

# **ANALYSIS OF THE EFFECT OF PHYSICAL EVIDENCE, RELIABILITY, RESPONSIVENESS, ASSURANCE, EMPHATY, TOWARD CUSTOMER SATISFACTION LOTTE MART IN JAKARTA INDONESIA**

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## **ABSTRACT**

The aim of this research is to analyze the evidence of physical factors (tangibles), reliability, responsiveness, assurance, and empathy how far have association with satisfaction of the consumer at the Lotte Mart Indonesia Jakarta, and to know most dominant factor in Influencing satisfaction of the consumer at the Lotte Mart at Province Jakarta. The data source is taken from primary responder through answer the questionnaire. Technique of data collecting at this research is base on the questionnaire, that spread to the customer of the Lotte Mart Stores in Jakarta (Ratu Plaza, Ambassador, Pondok Gede, Fatmawati). Sample Technique use the purposive random sampling, that was taken from 100 people. Supported by method of this research is the binary logistics regression (binary logistic regression). Pursuant to result of binary logistic regression analysis that the independent variable Obtained consisting of physical evidence, reliability, responsiveness, assurance, and empathy have an effect on the positive and significant to satisfaction of the consumer.

**Keywords: Physical Evidence, Reliability, Responsiveness, Assurance, Empathy, satisfaction of the consumer.**

## **I. Introduction.**

People's life styles and advances in civilization, the main attraction of businesses, to move dynamically in doing business. Competition among retailers, very tight and hard, basically, the competition is a positive thing. In the business world, with competitive companies will be more motivated to improve quality pace so as not to fall

behind in the competition. One factor that determines the level of success of the company, is its success in providing satisfaction to its customers. Kotler (2009) say that customer satisfaction can be built through product quality, quality of services, customer service and value. Quality of services provided by Lotte Mart, is expected to provide customer satisfaction, so that consumers Lotte mart not switch to competitors, among others; namely Hero supermarkets, Food Hall, Carrefour or Giant.

Jakarta has a population of more than 5.06 million people of working age, most people will be the respondent, Lotte Mart opened stores in Central Jakarta, West Jakarta, South Jakarta, and East Jakarta. Hopefully achieve a profit as much, by opening outlets in 4 areas of Jakarta. According to Kotler (2009) marketers should strive to understand the needs, desires and demands target market. The need is a basic human requirement. It needs to be desire when directed to a particular object, which may be able to meet those needs. Desire is formed by society, someone, while demand is the desire for a particular product, which is supported by the ability to buy. Companies such as Lotte Mart should measure not only how many people who want the product, or services, but also, how much will really available and can afford it. Therefore, to achieve the target company Lotte Mart, recognize the needs (needs) and desires (wants) of consumers, and provide satisfaction to customers in a way that is effective and efficient. To retain customers, namely by providing a high level of satisfaction. If the customer is satisfied, they will do the repetition purchase at Lotte Mart, this will increase the profits of the company.

## II. Theory of Study

Customer satisfaction is feeling happy or upset someone who emerged after comparing the perception of the performance or the result of a product and customer hope. (Kotler, 2004) Understanding the customer according to the Cambridge International Dictionaries in Lupiyoadi (2001:143) customer is someone who buys an item and services. Meanwhile, according to Webster 's 1928 Dictionary in Lupiyoadi (2001; 143) definition of customer is someone who several times came to the same place to fulfill what is desired. Both the sense above explained that basically, the customer is someone who continually and repeatedly came to the same place to satisfy the desires or needs, and have a product or service.

**a. Physical Evidence.** Physical appearance, or physical evidence, of the characteristics or characteristic in each of the products offered by the company.

**b. Reliability.** The ability to provide services, in accordance with the promise offered. (Zeithmal, 2000)

**c. Responsiveness.** Response or Lotte Mart employee alertness, quick and responsive which includes the alertness of employees in serving customers, employees speed in handling transactions, and handle customer complaints. (Zeithmal, 1990: 120)

**d. Assurance.** According Zeithmal (2000), Assurance includes the ability of employees to the knowledge of the exact product, the quality of hospitality, attention and courtesy, provide services, skill in providing information, the ability to provide security in utilizing the services that are offered, and the ability to instill customer confidence against the company.

