

**THE EFFECT OF IMAGE AND SATISFACTION ON
LOYALTY TOWARDS MALIOBORO STREET BUSINESSES
IN YOGYAKARTA**

A THESIS

Presented as Partial Fulfillment of the Requirements

to Obtain the Bachelor Degree in Management Department



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YOGYAKARTA
2012**

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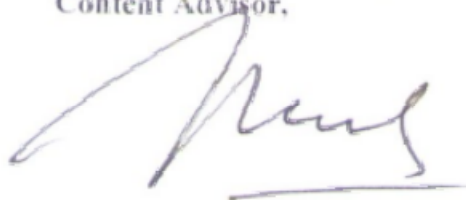
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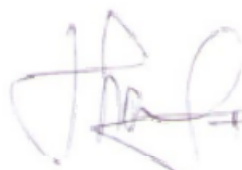
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And Declared Acceptable

Board of Examiners

Examiner 1

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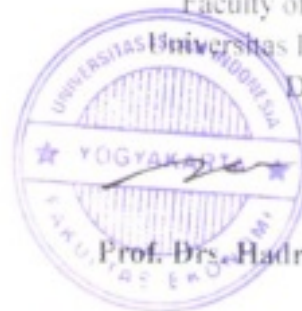


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DECLARATION OF AUTHENTICITY

Herein I declare the originality of this thesis: I have not presented anyone else's work to obtain my university degree, nor have I presented anyone else's words, ideas or expression without acknowledgement. All quotations are cited and listed in the bibliography of this thesis.

If in the future this statement is proven to be false, I am willing to accept any sanction complying with the determined regulation for its consequence.

Yogyakarta, July 3, 2012

Nesmy Zulfa Hidayati



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ABSTRACT

Nesmy Zulfa Hidayati (2012). THE EFFECT OF IMAGE AND SATISFACTION ON LOYALTY TOWARDS MALIOBORO STREET BUSINESSES IN YOGYAKARTA. Yogyakarta, International Program, Universitas Islam Indonesia.

This research objective is to determine the effect of Malioboro Image and Consumer Satisfaction on the Consumer Loyalty toward the Malioboro Street business in Yogyakarta. In current time, the amount of tourism destination places is increasing caused by the increasing of interesting places that discovered as good places for tourism destination. This situation is also followed by the growing of businesses that deal with tourism sector. It brings the strict competition along with a growing number of tourism destinations in Indonesia. Hence, having the consumer loyalty now is becoming the thing which is vied by every business in tourism sector, including Malioboro Street businesses.

This study took 200 respondents who who has experienced in doing transaction as customer in Malioboro Street Business. Subjects were also asked to assess the item on different construct such as factors viewed as antecedents of image and satisfaction in terms of their loyalty action for Malioboro Street Business. The data were analyzed using AMOS Ver.5 in hypothesis testing by regression test. Hypotheses were accepted if the probability level is less than 5% ($p < 0.05$). The result of the hypothesis testing is showing that Malioboro Image and consumer satisfaction significantly affects Consumer Loyalty with the dominant variable is Satisfaction.

Based on the research, the better image of Malioboro Street creates the higher of the consumer loyalty on shopping at this tourism area. While, when the satisfaction of consumer of Malioboro Street is increasing, the loyalty of consumer towards Malioboro Street also increases. The consumer loyalty can be determined by the possibility in repurchasing behavior and recommendation to other people.

Keyword: *Image, Satisfaction, Loyalty, Malioboro Street, Business*

ABSTRAK

Nesmy Zulfa Hidayati (2012). THE EFFECT OF IMAGE AND SATISFACTION ON LOYALTY TOWARDS MALIOBORO STREET BUSINESSES IN YOGYAKARTA. Yogyakarta, International Program, Universitas Islam Indonesia.

Penelitian ini bertujuan untuk mengetahui pengaruh citra Malioboro dan kepuasan konsumen terhadap loyalitas konsumen untuk bertransaksi pada bisnis-bisnis di Jalan Malioboro di Yogyakarta. Saat ini, jumlah tujuan pariwisata mengalami peningkatan yang disebabkan oleh meningkatnya banyak tempat menarik yang ditemukan sebagai tempat yang baik untuk tujuan wisata. Situasi ini juga diikuti dengan pertumbuhan bisnis yang berhubungan dengan sektor pariwisata. Hal ini membawa persaingan ketat dalam bisnis pariwisata yang bersamaan dengan semakin banyak destinasi wisata di Indonesia. Oleh karena itu, loyalitas konsumen menjadi hal yang penting untuk dapat bersaing dengan setiap usaha di sektor pariwisata, termasuk bisnis-bisnis yang berada di Jalan Malioboro.

Penelitian ini melibatkan 200 responden yang telah berpengalaman dalam melakukan transaksi sebagai konsumen di Jalan Malioboro. Subyek juga diminta untuk menilai item pada konstruk yang berbeda seperti faktor dipandang sebagai anteseden citra dan kepuasan dalam hal tindakan kesetiaan mereka untuk Bisnis Jalan Malioboro. Data dianalisis dengan menggunakan AMOS Ver.5 dalam pengujian hipotesis dengan uji regresi. Hipotesis diterima jika tingkat probabilitas kurang dari 5% ($p < 0,05$). Hasil pengujian hipotesis menunjukkan bahwa citra Malioboro dan kepuasan konsumen secara signifikan mempengaruhi kesetiaan mereka dengan variabel yang dominan adalah kepuasan.

