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The effect of retail brand and retail atmosphere on customer loyalty mediated by customer experience on kebab customers in Banda Aceh

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Abstract

The purpose of this study was to examine the effect of retail brand and retail atmosphere on customer loyalty mediated by customer experience for kebab customers in Banda Aceh. The population determined in this study were all kebab customers in Banda Aceh, which were unlimited in number. In this study, the minimum sample involved 120 respondents. The sample allocation for these three Kebab outlets was carried out proportionally, each Kebab outlet was represented by 40 respondents so that 3 outlets the number of respondents was 120. Data analysis used Structural Equation Modeling (SEM) AMOS version 22. The results showed that from 5 direct hypotheses, tested there is one that is not significant, namely the influence of retail brands on customer loyalty. This means that the brand on the kebab counter is not a lever variable to increase kebab customer loyalty. So that kebab counter owners can ignore this variable and prioritize other variables such as retail atmosphere or customer experience to increase customer loyalty. There are 2 indirect effects tested,

namely the indirect influence of retail brand on customer loyalty to kebab customers in Banda Aceh through customer experience mediation and indirect retail atmosphere influence on customer loyalty to Banda Aceh Kebab customers through customer experience mediation. Both show a significant influence. namely the indirect influence of retail brand on customer loyalty to kebab customers in Banda Aceh through customer experience mediation and indirect retail atmosphere influence on customer loyalty to Banda Aceh Kebab customers through customer experience mediation. Both show a significant influence. namely the indirect influence of retail brand on customer loyalty to kebab customers in Banda Aceh through customer experience mediation and indirect retail atmosphere influence on customer loyalty to Banda Aceh Kebab customers through customer experience mediation. Both show a significant influence.

Keywords: Retail Brand, Retail Atmosphere, Customer Loyalty, Customer Experience, Banda Kebab Customers, Almer Kebab Customers, Somad Kebab Customers, Banda Aceh

1. Introduction

Kebab is a fast food that is starting to be in demand by the Indonesian people, a fast food business that is growing, namely kebabs. Kebab is now becoming known in Indonesia, food originating from the Middle East is starting to be sold in a number of cities in Indonesia, including Banda Aceh City. Street vendor outlets selling kebabs are very easy to find on every protocol road section as well as on connecting roads between gampongs. Each kebab outlet has a different way of marketing their products and innovating their products. The current kebab business competition can be proven by the increasing number of kebab food products that have sprung up and offer various types of flavors with different variants from various brands. Most of these kebab businesses start with online sales for limited customers who order kebabs through Whatsapp media and then they are delivered using courier services. The next stage is when they open an outlet which is placed at a crowded point. Usually in front of a coffee shop and this strategy makes sales of kebab outlets increase up to 1,149% compared to the previous year (Banda Kebab, 2018). The reason for this is because the market size of buyers in coffee shops is getting bigger, both for customers who eat on the spot, those who take home and customers who place orders online through the Whatsapp application. In the growth of Kebab sales in Banda Aceh City, which have sprung up with various innovations and sales strategies so that the products marketed can sell well in the market. Understanding customer behavior is an important part of keeping customers loyal. Consumer loyalty is very important to maintain business continuity and the continuity of its business activities. Loyal customers are those who are very satisfied with certain products and services, so they have the enthusiasm to introduce them to anyone they know.

Then at the next stage, these loyal customers will expand their loyalty to other products made by the same manufacturer and in the end they are loyal consumers to certain producers or companies forever (Joko Bagio Santoso: 2019) ^[12]. Therefore, it is necessary to study customer loyalty. Customer loyalty is an important indicator in the sustainability of Banda Keabab outlets because customer loyalty will guarantee the buyer's commitment to buy continuously.

Consumer loyalty (customer loyalty) is a consumer's loyalty to goods or services that are used continuously. According to Kotler and Keller (2009:139) ^[14] customer loyalty is a customer's commitment to a brand and supplier, based on a positive attitude and reflected in consistent purchases. One of the factors in creating customer loyalty is the customer experience that is felt as long as the consumer uses the goods/services.

