets, and the concurrent surge in competitive forces.

To address this research gap, our study is oriented towards Bandung’s contemporary retail landscape. It centers on investigating the role of marketing communication in nurturing modern retail (hypermarket) customer loyalty while also assessing customer perceptions of retail marketing strategies, satisfaction, and loyalty as drivers of repurchase intentions. Our objectives are multifaceted. Firstly, we aim to elucidate marketing communication's contribution to modern retail (hypermarket) customer loyalty. Additionally, we seek to explore the retail marketing communication strategy that forms the bedrock of customer loyalty within Bandung's hypermarkets. Moreover, our study delves into predicting customer repurchase intentions, underpinned by the core elements of retail marketing strategies: satisfaction, trust, and loyalty. This endeavor also encompasses a comprehensive analysis of the positioning of modern retail products within Bandung’s hypermarkets, dissecting user perceptions about product quality, pricing strategies, and store attributes.

What sets our research apart is its exploration of the retail marketing communication strategy anchoring customer loyalty within Bandung's hypermarkets. Furthermore, it pioneers the forecasting of customer repurchase intentions, leveraging the intricate interplay of retail marketing strategies, satisfaction, trust, and loyalty. Additionally, it conducts an in-depth examination of modern retail product positioning in Bandung’s hypermarkets, offering insights into product quality, pricing strategies, and store attributes. In this holistic endeavor, our research aims to spotlight the pivotal role of communication as the linchpin, directing its potential to enrich retail strategy and elevate customer engagement.

2- Literature Review

2-1- Retail Communication Marketing Strategy

Retail communication marketing strategy entails the development of a dynamic framework by retailers to effectively convey their brand message, products, and value propositions to their target audience [10]. At its core, it strategically uses communication channels and tactics to engage, influence, and build consumer relationships [11, 12]. This strategy encompasses a range of interconnected elements that synergistically enhance brand visibility, customer engagement, and ultimately drive sales [13]. It is focused on communicating to customers the products offered, product discounts, promotions, and services [1].

The communication marketing strategy comprises several pivotal components that drive effective brand communication and engagement. Integrated messaging ensures a harmonious and uniform brand voice across diverse communication platforms, encompassing advertising, social media, in-store displays, and packaging [14]. Customer segmentation in communication marketing enables retailers to tailor their messages to distinct customer segments [15]. This approach acknowledges individual preferences and needs, enhancing the potency and relevance of brand communication. An Omnichannel Approach to Communication in Retail Marketing capitalizes on numerous channels such as online platforms, mobile apps, physical stores, and email campaigns [16].
This multi-channel synergy offers customers a seamless shopping journey, allowing them to interact with the brand conveniently. Personalization in communication retail marketing strategy leverages data analytics to refine communication based on individual customer behaviors, preferences, and purchase history [17]. This component enhances the perception of a tailored shopping experience, heightening engagement and satisfaction. A well-structured Retail Communication Marketing Strategy integrates these components harmoniously, creating a robust framework that cultivates brand resonance, loyalty, and sustained growth.

2-2- Customer Satisfaction

Satisfaction synthesizes affective responses with varying intensities, occurring within a specific timeframe, and directed towards product acquisition and consumption [18]. Regarded as a pivotal construct [19], customer satisfaction is a fundamental goal in marketing [18]. Its significance extends to impacting repurchase intentions positively [20], serving as a predictive factor for customer loyalty [21], and fostering trust among customers [2]. Customer satisfaction is a pivotal gauge of consumer behavior and a crucial indicator of business performance [2, 22].

Dutka classifies three dimensions in the universal measurement of customer satisfaction: 1) Product-related attributes encompass factors like value derived from pricing, product capability, and benefits; 2) Service-related attributes involve factors like service-related promises, process fulfillment, delivery, and issue resolution; 3) Purchase-related attributes center on decision-making aspects involving information accessibility, staff courtesy, and company reputation [23]. Additionally, there are seven dimensions of consumer satisfaction: product satisfaction, salesperson's satisfaction, information on handling orders, technical services, internal staff satisfaction, and satisfaction in handling complaints [24, 25]. In the present study, the satisfaction indicators adopted from Rahman's research in 2014 [1] include hypermarkets meeting expectations, the accuracy of decisions concerning hypermarkets, overall satisfaction with hypermarkets, regular patronage, and the contentment derived from hypermarkets.

2-3- Customer Trust

Successful businesses hugely depend on customer trust, underpinning enduring relationships, and driving growth [26]. Customer trust is the customer's belief that service providers have reliability and competence [2]. Establishing and maintaining trust is pivotal in today's competitive landscape. It emerges from consistent and transparent interactions where promises are consistently upheld. Trust isn't solely about product quality but also reliability, security, and ethical conduct [27, 28]. Companies that prioritize data protection and privacy build confidence. Open communication during times of crisis fosters resilience in the face of challenges. Positive experiences and testimonials shared by satisfied customers amplify trust. Still, a single negative encounter can erode it [29]. Trust is hard-won but easily lost, making long-term commitment essential. Empowered by online reviews and social media, customers demand authenticity. Trust hinges on cybersecurity measures that safeguard sensitive information in the digital realm. Businesses that prioritize customer concerns and feedback display genuine dedication. Customer trust extends beyond transactions, evolving into believing in a brand's values and a conviction that their best interests are always prioritized.