Berdasarkan penelitian, citra yang lebih baik dari Malioboro dapat menciptakan loyalitas konsumen yang lebih tinggi untuk berbelanja di daerah pariwisata ini. Sementara, ketika kepuasan konsumen Malioboro meningkat, loyalitas konsumen terhadap Malioboro juga meningkat. Loyalitas konsumen dapat ditentukan oleh probabilitas dalam perilaku pembelian kembali di wilayah tersebut dan juga merekomendasikan wilayah tersebut kepada orang lain.

Kata Kunci: *Citra, Kepuasan, Loyalitas, Bisnis di Jalan Malioboro*

CHAPTER I

INTRODUCTION

1.1. Background of Study

Numerous tourism destinations have been spread for a long time ago in several places in Indonesia. In current time, the amount of tourism destination places is increasing caused by the increasing of interesting places that discovered as good places for tourism destination. It is also followed by the growing of businesses that deal with tourism sector. Based on *Menbudpar* (minister of culture and tourism of Indonesia), Ir. Jero Wacik, SE., drivers that motivate the growth of Indonesia's tourism sector:

1. Fierce competition among airlines, hotels, services, transportation allowing the purchasing power of the traveling public.
2. Innovation also promote the establishment of growth entrepreneurs. They created the promotional strategy, branding, education, even with consistently held an exhibition tour without waiting for government programs.
3. Marked rise in purchasing power macro-economic growth Indonesia.
4. Demands of children who are now getting smarter, especially if the association in their school holiday fun and exciting story.
5. The need to relieve boredom in the city by finding a new atmosphere.

Along The number of business growth in tourism, every city in Indonesia now vies to be the cities, which can bring many people come to enjoy the tourism places that located in its area. This condition has made cities in Indonesia want to build

themselves to be the good tourism destination. It brings the tourism destination not only appears in some regions or provinces in Indonesia, but also the tourism business is now beginning to growth almost covers an area of Indonesia. So there will be a strict competition along with a growing number of tourism destinations in Indonesia. The players in the tourism business should start thinking about strategies for getting and retaining the consumers. These are the things that also trigger to tourism marketers to create the loyalty from the customer to choose again the same destination.

Competitive advantage in this tourism area can be achieved through consumer loyalty, in this term, the tourists that come in the tourism area. This is the way to gain the best kind of consumers which is repeat consumers to the place again. Repeat consumers tend to spend more money and provide the best word-of-mouth advertising. Besides, consumer loyalty becomes one of the factors that able to retain the consumers in the marketing efforts and give the benefits to the business. Oliver (1997) defines loyalty as "the deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts are having the potential to cause switching behavior." It can be referred that the customer will repurchase the services again and will help to create benefits for the company. They allow for a continuous stream of profit, reduce marketing and operating costs, increase referral, and are immune to competitors' promotion efforts (Reichheld and Teal, 1996).

One of the ways that influence consumer loyalty is through branding. The existence of a brand becomes one valuable asset that will bring a business to the peak

of his success. Many benefits can be obtained when the business brand image or brand that they managed to dominate the market up. It cannot be denied if the branded product or service (brand name) is always a special space hearts of consumers. Consumers often prefer to buy products or services that have the top brands compared to choose the new products or services that have not been clearly identified. Akaah and Korgaonkar (1988) explain that consumers are more likely to purchase well-known brand products with positive brand image as a way to lower purchase risks. Besides, when the brand image the certain business have been getting a plus in the eyes of the consumer, it is possible they will do the transaction over and over again and become loyal customers without having to be asked.

Another way to create consumer loyalty is consumer satisfaction. Consumer satisfaction is seen to be one of the main determinants of loyalty. When the consumer satisfy with the certain products or services from certain brand, the consumers will repeat again to consume the products or services from that same brand because they want to feel the satisfaction again. Many businesses seek for the consumer need to get the consumer satisfaction. So that certain tourism business's ability to meet consumer needs is one very important thing. Olsen et al. (2005) defines consumer satisfaction can be defined as a global evaluation or a state of feelings toward a product or service. If there is a gap between the levels of quality provided the business with the actual needs of the consumer, then there will be issues that consumer dissatisfaction is a quality problem to be solved by the business because it can lead to loss of customers who are already owned. Accordingly, the tourism businesses are required to continuously improve its capabilities to produce products or services according to

consumer wishes so that the dissatisfaction of consumer can be prevented and the tourism business will not lose costumers.

Consumer satisfaction and image are two variables that are thought to influence customers' loyalty. From a managerial perspective, understanding the relationships among the three variables and other moderating factors is important (Brunner, Stocklin, & Opwis, 2008). Consumer satisfaction and image are important factors for service companies because of their impact on loyalty. The tourism business players must understand how to create good brand and customer satisfaction towards the tourism destination because creating a strong brand image around the services can help build consumer loyalty and encourage the consumers to evangelize the business to their friends and family as well as creating customer satisfaction. So, there will be the retaining or maintaining customers that can bring the certain place still become the place that many people choose as their tourism destination.

Yogyakarta is one of city in Indonesia that located in the middle-south of Java Island. This city, where many tourism areas placed, is well-known for its name "Daerah Istimewa Yogyakarta" which means "Yogyakarta Special Region". This name given to this city because of its history related with the independence day of Indonesia that makes Yogyakarta also becomes one of cultural city in Indonesia. By this special name, Yogyakarta has built the image itself, especially in the tourism destination image. Many tourism areas spread in several place in Yogyakarta like: Sultan Palace (Keraton), volcanic mount of Merapi, Malioboro Street, South beaches, Temples, etc. Those tourism areas have attracted many tourists who come from the varied places which include of local, non-local, and even foreign tourists come to Yogyakarta to

have good time for their leisure. Besides, Yogyakarta city is also near from the two most famous temples in Indonesia which are Borobudur and Prambanan so that tourists can easily access those temples from Yogyakarta. This condition of Yogyakarta has made this city develop its name as a brand in the tourism sector so that this city becomes one of the famous cities in Indonesia for tourism destination.

