

# Loyalty Level of Traditional Retail Stores to Suppliers in the Era of Digital Transformation in Indonesia

Mujianto<sup>1\*</sup>; Hartoyo<sup>2</sup>; Rita Nurmalina<sup>3</sup>; Eva Z. Yusuf<sup>4</sup>

<sup>1,2,4</sup>School of Business, IPB University

Jln. Raya Pajajaran, Bogor 16151, Indonesia

<sup>3</sup>Department of Agribusiness, Faculty of Economic and Management, IPB University

Jln. Agatis, Campus IPB Dramaga, Bogor 16680, Indonesia

<sup>1</sup>mujianto@apps.ipb.ac.id; <sup>2</sup>hartoyo@apps.ipb.ac.id;

<sup>3</sup>ritanurmalina@apps.ipb.ac.id; <sup>4</sup>eva.yusuf@myriad-research.com

**Received:** 31<sup>st</sup> May 2022/ **Revised:** 12<sup>th</sup> October 2022/ **Accepted:** 12<sup>th</sup> October 2022

**How to Cite:** Mujianto, Hartoyo, Nurmalina, R., & Yusuf, E. Z. (2023). Loyalty Level of Traditional Retail Stores to Suppliers in the Era of Digital Transformation in Indonesia. *Binus Business Review*, 14(1), 13–27.  
<https://doi.org/10.21512/bbr.v14i1.8582>

## ABSTRACT

In Indonesia, the loyalty of traditional retail stores to suppliers in business relationships has not been widely described and explored, especially in the current era of digital transformation. Meanwhile, their business potential is enormous, with an estimated business value of 817 trillion per year. This business value contributes to 69% of the total Fast Moving Consumer Goods (FMCG) retail industry business in Indonesia. The research aimed to describe the situation of traditional retail stores with suppliers and their level of loyalty in the Business to Business (B2B) market. The research also wanted to find out the respondents' profiles in relation to loyalty indicators. The method applied was a descriptive analysis method to map perceptions and opinions of traditional retail stalls against suppliers. Furthermore, the Top Two Box method was used to assess the loyalty level, while the respondents' profiles were analyzed using cross-tabulation analysis. The respondents were 500 owners of traditional retail stores with proportionate stratified random sampling through an offline questionnaire. The results show that the retail service quality, trust, commitment, and satisfaction are relatively good. Meanwhile, the merchandising and website quality need to be improved. Approximately 75,4% of retail stores are loyal to their suppliers, while the remaining 24,6% are disloyal. These results are useful for supply companies to establish business-to-business relationships with traditional retail stores in Indonesia to create, develop, and maintain maximum loyalty.

**Keywords:** loyalty, traditional retail stores, digital transformation

## INTRODUCTION

Businesses in traditional retail stores play an important role in people's lives and the economy in several countries, including Indonesia. According to PT Sumber Alfaria Trijaya Tbk (2020), by examining the trade channel distribution of Fast Moving Consumer Goods (FMCG) retail in Indonesia, traditional retail stores contribute 69% of total retail sales, while modern stores have 31%. The minimarket and supermarket segments contribute 24% and 7%, respectively. Therefore, the potential of FMCG businesses in traditional retail stores in the country is still huge.

According to Fadil (2019), a Hong Kong-based financial research institute, the change in product procurement patterns is due to the presence of technology-based goods supply companies. The results show that traditional retail stores currently control 65 to 70% of total sales in Indonesia, with an estimated 190 million consumers. Furthermore, the supply chain value of products in these traditional retail stores is estimated at US\$58 billion or approximately IDR817 trillion per year. According to data from the Ministry of Cooperatives and Micro, Small and Medium Enterprises (MSMEs), the number of traditional retail stall businesses in Indonesia is 3,6 million (Jatmiko, 2020). This potential underlies various payment

services and retail and technology-based companies, so it puts traditional retail stores at the heart of Online-to-Offline (O2O) initiatives. They cooperate with traditional retail stores to cut the distribution channel of the product chain, especially the FMCG category, from producers directly to stalls, leading to lower selling prices than supplying from distributors.

Along with technological advancement, several companies with technology platforms, payment services, and modern retail companies have started implementing an advanced concept that combines online and offline shopping, called new retail. These companies do not need to compete. They believe that the future of the retail industry will depend on the full digitization of all trade channels. New retail as a hybrid concept is expected to help traditional retail stores to adapt to the digital world (Anestia, 2019).

In the era of digital transformation, the digitization of traditional retail stores is expected to increase with assistance from technology targeted at making them new partners in the O2O business by retail companies, as well as FinTech and technology-based startup players. Traditional retail stores with digital transformation provide various products through platforms, such as website applications from suppliers with payment systems and logistics to supply chains that are more practical, faster, and more efficient.

In Indonesia, the era of digital transformation in new retail begins with the presence of technology companies as suppliers of merchandise to traditional retail stores, such as Bukalapak and Tokopedia Partners, Warung Pintar, GoToko, GrabKios, Wahyoo, Star-up Dagangan, KitaBeli.com, Mitra Sampoerna Strategic Community (SRC), Djarum Ritel Partnership (DRP), Gudang Garam Strategic Partnership (GGSP), and others. The existing distributors have also started

to improve by using an ordering application for their retail partners. Data on technology-based suppliers and the number of partners that have been acquired are presented in Table 1.

According to Mazzone (2014), digital transformation is a focused and continuous digital evolution of a company, business model, or methodology, strategically and tactically. New retail is a concept from a technology-based company that connects merchants and suppliers with online and offline shopping systems. Meanwhile, new retail digital transformation is a digitalization process in traditional retail businesses that connects merchants and suppliers with technology by only targeting aspects of the supply chain, digital products, payments, and customer experience.

Aspects of the supply chain include providing access to traditional retail stores to order goods quickly and practically at affordable prices through ordering applications. The major advantage of digital products is that they allow traditional retail stores to serve purchases or payments, such as Payment Point Online Banking (PPOB), e-vouchers, e-money, electricity tokens, and others. The basic concept is to mix payment applications with digital wallets or pay letter services as well as provide traditional retail stores' payment options to suppliers. Furthermore, the customer aspect provides a shopping experience by using an application for ordering goods with support for a loyalty program in the form of credit points for each transaction.

The buyer-seller relationship formed between the company as a seller and the business buyer is closer than marketing to final or individual consumers. B2B has a system with a limited scope and a significantly larger sales volume value than marketing to end

Table 1 Technology-Based Suppliers Associated Business to Business with Traditional Retail Stores

No	Startup Type	Number of Stall Partners	Description
<b>Supplier</b>			
1	Bukalapak Partners	2,5 million stalls	Data as of October 2019
2	TokoPedia Partners	350 thousand stalls	Data as of October 2019
3	GrabKios	2,6 million stalls	Data as of November 2019
4	Warung Pintar	2.500 stall partners	Data as of August 2019
5	Wahyoo	9.000 stall partners	Data as of August 2019
6	Sampoerna Ritel Strategic	120 thousand stalls	Data as of November 2019
7	Alfamikro	95 thousand stalls	Data as of December 2020
<b>FinTech</b>			
1	GoPay	> 420 thousand partners	Data as of November 2019
2	OVO	> 500 thousand partners	Data as of November 2019
3	LinkAja	> 183 thousand partners	Data as of November 2019
4	DANA	> 15 thousand partners	Data as of November 2019

consumers. The target is to meet buyers' needs by maintaining good relations between companies in the form of long-term relationships. A good marketing strategy between suppliers and customers is needed to maintain a successful buying and selling system in B2B.

