Driving Forces of Hypermarket's Customer Loyalty: An Empirical Study in Malaysia

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A R T I C L E   I N F O

A B S T R A C T

Background: Customer satisfaction and loyalty is the output of a successful retail marketing model in a competitive marketing environment, thus creating value for both customers and retailers. Malaysian hypermarkets have experienced marked growth and development in the recent years, with many of these hypermarkets laying special emphasis on the development of customer satisfaction and customer in order to afford the long term tapping of sales revenue. However, in their drive for customer satisfaction, many of these hypermarkets continue to be faced with a number of impediments. These include increasing competition, market analysis and rising customer expectations. **Objectives:** The aim of this study is to investigate the driving forces of customer loyalty among hypermarket's customer in Malaysia. With data collected from a Giant, Tesco, Mydin, and Aeon Big customers via non-probability sampling. **Results:** the study empirically examines the nature of the effect of the customer perceived service quality, quality of product, pricing strategy, store attributes and customer loyalty through the mediating variable of customer satisfaction. However the outcomes revealed that the customer perceived service quality, pricing strategy, quality of product and finally store attributes have significant relationship on customer satisfaction and overall customer satisfaction has strong impact on hypermarket's customer loyalty, especially, product quality is more significant on customer satisfaction with compare to service quality. **Conclusion:** This finding confirms the role of customer satisfaction as an important determinant of customer loyalty in the hypermarket customer's loyalty setting. However this study offered an insight into hypermarket's customer loyalty from Malaysian customer a perspective which has not previously been investigated.

INTRODUCTION

The robust growth registered by hypermarkets the world over led to the rising trend of scholarly research on hypermarket business strategy. Hypermarket businesses are generally very competitive where the various competing retailers know each other's position in the market (Codrington, 2002). Today, numerous established retailers have been targeted by the world market in the quest for new opportunities for market expansion (Abu & Roslin, 2008); among them, the Malaysian hypermarkets. In the recent years, the marked success registered by the different prominent foreign based retailers led to their interest in Malaysian consumers, and thus the formation of various retail outlets (Abu & Roslin, 2008). With these retail shops gaining ground and thus facing intense competition with one another, the need for ensuring customer satisfaction and customer loyalty is evident. This is necessary because loyal customers tend to repeat and increase their purchase, which in turn increases sales and revenue of the retail firm (Li & Green, 2011). Customer satisfaction and loyalty is the output of a successful retail marketing model in a competitive marketing environment, thus creating value for both customers and retailers. Malaysian hypermarkets have experienced marked growth and development in the recent years (Heng et al., 2011), with many of these hypermarkets laying special emphasis on the development of customer satisfaction and customer in order to afford the long term tapping of sales revenue. However, in their drive for customer satisfaction, many of these hypermarkets continue to be faced with a number of impediments. These include increasing competition, market analysis and rising customer expectations (Gomez, McLaughlin, & Wittink, 2004). In addition, it is rather cumbersome for a retail firm to ensure customer loyalty through customer satisfaction due to rising competition on the one hand and falling customer patronage on the other as customers intermittently switch sides in search of products and services at lower cost. In Malaysia,

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many of the hypermarkets nowadays tend to employ preemptive tactics for ensuring customers' satisfaction through the provision of products and services; however, there is no concrete evidence to suggest that customers' satisfaction is lacking (Gomez et al., 2004). Moreover, despite the fact that numerous studies have been done on the impact of customer perceived service and product quality, store attributes, pricing model and geographical location on the customers' satisfaction and loyalty in various sectors, there has not been any significant study on the impact of these core components on customers' satisfaction and loyalty in the context of the Malaysian hypermarkets. In order to fill this research gap, the current study seeks to measure the customers' satisfaction and loyalty levels of three prominent hypermarkets in Malaysia, namely Giant, Tesco, Aeon Big and Mydin. Specifically, the research will test the hypothesis that Malaysian hypermarkets always enjoyed maximum customer loyalty by providing maximum customers' satisfaction. The study will further suggest appropriate management strategies that can assist in enhancing customer satisfaction and loyalty; thus providing reference material for future researchers of hypermarkets in Malaysia.