One of the famous tourism areas that have been mentioned above is Malioboro Street. Malioboro Street has been one of the icons of Yogyakarta. Malioboro Street is located near from the Sultan Palace of Yogyakarta. Many tourists have come to this place because this is the most famous place in Yogyakarta for its shopping activities with the unique sense of Yogyakarta culture that showed in the ancient building standing along in Malioboro Street. Many shops spread in this place from the small stand formed shops until the biggest one that usually called as mall. Besides, there are also many unique Yogyakarta's horse cart which is called as "andhong" that always stand by in this place until the night come to offer the tourists for its transportation. With the unique form of the street and also the abundant of shops inside the Malioboro Street makes this place become one of place influencing in the image of Yogyakarta as a tourism brand in Indonesia.

In the different perspective, Yogyakarta is also one of city in Indonesia that prone to natural disaster. It has suffered from periodical volcanic eruption in every four years which the nearest period happens in 2010 that has create many victims, and earthquake which is the last power on is in the year 2006 that powered in rate of 5.9 Richter scale (BMG). From this situation, it cannot be denied that after the natural disaster there is a declining number of tourists coming to Yogyakarta. According to

chairman of the Indonesian Hotels and Restaurants Association (PHRI), Istidjab Danunagoro (2010), after Merapi eruption, hotel associations' losses at reached 20 percent, especially hotels located in Kaliurang (place near from Merapi), because of the cancellation bookings for 280 members, three thousand rooms, and the lid 120 resorts. So, it is necessary for tourism businesses to retain the customers and keep the business still alive in Yogyakarta and also including the business in Malioboro Street. In order to retain the customers, tourism businesses' player in Malioboro Street need to concern about the tourism loyalty. Besides, to get the loyalty from the customer, tourism businesses in Malioboro Street also need to understand the customers' satisfaction and also help to build the good image of Yogyakarta tourism.

5.1. Problem Identification

Problem identification is related to the title of the research itself and focused on the two factors which are image and consumer satisfaction that influence to the consumer loyalty in choosing their destination of tour, especially in Yogyakarta tourism area. As we know that Yogyakarta has became one of brand for tourism area in Indonesia since a long time ago. The thing that must be concern is that Yogyakarta is not only the one city that attracts many tourists to visit. There are also so many cities in Indonesia vie to become the place that many people want to come to have good experiences. So, competitions among the tourism destinations become strict and to keep their existence, tourism business players must understand how to retain the customer that can lead them to come again to Malioboro Street.

By the view of this case, the researcher wants to conduct research about the loyalty of the Malioboro Street in Yogyakarta tourists as customers into Malioboro

Street as their tourism destination since Yogyakarta has been a brand of tourism in Indonesia. The research will seek for the relationship between three variables which are image, satisfaction, and the loyalty itself and focus to Malioboro Street area in Yogyakarta as the application of marketing study.

5.2. Problem Formulation

In order to make the problem more specific and efficient, this research will focus on these three points:

1. Is there any correlation between image of Malioboro Street and consumer satisfaction?
2. Is there any influence of the image of Malioboro Street on consumer loyalty?
3. Is there any influence of consumer satisfaction on consumer loyalty towards Malioboro Street?

5.3. Problem Limitation

The writer limits the research into:

1. This research is only addressed to people who have experienced become tourist in Malioboro Yogyakarta
2. The people who who have experienced become tourist in Malioboro Yogyakarta have to have the experience in shopping at Malioboro Street.

3. Respondent is differentiated based on the characteristic that become object of the research, it is based on: race, gender, age, education level, job, and salary level.
4. The object to be researched is brand image, customer satisfaction, and customer loyalty.
5. The place to conduct research is in Universitas Islam Indonesia all faculties.

5.4. Research Objectives

The objectives of this research are:

1. To analyze the relationship between image, tourist's satisfaction, and tourist's loyalty towards Yogyakarta as a tourism destination.
2. To develop a better understanding of such constructs as well as to explain their relationship and to conduct an exploratory investigation of this model.

5.5. Research Contribution

1. To the writer: The result of this research can make the writer comprehend about theoretical knowledge taught in class and its implication to the research in real business.
2. The tourism business companies in Yogyakarta: The result will help the tourism business companies to know what the impact of the brand image of

Yogyakarta and customer's satisfaction and also a basic source to create customer loyalty so that the company can implement the result to be the strategies of winning the market competition on tourism sector.

3. The government: The Result will help the government to understand the importance of creating the image of Yogyakarta tourism and also understand how the tourist satisfaction can impact the loyalty to make them come again in Yogyakarta.
4. Next researcher: The study will add the number of literature especially for marketing concentration. Hopefully, this study will be useful for future research on exploring the relationship among image, satisfaction, and loyalty.

5.6. Definition of Terms

1. Image

Brand image is the overall impression in consumers' mind that is formed from all sources. Consumers develop various associations with the brand. Based on these associations, they form brand image. An image is formed about the brand on the basis of subjective perceptions of associations' bundle that the consumers have about the brand. It is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for. It is a set of beliefs held about a specific brand. In short, it is nothing but the consumers' perception about the product. It is the manner in which a specific brand is positioned in the market.

The impression in the consumers' mind of a brand's total personality (real and imaginary qualities and shortcomings) is also can be determined as brand image because brand image is also developed over time through advertising campaigns with a consistent theme, and is authenticated through the consumers' direct experience.