2-4- Customer Loyalty

Positive interactions and emotional connections between a brand and its customers culminate in customer loyalty [30]. It signifies a deep-seated commitment that goes beyond transactional engagement. Loyalty isn't merely a result of satisfaction; it's an ongoing relationship built on consistent value delivery, personalized experiences, and understanding customer needs [31]. Brands that excel in creating memorable experiences and meeting expectations breed loyalty. A sense of belonging and identification with a brand's values foster an emotional bond that's hard to break [32]. Loyalty programs, offering rewards and exclusive benefits, can incentivize repeat business and reinforce this connection. Transparent communication during challenges and swift issue resolution further solidify loyalty. In today's interconnected world, loyal customers become advocates, spreading positive word-of-mouth and extending a brand's reach. However, loyalty is fragile and necessitates ongoing efforts to maintain and nurture it [33]. Brands must continually innovate and evolve to keep up with changing customer preferences, ensuring that the trust and rapport upon which loyalty rests remain unshaken.

2-5- Repurchase Intention

As a critical element in business, repurchase intention reflects a customer's likelihood to revisit a brand for future purchases [34]. It's shaped by many factors contributing to the overall customer experience. Product quality and performance play a pivotal role; consistently delivering high-quality products builds confidence and increases the likelihood of customers returning [35]. Customer service and support profoundly influence repurchase intentions [36, 37]. Swift issue resolution, attentive assistance, and personalized interactions create a positive impression that encourages customers to return [7, 38]. Pricing and value for money are significant drivers. Customers weigh the perceived benefits against the cost, and a fair balance can sway their decision to repurchase [21].
Additionally, convenience is a critical factor in repurchase intention. Easy navigation of online platforms, hassle-free payment processes, and efficient delivery contribute to customer satisfaction [21]. Brand reputation and image also impact repurchase intention. Positive reviews, word-of-mouth recommendations, and alignment with personal values create a favorable perception that encourages repeat business.

Moreover, innovation and adaptation are essential to maintaining repurchase intentions [36]. Brands that continuously introduce new features, products, or services cater to evolving customer preferences and demonstrate their commitment to staying relevant. Loyalty programs, offering incentives and rewards for repeat purchases, enhance repurchase intention by fostering appreciation and exclusivity [19]. However, it's important to note that negative experiences, such as poor product quality, unresolved issues, or deceptive practices, can severely damage repurchase intentions [29]. In a competitive market, cultivating repurchase intention demands a holistic approach that focuses on multiple touchpoints, aligns with customer expectations, and consistently delivers value beyond the initial purchase.

### 2-6- Interplay in Retail Communication Marketing Strategy Concerning Loyalty

The interplay linking retail communication, marketing strategy, and loyalty is intricate and symbiotic, marked by a significant interplay that profoundly influences consumer behavior. Marketing communication crafted to enlist consumer loyalty empirically is very important [39, 40]. A meticulously crafted communication strategy, orchestrated across various platforms and channels, fosters brand recognition, trust, and engagement. As customers are consistently exposed to cohesive brand messaging and experiences, their affinity for the brand deepens, forming the foundation for loyalty.

A robust retail communication marketing strategy ensures customers comprehend a brand's values and offerings and feel personally connected [16]. This personalized connection is instrumental in engendering an emotional bond that transcends transactional interactions, fortifying loyalty. Clear and consistent messaging, interactive elements, and tailored content resonate with consumers personally, establishing a sense of belonging that encourages them to choose the brand repeatedly.

Moreover, such a strategy bolsters customer satisfaction, which, in turn, is a linchpin of loyalty. A strategy that effectively addresses customer needs communicates value and showcases the brand's commitment to meeting expectations, cultivating a satisfied customer base. Inextricably linked to loyalty, this satisfaction encourages customers to remain steadfast in their patronage and even advocate for the brand among their peers. A well-executed retail communication marketing strategy can catalyze nurturing loyalty by forging emotional connections, ensuring consistent satisfaction, and enhancing the overall customer experience. The strategy's power to resonate with customers on an emotional level and foster ongoing engagement is instrumental in fostering loyalty in customers and ensuring sustained business success.

### 2-7- Interlinks in Customer Satisfaction and Loyalty

The interlinks between customer satisfaction and loyalty are intricate and influential, forming the cornerstone of successful business strategies. Customer satisfaction is the foundation upon which loyalty is built, as satisfied customers are more likely to continue their patronage, becoming repeat buyers and advocates [18]. Positive experiences create emotional bonds, enhancing the likelihood of customers recommending a brand to others [41]. On the other hand, loyalty amplifies customer satisfaction's impact [30]. Loyal customers are more forgiving of occasional shortcomings and provide a consistent revenue stream, reducing customer acquisition costs [32].