Conceptualization and Hypothesis Development:
The conceptual model provides a summary of the set of relationships of the studied parameters in the current study (see Fig. 1). As mentioned earlier, these parameters include customer perceived service quality, product quality, customer satisfaction, pricing strategy, and store attributes as well as customers' loyalty among hypermarket businesses. Here, the proposed conceptual model is derived from those developed by (Tu, Li, & Chih, 2011); (Caceres & Paparoidamis, 2007); (Bolten, Kennerknecht, & Spiller, 2006); (Sivadas & Baker-Prewitt, 2000). (Tu et al., 2011), developed a hypothesized model for investigating the correlation between Service quality, Customer Perceived Value, Customer Satisfaction and Customer Loyalty. Similarly, (Sivadas & Baker-Prewitt, 2000), employed the hypothesized model to investigate the relationship between service quality, and customers' satisfaction and loyalty; by using a random survey on 542 respondents. From their survey, it was reported that customers' satisfaction has significant impact on repurchase intention, relative attitudes and recommendation. The study however showed no direct impact of these attributes on store loyalty. In the empirical study by; (Caceres & Paparoidamis, 2007), on the establishment of a theoretical model on customers' perception of service and product quality, the authors focused on the linkage between technical and functional quality, relationship satisfaction, trust, commitment and loyalty. In a similar study, (Bolten et al., 2006) devised a conceptual model to investigate the influence of customers' satisfaction and customers' enthusiasm in small retail scenarios of organic food stuff with special focus on the linkage between product quality, service quality, shopping atmosphere, and environmental protection, shopping location, economical success, shopping frequency, recommendation, customers' satisfaction and customers' enthusiasm. In the study, twelve organic food shops were considered across Germany, with 948 respondents interviewed. In their result, it was reported that the primary contributing factors of customers' satisfaction were product quality and customer service quality. The investigation by; (Yee, Khoo, Kuit, Lee, & Tan, 2011), afforded a theoretical framework of the linkage between customers' perception of marketing and brand loyalty among hypermarkets in Malaysia. Specifically, the study concentrated on the impact of such factors as price, store image, price promotion, advertising spending and distribution on customers' loyalty. From the above review and other related studies, the current study identified a number of variables for measuring customers' satisfaction and loyalty towards retail marketing strategies of hypermarkets in Malaysia.
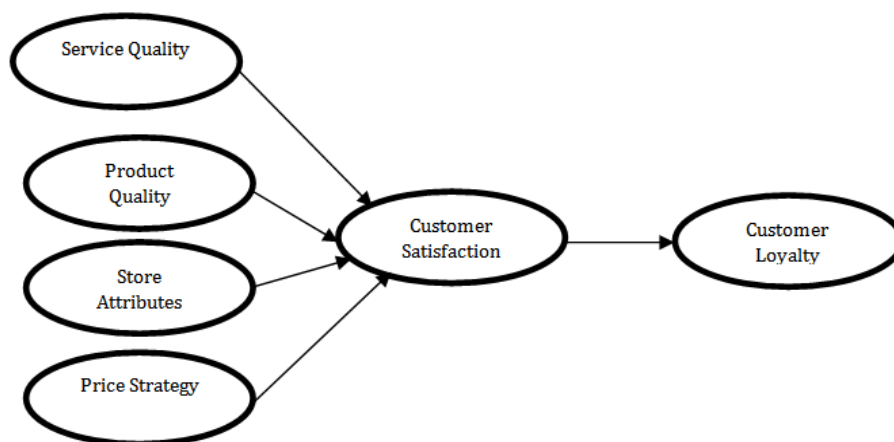

Fig. 1: Conceptual framework.

Customer Loyalty:

The term customers' loyalty refers to the customers' commitment towards the purchase of goods and services from a specific retailer's outlet (Cole & Clow, 2011). In other words, it is the emotional readiness of customers for the repurchase of the preferred goods and services from a specific retail store (Kaltcheva & Weitz, 2006; Szwarc, 2005), which is a vital component of the firm's strategic survival objectives and goals (Mandhachitara & Poolthong, 2011). As such, this single feature not only provides the basis for the development of sound business plans but also forms a pivotal component in the design of competitive marketing strategies (Dick & Basu, 1994; Mandhachitara & Poolthong, 2011). As indicated by (Keller, 1993), loyal customers of a particular shopping outlet are identified by the feature that they are regular buyers of goods and service of the particular outlet. In particular, this important repeat purchase attribute of consumers is particularly enhanced by the level of goods and services quality as well as the store attributes improvement afforded by the firm in the retail business strategy; and constitute a fundamental dimension for improving customers' loyalty in the retail marketing strategy.