Like brand personality, a brand is unlikely to have one brand image, but several, though one or two may predominate. The key in brand image research is to identify or develop the most powerful images and reinforce them through subsequent brand communications. The term "brand image" gained popularity as evidence began to grow that the feelings and images associated with a brand were powerful purchase influencers, though brand recognition, recall and brand identity. It is based on the proposition that consumers buy not only a product (commodity), but also the image associations of the product, such as power, wealth, sophistication, and most importantly identification and association with other users of the brand. In a consumer led world, people tend to define themselves by their possessions.

Good brand images are instantly evoked, are positive, and are almost always unique among competitive brands. Brand image can be reinforced by brand communications such as packaging, advertising, promotion, customer service, word-of-mouth and other aspects of the brand experience.

2. Consumer satisfaction

Consumer satisfaction is the state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or

service. The achievement of consumer satisfaction leads to company loyalty and product repurchase.

The term of consumer satisfaction frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined also as the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.

Satisfaction itself can refer to a number of different facts of the relationship with a customer. For example, it can refer to satisfaction with the quality of a particular product or service, satisfaction with an ongoing business relationship, satisfaction with the price-performance ratio of a product or service, satisfaction because a product/service met or exceeded the customer's expectations.

3. Consumer Loyalty

The term consumer loyalty is used to describe the behavior of repeat consumers, as well as those that offer good ratings, reviews, or testimonials. Some consumers do a particular company a great service by offering favorable word of mouth publicity regarding a product, telling friends and family, thus adding them to the number of loyal customers.

The attitudinal definition of loyalty implies that loyalty is a state of mind. By this definition, a consumer is "loyal" to a brand or a company if they have a positive, preferential attitude toward it. They like the company, its products or its brands, and they therefore prefer to buy from it, rather than from the company's competitors. In

purely economic terms, the attitudinal definition of customer loyalty would mean that someone who is willing to pay a premium for Brand A over Brand B, even when the products they represent are virtually equivalent, is "loyal" to Brand A. But the emphasis is on "willingness," rather than on actual behavior. In terms of attitudes, increasing a consumer's loyalty is virtually equivalent to increasing the consumer's preference for the brand. It is closely tied to consumer satisfaction, and any company wanting to increase loyalty, in attitudinal terms, will concentrate on improving its product, its image, or other elements of the customer experience, relative to its competitors.

The behavioral definition of loyalty, on the other hand, relies on a customer's actual conduct, regardless of the attitudes or preferences that underlie that conduct. By this definition, a customer is "loyal" to a company if they buy from it and then continue to buy from it. Loyalty is concerned with re-purchase activity, regardless of any internally held attitudes or preferences. In the behavioral definition, loyalty is not the cause, but the result of brand preference. A company wanting to increase customer loyalty will focus on whatever tactics will in fact increase the amount of repurchase behavior - tactics that can easily include, without being limited to, improving brand preference, product quality, or customer satisfaction.

Consumer loyalty is all about attracting the right consumer, getting them to buy, buy often, buy in higher quantities and bring you even more consumers. However, consumer loyalty includes much more. It is a process, a program, or a group of programs geared toward keeping a client happy so he or she will provide more business. In summary, consumer loyalty can be achieved by communicating well and

caring for the consumers on a consistent basis, and putting them at the heart of everything that the companies do.

CHAPTER II

REVIEW OF RELATED LITERATURE

2.1. Theoretical Review

In previous finding, Thomas A. Brunner, Markus Stocklin and Klaus Opwis have held research about Satisfaction, image and loyalty: new versus experienced costumers. The findings show that the level of costumer experience plays the decisive role in predicting loyalty. New customers' decisions on whether they will use the service again or recommend it to other people are based on their satisfaction with the service. While the experienced customers' are less sensitive to the current service and also their satisfaction because that they have built the reliable image to the service. It makes them to be more tolerable with the fault in the service. It caused by the good and better previous services that they felt from it. Cumulative satisfaction might be a key trigger for reliable image. While image itself, has been a strong predictor for loyalty.

1. Image

Brand image has been defined as a perception of quality associated with the brand name (Aaker and Keller, 1990). Kotler (2000) contends that brand is a name, term, symbol, design or all the above, and is used to distinguish one's products and services from competitors. For example, Nike adopts a check mark as its brand image, which creates a positive effect indicating approval. Keller (1993) defines a brand image as an association or perception consumers make based on their memory toward

a product. On the company level, image has been defined as perceptions of an organization reflected in the associations held in consumer memory. Thus, brand image does not exist in the technology, features or the actual product itself, but is something brought out by promotions, advertisements, or users.

Selnes (1993) suggested that image should be incorporated into a model of loyalty together with satisfaction; he found that both variables, image and satisfaction, were associated with loyalty. Since then, most other studies have replicated these results (Abdullah et al., 2000; Bigne' et al., 2001; Zins, 2001; Park et al., 2004).

Fredericks and Salter (1995) view image as an ingredient of the customer value package that, together with price, product quality, service quality and innovation, determines the extent of loyalty. Similarly, the rating framework of the pan-European Satisfaction Index (EPSI) contains image as a determinant influencing the perceived value, customer satisfaction and customer loyalty (Eskildsen et al., 2004).

The corporate brand is a valuable intangible asset, that is difficult to imitate, and which may help to achieve sustained superior financial performance (Roberts and Dowling, 2002).

Several studies demonstrate that corporate image affects consumer product judgments and responses in a positive manner (Dacin and Brown, 1997). A study also showed that the store image offers recognition, familiarity, confidence, and other associations that make it easier for consumers to make the decision to try the product (Dimitriadis and Langeard, 1990)

Through brand image, consumers are able to recognize a product, evaluate the quality, lower purchase risks, and obtain certain experience and satisfaction out of

product differentiation. When it comes to experiential product evaluation, a positive brand image may make up for an inferior image of the origin country and raise the possibility of the product being selected (Thakor and Katsanis, 1997).