**e. Empathy.** Individual attention given by the company to customers, such as ease of contacting the company, the employee's ability to communicate with customers and the needs of its customers. (Zeithmal, 2000)

**f. Satisfaction** of the consumer. Customer satisfaction is Lotte Mart customer feedback on the fulfillment of daily needs are expected. Indicators to measure customer satisfaction (Y1) adapted from Cronin and Tylor (2000), include: Y1.1 degree of interest related to the function of product Lotte Mart as a provider of household

goods. Y1.2 Actual Performance in relation to the overall impression of the service, comfort, safety using food products sold at Lotte Mart. Y1.3 Compliance with expectations, with regard to the suitability of the services provided by Lotte Mart to customers, namely the delivery of groceries, packing groceries.

## III. Methodologi of Research

This study aims to describe the relationship between variables influence through hypothesis testing. According to Sekaran and Bougie (2010), this study is called the research hypothesis testing, or so-called verification research, the research aims to test the correctness of the theory or the results of previous studies. This research types include types Explanatory. Sample of this research is consumer Lotte Mart, the 100 respondents (Sekaran, 2003), taken at random, at the beginning of the month. This type of data is the primary data, the analysis of the data processing is multiple linear regression with the F test and t-test validity and reliability, and classical assumption.

## IV. Analysis and Discussion

### 4.1. Validity and Reliability.

From the results of data processing with SPSS, testing the validity of each variable used in the study, each having p - Value of 0.000 is less than 0.05. This means that each item of each variable declared Invalid statement. Test reliability of each construct this study using Cronbach "s Alpha. According to Sekaran (2009; 311) Cronbach "s alpha coefficient which is quite acceptable (acceptable) is a value between 0.60 to 0.70 or more. SPSS.20.0 of reliability testing with the results obtained; Cronbach Alpha Physical evident 0.741> 0.6 means Reliable. Cronbach Alpha Reliability 0.680> 0.6 means Reliable. Cronbach Alpha Responsiveness 0.878> 0.6 means Reliable. Cronbach Alpha Assurance 0.637> 0.6 means Reliable. Cronbach Alpha Empathy 0.916> 0.6 means Reliable. Cronbach Alpha Consumer Satisfaction of 0.876> 0.6 means Reliable.

### 4.2. Classical Assumption Test.

Prior to testing multiple linear regression, necessary to test the assumptions of classical, to ensure that the model obtained truly fulfill the basic assumptions in the regression analysis that includes not Multicollinearity, no autocorrelation,

and there is no heteroskedasticity. Here are the results of testing the Classic assumption .

#### 4.2.1. Multicollinearity Test.

Multicollinearity will cause regression coefficient of small value and the standard error of regression of great value to the testing of individual independent variables would be insignificant. Multicollinearity test results, the value of Variance Inflation Factor (VIF) all variables are not more than 10, so that the model does not happen Multicollinearity variable, VIF Physical evident = 1.026, VIF Reliability = 1.026, VIF Responsiveness = 1.023, VIF Assurance = 1.029, VIF Empathy = 1.012 .

#### 4.2.2. Autocorrelation test.

From the results of the Durbin Watson produce DW value of 2.101 or value of the Durbin Watson is between Du and 4-Du which means regression model is located in the area which means no autocorrelation of the regression model of autocorrelation problems.

#### 4.2.3. Heteroskedastisitas Test.

Heteroskedastisitas shows that the variance of each error is heterogeneous, which means breaking the classical assumption requires, that variant of error must be homogeneous. Scatterplot of the graph of test results with SPSS 20.0, that the dots dispersed and scattered either above or below zero on the Y axis, it can be concluded that there is no heteroskedasticity in regression models, so the model is used to predict the recession decent consumer satisfaction Lotte Mart in Jakarta, based on the independent variable Physical evident, Reliability, Responsiveness, Assurance, Empathy.