Moreover, their enthusiasm and positive word-of-mouth contribute to organic growth. Businesses often employ customer feedback loops to enhance satisfaction, which nurtures loyalty. Listening to customers' needs, preferences, and concerns allows for targeted improvements that resonate with the audience. Conversely, loyal customers are more likely to provide valuable feedback, helping brands fine-tune their offerings [1]. Personalization, a key element in nurturing loyalty, stems from understanding customer preferences through satisfaction-related interactions. However, this relationship is delicate; even a single negative experience can rupture satisfaction and loyalty. Hence, a proactive approach to resolving issues is vital [42].

Customer satisfaction and loyalty hold even greater significance in today's interconnected landscape, where competition is fierce. Leveraging technology and data analytics to understand customer behavior, preferences, and pain points can enhance both realms [16]. Businesses can forge lasting relationships by striving for a holistic customer experience that surpasses mere transactions [19]. Thus, recognizing and managing the symbiotic relationship between satisfaction and loyalty is essential for sustained growth and success.

### 2-8- The Relationship between Satisfaction and Trust

The empirical relationship between satisfaction and trust is dynamic and mutually reinforcing, intricately intertwined within consumer behavior [30]. Research consistently demonstrates that higher levels of customer satisfaction often lead to increased trust in a brand or company [34]. When customers consistently experience positive interactions, reliable product quality, and effective problem resolution, their confidence in the brand's abilities grows [34, 43]. This positive perception transforms into a foundation of trust as customers believe the brand will consistently deliver on its promises.
Conversely, trust also plays a pivotal role in shaping satisfaction levels. Customers who trust a brand are more likely to engage in repeat purchases and feel more satisfied with their overall experiences [30, 44]. Trust acts as a buffer against minor hiccups, fostering forgiveness and understanding in the face of occasional setbacks. Empirical studies show that when customers believe a brand has their best interests at heart, they are more willing to overlook isolated negative experiences and continue their patronage, leading to sustained satisfaction.

Ultimately, this relationship showcases the symbiotic nature of satisfaction and trust. They are not isolated concepts but interconnected forces reinforcing each other [43]. Businesses that recognize and prioritize this relationship can create a virtuous cycle where increasing satisfaction levels drive higher levels of trust and vice versa, fostering enduring customer relationships and sustainable growth.

2-9-Interlinks in Customer Trust and Loyalty

The interlinks between trust and loyalty are fundamental drivers of consumer behavior, extensively explored through research and observations. Studies consistently reveal trust is a cornerstone of customer loyalty [43]. When customers perceive a brand as trustworthy—demonstrating reliability, transparency, and ethical conduct—it cultivates a sense of security and confidence [24]. This, in turn, leads to enhanced customer loyalty, as individuals feel comfortable committing to a long-term relationship with a brand they trust.

Furthermore, trust influences the emotional connection that underpins loyalty. Customers who trust a brand are more likely to develop an emotional attachment, which is crucial for fostering deep-rooted loyalty. Empirical evidence highlights that brands that garner high levels of trust often experience higher customer retention and advocacy [32]. Loyal customers become brand advocates, spreading positive word-of-mouth and extending a brand's reach.

Conversely, loyalty can also drive trust [1]. Repeat purchases and positive experiences create a familiarity that bolsters trust in a brand's consistency and quality. Customers who have had consistently positive interactions are more inclined to believe that their future experiences will be equally satisfactory, reinforcing their trust. The interlinks in trust and loyalty showcase a cyclical process where trust begets loyalty, and loyalty, in turn, solidifies trust. Businesses that build trust through transparent practices, exceptional service, and consistent quality will likely enjoy increased customer loyalty, translating into sustained success and growth.

2-10-Relationship between Loyalty and Repurchase Intention

Customer loyalty is the main factor predicting intention to repurchase [32]. Repurchase intention connotes consumers' will to purchase [44]. Loyal customers who are emotionally connected to a brand and consistently make repeat purchases exhibit a heightened inclination toward repurchasing intentions [45]. Their positive experiences and trust in the brand's offerings foster a sense of commitment, translating into a higher likelihood of future purchases. Empirical studies consistently illustrate that loyalty significantly influences repurchase intention, as loyal customers prioritize a brand's familiar and reliable choices [32]. Based on a customer satisfaction survey in Sweden, customer loyalty is positively related to repurchasing [46]. Satisfied consumers' loyalty will increase, so the possibility of repurchasing increases [45].

Conversely, repurchase intentions can reinforce loyalty. When customers consistently choose a brand, their behavior aligns with loyalty patterns [37]. This commitment solidifies over time, developing into emotional attachment and brand affinity. Research indicates that loyal customers are more likely to actively consider repurchasing from a brand they have had positive experiences with [24].