Consumer satisfaction and image are two variables that are thought to influence customers' loyalty. From a managerial perspective, understanding the relationships among the three variables and other moderating factors is important (Brunner, Stocklin, & Opwis, 2008).

1.1 Tourism image

Tasci and Gartner (2007) construct a conceptual model predicting a bi-directional relationship between destination image and consumer behavior on the basis of an extensive theoretical and empirical literature review. The reversed causality implies that not only destination image affects behavior, but also that past experiences, such as number of previous visits and length of stay, may affect image formation.

Familiarity influences tourists' perceptions and the attractiveness of a place (Reid and Reid 1993). In Baloglu's study (2001), he found that the higher the familiarity, the more positive the image. The majority of the studies found a positive relationship between familiarity and the destination's image. With familiarity, one perceives a place differently than before, feels differently about it, and develops a person-place image (Hammit et al, 2006). This perception can influence tourists' choice of destination (Chen, 1997).

Tourism destination to be successful it must first have awareness and positive image (Milman and Pizam, 1995). Many studies found that positive images of

destination influence destination loyalty (Hernandez-Lobato et al., 2006), and intention to revisit (Gibson et al., 2008)

2. Satisfication

Customer satisfaction can be seen as a fulfillment of consumers' consumption goals as experienced and described by consumers (Oliver, 2006). Satisfaction is consumers' "judgment that a product or service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfillment, including levels of under- or over-fulfillment" (Oliver, 1997).

While, Fornell points that customers' satisfaction is customers' overall evaluation towards the whole buying experience on products and service (Fornell, 1992). The overall purchasing experience is the measure and evaluation basis for customers' satisfaction. Hempel defines that customers' satisfaction depends on realization degree of expected product advantages. This reflects on the degree of consistency between expectation and actual results (Hempel, 1997). Miller holds that satisfaction is caused by interaction between customers' expectation degree and recognition effects. He holds that expectation and ideal are both the standards for product performance and are used to evaluate the degree of product actual performance which leads to satisfaction and dissatisfaction (Miller, 1997). Oliver holds that satisfaction is an emotional statement, which is the response towards products and service (Oliver, 1981)

2.2 Tourist Satisfaction

Satisfaction can be achieved by delivering service beyond tourist's expectation, providing superior technical and functional performance, assuring tourists that they have made the right decision (Mechinda, et. al, 2010). Satisfaction should therefore be measured separately from the elements of tourism offers. Unfortunately, tourism researchers have largely neglected this principle. Only recently have researchers started to design and evaluate models where these elements are distinct (Hui et al., 2007; Yoon and Uysal, 2005).

The commitment component seems especially relevant as tourist attitudes strongly influence positive or negative "word of mouth", which is highly relevant for a destination's reputation. Research shows that satisfaction leads to intention to return, to willingness to pay more, and to willingness to recommend the destination to others (Baker and Crompton, 2000; Bigné et al., 2005; Murray and Howat, 2002; Yoon and Uysal, 2005). Tourist dissatisfaction may, on the other hand, lead to negative behavior, such as customer complaining behavior which (ultimately) affects retention rates (Bolton and Drew, 1994). In such instances, customer recovery and complaint management become paramount (Anderson and Fornell, 1994).

3. Loyalty

Loyalty in the behavioural sense is measured using repurchase probability, long-term choice probability, or switching behaviour. In the attitudinal sense, loyalty is operationalized as brand preference or emotional commitment and is, therefore, measured with repurchase intention, resistance against better alternatives, price

tolerance, and intention to recommend the product or service (Yi and La, 2004). Oliver (1999) described four consecutive phases of loyalty. The first one, cognitive loyalty, is based on brand belief; the attribute information available to the customer indicates that one brand is preferable to its alternatives. For affective loyalty, the second phase, a liking or attitude toward the brand is needed, based on several satisfying experiences.

The next phase, conative loyalty, implies a commitment to repurchase and, therefore, attaches customers more strongly to a company than affective loyalty. However, the desire to rebuy may be an anticipated, yet unrealized step. Action loyalty is the fourth phase: motivated intention is now transformed into readiness to act, accompanied by a desire to overcome obstacles that might prevent the act. Based on this fourth phase, Oliver (1999) defines loyalty as “a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior”.

3.1 Tourist Loyalty

Baker and Crompton (2000) conducted research on food festivals and concluded that the real experience for the visitor when participating in an event comes from personal interaction with the target destination, and that the state of the visitor's psychological feelings and emotions created is the satisfaction level of the festival. Kozak and Rimmington (2000) considered visitor satisfaction to be critical to the success of attraction marketing, owing that it decides if the visitor will revisit or not.

Satisfaction is an important external factor that influences loyalty (Yoon & Uysal, 2005).

2.2. Hypothesis Formulation

In the literature, Bloemer and Ruyter (1997) concluded from their findings that image only has an indirect impact on loyalty, which is mediated by satisfaction. Selnes (1993) suggested that image should be incorporated into a model of loyalty together with satisfaction. Concerning the relationship between satisfaction and image, Bigne' et al. (2001) suggest that image perceptions affect satisfaction because they mould customers' expectations before the visit and because, by definition, satisfaction depends on the comparison between those expectations and the actual service. Moreover, when a customer is satisfied with the service, the image of the company is improved and this upgraded image will then influence satisfaction making the relationship between the two constructs reciprocal (Andreassen and Lindestad, 1998) By all the arguments and findings that found by the previous researchers, it's possible to understand that the consumer satisfaction increase the levels of image about products or services then increasing level of image will affect the higher satisfaction.