Banda Keabab customer loyalty is based on the results of a pre-survey regarding respondents' perceptions. The result is the average value obtained is only 3.30 on the linkert scale unit, which indicates that customer loyalty in the category is not good. Pre-Survey involving 30 respondents shows that 13 respondents who have repeatedly purchased Banda Keabab products but are reluctant to refer Banda Keabab products to others. While those who really refer and give a positive assessment when providing information to others are only 2 people. This indicates that Banda Keabab customers have not been loyal.

Building a trust in consumers is not easy, various kinds of competition that arise from competitors make a product must examine the experience felt by consumers when making a purchase of a product. Customer Experience (Customer Experience) as an internal and subjective response from customers in line with the company directly and indirectly. A direct relationship can occur where the customer purchases, uses and receives services intended for the customer. Indirect relationships can be in the form of unexpected interactions of representatives of the company's products, services or brands and positive recommendations or criticisms, advertisements, news, reports and so on (Meyer & Schwager 2007: 118) ^[17]. Based on the results of the pre-survey of Banda Keabab customer experience, it can be seen that the average acquisition of the customer experience variable is 3.37, meaning that the experience received by buyers of Banda Keabab products is still in the poor category. The relational aspect which is influenced by customer pride towards Banda Keabab products has an average of 3.19 which is included in the poor category. Of the 30 respondents, there were 3 people who strongly disagreed that Banda Keabab is a proud product, this shows that pride in Banda Keabab products is still low so that it can reduce customer interest in repurchasing Banda Keabab products. Similarly, the pragmatic aspect as measured by the buyer's response to the taste and price of Banda Keabab products has an average of 3.30 which means it is still not good.

To create a good customer experience, a comfortable retail atmosphere is needed. The store atmosphere will provide an experience that can attract customers to make repeat purchases. Store atmosphere (retail atmosphere) is an act of realizing that the sales environment must be considered carefully to determine consumer behavior. By knowing consumer behavior, it is expected to be able to find out the product tendencies that customers want specifically. (Turley

and Bolton, 1999) ^[22]. Because this Keabab outlet is in front of a coffee shop, for example Banda Keabab which is in front of Cut Nun Kopi, the atmosphere of Banda Keabab and Cut Nun is one unit. Banda Keabab customers who eat on the spot also occupy the table at Cut Nun. To provide a comfortable Cut Nun atmosphere to Banda Keabab customers, Banda Keabab must pay the daily rental fee to Cut Nun. Apart from getting daily payments from banda Keabab, Cut Nun also benefits from selling drinks to Banda Keabab customers who eat on the spot. So this situation gives rise to a symbiotic mutualism. Banda kebabs can provide a comfortable atmosphere for its customers. Keabab customers get a comfortable atmosphere of Cut Nun and Cut Nun can increase sales turnover from the presence of Banda Keabab in their store.

The results of observations made on aspects of *retail atmosphere* showing the number 3.01 means that Banda Keabab still has a bad perception of the retail atmosphere. The lowest score is on customer responses to the emerging environment and services provided by Banda Keabab employees. As a retailer that sells in coffee shops, this indicates a challenge that needs to be studied more deeply in order to create a comfortable retail atmosphere.

Observation of customer behavior will create a store atmosphere in accordance with the needs and desires of customers. Each outlet will have different characteristics, including dirty or clean, attractive or not, and grand or gloomy. This will bring up customer memories of the brand of an outlet (Retail Brand). Retail brands can be measured based on the advantages and services that are different from competitors provided by a retail brand (Zentes et al. 2008, p. 167) ^[23]. Retail brands have an important role in creating a pleasant shopping experience, retail brands are able to influence customer satisfaction and influence customers to come back (Bagdare and Jain, 2013).

Banda Keabab products are sold in retail booths at the Cut Nun Coffee Shop. Therefore, the retail atmosphere created by Banda Keabab will influence consumers to make purchasing decisions, in line with the results of research conducted by Putri Ayu Nuraisah. (2017) regarding the influence of store atmosphere in improving purchasing decisions, the result is that a retail atmosphere has a high influence on purchasing decisions.

With the increasing number of retailers selling similar Keabab products, Banda Keabab must have a retail brand attached to its consumers. Retail brands will influence consumers to make purchasing decisions. Iis Miati (2020) ^[9] conducted research on the influence of retail brands on the purchase decision of the Deenay Veil. The result is that retail brands have a significant influence on consumers' purchasing decisions to buy the Deenay Veil. Purchase decisions influenced by retail brands reached 38.2%. While the rest are other variables that have not been studied by Iis Miati.

