SUMMARY

PANCA WIPUTRA. Analysis of Satisfaction and Loyalty of Traditional Groceries Stores (Case Study: Sinar Fajar Store). Supervised by UJANG SUMARWAN and HARI WIJAYANTO.

This study aim to test the level of satisfaction among customers, factors that influence loyalty and satisfaction in customers, and strategy to make customers satisfy and loyal. Fast Moving Customers Goods (FMCG) distribution company is known to have a small profit margin with bigger risk. Fast Turnover in the product characteristics makes profit for traders. This opportunity led big company to distribute products with modern management. Traditional company needs to change and ask the government to act to protect traditional traders. As an act, DKI Jakarta Governments issue a local regulation No. 2 year 2002 on the private market, which regulate the distance between traditional markets and modern markets. This regulation alone won’t help traditional market to challenge the modern markets. It is why that traditional traders need to improve the quality of service to customers.

Sinar Fajar is a traditional trader which distributes FMCG Products. Retail was reconsidered special because there is no cost when ordering and no delivering cost. It is also known as the basic strength in earnings, routine purchases, and a bigger profit margin. Customers satisfaction is the way for company to growing. With higher satisfaction is usually means that customers will become loyal. Loyalty in customers is important for profits both the company and the customers. A loyal customers will recommend, insensitive in pricing, and repeat purchase in the company.

ServQual is mostly used for multi industry, but is inaccurate for measuring satisfaction in retail industry. Retail Service Quality Scale (RSQS) is the right method to measure customers satisfaction in retailing which is products is dominating customers than the service itself. Based on the description above, the purpose of the study is to measure Sinar Fajar satisfaction and loyalty. This research also will give strategy to winning customers satisfaction and loyalty. RSQS will be clear to put satisfaction with Structural Equation Modeling (SEM) Method and Importance Performance Analysis (IPA) will be given strategy that can be used by Sinar Fajar to improve customer satisfaction and loyalty.

This study indicates Sinar Fajar’s customers are satisfied (71.45%). This result shows that Sinar Fajar have to improve their service to make a higher satisfaction. SEM result is showing that Policy is the most affected variable in customers satisfaction, then Problem Solving variable, Physical Appearance variable, and Reliability variable. Personal Interaction variable are not giving Significance for customer satisfaction. Customers who are satisfied will become loyal and recommend Sinar Fajar to relatives, have a repurchase intention and insensitive in pricing.

Strategies for Sinar Fajar is to improve Physical Aspects and Personal Interaction. Physical aspects are in neatness and convenience for customers, parking lot, and customers waiting area. Personal interaction is for employee
friendliness and employee attention. This both problem can be solved by promoting sales force and speed up transaction process.

In Managerial Implications, there is still needed for Sinar Fajar to improve the Physical Aspects. These Aspects are low in customers satisfaction but high in customers perceived value. Another dimension is need to be maintained and improved in accordance with the recommendation of managerial implications.

Key Words: CSI, IPA, Satisfaction, RSQS, SEM