The buyer-seller theory states that the purpose of relational marketing is to build, maintain, and enhance mutually beneficial relationships. So, it requires a clear focus between the company and its customers to generate added value (Dwyer, Schurr, & Oh, 1987). To improve performance, suppliers need to interact intensively with customers to maintain loyalty (Rauyruen & Miller, 2007). According to Hunt, Arnett, and Madhavaram (2006), market offerings, information technology, and relational factors influence the success of marketing-based strategies. Market offerings are a set of intangible and tangible attributes called services and goods, respectively. Moreover, the information technology factor is a collaborative relationship that requires the digital transfer and sufficient knowledge sharing among partners. Meanwhile, the relational factors are the partners' trust, commitment, and satisfaction with the company.

Previous research on business relationships states that loyal customers tend to take cooperative actions, which potentially lead to mutual benefits for both parties and will increase competitiveness and reduce transaction costs (Hunt et al., 2006). Business interactions require relational associations, so the complexity of managing marketing channel management does not only focus on selecting distribution channel strategies but also maintaining the relationship between the two. Against the backdrop of business-to-business relationships in the current era of digital new retail transformation, traditional retail stores tend to prefer suppliers that offer better values and benefits. Selecting the right supplier helps to increase the perception of the benefits obtainable with cooperative relationships (Rauyruen & Miller, 2007). Therefore, a better understanding of the working association and loyalty between suppliers and traditional retail stores is needed. In a business-to-business relationship, suppliers need to understand the condition of traditional retail stores' loyalty to them.

In responding to this empirical situation, technology-based companies, as merchandise suppliers to traditional retail stores, must establish the right relationship for development and survival. Companies must serve the consumers' needs, offer services that attract attention, and provide long-term relationships with their customers. However, the development of loyalty and its potential application in managing business-to-business relationships between traditional retail stores and suppliers in the digital transformation era has not been extensively explored.

Based on the literature review, the research aims to describe the situation of traditional retail stores with suppliers and their level of loyalty in the B2B market. The research describes the loyalty level of traditional

retail stores to suppliers using service quality variables, including intangible market supply (Khan, Wang, Wang, Khan, & Javed, 2021; Ogiemwonyi, Harun, Rahman, Alam, & Hamawandy, 2020; Afthanorhan, Awang, Rashid, Foziah, & Ghazali, 2019; Haghkchah, Rasoolimanesh, & Asgari, 2020; Al Karim, 2019; Wibowo, Suwarsinah, & Yuliati, 2018; Wilson, Keni, & Tan, 2019), merchandising variables or tangible factors (Dewi & Sulisyawati, 2020; Mustaqimah, Hartoyo, & Nurmalina, 2019, Dhiranty, Suharjo, & Suprayitno, 2017; Hati & Parlewen, 2017), website quality variables or information technology (Tandon, Kiran, & Sah, 2017; Jauhari, Kusumawati, & Nuralam, 2019; Wilson, Keni, & Tan, 2019, Rasli, Khairi, Ayathuray, & Sudirman, 2018) and trust, commitment, and satisfaction as relational variables (Haghkchah et al., 2020, Menidjel, Bilgihan, & Benhabib, 2020; Hannan, Suharjo, Kirbrandoko, & Nurmalina, 2017; Melewar, Foroudi, Gupta, Kitchen, & Foroudi, 2017). The research also determines the profile of respondents in relation to loyalty indicators. The results are useful for supply companies to establish relationships with traditional retail stores. The results can also help in further investigations to design models and formulate strategies for increasing the loyalty of traditional retail stores to suppliers in Indonesia, especially in the digital transformation in the new retail era.

## METHODS

The research applies a descriptive analysis method. The research is conducted on owners or managers of traditional FMCG retail stores who have become suppliers' members in the branch office with a coverage area in Indonesia. Data are collected from August to October 2021 with a survey method using a questionnaire based on the perspective of respondents (buyers of products and services from suppliers). The questionnaire is filled in through face-to-face interviews with the owners or managers of traditional retail stalls.

The proportional stratified random sampling technique is used because the population of the number of traditional retail stores in each region is different. In this technique, the population is grouped or categorized, called strata (stratified), based on the region or city of the respondents. The number of traditional retail stores in the region or city is divided by the total number of traditional retail stores of supplier members multiplied by the number of samples. Nevertheless, the entire population cannot be sampled due to limited funds, workforce, and time, so samples are taken.

Then, the data are analyzed using descriptive statistical analysis to describe the situation of variables in traditional retail stores. The Top Two Box method determines the loyalty level of traditional retail stores to suppliers. Meanwhile, the cross-tabulation analysis with chi-square is applied to assess the relationship between respondents' profiles and loyalty indicators.

## RESULTS AND DISCUSSIONS

Questionnaire data are obtained from 500 respondents in the supplier coverage area. Details of the coverage area include Central Java (20%), Jabotabek (18%), Sumatra (14,8%), West Java (13%), East Java (13%), Banten (12,20%), and other regions, as shown in Figure 1. From the analysis, the origin of the traditional retail stores generally comes from Java Island with 76,2% and other areas with 23,8%.

The following is the explanation of the respondents' profiles in the research, as shown in Table 2. The results show that the distribution of

respondents based on gender is 59,4% for women, while the remaining 40,6% are male. It is because women open retail stall businesses to help increase household income. To help improve the necessities of life, women are encouraged to work and have a good impact on the family's economy. Furthermore, they tend to open micro-enterprises due to limited network capabilities together with strategies, and their participation has increased significantly in urban and rural areas. Women prefer micro businesses because they do not need a large capital nor require entrepreneurial skills and extensive experience.