Although the case in building the problem in this study highlights the conditions that exist in Banda Keabab, but for the purpose of generalizing the data, the object of this research is carried out at 3 (three) kebab outlets which are considered symmetrical with Banda Keabab, namely the outlet in front of the coffee shop where Keabab customers can also enjoy the atmosphere of the coffee shop. The additional two kebab outlets are Almer Keabab and Somad Keabab.

There have been many studies conducted related to consumer loyalty and its causal indicators, such as those conducted by

Bilgili, B., Candan, B., and Bilgili, S. (2014) [3] who have conducted research on the effect of product quality on customer satisfaction and loyalty. Also research on retail atmosphere and retail brand related to purchasing decisions. However, the influence of retail brand and retail atmosphere on customer loyalty has not been studied further. For this reason, the author tries to do research on the influence of retail brands and retail atmosphere on customer loyalty which is mediated by the experience received by customers.

Statement of the Problem

Kebab customer loyalty shows conditions that are not yet ideal. This is revealed from previous research conducted on limited respondents. Kebab customer loyalty based on the results of the pre-survey resulted in an average value of 3.30 on a 1-5 linkert scale unit. This indicates that customer loyalty in the category is not good, because the value is < 3.40. In the pre-survey involving 30 respondents, it was seen that there were 17 respondents who did not repurchase after their first purchase. Then from 13 respondents who bought back Kebab products, but were reluctant to refer this product to others. While those who really refer and give a positive assessment when providing information to others are only 2 people. This indicates that the customer is not fully loyal.

Research purposes

- To determine the effect of retail brand, retail atmosphere, customer experience on customer loyalty
- To find out the influence of retail brand and retail atmosphere, on customer experience
- To find out the indirect effect of retail brands on customer loyalty mediated by customer experience
- To find out the magnitude of the indirect effect of retail atmosphere on customer loyalty mediated by customer experience

2. Literature Studies

Retail Brand

Zentes et al. (2008, p. 167 in Das, 2015) [23] defines a retail brand as “a group of retail outlets that carry a unique name, symbol, logo, or combination thereof.” A retail brand is distinct from a product brand, and this entails dissimilarity in the application of many principles, although some can be the same (Ailawadi and Keller, 2004, p. 332) [2] The nature of retail brands is more multi-sensory than product brands, which makes retail brands dependent on customer experience Furthermore, Frow and Payne (2007) [7] describe customer experience as the overall impression experienced by consumers of a brand. In addition, the results of research from Imran Khan, Zillur Rahman (2015) [10] state that the planning and implementation of retail brand experiences can lead to positive customer experiences that can increase customer satisfaction and loyalty. Thus, consumer experience (customer experience) is strongly influenced by the brand of the store (retail brand).

In addition, the results of research from Imran Khan, Zillur Rahman (2015) [10] state that the planning and implementation of retail brand experiences can lead to positive customer experiences that can increase customer satisfaction and loyalty. This shows that the brand of outlets (retail brand) has an influence on consumer loyalty (customer loyalty).

H¹: Effect of retail brand on consumer experience (customer experience)

H³: Effect of retail brand on customer loyalty.

Retail Atmosphere

Retail atmosphere is an act of realizing that the sales environment must be considered carefully to determine consumer behavior. By knowing consumer behavior, it is expected to be able to find out the product tendencies that customers want specifically. (Turley and Bolton, 1999) [22]. One element of the retail marketing mix that can create a shopping atmosphere is the retail atmosphere. According to Coley and Burgess (2003) [5] the key to being able to attract and impress consumers with the shopping experience in an outlet is the Atmosphere. In addition, the results of research from Miralem Helme Falk, Bertil Hultén (2017) [18], state that the positive effect of Congruent cues is caused by the retail atmosphere of a store. This is shown through the impact of the non-visual atmosphere that affects the time spent, and the number of purchases made by customers. According to the explanation of the research results above, the atmosphere of the outlet (retail atmosphere) affects the consumer experience (customer experience).