(Dorotic, Bijmolt, & Verhoef, 2012); reported that customers' loyalty was developed through shopping patterns of customers as well as their loyalty attitudes, both of which are closely related to service and product quality (Gonring, 2008). From the perspective of retailers, customers' loyalty can be attained through the implementation of a suitable branding strategy, coupled with the introduction of loyalty programs geared towards the development of emotional attachment towards the purchase of the marketed products and services. In either case, customers develop their individual loyalty perceptions towards the various goods and services, retail shops and business firms (Saili, Mingli, & Zhichao, 2012), (Kotler & Keller, 2012). Nevertheless, it must be noted that customers' loyalty is a long term marketing strategy, and is not easily identifiable (Dorotic et al., 2012). In the study by (Bagozzi & Dholakia, 2006), it is reported that customers' loyalty initiatives may be in one of four forms, namely granting of special discounts to members via registration, granting of a free unit to members upon their purchase of n units, granting of rebate to members, and the emailing of discount offers to members (Ho et al., 2009). On top of that, retailers' strategy of cost switching as a way of discouraging customers' defection has also been reported.

H1: There is positive relationship between Brand loyalty and brand equity.

Customer Satisfaction:

As cited in Abdullah (Abdullah, 2012), the study by (Sivadas & Baker-Prewitt, 2000) reported that customers' satisfaction is a vital prerequisite for the attainment of customers' loyalty. On the other hand, (Bennett & Rundle-Thiele, 2002), argued that for customers to escalate their loyalty, their perceived value of the good or service offered must be at par with reality, forming an integral part of the business goals of the organization. (Sirdeshmukh, Singh, & Sabol, 2002) reported that customers' satisfaction has close linkage to brand loyalty as well as service quality. Similar argument is put forward by (Hoq & Amin, 2010) who also posited that customer satisfaction is the emotional or cognitive tendency of a customer towards the repurchase of products and services offered by a retail store. It therefore suffices to suggest that customers' satisfaction is a human attribute concerned with the after purchase of goods and services; and since this important business element is customer driven, the customer constitutes an integral component of the business strategy. The study by (Rowley, 2005) reported that the loyal customers of a firm are generally the satisfied customers of the firm – a statement which is found to be consistent with the report from many other studies of similar nature (Szymanski & Henard, 2001); (Abdullah, 2012). In general, when a customer experienced the perceived value of the product or service, he/she becomes more satisfied, and when the perceived value is not experienced, the reverse occurs. In fact, for (Singh, 2006), customers' satisfaction is enhanced by the provision of goods and services whose values surpass the customer's expectation; based on which customers tend to develop positive and negative metrics on the business firms. Relating customer satisfaction to accrual, (Luo & Homburg, 2007; Yeung, Ging, & Ennew, 2002) reported that customers' satisfaction enhances the profitability of the business; while numerous studies on customer behavioral patterns suggested that customer's satisfaction results in customer's loyalty which is crucial for their repurchase decision (Matzler, Bidmon, & Grabner-Kräuter, 2006). Among the mediators of customers' satisfaction and loyalty as reported by (Anderson, Fornell & Lehmann, 1994), are customers' experiences, values and qualities. In his definition of value, (Abdullah, 2012) argued that it is the ratio of the perceived usefulness of the good or service to consumer in relation to the price. As such, an increase in customers' satisfaction will certainly result in an increase in customers' loyalty.

H1: Customer Satisfaction has positive association with hypermarket Customer loyalty.

Customer Perceived Service Quality:

The primary goal of putting in place a retail marketing strategy is to ensure the delivery of improved products and services to regular and potential customers alike. In the retail market, the delivery of quality service plays a central role in the establishment of customer satisfaction and by extension, customers' loyalty. Being a complex, subjective, and abstract concept, different researchers perceived service quality differently. In

the studies by (Grönroos, 2006; Parasuraman, Zeithaml, & Berry, 1985), service quality entails the customers' evaluations of the perceived and expected quality of the products and services delivered to them. Here, products and services quality refers to the customers' perceived quality of specific components of the offered products or services. These may include reliability, assurance, tangibility, courteousness, personalization, communication and responsiveness, all of which must be integrated into the firm's strategic plans; thereby providing the much needed consumers' satisfaction through the provision of brilliant services such as personal, situational and product quality factors. Service quality has close relationship with customers' satisfaction, in that it is a prerequisite to customers' satisfaction and loyalty(Su, 2004). From the review of relevant literature, it can be argued that customers' loyalty is ensured through customer satisfaction by properly enforcing service quality in the retail marking plan. Concerning the negative attitudes of customers, numerous works have been done to study the link between customers' satisfaction or loyalty and the service quality in relation to customer complaints (Al-Rousan & Mohamed, 2010). Thus, consumers' complaints can be gauged through the analysis of customers' expectation, and perceptions for more superior products and services for both current and future trends.