Next, based on age, there are 17–25 years with

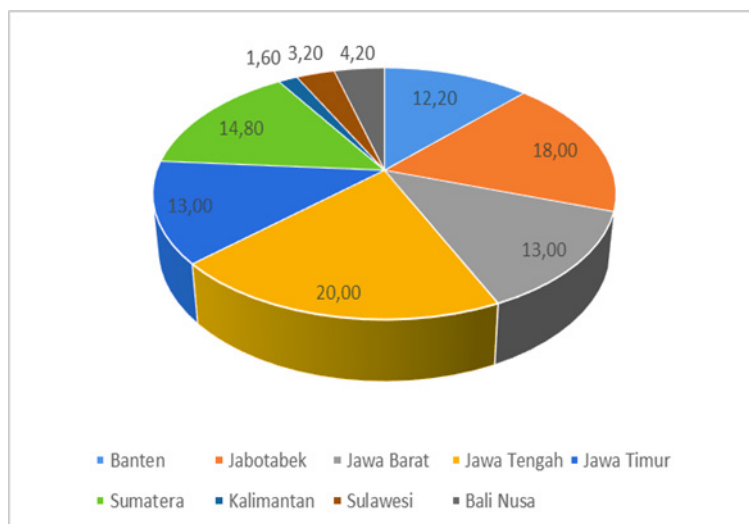


Figure 1 The Composition of the Respondents' Areas of Traditional Retail Stores in the Survey

Table 2 Respondents' Profile

Description	Category	Number	%
Gender	Male	203	40,6
	Female	297	59,4
Age	17–25 years old	29	5,8
	26–35 years old	153	30,6
	36–50 years old	266	53,2
	Over 50 years old	52	10,4
Education	< Junior High School	86	17,2
	Senior High School	355	71
	Bachelor's degree	58	11,6
	Master's degree	1	0,2
Length of business	< 1 year	49	9,8
	1–5 years	227	45,4
	6–10 years	135	27
	More than 11 years	89	17,8
Average Turnover/day in IDR	< 500 thousand	63	12,6
	1–2 million	128	25,6
	500 thousand–1 million	192	38,4
	More than 2 million	117	23,4

(Source: Processed by the Researchers, 2022)

5,8%, 26–35 years with 30,6%, 36–50 years with 53,2%, and > 50 years with 10,4%. Moreover, most respondents' education level is the senior high school level, which accounts for 71%. It shows that a high level of education is not needed to open a traditional retail store. The next largest distribution is junior high school with 17,2% and diplomas with 11,6%.

The business duration is the length of time the respondent owns the retail store until now. When a business runs long enough, it will experience various changes in different aspects. It is due to the knowledge gained during the process, such as establishing wholesale systems and methods, understanding fast-moving merchandise with a high margin, wholesaler shopping places, and relationships with suppliers. The profile for the store/outlet business duration is spread over four periods. Around 45,4% of the respondents have opened their businesses for 1 to 5 years. The result is followed by 27% for 6 to 10 years, 17,8% for more than 11 years, and 9,8% for less than 1 year.

Next, the descriptive analysis of the average sales profile shows the daily sales turnover by 38% of IDR500.000 to IDR1 million, 26% of IDR1 million to IDR2 million, 23% of more than IDR2 million, and 13% of less than IDR500.000. Respondents whose sales turnover is below IDR2 million per day are 77%. It indicates that, on average, traditional retail stores serve only to end customers at their outlets, and buyers are less likely to resell.

Service quality for new retail in the digital transformation era must compete with competitors. The service quality provided by suppliers to their customers will have an impact on customer satisfaction, as proven in several previous studies (Veloso, Ribeiro, Alves, & Fernandes, 2017; Ogiemwonyi et al., 2020; Al Karim, 2019; Afthanorhan et al., 2019; Datta, Fraser, & Lebcir, 2018; Wibowo et al., 2018; Ulaga & Eggert, 2006). Good service quality will have a positive impact on customer loyalty. This is as informed by several previous studies (Haghkhan et al., 2020; Rashid & Rokade, 2019; Wibowo et al., 2018; Al-Maamari & Abdulrab, 2017; Rauyruen & Miller, 2007).

Descriptive analysis of service quality in the relationship between B2B suppliers and traditional retail stores has reliability, personnel interaction, problem-solving, and policy indicators. Each indicator is further divided into several statement items. The analysis results of service quality are presented in Table 3.

In the reliability indicator, there are four statement items. Most of the responses are five or strongly agree. Three statement items are used to assess personnel interaction, with the majority answering five. Meanwhile, there are two statement items in the problem-solving and policy indicators, and most answers are four and five, respectively.

Table 3 The Descriptive Analysis Result of Service Quality

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Reliability	Serving customers accurately	2,2	2,2	10,2	40,2	45,2	4,24	5
2		Delivery on time	1,6	3,4	12	39,4	43,6	4,2	5
3		Delivery according to the quantity ordered	1,8	3,4	11,2	36,2	47,4	4,24	5
4		Delivery according to the variety of products that I have ordered	1,6	5,2	14,6	41	37,6	4,07	4
5	Personal interaction	Suppliers make it easy to order wholesale goods	2	2	9	41,8	45,2	4,26	5
6		Employees are always easy to contact	1,8	2,4	7,8	32,2	55,8	4,38	5
7		Employees are always polite in their interactions	1,4	2,4	6,6	32	57,6	4,42	5
8	Problem-solving	Suppliers make it easier to pay for ordered goods (it can be cash on delivery)	2,2	2,6	13,4	42,4	39,4	4,14	4
9		Suppliers always provide solutions to customers' complaints	1,8	2,2	8,8	35,8	51,4	4,33	5
10	Policy	The supplier provides a maturity payment policy	2,2	1,8	12,2	31	52,8	4,30	5
11		The supplier has a free shipping policy	2	2	5,8	24,8	65,4	4,49	5

The reliability of suppliers to keep promises and deal appropriately with traditional retail stores is a fundamental factor. Suppliers need to deliver wholesale goods on time and in accordance with the number and variety requested by traditional retail stores. Furthermore, support quality in the form of delivery performance includes the ability to cope with schedules to facilitate customers' relationships with suppliers (Ulaga & Eggert, 2006). It is also in accordance with the findings of Ogiemwonyi et al. (2020) that the reliability in service quality shows the highest impact on hypermarket customer satisfaction in Malaysia.

The effect of service support and personal interaction on customer satisfaction and loyalty is already examined by Ulaga and Eggert (2006). Service support includes supplier responsiveness, the capacity to manage information exchange, and outsourcing activities. In contrast, personal interactions include interactions with partners (traditional retail stores) and relationships involving top management of suppliers. In terms of personnel interaction and problem-solving, the attitude of supplier employees who are polite and willing to help is also a key factor in increasing the satisfaction and loyalty of partners in traditional retail stores. Suppliers on the front line interacting directly with customers must handle potential problems, such as complaints, returns, and exchanges due to incorrect items or non-conformity of goods during delivery.

The supplier's policy of ordering goods through the application also makes it easier for traditional retail stores to transact wholesale shopping. It is because they do not need to close their stalls, and no additional fees are required due to the free shipping policy. Furthermore, the wholesale shopping payment system, which can be cash on delivery or with an overdue system, also affects the satisfaction and loyalty of traditional retail store partners.