3- Research Methods

This research adopts a theoretical framework that harmoniously blends elements from both descriptive and verification methodologies. The primary objective is to gain a holistic understanding of hypermarket consumer behavior, specifically focusing on the impact of marketing strategies on customer satisfaction, trust, loyalty, and repurchase intentions. The descriptive research approach forms the foundational basis, delving into consumer perceptions, preferences, and satisfaction within the hypermarket context. Complementing this, the verification research approach introduces hypothesis testing to establish causal links between variables, particularly examining how the retail marketing mix strategy influences customer satisfaction, trust, loyalty, and repurchase intentions. This combined theoretical approach, supported by rigorous analytical tools, ensures a comprehensive exploration of hypermarket consumer behavior and the effectiveness of marketing strategies in shaping it.

A critical aspect of our research is sample selection. We opted for a non-probability sampling method, employing purposive sampling techniques. Criteria such as age and shopping frequency were carefully chosen to ensure the sample's relevance and representativeness. This approach enhances the validity and reliability of our findings. The research population consisted of individual consumers of hypermarket goods who made purchases at hypermarkets such as Giant, Lottemart, and Matahari Hypermart in Bandung. The sample was selected using a non-probability sampling method with a purposive sampling technique. The criteria for selecting respondents were as follows:

a) At least 17 years old, assuming maturity and understanding of the questionnaire.

b) Purchase and use of consumer products at hypermarkets (Giant, Lottemart, Hypermart), with a minimum of 2 visits within the past 6 months to ensure sufficient experience for assessment.
The sample size was determined based on the requirements of the proposed hypothesis and the use of SEM, resulting in 150 samples, with 50 respondents allocated to each hypermarket.

We chose a survey methodology to gather empirical evidence for hypothesis testing and collect data on consumer behavior and perceptions, as it aligns well with descriptive research. Surveys offer a standardized approach to gathering insights, employing Likert scales for consistency and systematization in data collection. We assessed various variables, including marketing strategy, satisfaction, trust, and customer loyalty, using a five-point Likert scale, where responses span from 'Strongly Disagree' (1) to 'Strongly Agree' (5). This survey-based approach is a pivotal component of our research methodology, enabling us to explore and measure key aspects of hypermarket consumer behavior systematically.

Our research employs several analytical tools to extract meaningful insights from the collected data. Confirmatory Factor Analysis (CFA) aids in identifying and consolidating factors within the retail marketing mix strategy, leading to the formation of the retail marketing strategy factor. Structural Equation Modeling (SEM) with Partial Least Squares (PLS) is instrumental in modeling complex relationships among key variables. Additionally, BiPlot analysis sheds light on how hypermarket products are perceived by customers based on demographic characteristics and their association with the retail marketing mix strategy factor. This research uses five variables, namely retail marketing mix, customer loyalty, customer trust, repurchase intention, and customer satisfaction, with 40 indicator variables. The research variables were operationalized, as depicted in Table 1.

### Table 1. Operationalization of Research Variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Source</th>
</tr>
</thead>
</table>
| **Customer Satisfaction** (the result of evaluations of what they expect) | X₁: Expectations met  
X₂: Made the right decisions  
X₃: General satisfaction  
X₄: Hypermarkets satisfy customer’s needs | [1, 2, 22] |
| **Customer Trust** (customer’s belief that the service provider has reliability and competence) | X₁: The ability of an object to continue to meet its obligations  
X₂: Belief about reliability  
X₃: Belief about safety  
X₄: Belief about honesty  
X₅: Overall brand trust | [47] |
| **Retail Service Quality** | X₁: Product display is important  
X₂: Staff’s courteousness is important  
X₃: Product warranty/guarantee is important  
X₄: Sales personnel’s skills are important  
X₅: Importance of a variety of products  
X₆: Importance of price labels  
X₇: Ease of payment options | |
| **Marketing Mix** (a marketing strategy that refers to several variables where retailers can combine these variables to become alternative ways to attract consumers) | X₁: Importance of variety in products & quality  
X₂: Importance of durable products  
X₃: Importance of good quality food commodities  
X₄: Importance of good product info  
X₅: Importance of reliable products  
X₆: Importance of innovation in products | [1] |
| **Prices** | X₁: Importance of affordability  
X₂: Importance of discounted prices  
X₃: Importance of acceptable prices  
X₄: Importance of promotions on prices  
X₅: Importance of varied prices  
X₆: Importance of discounted quantities | |
| **Retail Store Attributes** | X₁: Attribution as a large-scale retailer  
X₂: Entertainment in the store (Audio/Video)  
X₃: Vehicle accessibility and safety  
X₄: Ambience, design, and decor  
X₅: Location is important  
X₆: Pledge to keep shopping  
X₇: Encourage others to the experience | [1, 2, 43] |
| **Customer Loyalty** (customer commitment to make consistent repeat purchases of a preferred brand or service regardless of situational and marketing efforts to influence switching behavior) | X₁: Hypermarket is the first choice for me  
X₂: Continue shopping despite any price increments  
Y₁: I have the intention to repurchase at hypermarket  
Y₂: I will likely repurchase at the hypermarket  
Y₃: Expectation future repurchase | |
| **Repurchase Intention** (Post-purchase behavioral intention which is influenced by loyalty, complaint, and switching intention) | | |
3-1- Validity and Reliability Test

Data validity is ascertained through correlation analysis, wherein data is considered valid if it demonstrates significance and correlation coefficients surpass predetermined thresholds. Concurrently, reliability is evaluated using the Composite Reliability method, ensuring the stability and consistency of our measurement instruments. In the validation process, we employ the product-moment correlation method (Pearson's correlation) to examine the correlation of item scores with a total score derived from the summation of individual item scores. For data to be deemed valid, it must meet two criteria: (1) exhibit a significance level <0.05, and (2) possess a correlation coefficient > 0.300. Furthermore, the validity of the research construct is reinforced by inter-item correlation, which should manifest correlation values above 0.60 (Table 2).