H²: *The influence of the retail atmosphere on the consumer experience (customer experience)*

H⁴: The effect of retail atmosphere on customer loyalty

Customer Experience

Shaw & Ivens (2002) [22] say that Customer Experience is the interaction between organizations and customers. It is a mix of the organization's physical performance, which is sensory and emotional, each measured intuitively against the customer experience at all moments of contact. The customer experience is the stimulation made by the company to the consumer's senses. Companies can control the stimuli that have been given to consumers' senses. Therefore, companies can control consumer reactions resulting from the stimulation process, thus companies can direct the acquisition of customer experiences as expected by the company. Rini (2009, p.16) [19] argues that consumer experience begins to be created when what is felt by the five senses, heart and mind, so that it can place the purchase of a product or service in the larger context of life. Furthermore, Irawan (2006) [11] said that in simple terms, customer experience is a process, strategy and implementation of a company to manage the experience felt by consumers on a product or service. The results of research by Kenny Febrina Salim and Catherine; Dra. Fransisca Andreani, MM (2017) [13] who said that when the concept of customer experience has been implemented properly by a company to its consumers, it will create loyalty from these consumers. Therefore,

H⁵: *The effect of consumer experience (customer experience) on consumer loyalty (customer loyalty)*

Customer loyalty

Consumer loyalty (customer loyalty) is the loyalty of consumers to an item or service that has been used continuously. Kotler and Keller (2009:139) [14] have defined that consumer loyalty is a form of consumer loyalty to a brand, this is indicated by repeated purchases and positive perceptions by consumers.

Research Concept Framework

According to Hair, Joseph. F. (2012) [8]. The theoretical

framework is the foundation on which the entire research project is based. From the theoretical framework, hypotheses can be developed that can be tested to determine whether the formulated theory is valid or not. Then later it will be measured by appropriate statistical analysis. Referring to the theory and previous research, there is a relationship between the variables that have been described previously. For this reason, the authors build a research model as referred to in the following figure:

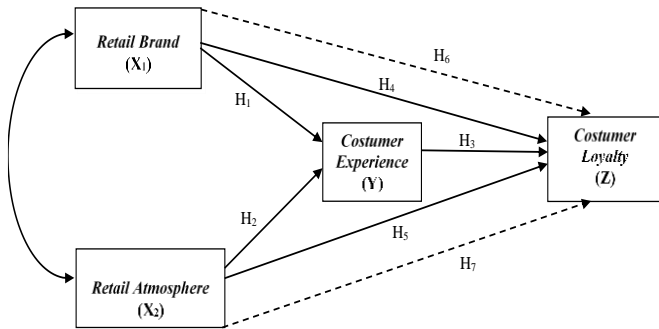


Fig 1.1: Research Model

3. Research Methods

Research Instruments

All measurement items were taken from previous studies to ensure validity; however, slight changes to the statement were made to suit the current analysis. Seven items of retail brand questionnaire were adapted from Magali Jara, Gerard Cliquet, (2011. Five items adopted from Bitner [15], (1992) were used to measure retail atmosphere, while customer experience was operationalized using six indicator items proposed by Gentile et al, (2007) For customer loyalty, adopting the six items used by Tjjiptono, (2005:173) [21]

A questionnaire with a 5-point Likert scale was used to collect data. In addition, this study uses in-depth interviews with several sources (informants) who represent the elements of providers and customers. This is done to obtain in-depth information related to the research variables and to support the results of quantitative analysis.

Sample Design and Data Collection

The population determined in this study were all kebab buyers in Banda Aceh. In data processing, to be able to use Structural Quational Modeling (SEM) analysis, the minimum sample taken is 5 times the number of indicators (Ferdinand, 2006) [6]. Referring to this opinion, the number of samples in this study amounted to the following:

$$\begin{aligned} \text{Sample} &= \text{Number of indicators} \times 5 \\ &= 24 \times 5 \\ &= 120 \end{aligned}$$

In this study, the minimum sample involved 120 respondents. The sample allocation for these three Kebab outlets is carried out proportionally, believe that each Kebab outlet is represented by 40 respondents so that 3 outlets the number of respondents is 120.