Merchandise is divided into assortment, price, product quality, and availability. Each indicator is further divided into several statement items, and the analysis results are presented in Table 4. In the

assortment indicator, there are two statement items, and the majority of respondents answer three or neutral for the statement that wholesale products at the supplier are complete. Meanwhile, in the statement that the wholesale products at the supplier are right, the majority answer four or agree. Next, only one statement item is used to assess the price indicator, where most answers are four. Meanwhile, two statements are used to analyze the product quality and availability indicators, with most answers being five and four, respectively.

According to Ulaga and Eggert (2006), product quality and delivery performance are the core offerings that make customers build relationships with suppliers. In addition, good product quality and competitive prices are also important. Suppliers with a wide variety of products in good condition and worthy of sale and no dent or damaged goods with short expiry dates at competitive prices will have an impact on the satisfaction and loyalty of retail stalls. According to Mustaqimah et al. (2019), marketing mix variables, such as product and price, affect consumer satisfaction, and satisfaction significantly influences customer loyalty. Moreover, good merchandise from the supplier side will positively impact customer satisfaction and loyalty. It is like the findings of several previous studies (Dewi & Sulisyawati, 2020; Mustaqimah et al., 2019; Hati & Parlewen, 2017).

Procurement and fulfillment of products by suppliers in terms of quantity, variety, quality, and the right price are important for the FMCG retail business. Product availability can be a good starting point for satisfying and creating loyalty. To increase sales, suppliers need to pay attention to indicators of product diversity or assortment and the availability of their merchandise for wholesale shopping. Traditional retail store partners, when shopping, also consider whether the goods provided by the supplier are complete as well as the potential resale point in relation to competitive prices. Traditional retail store partners will select a location with a complete variety of goods that can meet their merchandise needs. Besides, they

Table 4 The Descriptive Analysis Results of Merchandise

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Assortment	Wholesale products at the supplier are complete	2,8	14,6	35,6	33,2	13,8	3,41	3
2		Wholesale products at the supplier are right	1,4	9	30,2	43,6	15,8	3,63	4
3	Price	The price of the product is quite competitive compared to other suppliers	2,6	9	28	39,4	21	3,67	4
4	Product Quality	Wholesale goods are in good condition/have no dents	1,2	2,8	10	41	45	4,23	5
5		The condition of wholesale goods has a long expiration date	1,2	3,6	11,6	39,2	44,4	4,22	5
6	Availability	Wholesale goods are always available when I order	3,4	12	32,8	35,6	16,2	3,49	4
7		When there is a promotion program, the goods are always available	3	9	32,8	34,4	20,8	3,61	4

will not switch suppliers when there is a variety of merchandise with the required available stock.

Website quality is divided into usability, information quality, service interaction, and overall impression. Each indicator is further divided into several statement items, and the analysis results are presented in Table 5. In the usability and information quality indicators, three and five statement items are used, with the majority of respondents answering four or agree, respectively. Regarding service interaction, one statement item is involved that the ordering application provides a sense of security for transactions in wholesale shopping, and the majority respond with four. Next, two statement items are utilized to assess the overall impression, and most respondents also answer four.

In digital transformation, suppliers must pay attention to the quality of ordering applications to succeed in selling and retaining customers. Usability indicators on website quality are important factors that must be considered in designing an application for ordering goods. The ease of use by traditional retail stores for wholesale shopping is a serious concern for suppliers. Besides, the level of adoption is different because the average owner or manager is not a millennial group. It is in accordance with Khan et al. (2021) that e-retail supply chain companies

must manage the quality of their websites in terms of product prices, attractive catalogs, accessibility, and content design that customers recognize as essential factors for repurchasing.

Regarding information quality, suppliers need to ensure that the ordering application is reliable, easy to understand, relevant, and accurate. Display of products with prices and promotions in appropriate and accurate applications is important for suppliers. Traditional retail store partners, when ordering wholesale goods, will also pay attention to information on products related to prices and promotional programs. Based on the service interaction indicator, the application must also be safe for transactions when selecting merchandise or making payments. The overall good impression encourages traditional retail stores to make wholesale purchases to meet their merchandise needs. An easy and practical shopping experience increases the satisfaction of traditional retail stores in partnering with suppliers. According to Tandon et al. (2017), online retailers must strive to satisfy consumers through good quality website services. The findings of previous studies also state that good website quality will impact customer satisfaction and loyalty (Jauhari et al., 2019; Wilson et al., 2019; Rasli et al., 2018; Tandon et al., 2017).

Table 5 The Descriptive Analysis Result of Website Quality

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Usability	The application to order wholesale goods is easy to use	2	4	22,6	37,6	33,8	3,98	4
2		The application for wholesale orders is easy to understand	1,6	4,4	20,2	43,6	30,2	3,96	4
3		The application in the supplier looks attractive	1,4	3,2	22,2	44,4	28,8	3,96	4
4	Information quality	The application provides reliable information	1,8	2,6	18,4	41,4	35,8	4,07	4
5		The application provides easy-to-read information	1,2	3	19	43,4	33,4	4,05	4
6		The application provides easy-to-understand information	1,2	3,4	18,8	44,4	32,2	4,03	4
7		The application provides up-to-date information	1,2	2,8	21,8	44,8	29,4	4,01	4
8		The application provides quite detailed information	1,6	2,4	15,6	41,6	38,8	3,98	4
9	Service interaction	The application provides a sense of security for transactions in wholesale shopping	1,4	2,6	16,4	46,6	33	4,14	4
10	Overall impression	The ordering application provides a positive experience in ordering goods	1,4	2,6	17,8	46,2	32	4,07	4
11		The overall appearance of the ordering application is good	1,4	3	18,8	44,4	32,4	4,05	4

Trust is important in building supplier relationships with traditional retail store partners. Suppliers need to consider the trust of their partners to retain their customers. Trust is captured as a belief in the supplier's integrity and is essential in increasing customer satisfaction and loyalty. The trust variable is divided into ability, benevolence, and integrity indicators. Each indicator is further divided into several statement items, and the analysis results are presented in Table 6. In the ability and benevolence indicators, two statement items are used, and the majority of respondents answer four or agree. Meanwhile, three statement items are used to assess integrity, and the majority also answer 4.

The degree to which the traditional retail store partner believes the supplier has constructive objectives and motives related to achieving positive

outcomes is a key component of trust. Therefore, suppliers concerned with customers' positive outcomes will be more trusted than those who appear to be only interested in their well-being. The impact of trust on customer loyalty is also informed by several previous studies (Haghkhal et al., 2020; Menidjel et al., 2020; Hannan et al., 2017; Melewar et al., 2017; Rauyrueen & Miller, 2007).