Meanwhile, we assess instrument reliability using the Composite Reliability method, which gauges the stability and constancy of our measuring instrument. These validation and reliability processes are aligned with the criteria outlined by Lai [48] and contribute to the robustness of our research.

<table>
<thead>
<tr>
<th>No</th>
<th>Item</th>
<th>Pearson Correlation</th>
<th>Inter-item Correlation</th>
<th>Remarks</th>
<th>Variable</th>
<th>Composite Reliability</th>
<th>Reliability Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>X_{1.1}</td>
<td>0.829</td>
<td>0.813</td>
<td>Valid</td>
<td>X_1</td>
<td>0.893</td>
<td>Very High</td>
</tr>
<tr>
<td>2</td>
<td>X_{1.2}</td>
<td>0.846</td>
<td>0.853</td>
<td>Valid</td>
<td>X_2</td>
<td>0.859</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>X_{1.3}</td>
<td>0.829</td>
<td>0.825</td>
<td>Valid</td>
<td>X_3</td>
<td>0.937</td>
<td>Very High</td>
</tr>
<tr>
<td>4</td>
<td>X_{1.4}</td>
<td>0.783</td>
<td>0.796</td>
<td>Valid</td>
<td>X_4</td>
<td>0.920</td>
<td>Very High</td>
</tr>
<tr>
<td>5</td>
<td>X_{2.1}</td>
<td>0.714</td>
<td>0.746</td>
<td>Valid</td>
<td>X_5</td>
<td>0.938</td>
<td>Very High</td>
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<tr>
<td>6</td>
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<td>X_6</td>
<td>0.927</td>
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</tr>
<tr>
<td>7</td>
<td>X_{2.3}</td>
<td>0.831</td>
<td>0.811</td>
<td>Valid</td>
<td>X_7</td>
<td>0.945</td>
<td>Very High</td>
</tr>
<tr>
<td>8</td>
<td>X_{2.4}</td>
<td>0.753</td>
<td>0.716</td>
<td>Valid</td>
<td>X_8</td>
<td>0.955</td>
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</tr>
<tr>
<td>9</td>
<td>X_{2.5}</td>
<td>0.589</td>
<td>0.601</td>
<td>Valid</td>
<td>X_9</td>
<td>0.963</td>
<td>Very High</td>
</tr>
</tbody>
</table>
Here is an overview of the research methodology flowchart used in this study (Figure 1):

![Research Method Flowchart]

Figure 1. Research Method Flowchart
4- Results

The retail business has developed quite rapidly, marked by the increasing number of traditional retail businesses starting to reform themselves into modern retail businesses and the emergence of new modern retail businesses. Retail must have certain characteristics or characteristics that are different from its competitors and can be superior to win over consumers. To maintain survival, progress, and competitive advantage, retailers must strive to implement a marketing mix strategy expected to foster repurchase interest.

Bandung is a city with a large market space. It makes competition in the retail business (modern retail) even more competitive. The condition of the population of the city of Bandung continues to increase. This is reflected in the data from the BPS (Statistics Indonesia). Over the past 20 years, from 2001 to 2021, the number of residents in Bandung has increased to 306,540. BPS (Statistics Indonesia) data states that in 2001, the population in Bandung City reached 2,146,360 people. Over the next 10 years, in 2011, to be precise, the population increased by 278,597 people. Hence, the total population of Bandung City reached 2,424,957 people, with a population density reaching 14,494 people per square kilometer. Then, 10 years later, to be precise, in 2021, the population of Bandung City will increase again. If calculated from 2001 to 2021, the total population increase in the city of Bandung reached 306,540 people, so in that year, the number of residents in the city of Bandung was recorded as reaching 2,452,900 people, with a population density of 14,388 people per square kilometer [49].

This has consequences for business people to be able to implement appropriate marketing strategies to maintain or even expand their market share. One of the methods is to ascertain the effectiveness of the marketing mix strategy, trust, satisfaction, and loyalty in predicting repurchase intention and perceptual mapping between users and marketing strategy.

4-1- Characteristics of Hypermarket Customers in Bandung Based on Demographic Segmentation.

The findings of this study reveal valuable insights into the demographic profile of hypermarket customers in Bandung. As most customers are male (51.30%) and fall within the age group of 18–29 years (65.33%), it highlights a specific target audience for hypermarkets. This demographic segment tends to be more tech-savvy and socially active, often seeking convenience in their shopping experiences. Furthermore, the significant proportion of married customers (53.30%) without children (54.67%) suggests that this customer base may prioritize products and services that cater to young couples or individuals without family responsibilities.