Data analysis

The data analysis technique in this research is descriptive and verification. Descriptive analysis was conducted to assess the

demographic profile of the respondents and the internal consistency of construction. While the verification analysis uses SEM (Structural Equational Modeling) to verify the path of the relationship between tourist experiences, destination image, and place attachments with environmentally responsible behavior. In addition, the SEM analysis software is IBM SPSS-AMOS version 22.

4. Results and Discussion

Table 1: Characteristics of Respondents

No.	Description	Percent	Freq.
1.	Age:		
	< 20 years	26.7%	32
	20 - 30 years	31.7%	38
	30 - 40 years	15.8%	19
2.	40 - 50 years	25.8%	31
	Marital status		
	Single	62.5%	75
	Marry	33.3%	40
3.	Widow	0.8%	4
	Widower	3.3%	1
	Last education		
	Junior high school	20%	20
	High school	26.7%	36
	Diploma	14.2%	17
	Bachelor	32.5%	39
	Postgraduate	6.7%	8
Amount		100%	120

Based on age, the majority of respondents came from the age group of 20-30 years as many as 38 people (31.7%). Based on marital status, it can be explained that as many as 75 people (62.5%) of respondents are unmarried and as many as 40 people (33.3%) of respondents are married. Then regarding the education level of the respondents, it can be explained that as many as 39 people (32.5%) of the respondents had the latest bachelor's education, 36 people (26.7%) had high school education. while the last postgraduate educated respondents were only 8 people (6.7%) of the total respondents studied.

Validity

Measurement Model

Convergent validity aims to determine the validity of each relationship between the indicator and its latent construct or variable. In this study, a loading factor limit of 0.50 will be used. From the measurement model calculations, there are 7 indicators that do not meet the requirements because they have a loading factor number below the required one, namely 0.5. So these two indicators must be eliminated. After being eliminated, the image of the new measurement model is:

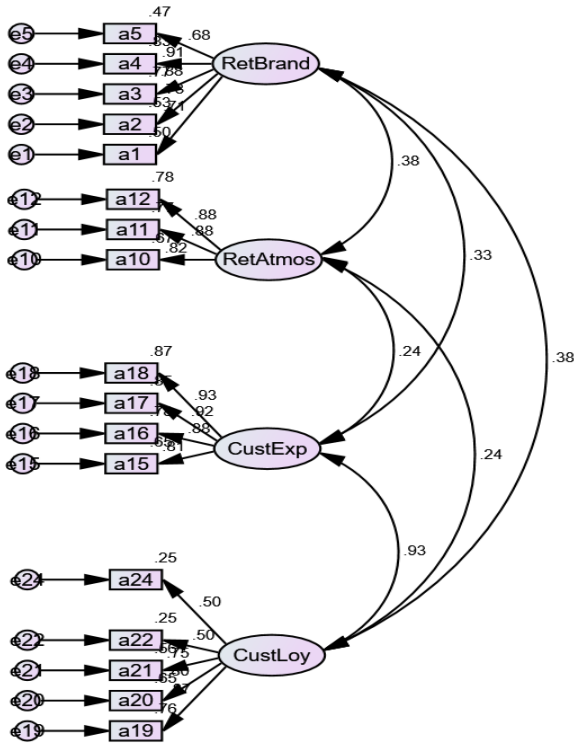


Image 4.1: Value of Loading Factor

Table 4.1: Convergent Validity Results

			Estimate
a1	<---	RetBrand	.710
a2	<---	RetBrand	.726
a3	<---	RetBrand	.880
a4	<---	RetBrand	.912
a5	<---	RetBrand	.685
a10	<---	RetAtmos	.817
a11	<---	RetAtmos	.880
a12	<---	RetAtmos	.884
a15	<---	CustExp	.809
a16	<---	CustExp	.885
a17	<---	CustExp	.923
a18	<---	CustExp	.934
a19	<---	CustLoy	.870
a20	<---	CustLoy	.804
a21	<---	CustLoy	.746
a22	<---	CustLoy	.500
a24	<---	CustLoy	.503

Source: AMOS Output Primary Data, 2021

Based on Table 4.1, it can be explained that all the variables used in this study are all valid, because they have a loading factor number > 0.50 so that all indicators in this research variable, namely Retail Brand, Retail Atmosphere, Customer Experience and Customer Loyalty are declared valid to be continued in next stage of research

Reliability Test

The reliability test intended in this study is to determine the extent to which the measurement results remain statistically consistent, namely by calculating the magnitude of the composite reliability of the data based on the estimated output obtained using Cronbach alpha. The results are as described in Table 4.3 which shows that the instrument in this study is reliable because its reliability coefficient value is greater than

0.60 (Malhotra, 2006) [16].