The commitment is divided into emotional, cognitive, and goal indicators. Each indicator is further divided into several statement items, and the analysis results are presented in Table 7. Two statement items assess emotional and cognitive commitment, and most respondents answer four. Meanwhile, the goal indicator has three statement items, with four as the highest response. Suppliers that want to be successful in their sales must pay attention to the commitment,

Table 6 The Descriptive Analysis Result of Trust

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Ability	Trust in the suppliers' ability to provide wholesale goods for the stalls	1,4	3	18,8	44,4	32,4	4,03	4
2		Trust in the suppliers' ability to serve and deliver goods	1,2	2,8	14,6	44,4	37	4,13	4
3	Benevolence	Trust in the suppliers' sincerity in providing services	1,4	2,8	12,6	43,2	40	4,18	4
4		Trust in the suppliers' sincerity to help their stall partners in working together	1,4	2,2	11,6	43,4	41,4	4,21	4
5	Integrity	Trust in suppliers' product quality	1,2	2,4	12,8	41,4	42,2	4,21	5
6		Trust in the suppliers' service quality	1,2	2,8	11	43,8	41,2	4,21	4
7		Trust in the honesty of the information provided by the supplier in accordance with the facts	1,6	2,2	21,6	43	31,6	4,24	5

Table 7 The Descriptive Analysis Result of Commitment

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Emotional commitment	Feel close when partnering with suppliers	1,4	2,4	11,8	38,2	46,2	4,25	5
2		Feel happy/proud of partnering with suppliers	1,2	2,6	13,8	44,4	38	4,15	4
3	Cognitive commitment	Always want to maintain relationships with suppliers because the fulfillment of the goods is in accordance	1,2	2,4	15,4	45,2	35,8	4,12	4
4		Always want to maintain relationships with suppliers because the service is appropriate	1,4	2,2	13,2	46	37,2	4,15	4
5	Goal commitment	Choose to partner with a supplier because it feels practical	1,2	3	13,6	47	35,2	4,12	4
6		Choose to partner with a supplier because it is useful and helpful	1,4	3	11,8	45,4	38,4	4,16	4
7		Always refer to Alfamicro suppliers when shopping	1,6	3,8	26,2	42,2	26,2	3,88	4



especially sincerity, to fulfill their agreement with the traditional retail store partners. According to Rauyruen and Miller (2007), committing to suppliers is very important for developing customer loyalty. The impact of commitment on customer loyalty is also found in several previous studies (Haghkhah et al., 2020; Samudro, Sumarwan, Simanjuntak, & Yusuf, 2019; Melewar et al., 2017; Rauyruen & Miller, 2007).

Satisfaction is divided into indicators of overall satisfaction, products or services, and expectations of the traditional retail stores and the conditions provided by the supplier, as shown in Table 8. In the indicators of overall satisfaction, there are two statement items, with the majority of respondents answering four or agree. Meanwhile, three statement items are used to assess the ideal customer satisfaction with the product or service, and the majority also choose four. Regarding the expectations of the traditional retail store and the conditions provided by the supplier, there are three statement items, and the majority answer four. The results comprise feelings of getting a positive result in partnering with suppliers because they are profitable, and the products and services provided are superior to others. Therefore, suppliers need to consider the satisfaction of their partners in terms of the products and services provided to encourage repurchase decisions. Customer satisfaction has an impact on customer loyalty, as proven in several previous research findings (Haghkhah et al., 2020; Veloso et al., 2017; Al Karim, 2019; Ruiz-Martínez, Frasquet, & Gil-Saura, 2019; Wibowo et al., 2018; Hannan et al., 2017).

Customer loyalty is divided into indicators of repeat purchase, purchase across product and service lines, referrals, and retention. Each indicator is further divided into several statement items, and the analysis results are presented in Table 9. In repeat purchase, purchase across product and service lines, and referrals, there are two statement items, with the majority of respondents answering four. Then, two different statement items are used to assess retention. Regarding the traditional retail store not being interested in other suppliers other than Alfamikro, the majority answer three or neutral. Meanwhile, in the statement that Alfamikro supplier as the first to come to mind for wholesale shopping, the majority answer 4.

Based on the Two Top Box analysis results, the traditional retail store's loyalty level ranges from more to much more loyal. The total percentage of answers of four and five indicates loyal, while others, including one, two, and three, show the index of disloyalty. Overall, traditional retail stores that are loyal and not loyal reached 75,4% and 24,6%, respectively. The result is also supported by a detailed frequency analysis in the form of percentages of all variables and the Top Two Box test in Table 10.

The detailed assessment of each statement per variable and the main indicator of loyalty is described. It is about repeat purchases in Table 10, purchases across product and service lines in Table 11, referrals in Table 12, and retention in Table 13. From the Top Two Box analysis, it shows the results of loyal and disloyal stores based on indicators of loyalty.

Table 8 The Descriptive Analysis Result of Satisfaction

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Overall satisfaction with products and services from suppliers	Feeling satisfied with many conveniences of working with suppliers	1,4	2,4	16,6	48,2	31,4	4,06	4
2		Feeling satisfied with collaborating/partnering with suppliers in the shop business	1,4	2,8	15,6	44,6	35,6	4,10	4
3	Satisfaction of the customers with the ideal product or service	Feeling satisfied as the product is in line with expectations	1,4	7,2	27,6	39,6	24,2	3,78	4
4		Feeling satisfied as the service is in line with expectations	1,2	4	19,4	50,4	25	3,94	4
5		Feeling satisfied with the service provided by the supplier	1,2	2,4	13	45,4	38	4,17	4
6	Expectations of the traditional retail stores and conditions provided by suppliers	Feeling satisfied with having a positive impact in partnering with suppliers because of the benefits	1,2	2,4	16,2	41,6	38,6	4,14	4
7		Feeling satisfied that the product at the supplier is superior to others	1,6	5,2	33,8	37,6	21,8	3,73	4
8		Feeling satisfied as the service at the supplier is superior to others	2	3	29	42	24	3,83	4

Based on Table 11 regarding the repeat purchase, the statement of willingness to continue repurchasing wholesale goods from suppliers shows great loyalty, as demonstrated by the Top Two Box value of 81,2%, with 43,4% agreeing and 37,8 % strongly agreeing. Meanwhile, the statement of willingness to increase the total wholesale purchases from suppliers has a value of 76,8%, with 44,2% agreeing and 32,6%

strongly agreeing. Traditional retail stores' loyalty to suppliers shows great loyalty with indicators on their repeat purchases with a Top Two Box value of 83,6%, with 41,4% agreeing and 42,2% strongly agreeing. Repurchase of traditional retail stores to suppliers really needs to be maintained. The continuity of the supplier's business is certainly driven by repeat and wholesale goods purchases by traditional retail stores.