In general, service quality may mean different things to different customers as depicted in the various scholarly works in the literature. For example, the investigation by (Lewis, 2004), defines service quality as "how well a consumer's needs are met and how well the service delivered meets the customer's expectations". (Grönroos, 2006) further argued that consumers' perception of a service's value is highly dependent on the individual consumers' expectations and outcomes of the product evaluation. Similarly, (Tu et al., 2011) reported in their study that service quality is closely linked to customers' satisfaction, and thus, influences customers' loyalty. It can therefore be argued that retailers should give special consideration to these factors in order to enhance customers' relationship through customer satisfaction and loyalty in this modern day of increasing competitiveness of the retail market.
H2: There is positive association between service quality and hypermarket customer satisfaction.

Quality of Product:

The quality of the product is the most significant component of customers' satisfaction and loyalty; and comes in various forms. According to Garvin (1987), product quality can be perceived based on features, performance, conformance, reliability, durability, serviceability, aesthetics and customer perceived quality. (Yuen & Chan, 2010) on the other hand used product durability, sorts of products, freshness of product, attractiveness of products and brand equity as the main attributes for measuring product quality; all of which are geared towards the measurement of customers' satisfaction and loyalty. To retailers, product variety is particularly important because it satisfies the different buying behaviors of the different customers – for different buyer's exhibit different product quality preferences (Dhar et al., 2001). Similar argument is put forward by (Nilsson, Johnson, & Gustafsson, 2001) who iterated that product variety influenced customers thereby enhancing their readiness to embark on further shopping. Thus, it can be argued that increase in product variety increases the volume of sales, and by extension, customers' satisfaction and loyalty.
H3: There is positives association between product quality and hypermarket's customer satisfaction in Malaysia

Pricing Strategy:

Pricing strategy is an important factor for enhancing customers' satisfaction and loyalty, and in fact, in the hypermarket scenario, it is more important than the perceived quality in the business strategy (Matzler et al., 2006). In the current market settings, retailers are more concerned with the pricing strategy given the competitiveness of the market. A comprehensive pricing model is, to a great extent, a vital prerequisite for achieving a distinctive business success, and this argument has been upheld by numerous researchers. For example, (Ailawadi & Keller, 2004) reported that the implementation of a pricing strategy enhances the volume of sales and profit margin. Similarly, (Hinz, Hann, & Spann, 2011) study reported up to 20% increase in revenue due to the implementation of a pricing threshold, thereby enhancing customers' satisfaction and loyalty. Hence, it can be argued that a proper pricing model positively enhance the firm's overall success in the retail market Frazier-Coleman (2008); Wharton (2003). Other studies have also reported that price variation has close relationship with not only service quality and product delivery, but also customers' expectation and loyalty (Hellstrand, 2010).
H4: There is positive association between price strategy and hypermarket's customer satisfaction in Malaysia.

Store Attributes:

Like pricing policy, store attributes also constitute a significant component for enhancing customers' satisfaction and loyalty. In the study by (Liu, Marchewka, Lu, & Yu, 2004), eight store attributes were identified to improve customers' attitudes towards a retail store, namely atmosphere of store, quality of service, merchandise, clientele, physical facilities, post-transaction, convenience, and promotion. While the various retail marketing models require different store attributes, the various aspects of the retail marketing model

themselves enhance these attributes (Jinfeng & Zhilong, 2009).These aspects of the retail marketing model include location, display features, parking facilities, clean and spacious environment and the like. Another important concept in retail marketing strategy is store image. Store image can be referred to as the customers' shopping strategy in which the customers lookout for optimal shopping opportunities and thus willingly shop within those shopping windows(Cornelius, Natter, & Faure, 2010). Studies have reported that store image has both direct and indirect impact on customers' loyalty through customers' satisfaction; both of which result in repeat shopping trends at specific retail stores (Bolten et al., 2006; Hartman & Spiro, 2005; Martensen, Gronholdt, & Kristensen, 2000). In a survey of 250 respondents, (Bolten et al., 2006; Gomez et al., 2004) described the interrelationship between customer satisfaction and the firm's sales performance; while personal characteristics and shopping atmosphere were also reported to be of specific importance and thus, need to be factored in the retail marketing strategy(Bolten et al., 2006). In the current study however, atmosphere of store, image of store, lifestyle, merchandise, convenience and location are the considered store attributes.