Table 4.2E: Research Variable Reliability Using Cronbach Alpha

No	Variable	Cronbach Alpha	Items	Information
1	Retail Brand	0.835	7	Reliable
2	Retail Atmosphere	0.784	5	Reliable
3	Customer Experience	0.822	6	Reliable
4	Customer Loyalty	0.846	6	Reliable

Source: Primary Data 2021 (processed)

Based on the reliability analysis, it can be seen that the alpha for each respondent's perception variable can be seen from several Retail Brand variables of 83.5%, Retail Atmosphere of 78.4%, Customer Experience of 82.2% and Customer Loyalty of 84.6%. Thus, the measurement of the reliability of the research variables shows that the reliability measurement meets the requirements of Cronbach Alpha where the CA coefficient value is at least or greater than 60 percent.

Hypothesis Testing

Testing the verification hypothesis in this study was conducted to test and analyze the influence between Experienced Regret, Overconfidence and Investment Decision Making. The verification hypothesis testing consists of testing the direct influence hypothesis and testing the indirect effect hypothesis. The results of testing the direct influence hypothesis can be seen in the following figure and table:

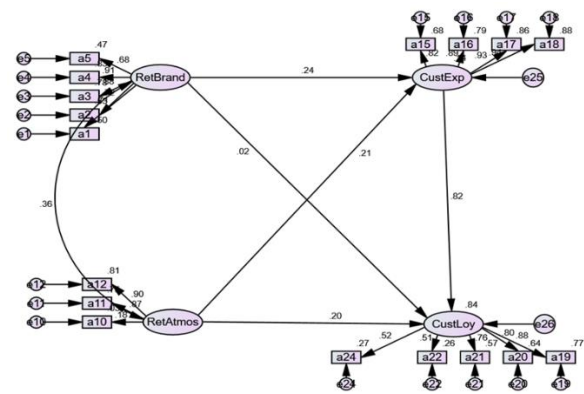


Fig 4.2: Structural Model for Proofing Hypotheses

Table 4.3: Regression Weight Structural Equation Model

			CR	P	Beta
CustExp	<---	RetBrand	4.398	***	.243
CustExp	<---	RetAtmos	31,609	***	.214
CustLoy	<---	RetBrand	.699	.484	.024
CustLoy	<---	RetAtmos	31,789	***	.202
CustLoy	<---	CustExp	31,791	***	.825

Source: Primary data processed, 2021

The influence of retail brands on customer experience for Kebab Banda Aceh customers

Testing the influence of retail brands on customer experience for Kebab Banda Aceh customers shows a CR value of 4,398 and a probability of ***. Thus, it can be stated that the influence of retail brands on customer experience for Kebab Banda Aceh customers is significant. The magnitude of the P coefficient of the influence of retail brands on customer experience for Kebab Banda Aceh customers is 0.243 so that

the impact of retail brands on customer experience for Kebab Banda Aceh customers is significant at 24.3%.

The influence of Retail atmosphere has an effect on customer experience for Kebab Banda Aceh customers.

Testing the influence of retail atmosphere on customer experience for Kebab Banda Aceh customers shows a CR value of 31,069 and with a probability of *** Thus it can be stated that the influence of retail atmosphere on customer experience for Kebab Banda Aceh customers is significant. The magnitude of the influence of retail atmosphere on customer experience for Kebab Banda Aceh customers is 0.214 or 21.4%. So that the customer experience in the Kebab industry will be better if the Retail atmosphere is also getting better.

The Influence Retail brand on customer loyalty to Kebab customers in Banda Aceh

Testing the influence of retail brands on customer loyalty to Kebab customers in Banda Aceh shows a CR value of 0.699 and a probability of 0.484. Thus it can be stated that *The influence of retail brands on customer loyalty to Kebab customers in Banda Aceh* is not significant. The coefficient of the influence of retail brands on customer loyalty to Kebab customers in Banda Aceh is 0.024 or 2.40%.