Table 9 The Descriptive Analysis Result of Customer Loyalty

No	Indicator	Item	Respondents' responses (%)					Average score	Mode
			1	2	3	4	5		
1	Repeat Purchase	Willing to continue to repurchase wholesale goods from suppliers	1,4	3	14,4	43,4	37,8	4,13	4
2		Willing to add value to the number of purchases of wholesale goods from suppliers	1,8	3,6	17,8	44,2	32,6	4,02	4
3	Purchase across Product and Service Lines	Willing to try new products offered by suppliers	1,8	3,8	23,4	47,2	23,8	3,87	4
4		Trusting suppliers for wholesale shopping	1,4	2,4	18	44,2	34	4,07	4
5	Referrals	Willing to recommend Alfamikro suppliers to other people or stalls for wholesale shopping	1,4	3,2	22,8	40,4	32,2	3,99	4
6		Willing to invite other stalls/stores to become Alfamikro's supplier partners	1,6	3,2	24,8	40,8	29,6	3,94	4
7	Retention	Not interested in other suppliers other than Alfamikro for wholesale shopping	3,2	6,8	41,6	30,8	17,6	3,53	3
8		Alfamikro supplier as the first to come to mind for wholesale shopping	1,6	4,4	27,6	40,2	26,2	3,85	4

Table 10 Percentage of Assessors to Loyalty Indicators

Main Variables/Indicators	Percentage of Assessors (%)						
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Top Two Box	Not Loyal
(LY1) Repeat Purchase	1,4	3,2	11,8	41,4	42,2	83,6	23,2
(LY2) Purchase Across	1,2	3	14,4	45,6	35,8	81,4	18,6
(LY3) Referrals	1,4	2,8	21,2	40	34,6	74,6	25,4
(LY4) Retention	1,4	5	25,8	42,4	25,4	67,8	32,2
(LY) Customer Loyalty	1,4	3	20,2	45	30,4	75,4	24,6

Table 11 Percentage of Respondents to the Repeat Purchase Indicator

No	Item Indicator	Respondents' Responses (%)					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Top Two Box
1	Willing to continue to repurchase wholesale goods from suppliers (LY1.1)	1,4	3	14,4	43,4	37,8	81,2
2	Willing to add value to the total purchase of wholesale goods from suppliers (LY1.2)	1,8	3,6	17,8	44,2	32,6	76,8
<b>Repeat Purchase</b>		<b>1,4</b>	<b>3,2</b>	<b>11,8</b>	<b>41,4</b>	<b>42,2</b>	<b>76,8</b>

Based on Table 12 regarding the purchase across indicators, the statement of trusting the supplier for wholesale shopping shows great loyalty with a Top Two Box value of 78,2%, with 44,2% agreeing and 34% strongly agreeing. The statement of willingness to try new products offered by suppliers has a value of 71%, with 47,2% agreeing and 23,8% strongly agreeing. Next, traditional retail stores' loyalty to suppliers shows great loyalty with indicators on the purchase across them with a Top Two Box value of 81,4%, with 45,6% agreeing and 35,8% strongly agreeing.

Loyal traditional retail stores will make it easier for suppliers to offer them new products or other services. In the current digital transformation era with a traditional retail store in collaboration with suppliers, suppliers do not only sell fast-moving consumer goods. However, they can also offer digital products, such as e-vouchers, electricity tokens, and other services like Perusahaan Daerah Air Minum - Regional Drinking Water Company (PDAM) payments, Badan Penyelenggara Jaminan Sosial - Social Security Administrator (BPJS) payments, and others.

Table 13 on the referrals indicator show that the statement of willingness to recommend suppliers to other people or stalls for wholesale shopping indicates loyalty as demonstrated by the Top Two Box value of 72,6%, with 40,4% agreeing and 32,2% strongly agreeing. Meanwhile, the statement of willingness to invite other stalls/stores to become supplier partners

has a value of 70,4%, with 40,8% agreeing and 29,6% strongly agreeing. Traditional retail stores' loyalty to suppliers shows great loyalty with indicators on their referrals with a Top Two Box value of 74,6%, with 40% agreeing and 34,6% strongly agreeing.

Retail stores that are loyal to suppliers are expected to help suppliers in terms of recommending suppliers to other store for wholesale. In the current era of digital transformation with traditional retail stores that purchase wholesale through ordering applications, they can recommend suppliers' applications by giving good ratings and reviews.

Based on Table 14 regarding retention indicators, the statement of Alfamikro supplier as the first to come to mind for wholesale shopping has the highest level of loyalty of 66,4%, with 40,2% agreeing and 26,2% strongly agreeing. In addition, the statement of not being interested in suppliers other than Alfamikro for wholesale shopping has a value of 48,4%, with 30,8% agreeing and 17,6% strongly agreeing. The loyalty of traditional retail stores to suppliers shows loyalty with indicators on retention with a Top Two Box value of 67,8%, with 42,5% agreeing and 25,46% strongly agreeing. The value of the Top Two Box on the retention indicator is the smallest compared to other loyalty indicators. It shows that competition between suppliers in cooperating with a traditional retail store is very competitive. It takes a strategy from suppliers so that traditional retail stores are not easy to move for wholesale shopping to other suppliers.

Table 12 Percentage of Respondents to the Purchase across Product and Service Lines Indicator

No	Item Indicator	Respondents' Responses (%)					Top Two Box
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Willing to try new products offered by suppliers (LY2.1)	1,8	3,8	23,4	47,2	23,8	71
2	Trusting the suppliers for wholesale shopping (LY2.2)	1,4	2,4	18	44,2	34	78,2
<b>Purchase across product and service lines</b>		<b>1,2</b>	<b>3</b>	<b>14,4</b>	<b>45,6</b>	<b>35,8</b>	<b>81,4</b>

Table 13 Percentage of Respondents to the Referrals Indicator

No	Item Indicator	Respondents' Responses (%)					Top Two Box
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	
1	Willing to recommend suppliers to other people or stalls for wholesale shopping (LY3.1)	1,4	3,2	22,8	40,4	32,2	72,6
2	Willing to invite other stalls/stores to become supplier partners (LY3.2)	1,6	3,2	24,8	40,8	29,6	70,4
<b>Referrals</b>		<b>1,4</b>	<b>2,8</b>	<b>21,2</b>	<b>40</b>	<b>34,6</b>	<b>74,6</b>

Next, the cross-tabulation analysis is carried out to show the relationship between the respondents' profile and the loyalty indicators consisting of repeat purchases, purchases across product and service lines, referrals, and retention. Additionally, a statistical indicator in the form of a Chi-Square is used to test the relationship of the variables expressed in rows and columns. The results in Table 15 show that the value of asymp. Sig. (2-sided) on several profiles is greater than 0,1 with a 10% significance level. Therefore, it can be concluded that the respondents' profiles are related to traditional retail stores' loyalty to suppliers. The profiles consist of gender, age, education level, average store sales, wholesaler intensity, average purchases per transaction, length of business, and percentage of shopping value compared to the total wholesaler.

Furthermore, the average purchase per transaction of 0,071 is correlated with loyalty indicators on repeat purchases. It implies that the greater the wholesale value is, the higher the frequency of repeat purchases will be and vice versa. On average, traditional retail stores have limited cash flow in terms of working capital, so they tend to repeat orders more often with a small average purchase value per transaction.

Next, the wholesale intensity relates to purchases across product and service lines with a chi-square

value of 0,013. It indicates that the higher the intensity of wholesale shopping is, the greater the variety of goods is purchased. In other words, traditional retail stores tend to make wholesale purchases more often with various products.