Selnes (1993) suggested that image should be incorporated into a model of loyalty together with satisfaction; he found that both variables, image and satisfaction, were associated with loyalty. Andreassen and Lindestad (1998) argued that for complex and infrequently used services, image rather than satisfaction may be the main predictor of loyalty. Based on the arguments and findings that found by the previous researchers, it's possible to understand that the image of products or services

increase the levels of customer loyalty. For this purpose, the researcher can suggest the hypothesis:

H1. The image of Malioboro Street has positive and significant effect on consumer loyalty.

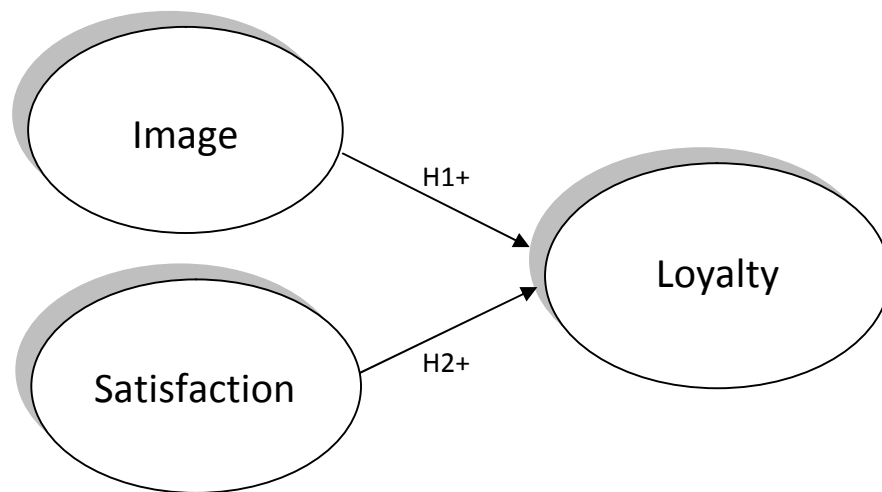
A positive impact of satisfaction is reported on repurchase behaviour (Sambandam and Lord, 1995; LaBarbera and Mazursky, 1983), repurchase intent (Anderson and Sullivan, 1993; Cronin et al., 2000), and use of continuously provided services (Bolton and Lemon, 1999). Based on the arguments and findings that found by the previous researchers, it's possible to understand that the customer satisfaction increase the levels of customer loyalty. For this purpose, the researcher can suggest the hypothesis:

H2. Consumer satisfaction has positive and significant effect on consumer loyalty to Malioboro Street.

In addition, consumer satisfaction and image are two variables that are thought to influence consumers' loyalty. From a managerial perspective, understanding the relationships among the three variables and other moderating factors is important (Thomas, Markus, & Klaus 2008)

Figure 2.1

A conceptual frame work of destination image, customer satisfaction and loyalty



CHAPTER III

RESEARCH METHOD

3.1. Research Method

The type of study in this research is an empirical research. The researcher employed quantitative and qualitative research. The method used in this research is a survey method by using questionnaires with itemized rating scale to asses' data.

3.2. Research Subject

3.2.1. Population

In this study the population is every experienced Malioboro Street customers in Universitas Islam Indonesia. Due to the limitation of time, this study use non-probability and convenience sampling method. Non-probability sampling is a sampling design in which the elements in the population have not known yet that they will be selected as sample subjects (Sekaran, 2000). Convenience sampling is a non-probability sampling design by which informaution and data for the research are gained from members of the population who are conveniently accessible to the researcher (Sekaran, 2000). For correlation study, minimum samples needed for the researcher are thirty (Gay and Diehl, 1996).

3.2.2. Sample

The sample of this study is the student of Universitas Islam Indonesia who has experienced in doing transaction as customer in Malioboro Street Business. Subjects were also asked to assess the item on different construct such as factors viewed as antecedents of image and satisfaction in terms of their loyalty action for Malioboro Street Business. (The study took 200 questionnaires)

3.3. Research Setting

The setting of this research is located in Daerah Istimewa Yogyakarta specifically in Universitas Islam Indonesia including all faculties. The background in choosing Universitas Islam Indonesia is because the student in this university is vary and represents the tourists, in the term of customers, on Malioboro Street business.

3.4. Research Instrument

3.4.1. Data Collection Method

The type of data that will be used in this research is primary data. Primary data is the data that were collected directly from the research object by using certain measurement directly from the subject of the research as the source of information.

3.4.2. Validity

Validity test is the ability of scale to measure the intended concept (Sekaran, 2000). The function of validity test is to measure and analyze whether each item of instrument could explain the variable observed or not (Effendi and Singarimbun, 1989). According to Arikunto (1998) validity is the measurement of the level of validity of measurement tool, where a high measurement tool means the high level of validity. A measurement tool is claimed valid if it is able to measure what it wants to measure the high and low level of validity of measurement tool respectively show how far the collected data do not stray from the path of description in the direction of the tested variables (Effendi and Singarimbun, 1989).

If the corrected item total correlation is greater than critical value for validity coefficient (0.361), it means the item can be considered as valid, but if the validity coefficient of one item is less than the critical value for validity coefficient (0.361) it means the item is invalid or failed.

To examine the validity of the questionnaire, 100 questionnaires were distributed to the students of Universitas Islam Indonesia from random faculty. The data is evaluated by using the software tool SPSS in which it can analyze the validity and reliability of all input variables. After having valid result, the reminding 100 questionnaires then also were distributed. (Total questionnaire: 200)

3.4.3. Reliability

Reliability test is the index by which a measurement tool can be trusted. If a measurement tool can give relatively consistent and stable result for two or more uses, meaning that the measurement tool is reliable (Effendi and Singarimbun, 1989). Reliability test is designed to find out the consistency of measurement tools and it could give a relatively consistent result if there is a re-measurement in the same subject.