The observation that most customers hold at least a bachelor's degree (53.30%) may indicate a relatively educated consumer base with higher expectations regarding product quality and service. Their earning capacity, mostly within the range of 2 million to 3 million rupiah (27.30%), can influence their purchasing power and preferences. Additionally, the dominance of private employees and individuals in other professions (82%) among hypermarket customers underscores the importance of considering their specific needs and preferences in marketing strategies.

Segmenting customers based on these demographic variables can significantly benefit hypermarkets. By identifying this relatively homogeneous customer segment, retailers can tailor their product offerings, pricing strategies, and marketing campaigns to align with the preferences and behaviors of this group. For instance, hypermarkets can curate product assortments that resonate with the lifestyle and preferences of young, educated individuals and couples. They can also invest in technology-driven solutions and services to cater to the tech-savvy nature of this demographic.

Moreover, understanding the demographic profile of customers allows retailers to strategically combine elements of the retail mix, such as product assortment, pricing, promotion, and store atmosphere, to create a store image that appeals to their target market. The store's image influences consumer perceptions and can drive customer loyalty and satisfaction.

This segmentation approach provides hypermarkets in Bandung with actionable insights to enhance their competitiveness in the modern retail industry. By aligning their strategies with this demographic segment's specific characteristics and preferences, retailers can better meet the needs of their target audience and create a shopping experience that fosters loyalty and growth.

4-2- Analyzing the Marketing Mix Strategy Underlying Hypermarket Customer Loyalty

Conceptually, effective retail is a management orientation focusing on ascertaining targeted market needs and striving to effectively fulfill those needs better than the competition [5]. Business managers must implement a retail mix strategy to foster consumer buying interest and achieve competitive advantage. The effectiveness of marketing strategies in retailing is paramount to maximizing customer satisfaction and gaining loyal customers [1]. Consumer loyalty means consumers are willing to shop at retail locations and reluctant to subscribe to competing retailers.

In carrying out their business, hypermarkets in Bandung study the stages of buying their products and develop an appropriate retail mix strategy to attract consumer attention and retain loyal customers. Besides that, they also try to understand customer behavior concerning products by mapping customer consumption systems, customer activity cycles, or customer scenarios, and the factors underlying consumers' loyalty to retailers.
In this study, the factors of retail mix strategy that influence consumer loyalty to products in hypermarkets are examined using 24 variable indicators into 4 predetermined factors (based on marketing mix theory). The analysis of the factors shows a KMO index value of 0.901, which means that the factor analysis model is very precise, and Barlett's Test of Sphericity (BTS) value is 2882.344 and a significance of 0.00000. The BTS value, which is relatively large, indicates that the correlation between variables in the population is relatively unrelated or has a weak relationship, so it can be said that the factor analysis model has high accuracy. The community value is the correlation number between certain variables and factors formed at 0.5, indicating a strong correlation between retail variables and factors of quality services, price strategy in retail, and attributes of the stores.

From the factor analysis results, 24 explanatory variables belonging to 4 factors with a loading factor of more than 0.50 have relatively large variations, namely 70.078% of all variables, as displayed in Table 3.

Table 3. Factors of the Marketing Mix Strategy Determining Hypermarket Customer Loyalty (Primary Data, Processed, 2017)

<table>
<thead>
<tr>
<th>Factor</th>
<th>Eigen Value</th>
<th>Variable</th>
<th>Cumulative</th>
<th>Variable &amp; Factor Loading</th>
<th>Factor Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5.100</td>
<td>21.250</td>
<td>21.250</td>
<td>X_{11} (0.733)</td>
<td>Retail Service Quality</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{12} (0.774)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{13} (0.836)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{14} (0.810)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>X_{15} (0.737)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{16} (0.691)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{17} (0.656)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>4.414</td>
<td>18.391</td>
<td>39.641</td>
<td>X_{21} (0.788)</td>
<td>Retail Pricing Strategy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{22} (0.844)</td>
<td></td>
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<tr>
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<td></td>
<td></td>
<td></td>
<td>X_{23} (0.835)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{24} (0.855)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{25} (0.593)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{26} (0.501)</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>3.876</td>
<td>16.150</td>
<td>55.791</td>
<td>X_{31} (0.816)</td>
<td>Retail Store Attributes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{32} (0.812)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{33} (0.652)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{34} (0.706)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{35} (0.515)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>3.429</td>
<td>14.286</td>
<td>70.078</td>
<td>X_{41} (0.573)</td>
<td>Retail Product Quality</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{42} (0.615)</td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
<td></td>
<td>X_{43} (0.641)</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>X_{44} (0.579)</td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{45} (0.559)</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X_{46} (0.503)</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 illustrates that the four factors produced can be defined based on the variable indicators that make it up, except for the variable indicator X46 (product innovation), which is incorporated into the retail store attribute factors. The variables with the highest loading are more dominant in forming factors. Dimensions of Retail Service Quality, which has the dominance and the most important role. The second, third, and fourth factors are the dimensions of Retail Pricing Strategy, Retail Store Attributes, and Retail Product Quality.