Age with a value of 0,028 and an average purchase per transaction of 0,079 have a relationship with referrals. It indicates that the age of the owner or manager of a traditional retail store is related to promoting others and carrying out wholesale shopping at the same supplier. Owners with an average of 26 to 50 years old will promote other retail stores especially in the current era of digital transformation, by using online ordering applications. The relationship between purchases per transaction and referrals shows the experience of traditional retail stores, which will motivate them to provide referrals.

Then, wholesaler intensity of 0,01, average purchase per transaction of 0,043, and last-time wholesaler shopping of 0,032 have a significant relationship with retention. The results signify that the intensity of traditional retail stores in carrying out wholesale shopping makes them resistant to negative influences regarding the supplier company. It is further demonstrated in the relationship between the average purchase per transaction and retention, indicating that the value of spending on retail stalls is relatively large at IDR600.000 to IDR1 million. Moreover,

Table 14 Percentage of Respondents to the Retention Indicator

No	Item Indicator	Respondents' Responses (%)					
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Top Two Box
1	Not interested in other suppliers, other than Alfamikro for wholesale shopping (LY4.1)	3,2	6,8	41,6	30,8	17,6	48,4
2	Alfamikro supplier as the first to come to mind for wholesale shopping (LY4.2)	1,6	4,4	27,6	40,2	26,2	66,4
<b>Retention</b>		<b>1,4</b>	<b>5</b>	<b>25,8</b>	<b>42,4</b>	<b>25,4</b>	<b>67,8</b>

Table 15 The Relationship between the Respondents' Profile and Loyalty

Sig. Pearson Chi-Square on Alpha 0,1 of Studied Variables					
	Customer Loyalty	Repeat Purchase	Purchase Across	Referrals	Retention
Gender	0,843	0,363	0,604	0,927	0,103
Age	0,239	0,269	0,486	0,028	0,614
Latest Education	0,275	0,253	0,598	0,444	0,601
Average Store Sales	0,132	0,228	0,964	0,102	0,476
Wholesale Intensity	0,24	0,268	0,013	0,56	0,012
Average Purchase per Transaction	0,008	0,071	0,667	0,079	0,043
Business Length	0,597	0,499	0,676	0,66	0,776
Last Time Wholesale Shopping	0,568	0,785	0,109	0,374	0,032
Wholesale Percentage	0,511	0,628	0,538	0,181	0,184

the relationship between the last time of wholesale shopping and retention shows the traditional retail stores' loyalty to the supplier company.

## CONCLUSIONS

The results show that the service quality provided by suppliers to traditional retail stores is quite good, with an average response score above four. Trust, commitment, and satisfaction are also good, with an average score above four. However, merchandise and website quality conditions still need improvement in B2B relations with traditional retail stores, especially on the merchandise aspect, namely incomplete products, less competitive prices, and out-of-stock availability. Regarding the website quality, suppliers need to improve the ordering application, which must be easier to use, understand, and provide detailed and clear information to traditional retail stalls. The results show that many retail stores still feel disloyal to suppliers. Hence, further research on the factors that influence loyalty in the new retail in the digital transformation era needs to be carried out. The results can be used to create a model of traditional retail stores' loyalty in Indonesia.

Based on this empirical study, supplier companies in the FMCG retail industry in the new retail industry need to do several things during the digital transformation era. First, they should examine and re-analyze the service quality aspects provided by traditional retail stores. Second, they should also review the existing merchandising aspects. Last, they need to pay attention to website quality in the ordering application.

In addition, the Top Two Box analysis shows that traditional retail stores' loyalty to suppliers is 75,4%. Meanwhile, those who are disloyal are 24,6% with the greatest indicator of loyalty being purchases across product and service lines at 81,4% and repeat purchases at 76.8%. Furthermore, the cross-tabulation analysis describes that the respondents' profiles related to repeat and purchase across loyalty indicators are the average purchase value per transaction and wholesaler frequency intensity. Meanwhile, those associated with referrals are age and average purchase value per transaction. The profiles related to retention are the intensity of wholesaler frequency, the average purchase value per transaction, and the most recent transaction with the supplier.

The research focuses on identifying and analyzing variables related to retail stores' loyalty to suppliers based on relationship marketing theory. The variables used are retail service quality, merchandising, website quality, and relationship quality. However, some factors can also be used as variables in the success of a relationship marketing-based strategy that can be applied in further research. For example, future research can implement a data-based Customer Relationship Management (CRM) program to manage relationships between suppliers and retail

stores efficiently and effectively. Another limitation related to the research is that the sampling is only carried out at retail stores that are already members of the supplier. The research is also limited to retail stores that already use the goods ordering application to order wholesale goods from the suppliers. It is recommended for further research also to examine the factors that influence retail stores to adopt technology in the wholesale goods ordering system through the ordering application.

Furthermore, future research on the survival and development of supplier companies in the retail industry, especially when performing B2B relations with traditional retail stores, is needed. Formulating appropriate marketing strategies for suppliers dealing with traditional retail stores is also necessary. Further investigations on strategies to improve the loyalty of traditional retail stores can be conducted by involving suppliers, principals, and academic experts as well as practitioners, due to the increasing number of technology-based suppliers emerging with different systems and formats in Indonesia.

## REFERENCES

- Afthanorhan, A., Awang, Z., Rashid, N., Foziah, H., & Ghazali, P. (2019). Assessing the effects of service quality on customer satisfaction. *Management Science Letters*, 9(1), 13–24. <https://doi.org/10.5267/j.msl.2018.11.004>
- Al Karim, R. (2019). Influence of service quality on customer satisfaction and customer loyalty in the private banking sector of Bangladesh: A PLS approach. *Journal of Marketing and Information Systems*, 2(2), 8–17. <https://doi.org/10.31580/jmis.v1i3.1049>
- Al-Maamari, Q. A., & Abdulrab, M. (2017). Factors affecting on customer loyalty in service organizations. *International Journal of Energy Policy and Management*, 2(5), 25–31.
- Anestia, C. (2019). *Tren "new retail" dan pemberdayaan pedagang tradisional*. Retrieved from <https://dailysocial.id/post/new-retail-di-indonesia>
- Datta, P., Fraser, P., & Lebcir, M. (2018). An investigation into the relationship between customer relationship marketing and customer retention: Superstore retailing context in Bangladesh. *Journal of Business and Retail Management Research*, 13(2), 20–35. <https://doi.org/10.24052/JBRMR/V13IS02/ART-03>
- Dewi, N. L. M. K., & Sulisyawati, E. (2020). Pengaruh merchandising terhadap kepuasan dan loyalitas pelanggan Indomaret di Kota Denpasar. *E-Jurnal Manajemen*, 9(1), 40–58. <https://doi.org/10.24843/EJMUNUD.2020.v09.i01.p03>
- Dhiranty, A., Suharjo, B., & Suprayitno, G. (2017). An analysis on customer satisfaction, trust and loyalty toward online shop (A case study of Tokopedia.com). *Indonesian Journal of Business and Entrepreneurship (IJBE)*, 3(32), 101–110. <https://doi.org/10.17358/ijbe.3.2.102>