#### 4.3. Test Hypothesis.

Number R showed a correlation or relationship between the dependent variable with the dependent variable with the independent variable. Adjusted R square pays great attention to the presentation of the dependent variable that can be explained by the independent variable (adjusted R square)

Table : 1 R Square Adjusted.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.726 <sup>a</sup>	.527	.502	.85913

a. Predictors: (Constant), Emphaty, Responsiveness, Reliability, Physical\_Evidence, Assurance

From the table above is obtained R Square of 52.7%, meaning Physical variables evident, Reliability, Responsiveness, Assurance, Empathy. Contributed 52.7% towards customer satisfaction Lotte Mart in Jakarta, Indonesia, while 47.3% is influenced by variables outside of the variables studied.

#### 4.4. T test.

Hypothesis: If the number probability of significance <0.05, then H0 is rejected. If the number of significance probability > 0.05, H0 is accepted. From the table above, the number probability Physical Evidence significance 0.001 <0.05. then H0 is rejected, Ha accepted, concluded Physical evidence partially significant effect, on customer satisfaction.

Table : 2 t Test (Partial Test)

Coefficients <sup>a</sup>					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	2.102	2.847		.7738
	Physical_Evidence	.510	.052	.614	8.959
	Reliability	.560	.050	.600	7.069
	Responsiveness	.600	.055	.500	8.029
	Assurance	.502	.051	.712	9.894
	Emphaty	.756	.053	.525	7.736

a. Dependent Variable: Satisfaction\_of\_The\_Customer

From the table above, the number probability Physical Evidence significance 0.001 <0.05. then H0 is rejected, Ha accepted, concluded Physical evidence partially significant effect, to customer satisfaction. Figures Reliability significance probability of 0.001 <0.05. then H0 is rejected, Ha accepted, concluded Reliability partially significant effect, to customer satisfaction. Figures Responsiveness significance probability 0.000 <0.05. then H0 is rejected, Ha accepted, concluded Assurance partially significant effect, to customer satisfaction. Figures Empathy significance probability of 0.005 <0.05, mean Empathy influence partially significantly to consumer satisfaction Lotte Mart in Jakarta.

#### 4.5. Test F.

Hypothesis: When the significance probability figures, 0.05,  $H_0$  is rejected. If the number of significance probability > 0.05,  $H_0$  is accepted. From the results of Table 4 obtained figures significance probability 0.000 Thus it can be concluded that, Physic evident, Reliability, Responsiveness, Assurance, and Empathy simultaneously significant effect on customer satisfaction Lotte Mart in Jakarta.

Table: 3 F Test (Simultaneously Test)

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	77.258	5	15.452	20.934	.000 <sup>a</sup>
	Residual	69.382	94	.738		
	Total	146.640	99			

a. Predictors: (Constant), Emphaty, Responsiveness, Reliability, Physical\_Evidence, Assurance

b. Dependent Variable: Satisfaction\_of\_The\_Customer

## V. Conclusions and Recommendations.

a. Physical evidence significant effect on customer satisfaction Lotte Mart, therefore, the company should always improve the physical appearance of Lotte Mart, from the arrangement of items, setting items, setting the hallway. Reliability significant effect on customer satisfaction, and therefore the company should improve the ability of employees to provide the best service, to customers Lotte Mart. Responsiveness significant effect on customer satisfaction, and therefore the company should improve the response or Lotte Mart employee alertness, quick and responsive which includes the alertness of employees in serving customers, employees speed in handling transactions, and handle customer complaints. Assurance significant effect on consumers, so companies must constantly improve the ability of employees to the knowledge of the exact product, the quality of hospitality, attention and courtesy, provide services, skill in providing information, the ability to provide security in utilizing the services that are offered, and the ability to instill customer confidence in the company. Empathy affects customer satisfaction, and therefore the company should improve the ability of employees to pay attention to customers Lotte Mart in Jakarta. Through communication with customers.

b. Companies are advised to keep promoting factor that keeps customers interested in shopping at Lotte Mart. Companies should implement all factor evident physical factors, reliability, responsiveness, assurance, empathy, because all of which affect simultaneously.

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