H5: There is positive association between store attributes and hypermarket's customer satisfaction.

Research Methodology:
Data collection Procedure:

In the current study, data collection was afforded through self-administered questionnaires to the respondents of the study, which generally consist of Hypermarkets located in the Klang Valley area of Malaysia. The researchers decided to choose the Klang Valley due to its strategic nature in the Malaysian economy in that it is the economic hub for a number of key global financial players, and a large portion of its populace buys most of their commodities from hypermarkets. In addition, the study is largely concerned with quantifying the extent to which customer satisfaction enhances the development of customer loyalty in the Malaysian hypermarket context. In order to control the confounding impact of gender on the result, equal number of respondents is selected in both gender since the perception, belief, attitudes and the level of experience may differ between the two genders in terms of customer loyalty. The employed sampling mechanism in the study is non-probability sampling using convenience technique. In non- probability sampling, respondents can be selected based on personal judgment (Sekaran, 2010; Zikmund, Carr, & Griffin, 2012). This type of sampling is most prevalently employed in situations where the researcher does not have a proper sampling frame, and is widely accepted in marketing research (Malhotra, Patil, & Kim, 2007). Here, the study is made up of four primary strata, namely Giant's customers, Tesco's customers, Big Aeon's customers and Mydin's customers. For each of these trade names, the study covers four of their different hypermarkets across the Kuala Lumpur area, and the respondents were chosen based on their willingness to be involved in the research. The selected respondents were then requested to fill the questionnaires which totaled to 460 respondents in the sampling pool. However, an overall of 396 respondents ended the questionnaire, representing an 86% answer rate. The sample included 52% female with 26% respondents aged below 25 years, 37% of the respondents aged between 26 and 25 years, and 12% of respondents aged more than 35 years. In general, the respondents of the current study were well educated, in that 48% completed secondary education while over 50% attained postsecondary education or university degree. From the descriptive analysis of the result, It was found that more than 74% of respondents shop in the hypermarkets between one to three times per month, while 44.2% and 44.5% of the respondents spend less than RM100 and RM101 - RM300 respectively, each time they went shopping at the hypermarket. Regarding the product purchase categories, the result showed that approximately 70% of the respondents chose clothing products, while 17% chose electronics followed by stationaries 6.8%, food and beverage 2.8% and others 3%.

Measurement Model:

All the construct in this model are measured with a five point Liker Scale from strongly disagree to strongly agree which were numbered from 5 to 1 respectively. Table 1 represents all measures of the research as well as scores. The construct of Service quality was derived from previous research by (Cole & Clow, 2011; Urška Tuškej 2013). Four items were considered to measure customer perceived service quality. The measurement of Product quality was achieved by the scales developed by author. Measures of price strategy included affordable price, price discount Product variety offer at different prices also were achieved by scales developed by author. Satisfaction, a mediator variable in this study, was measured by three items noted by (Nikhashemi, Paim, Haque, Khatibi, & Tarofder, 2013). Store Attributes were measured by five items which is developed by author. Finally Loyalty is measured by four items, which is adopted by (Kim, Magnini, & Singal, 2011; So, King, Sparks, & Wang, 2013). It was then tested using a pilot sample of 50 hypermarket's customers. The respondent in the pilot sample had no difficulty understanding the survey questions, and therefore no compelling reason existed to change the survey instrument.

RESULT AND DISCUSSION

Exploratory Factor Analysis:

Exploratory factor analysis is an antecedent of confirmatory factor analysis (CFA). EFA analysis is executed on measurement model for assessing unidimensionality. However, according to (Byrne, 2009; Hair, Bush, & Ortinau, 2006) stated that factor analysis is a realistic approach to reduce large number of variables and summarize the important factor embedded in a construct. If researchers do not get expecting results then any ill-fitting item can be removed (Osman & Sentosa, 2013). Consequently, confirmatory factor analysis is achieved based on those measurement models that consist of of purified measure which resulted from the early stage of EFA. The measurement model has been tested by accompanying convergent validity, construct validity and finally unidimensionality validity. The minimum factor loading is necessary to consider an item in its corresponding variable. (Hair et al., 2006) suggested that 0.30 is the minimum factor loading which researcher can consider in their study. However (Hair, 2009) recommended that factor loading 0.40 can consider as an important loaded factor but greater than 0.50 can consider as the most significant loaded factor. However, for this research the common requirement is accepted for an items which is greater than 0.40. The results of this study have been determined that all of six factors are loaded to the different factors and they are quite related to explain customer's true perception toward being as loyal customers.