The relationship between marketing mix strategies can bring about customer loyalty and reduce costs, enabling a better understanding of customers’ needs [39]. A marketing mix positively impacts satisfaction and loyalty [50]. In support of this assertion, the essential aspects of service in a marketing mix positively affect customer satisfaction [51].

4-3- Hypothesis Testing

The PLS is a statistical approach used to examine hypothesized relationships. It's particularly suited for analyzing relationships in structural equation modeling. To assess these relationships, bootstrapping is employed. Bootstrapping involves repeatedly sampling the dataset to create multiple subsamples, from which estimates are generated. In PLS, bootstrapping helps ascertain the reliability and significance of the relationships between variables, providing robustness against small sample sizes and non-normal data distributions. The outputs from this study’s bootstrapping test are illustrated in Figure 2. By generating numerous subsamples and calculating parameter estimates for each, bootstrapping yields confidence intervals and p-values. This process strengthens the validity of results and enhances the understanding of how variables interact in the model.
The hypothesis is assessed by analyzing the value of the inner weight output result. The significance value of this output will offer insights into the connection between the research variables. The outcomes of the direct bootstrapping examination conducted during the PLS analysis are displayed in Table 4.

### Table 4. Results for Inner Weights (Primary Data, Processed, 2017)

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Sample Mean</th>
<th>St. Dev.</th>
<th>St. Error</th>
<th>T-Stats</th>
</tr>
</thead>
<tbody>
<tr>
<td>CL (Customer Loyalty) → RI (Repurchase Intention)</td>
<td>0.729862</td>
<td>0.054956</td>
<td>0.054956</td>
<td>13.280879</td>
</tr>
<tr>
<td>CS (Customer Satisfaction) → CL (Customer Loyalty)</td>
<td>0.172808</td>
<td>0.140839</td>
<td>0.140839</td>
<td>1.226991</td>
</tr>
<tr>
<td>CS (Customer Satisfaction) → TR (Customer Trust)</td>
<td>0.666479</td>
<td>0.072997</td>
<td>0.072997</td>
<td>9.130173</td>
</tr>
<tr>
<td>MMA (Marketing Mix Strategy) → CL (Customer Loyalty)</td>
<td>0.141557</td>
<td>0.140839</td>
<td>0.140839</td>
<td>1.226991</td>
</tr>
<tr>
<td>TR (Customer Trust) → CL (Customer Loyalty)</td>
<td>0.155878</td>
<td>0.127938</td>
<td>0.127938</td>
<td>1.218385</td>
</tr>
</tbody>
</table>

Hypothesis 1 posits a substantial impact of marketing strategy mix variables on hypermarket customer loyalty in Bandung. However, as depicted in Table 4, the association between the marketing mix strategy (MMA) and customer loyalty (CL) lacks significance, evident from a T statistic of 0.60, falling short of the threshold of 1.96. The original sample estimate value, standing at 0.14, reveals a positive but non-significant direction in the relationship between retail marketing mix strategy and loyalty. Consequently, the H1 hypothesis is invalidated, indicating that the presence of a marketing mix doesn’t significantly drive customer loyalty. Strikingly, Bandung’s hypermarket marketing mix strategy emerges as a non-essential factor directly impacting customer satisfaction.

Hypothesis 2 explores the significant influence of customer satisfaction on hypermarket customer loyalty in Bandung. The relationship between satisfaction (CS) and loyalty (CL) appears insignificant, supported by a T statistic of 1.23, below the 1.96 benchmark. The original sample estimate value is 0.17, indicating a constructive, albeit non-significant, link between satisfaction and loyalty. Consequently, the H2 hypothesis is refuted, highlighting that satisfaction doesn’t automatically translate into loyalty among hypermarket shoppers in Bandung. An intriguing phenomenon arises: over half of the customers express satisfaction with the provided services, and a hypermarket’s choice aligns well with their preferences.

Hypothesis 3 underscores the influence of customer satisfaction variables on hypermarket customer trust in Bandung. The correlation between satisfaction (CS) and trust (TR) proves significant, boasting a T statistic of 9.13, surpassing the 1.96 threshold. The original sample estimate value, quantified at 0.67, signifies a positive and significant alignment between satisfaction and trust. Consequently, the H3 hypothesis stands validated. Customers’ substantial satisfaction with the offerings and their appropriateness to meet needs and preferences, coupled with the perception of the hypermarket’s competence, reliability, security, and honesty, fosters the growth of trust in the retail store. Prior research has also attested to the affirmative correlation between trust and satisfaction [52], emphasizing satisfaction’s role as a precursor to trust in service providers [43].