A reliable and appropriate measurement tool tends to direct respondents to answer the questions in the way expected. A reliable measurement tool will provide a reliable result that is also relevant to the variable used, and the reality of the condition examined, and result of any measurements conducted in subsequent periods will always be the same (Sekaran, 2000).

To examine the validity of the questionnaire, 100 questionnaires were distributed to the students of Universitas Islam Indonesia from random faculty. Reliability test is conducted with SPSS. It uses alpha coefficient from Cronbach to find the value of alpha Cronbach (α) is ≥ 0.6 thus the measurement tool of the research is claimed reliable to be used. After having valid result, the reminding 100 questionnaires then also were distributed. (Total questionnaire: 200)

3.5. Research Variables and Operational

The questionnaire was distributed to respondents who considered themselves as the experienced costumers in having transaction as buyer with

Malioboro Street business. Furthermore, a pre-test was constructed prior the distribution of the questionnaire. The pre-test is aimed to identify the respondents difficulty understanding the statement and the questions in the questionnaire.

3.5.1. Independent Variable

An independent variable (Y) is a variable that influences the dependent variable in either a positive or a negative direction (Sekaran, 2000). The independent variables analyzed in this study are: image and satisfaction.

3.5.1.1. Image

According to Echtner and Ritchie (1993) tourism image can be assessed on attribute-based dimensions and on a holistic dimension, ranging from “common” traits to “unique” features of a destination. From this literature, the indicators that used by researcher are:

1. Fun experience
2. Interesting of products offering
3. Variety of stores
4. Security
5. Friendliness, family, and warmth
6. Coziness
7. Access attributes (easy access, traffic, public transportation, etc)
8. Public facilities (ATM, parking area, public telephone, etc)
9. Layout
10. Reputation

3.5.1.2. Satisfaction

The dimensions that used by researcher for customer satisfaction are based on the previous study conducted by Rita Faullant, Kurt Matzler, and Johann Fuller in the journal “The Impact of Satisfaction and Image on Loyalty: The Case of Alpine Ski Resort”. The dimensions are:

1. Overall satisfaction
2. Constancy

The type of scale used in questionnaire for independent variables is Likert interval scale with the score of 1 to 5 with description:

Table 3.1

Likert Interval Scale for Independent Variables

Score	Summary	Notation
1	Strongly disagree (Sangat Tidak Setuju)	STS
2	Disagree (Tidak Setuju)	TS
3	Neutral (Netral)	N
4	Agree (Setuju)	S
5	Strongly Agree (Sangat Setuju)	SS

3.5.2. Dependent Variables

A dependent variable is the variable of primary interest to the researcher (Sekaran, 2000). The dependent variable in this research is loyalty

3.5.2.1. Loyalty

From the previous literature, the researchers have integrated two items capturing loyalty intentions on the two dimensions which are:

1. repurchase intention
2. recommendation

Following Oliver's (1999) attitudinal approach, loyalty was measured using two indicators: intentions of repurchase ("Would you come again?") and recommendation ("Would you recommend this service to other people?")

The type of scale used in questionnaire for dependent variable is Likert interval scale with the score of 1 to 5 with description:

Table 3.2

Likert Interval Scale for Dependent Variable

Score	Summary	Notation
1	Strongly disagree (Sangat Tidak Setuju)	STS
2	Disagree (Tidak Setuju)	TS
3	Neutral (Netral)	N
4	Agree (Setuju)	S
5	Strongly Agree (Sangat Setuju)	SS

3.6. Technique of Data Analysis

In this research, the data analysis and the hypothesis testing used Structural Equation Modeling (SEM). Data will be collected from existing customers who had previously used mobile telecommunication services at least for a day. In order to minimize bias result, the identity of respondent is also provided, and in this research also screen for errors, incomplete and missing response.

In addition, AMOS software analysis has been used to carry out the investigation of relationship among the variables which influence consumer

perception choice in purchasing or selecting certain mobile telecommunication service provider. There are several steps in SEM analysis:

1. Model Development Based on Theory

SEM based causality relationship where changing one variable is assumed by causing of changing other variables. Strong causality relationship between two variables which assumed by researcher is not because analysis method chose, but because theoretical justification to support the analysis (Ghozali, 2004).

2. Path Diagram and Structural Equation

According to Ghozali (2004) there are two important things arranging the structural model by correlating latent construct (endogenous and exogenous) with indicator variable (manifest variable).

3. Choosing Input Matrix and Estimation Model

SEM is different with other multivariate analysis techniques, SEM is only uses data input that is variance/covariance matrix or correlation matrix. Rough data from questionnaire is change into variance/covariance matrix or correlation matrix, so that the equation also stated as *covariance structural analysis*.

Covariance matrix has more advantages than correlation matrix in giving comparison validity between different population and different sample. The use of correlation is best suited if the researcher objectives are simply to understand the pattern of construct relationship, but do not describe the total variance of the construct (Ghozali, 2004).

4. Structural Equation Model (SEM) Identification

Identification problem is incapability of proposed model to result estimation model. In order to see the identification problem, is by seeing the estimation result, those are: big value of *standard error* for one or more coefficients, incapability of program to invert *information matrix*, impossible estimation value (negative *error variance*), and high correlation (>0.90). If there is any identification problem, so there are 3 things that must be concerned, coefficient amount that relatively estimated toward covariance or identified correlation with small value of *degree of freedom (df)*, using reciprocal correlation among constructs, failures in determining fix value on construct scale (Ghozali, 2004).