Table 1: Result of the Measurement Model.

Construct	SL	CR	SR	AVE
Service Quality: Mean=3.84, SD=0.882			0.93	0.72
Products display is important.	0.79	NA		
Product warranty/guaranty is important.	0.72	11.30		
Wider range of products offer is important.	0.85	14.15		
Sufficient number of payment counter is important.	0.95	15.24		
Product Quality: Mean=4.51, SD=1.35				
Different qualities product offer is important.	0.92	NA	0.94	0.76
High quality food product offer is important.	0.97	27.04		
Accurate product information is important.	0.91	21.69		
Product reliability is important.	0.77	14.83		
Innovative product is important.	0.77	14.86		
Price Strategy: Mean=5.22, SD=0.94				
Affordable price is important.	0.80	NA	0.93	0.72
Price discount is important.	0.71	11.29		
Reasonable price is important.	0.88	14.19		
Promotional price is important.	0.92	15.99		
Product variety offer at different prices is important.	0.91	15.25		
Store Attributes: Mean=3.92, DS=0.931				
The store attributes at hypermarket is important.	0.91	NA	0.94	0.76
Impressive music in the store is important.	0.98	27.03		
Car parking facilities is an important attributes.	0.93	21.59		
Store decoration is important.	0.74	14.93		
Location is important.	0.77	14.86		
Customer Satisfaction: Mean=5.53, SD= 0.98			0.94	0.84
Hypermarkets satisfy my expectation.	0.86	NA		
Overall I feel satisfied when I shop in hypermarkets.	0.93	19.51		
I think hypermarket is capable to satisfy customer's needs.	0.96	20.51		
Customer Loyalty: Mean= 5.44, SD= 0.95				
I will continue to shop at hypermarket.	0.83	NA	0.91	
I will influence others to shop at hypermarket	0.76	12.66		
I am a loyal customer of hypermarket.	0.92	16.80		
Hypermarket is the first choice for me.	0.90	16.46		
Notes: SL, Standard Loading; CR, Critical ratio, SR; Scale Reliability; AVE; Average Variance extracted				

Confirmatory Factor Analysis:

To evaluate the performance of measurement model which has used in this study, we have used a confirmatory factor analysis, with six constructs which have measured in this research employing **A**nalysis of **M**oments **S**tructure 20.0 via maximum likelihood estimation. The **S**tructure **E**quation **M**odeling program, **A**nalysis of **M**oments **S**tructure was applied during the study to conduct the analyses. In order to evaluate six model, this research assessing both measurement and structural model. This study used different types of goodness of fit indicators because one single statistical test is questionable(Byrne, 2009, 2013). Therefore, the evaluation of models for this study is based on multiple goodness-of-fit indicators. Table 2 and 3 summarizes the outcomes of these assessments.

Table 2: Summary of CFA.

Factor	X^2	DF	P	GFI	AGFI	CFI	RMESA	Cronbach Alpha
Service Quality	21.37	8	0.003	0.981	0.950	0.987	0.061	0.826
Product Quality	33.01	9	0.000	0.971	0.932	0.980	0.071	0.863
Price Strategy	57.22	5	0.002	0.986	0.959	0.992	0.060	0.879
Store Attributes	32.36	4	0.005	0.990	0.961	0.992	0.058	0.756
Customer Satisfaction	33.23	4	0.004	0.987	0.951	0.988	0.067	0.794
Customer Loyalty	31.94	2	0.003	0.992	0.960	0.944	0.054	0.811

Table 3: The assessment of fitness for structure model.