Hypothesis 4 looks into the potential impact of the trust variable on hypermarket customer loyalty in Bandung. However, the association between trust (TR) and loyalty (CL) proves non-significant, registering a T statistic of 1.2, below the benchmark of 1.96. The original sample estimate value, standing at 0.15, signifies a positive but insignificantly influential relationship between trust and loyalty. Consequently, the H4 hypothesis is invalidated. The outcomes of
customer responses underscore that while there's a belief in hypermarkets' ability to fulfill needs, assure reliability, uphold safety standards, and embody honesty, these factors do not invariably shape loyalty. The oscillating desire to shop elsewhere, the influence of others' preferences, non-primary store choices, and price considerations hint at loyalty's vulnerability. A potential price increase might swiftly sway loyalty, as evidenced by the comparably small distinction between loyal and switching respondents. This empirical insight corroborates the limited impact of trust on loyalty.

Shifting to Hypothesis 5, which probes the effect of customer loyalty on the intention to repurchase hypermarket products in Bandung, the relationship between customer loyalty (CL) and repurchase intention (RI) manifests as positive and substantial, characterized by a T statistic of 13.28, surpassing the 1.96 threshold. The original sample estimate value, quantified at 0.72, confirms a constructive and significant connection between loyalty and repurchase intention. Consequently, the H5 hypothesis is affirmed. This outcome demonstrates the positive relationships between customer satisfaction, trust, loyalty, and repurchase intention [2]. Similarly, it reveals a notable and positive influence between commitment and repurchase intention [5].

Positioning analysis of hypermarket products in Bandung in the customer's mind based on the user (demographic segment) and marketing mix strategy.

The way to build loyalty is to develop a clear and precise strategy and create an emotional connection with consumers through loyalty programs. The main key to successful positioning lies in the perception it creates. In this study, marketing mix strategy factors can create hypermarket customer perceptions using BiPlot analysis, an analytical tool used to perform positioning and perceptual mapping of objects (products, services, or companies).

Figure 3 illustrates the factors represented by directed vectors, wherein the Biplot analysis employs a correlation matrix to elucidate the relationships. The angles between the vectors correspond to the correlations. Notably, the vectors denoting factor 1 (Quality of Retail Workers) and factor 3 (Attributes of Retail Stores) form a relatively compact angle, indicating a high correlation between these two factors. By amalgamating the marketing mix strategy factors with demographic segment conditions, additional insights are generated that would be absent if each were plotted independently. The figure demonstrates that customers with limited educational attainment and those employed by state-owned enterprises (Parastatals) prominently cluster around or closely align with all the formulated factors. This implies that these customers exhibit strong engagement across these four factors, subsequently fostering loyalty toward hypermarket products. These findings underscore that relationship marketing strategies facilitate comprehension of customer needs, bolster customer loyalty, and diminish costs [39]. Additionally, the marketing mix positively influences satisfaction and loyalty [39].

**Marketing Mix Strategy Factors:** F1 (Retail Service Quality); F2 (Retail Price Strategy); F3 (Retail Store Attribute); F4 (Retail Product Quality)

**Demographic:** Low Ed. (low education); Mid Ed. (Secondary education); Hi. Ed. (Higher Education); C.S. (Civil Servants); Pvt. Emp. (Private Employees); Pr. Emp. (Employees of Parastatals); Entrepreneurs; and Other Jobs. Hi. Income (High Income); Mid. Income (Middle Income) and Low Income.
5- Conclusion

The study's findings yield several significant conclusions. Firstly, an analysis of demographic variables reveals that most hypermarket customers in Bandung are young males aged 18 to 29, married, without children, possess a Bachelor's degree, belong to the middle-income category, and work in the private sector or other professions. Secondly, the cornerstone for fostering customer loyalty within Bandung's hypermarkets lies in a comprehensive retail marketing mix strategy, encompassing elements such as Retail Service Quality, Retail Price Strategy, Retail Store Attributes, and Retail Product Quality. Notably, the most influential factor shaping customer loyalty is Retail Service Quality. Thirdly, the research establishes positive correlations between the retail marketing mix strategy, customer satisfaction, trust, loyalty, and their combined influence on predicting repurchase intentions within the hypermarket retail sector. While the connections between the marketing mix strategy and loyalty and between satisfaction and loyalty lack significance, the link between satisfaction and trust proves significant. Trust, although not a significant predictor, and loyalty significantly influence repurchase intentions. Lastly, the BiPlot analysis, examining various demographic segments concerning the four underlying factors, reveals that customers with lower education levels and those employed by state-owned enterprises (Parastatals) are notably associated with or closely connected to all the identified factors.

6- Declarations

6-1- Data Availability Statement

The data presented in this study are available on request from the corresponding author.

6-2- Funding

The author received no financial support for the research, authorship, and/or publication of this article.

6-3- Institutional Review Board Statement

Not applicable.

6-4- Informed Consent Statement

Not applicable.

6-5- Conflicts of Interest

The author declares that there is no conflict of interest regarding the publication of this manuscript. In addition, the ethical issues, including plagiarism, informed consent, misconduct, data fabrication and/or falsification, double publication and/or submission, and redundancies have been completely observed by the author.

7- References