The influence of Retail Atmosphere on customer loyalty to Kebab Banda Aceh customers

Based on Table 4.20, the estimated parameter values for testing the influence of Retail Atmosphere on customer loyalty to Kebab Banda Aceh customers show a CR value of 31,789 and a probability of ***. Thus it can be stated that the influence of the Retail Atmosphere on customer loyalty to Kebab customers in Banda Aceh is significant. The magnitude of the coefficient of Retail Atmosphere influence on customer loyalty to Kebab Banda Aceh customers is 0.202 or 20.2%. Thus the impact of kebab customer loyalty through improving the appearance of the retail atmosphere will be carried out if this factor is also improved in the future.

The effect of customer experience on customer loyalty to Kebab Banda Aceh customers

Based on Table 4.20, the estimated parameter value for testing the influence of customer experience on customer loyalty to Kebab Banda Aceh customers shows a CR value of 31.791 and a probability of ***. Thus it can be stated that the effect of customer experience on customer loyalty to Kebab Banda Aceh customers is significant. The magnitude of the coefficient of the influence of customer experience on customer loyalty to Kebab Banda Aceh customers is .825 or 82.5%, a very large coefficient number and the largest in this structural model, so it will have a very significant impact in increasing kebab customer loyalty in Banda Aceh.

Mediation Hypothesis Testing

There are 2 (two) mediation hypotheses proven in this study, namely: The influence of retail brands indirectly on customer loyalty to Kebab Banda Aceh customers through customer experience mediation and the indirect influence of Retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation
Testing the mediation or indirect hypothesis uses the Sobel

Test. The results can be seen in the following section.

The indirect influence of retail brands on customer loyalty to Kebab Banda Aceh customers through customer experience mediation

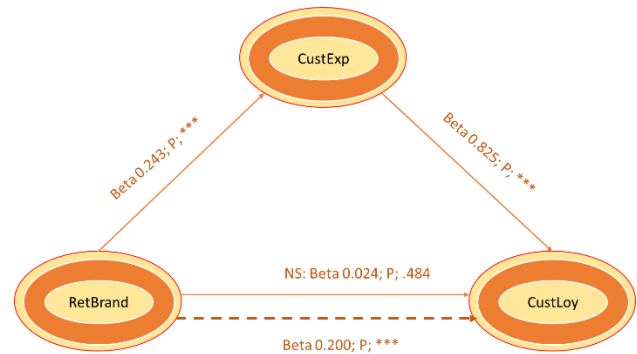


Fig 4.5: The indirect influence of retail brands on customer loyalty to Kebab Banda Aceh customers through customer experience mediation

The results of testing the indirect effect The indirect influence of retail brand on customer loyalty to Kebab Banda Aceh customers through customer experience mediation has a Sobel p value score of *** and a Sobel t statistic of 4.333. Thus, it can be stated that the indirect influence of retail brands on customer loyalty to Kebab Banda Aceh customers through customer experience mediation is significant. The magnitude of the coefficient of indirect retail brand influence on customer loyalty to Kebab Banda Aceh customers through customer experience mediation is 0.200 or 20%.

The indirect effect of retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation

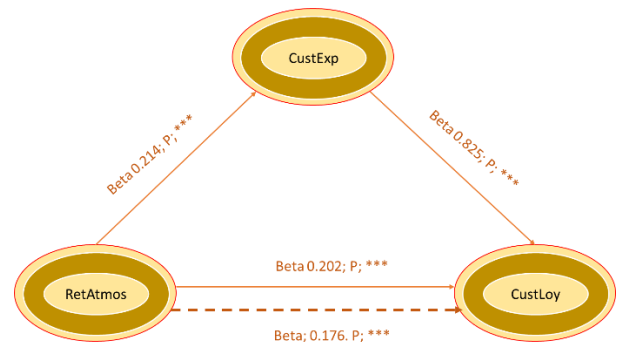


Fig 4.6: The indirect influence of Retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation.

The results of testing the indirect effect The indirect effect of Retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation has a Sobel p value score of *** and a Sobel t statistic of 24,135. Thus, it can be stated that the indirect effect of retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation is significant. The coefficient of the indirect effect of retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation is 0.176 or 17.6%.