- Dwyer, F. R., Schurr, P. H., & Oh, S. (1987). Developing buyer-seller relationships. *Journal of Marketing*, 51(2), 11–27. <https://doi.org/10.1177/002224298705100202>
- Fadil, A. (2019). *Digitalisasi warung*. Retrieved from <https://www.alinea.id/infografis/digitalisasi-warung-b1Xr19pKC>
- Haghkhah, A., Rasoolimanesh, S. M., & Asgari, A. A. (2020). Effects of customer value and service quality on customer loyalty: Mediation role of trust and commitment in business-to-business context. *Management Research & Practice*, 12(1), 27–47.
- Hannan, S., Suharjo, B., Kirbrandoko, K., & Nuralina, R. (2017). The influence of customer satisfaction, trust and information sharing on customer loyalty of professional services company: An empirical study on independent surveyor services industry in Indonesia. *International Journal of Economic Perspectives*, 11(1), 344–353.
- Hati, S. W., & Parlewen, N. (2017). Analysis of pricing and merchandising effect to customer satisfaction and it's affected to customer loyalty in Puri Batam minimarket. *AdBispreneur: Jurnal Pemikiran dan Penelitian Administrasi Bisnis dan Kewirausahaan*, 2(1), 53–68. <https://doi.org/10.24198/adbispreneur.v2i1.12880>
- Hunt, S. D., Arnett, D. B., & Madhavaram, S. (2006). The explanatory foundations of relationship marketing theory. *Journal of Business & Industrial Marketing*, 21(2), 72–87. <https://doi.org/10.1108/10610420610651296>
- Jatmiko, L. D. (2020). *Wow! Nilai ekonomi digital Indonesia 2020 tembus Rp624,2 triliun!* Retrieved from <https://teknologi.bisnis.com/read/20201124/84/1321753/wow-nilai-ekonomi-digital-indonesia-2020-tembus-rp6242-triliun>.
- Jauhari, M. T., Kusumawati, A., & Nuralam, I. P. (2019). The impact of website quality on consumer satisfaction and purchase intention (Study case of e-commerce Lazada Indonesia in Malang City). *Jurnal Administrasi Bisnis*, 67(1), 54–61.
- Khan, M. S., Wang, H., Wang, Q., Khan, W., & Javed, T. (2021). Examining the relationship between the level of logistics service quality, relationship quality and repurchase intention in e-retail sector of Pakistan. *International Journal of Research in Business and Social Science*, 10(1), 189–204. <https://doi.org/10.20525/ijrbs.v10i1.1028>
- Mazzone, D. M. (2014). *Digital or death: Digital transformation: The only choice for business to survive smash and conquer*. Smashbox Consulting Inc.
- Melewar, T. C., Foroudi, P., Gupta, S., Kitchen, P. J., & Foroudi, M. M. (2017). Integrating identity, strategy and communications for trust, loyalty and commitment. *European Journal of Marketing*, 51(3), 572–604. <https://doi.org/10.1108/EJM-08-2015-0616>
- Menidjel, C., Bilgihan, A., & Benhabib, A. (2020). Exploring the impact of personality traits on perceived relationship investment, relationship quality, and loyalty in the retail industry. *The International Review of Retail, Distribution and Consumer Research*, 31(1), 106–129. <https://doi.org/10.1080/09593969.2020.1781228>
- Mustaqimah, A., Hartoyo, & Nuralina, R. (2019). Marketing mix effect towards customer satisfaction and loyalty: Case study of Rejuve cold-pressed drinks. *Indonesian Journal of Business and Entrepreneurship (IJBE)*, 5(3), 310–320. <https://doi.org/10.17358/ijbe.5.3.310>
- Ogiemwonyi, O., Harun, A., Rahman, A., Alam, M. N., & Hamawandy, N. M. (2020). The relationship between service quality dimensions and customer satisfaction towards hypermarket in Malaysia. *International Journal of Psychosocial Rehabilitation*, 24(5), 2062–2071.
- PT Sumber Alfaria Trijaya Tbk. (2020). *Management presentation*. Retrieved from <https://alfamart.co.id/storage/corporate-presentation/November2020/116exSXHCMYZUY6OU45V.pdf>
- Rashid, A., & Rokade, V. (2019). Service quality influence customer satisfaction and loyalty. *UKH Journal of Social Sciences*, 3(1), 50–61.
- Rasli, S., Khairi, N., Ayathuray, H., & Sudirman, M. S. (2018). The effect of e-business website quality on customer satisfaction. *Selangor Business Review*, 3(1), 37–45.
- Rauyruen, P., & Miller, K. E. (2007). Relationship quality as a predictor of B2B customer loyalty. *Journal of Business Research*, 60(1), 21–31. <https://doi.org/10.1016/j.jbusres.2005.11.006>
- Ruiz-Martínez, A., Frascuet, M., & Gil-Saura, I. (2019). How to measure B2B relationship value to increase satisfaction and loyalty. *Journal of Business & Industrial Marketing*, 34(8), 1866–1878. <https://doi.org/10.1108/JBIM-10-2018-0289>
- Samudro, A., Sumarwan, U., Simanjuntak, M., & Yusuf, E. Z. (2019). How commitment, satisfaction, and cost fluctuations influence customer loyalty. *Journal of Management and Marketing Review*, 4(2), 115–125.
- Tandon, U., Kiran, R., & Sah, A. N. (2017). Customer satisfaction as mediator between website service quality and repurchase intention: An emerging economy case. *Service Science*, 9(2), 106–120.
- Ulaga, W., & Eggert, A. (2006). Relationship value and relationship quality: Broadening the nomological network of business-to-business relationships. *European Journal of Marketing*, 40(3/4), 311–327. <https://doi.org/10.1108/03090560610648075>
- Veloso, C. M., Ribeiro, H., Alves, S. R., & Fernandes, P. O. (2017). Determinants of customer satisfaction and loyalty in the traditional retail service. In *22<sup>nd</sup> International Scientific Conference on Economic and Social Development – “Legal Challenges of Modern World”* (pp. 470–485).
- Wibowo, A. S., Suwarsinah, H. K., & Yuliati, L. N. (2018). The effects of VPTI's corporate image and service quality on satisfaction and loyalty of the KSO SCISI customers. *Indonesian Journal of Business and Entrepreneurship (IJBE)*, 4(1), 75–87. <https://doi.org/10.17358/ijbe.4.1.75>
- Wilson, N., Keni, & Tan, P. H. P. (2019). The effect of website

design quality and service quality on repurchase intention in the e-commerce industry: A cross-continental analysis. *Gadjah Mada International Journal of Business*, 21(2), 187–222.