Name of the category	Name of index	Index value	Comments
1. Absolute fit	RMSEA	0.051	The required level is achieved
Absolute fit	GFI	0.902	The required level is achieved
2. Incremental fit	CFI	0.917	The required level is achieved
Incremental fit	AGFI	0.900	The required level is achieved
Incremental fit	TLI	0.910	The required level is achieved
3. Parsimonious fit	Chisq/df	1.282	The required level is achieved

Test of Hypothesis:

Structure Equation Modeling was applied to identify the relationship among hypothesized constructs. Goodness-of-fit demonstrates for this model were x2 = 316.65 (p < .05, df = 179), GFI = .902, CFI = .917, TLI = .910, and RMSEA = .051. Figure one represented the full model of the study. However the model revealed that customer perceived service quality, product quality, price strategy and attributes of store have significant relationship on customer satisfaction and overall customer satisfaction has strong impact on hypermarket's customer loyalty. Especially, product quality is more significant on customer satisfaction with compare to service quality, since **R**oot **M**ean **S**quare of **E**rror **A**pproximation is 0.051 and the normed chi-square gives very good value 1.282. CFI, GFI, AGFI and TLI both are greater than or equal to 0.90 respectively as recommended by (Byrne, 2009). The result found that the product quality is considered very important in Malaysian hypermarkets as perceive by customers (beta=0.67) as compared to service quality (beta=61). On the other hand, overall customer satisfaction has strong relationship with customer loyalty (beta=0.75).

Table 4: Structure Model overall results.

Dependent Variables	Independent Variables	Hypothesis	Beta Weight	Result
Customer Satisfaction	Service Quality	H1	.61**	Sig
Customer Satisfaction	Product Quality	H2	.67**	Sig
Customer Satisfaction	Store Attributes	H3	.47**	Sig
Customer Satisfaction	Price Strategy	H4	.53**	Sig
Customer Loyalty	Customer Satisfaction	H5	.75**	Sig

Goodness –of- fit- Statistics x2 = 316.65 (p < .05, df = 179), x2/df = 1.77, GFI = .902, CFI = .917, TLI = .910, and RMSEA = .051.
* Significant p < .05.
** Significant p < .01.
*** Significant p < .001.

Conclusion:

Customer satisfaction is an important precursor to customer loyalty in the context of hypermarkets(Singh, 2006) and its measure can be afforded based on a number of features. These include service quality, product quality, price strategy, store attributes, etc. Without paying the necessary attention to these attributes, retail firms may face enormous competition in the market given the numerous firms offering similar products and services. However, despite the numerous investigations by researchers on customer satisfaction and customer loyalty in the various contexts (Abdullah, 2012; Abu & Roslin, 2008; Tu et al., 2011) no such study has yet been carried out in the Malaysian hypermarkets context. Hence, in order to fill this research gap, the current study focuses on the concept of customers' satisfaction and loyalty in the context of Malaysian hypermarkets. Specifically, the study seeks to investigate these two factors by examining key attributes such as customer perceived service and product quality, price strategy and attributes of store; all of which have significant influence on customer satisfaction, and where the overall customer satisfaction directly influences customer loyalty (Danesh, Nasab, & Ling, 2012; Sivadas & Baker-Prewitt, 2000). Specifically, customer loyalty can be reasonably enhanced through the development of customer satisfaction. The result of the current study further indicated that customer satisfaction plays a mediation role with strong relationship with customer loyalty; which is in agreement with result from other studies as well (Abdullah, 2012).

Limitation and Direction for Future Studies:

The current study is faced with a number of limitations which may hinder the validity of the result. First and foremost, there are no sufficient journals and articles related to customer satisfaction and customer loyalty in the

Malaysian context. As such, most of the journals adopted in the study emanated from foreign countries with different local conditions compared to Malaysia. Moreover, the limited sample size of the current study may fail to truly depict a fair representation of the overall population. Specifically, 360 sample sizes from the Kuala Lumpur metropolitan area may not be enough to properly represent the overall Malaysian hypermarket shoppers above 18 years old. In addition, the current research was afforded by using self-administered questionnaires using close-ended questions since this method makes it easier for respondents to answer the questions; and the time constraint would not allow the researchers to increase coverage. Finally, since the current study was conducted in the Malaysian scenario, it may only be valid in the Malaysian context and nowhere else. As part of the directions for future research, the study may be extended to the other states of Malaysia. The study could perhaps be conducted at the national scale, covering the whole of Malaysia, the findings of which may help to extrapolate the overall population. Moreover, additional variables such as managerial strategy, corporate image value of products and customers' needs may also be incorporated and studied in the future works on customer satisfaction and loyalty. Furthermore, translating the questionnaires into the different local languages in Malaysia (i.e. Malay, Chinese and Tamil) is also part of our future research plan.

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