5. Discussion

From the discussion that has been carried out in the previous section, research findings related to hypothesis testing were carried out either directly or indirectly.

In principle, the model built is based on literature and preliminary research based on references related to the field being researched, in this case it is related to customer loyalty at a kebab counter whose location is in front of a coffee shop. Talking about one of the variables used in this study, namely retail atmosphere, it means not only the atmosphere at the kebab counter, but also the surrounding area including the coffee shop which is full of the atmosphere of this kebab counter. In other words, talking about the atmosphere of the kebab counter, then we are also talking about the combined atmosphere of the kebab counter and coffee shop at the same time. This is reasonable because the kebab counter, the stall is rented from a coffee shop owner.

Of the 5 direct influence hypotheses tested, namely the influence of retail brands on customer experience for Kebab Banda Aceh customers, the influence of retail atmosphere on customer experience for Kebab Banda Aceh customers, the influence of retail brands on customer loyalty to Kebab Banda Aceh customers, the influence of retail atmosphere on customer loyalty to Kebab Banda Aceh customers and the effect of customer experience on customer loyalty to Kebab Banda Aceh customers. There is one that is not significant, namely the influence of retail brands on customer loyalty. This means that the brand on the kebab counter is not a lever variable to increase kebab customer loyalty.

There are 2 indirect effects tested, namely the indirect influence of retail brands on customer loyalty to Kebab Banda Aceh customers through mediation of customer experience and the indirect effect of retail atmosphere on customer loyalty to Kebab Banda Aceh customers through customer experience mediation. Both show a significant influence. The role of the customer experience variable on these two indirect effects also varies, namely full mediating on the first indirect hypothesis and partial mediating on the second indirect effect. Because the direct influence of Retail Brand on Customer Loyalty is not significant and the indirect effect of Retail Brand on Customer Loyalty through customer experience is significant, we can say that the role of customer experience in mediating these two variables is Full Mediating. Because the direct influence of retail atmosphere on customer loyalty is significant and the indirect effect of retail atmosphere on customer loyalty through customer experience on kebab customers is also significant, we can say that the role of customer experience in mediating these two variables is Partial Mediating.

The managerial implication is related to the role of full mediating customer experience on the influence of retail brands on customer loyalty, the customer experience variable is very crucial in its role to bridge how the brand can function to increase customer loyalty, so it should be the main concern of this kebab manager.

6. Conclusion

The influence of retail brands on customer experience for Kebab Banda Aceh customers is significant. The magnitude of the P coefficient of the influence of retail brands on customer experience of Kebab Banda Aceh customers is 0.243 so that the impact of retail brands in influencing customer experience for Kebab Banda Aceh customers is significant at 24.3%. The influence of Retail atmosphere on

customer experience of Kebab Banda Aceh customers is significant. The magnitude of the influence of retail atmosphere on customer experience for Kebab Banda Aceh customers is 0.214 or 21.4%. So that the customer experience in the Kebab industry will be better if the Retail atmosphere is also getting better. The influence of retail brands on customer loyalty to Kebab customers in Banda Aceh is not significant. The magnitude of the coefficient of the influence of retail brand on customer loyalty is 0.024 or 2.40%. The influence of retail atmosphere on customer loyalty of Kebab customers in Banda Aceh is 0.202 or 20.2%. Thus the impact of kebab customer loyalty through improving the appearance of the retail atmosphere will be carried out if this factor is also improved in the future. The effect of customer experience on customer loyalty is significant. The magnitude of the coefficient of the influence of customer experience on customer loyalty is .825 or 82.5%, a very large coefficient number and the largest in this structural model, so that it will have a very significant impact in increasing the loyalty of kebab customers in Banda Aceh. The indirect influence of retail brands on customer loyalty to Kebab Banda Aceh customers through customer experience mediation is significant. The magnitude of the coefficient of indirect retail brand influence on customer loyalty through customer experience mediation is 0.200 or 20%. The indirect effect of retail atmosphere on customer loyalty through customer experience mediation is significant. The coefficient of the indirect effect of retail atmosphere on customer loyalty of Kebab Banda Aceh customers through customer experience mediation is 0.176 or 17.6%.

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