5. Goodness of Fit Criteria

If *offending estimates* happens, those are: negative variance error or *non-significant error variance* of construct, *standardized coefficient* close to value of 1.0 and high standard error, so the cause of offending *estimate* must be eliminated first. In SEM analysis there is no single statistical test tool to measure or test the model (Ghozali, 2004). *Fit index* and *cut off value* that is used to test whether the model can be accepted or not is listed:

Table 3.3

Fit Index and Cut-Off Value

Goodness of Fit Index	Cut of Value
Chi squares	Less number is better
CFI	>0.90
GFI	Between 0.9-1.0
TLI	>0.90
RMSEA	0.05

1. Chi Square Statistic

An analysis tool to measure overall fit is likelihood ratio chi-square statistic with the minimum sample of 100 respondents. The model which is tested will be considered good or satisfied if the chi-square (χ^2) value is small. Small value of χ^2 means that the model is good ($\chi^2 = 0$ means that is nothing differences, H_0 is accepted) and accepted based on probability with the cut off value of $p > 0.05$ or $p > 0.10$ (Ghozali, 2004).

Because this analysis objective is to develop and test a model which suits and fit based on the data, so it required insignificant value of χ^2 that test null hypothesis (estimated population covariance is not equal than sample covariance). Value of χ^2 can be compared with degree of freedom (df) to

get relative value of χ^2 and it is used to make conclusion that high relative value of χ^2 means that there is significant difference between covariance matrix observed and covariance matrix estimated.

Small value of χ^2 will result in significant level more than 0.05 that indicates that there is no significant difference between covariance matrix data and covariance matrix estimated (Ghozali, 2004).

2. GFI (*Goodness-Of-Fit-Index*)

GFI (Goodness-Of-Fit-Index) is developed by Joreskog and Sorbom (1984). GFI is non-statistical measurement that has value between 0 (poor fit) until 1.0 (Perfect Fit). The higher value of GFI shows better Fit rather than the number of GFI that can be accepted by commanded.

3. TLI (*Trucker Lewis index*)

Tucker-Lewis Index or called by nonnormed fit index (NNFI). At the first used as the tools to evaluate the factor. Now TLI (Trucker Lewis Index is developed by SEM. This measurement is to relate Parsimo into comparison between 0 to 1.0 the recommended number of TLI is the same or >90. AMOS will give the number of TLI by direction /TLI. The index of TLI as follows:

$$TLI = \frac{\left(\frac{X_{null}^2}{df_{null}}\right) - \left(\frac{X_{proposed}^2}{d_{proposed}}\right)}{\left(\frac{X_{null}^2}{df_{null}}\right) - 1}$$

Or:

$$TLI = \frac{\frac{C_b}{d_b} - \frac{C}{d}}{\frac{C_b}{d_b} - 1}$$

Where C is discrepancy of model that is evaluated and d is the degree of freedom, meanwhile C_b and d_b is discrepancy and *degrees of freedom* from the baseline model that has comparison.

5. RMSEA (*The Root Mean Square Error Of Approximation*)

Root mean Square Error Of Approximation is the measurement that covering Chi square to refuse big number of sample. RMSEA number is between 0.05 to 0.08 is the measurement that can be accepted. Empirical study of RMSEA is fitted to examine confirmatory model or competing model strategy by high number of sample. AMOS will give the number of RMSEA by give direction /rmsea.

6. CFI (*Comparative fit index*)

The CFI is also known as the Bentler Comparative Fit Index. Specifically, the CFI compares the fit of a target model to the fit of an independent model--a model in which the variables are assumed to be uncorrelated. In this context, fit refers to the difference between the observed and predicted covariance matrices, as represented by the chi-square index.

In short, the CFI represents the ratio between the discrepancies of this target model to the discrepancy of the independence model. Roughly, the CFI thus represents the extent to which the model of interest is better than is the independence model.

6. Model Interpretation

According to Ghazali (2004) a model is stated as acceptable, when it can consider making a modification index to recover theoretical justification or goodness of fit. This modification must have consideration. If modification model must be cross validated (estimated with separated data) before modification model accepted or if it got value absolute fit model from default model, with chi-square that relatively big value, that is showed by significant probability level ($p < 0.05$) so it requires modification. Model can be stated as good fit model if probability level of chi-square relatively is smaller than in significant probability level ($p > 0.05$).

CHAPTER IV

RESEARCH FINDINGS, DISCUSSION, AND IMPLICATIONS

4.1. Research Description

4.1.1. Overview of the Strategy Analysis

This research was conducted at Universitas Islam Indonesia in all faculties by spreading and collecting data from 200 questionnaires and it is aimed to answer the questions as mentioned in the previous chapter.

The first section discusses the descriptive analysis. It describes the respondents' demographic characteristics which includes gender, age, and personal income per month. The next section is measurement model to determine whether the data is valid, reliable and meets the requirements of further analysis.

Quantity analysis used in this research is Structural Equation Model (SEM) with AMOS program version 5.0. Structural Equation Model chosen to determine the model of the influence of image and satisfaction towards the loyalty and also the correlation between image and satisfaction.

4.1.2. Respondents Demographic Characteristics

This research was conducted in Universitas Islam Indonesia, D. I. Yogyakarta where there are many students in this university have had the experiment in shopping on Malioboro Street. The purpose is to identify the characteristics of mobile service provider consumers who also Blackberry users in Universitas Islam Indonesia. The distribution of the respondents' characteristics is described in the table as follows:

4.1.2.1. Respondents Gender

Based on the gender, there are two categories which are male and female. The data of the analysis result based on respondents' characteristics of gender is showed in table 4.1

Table 4.1

The Distribution Frequencies of the Respondents' Gender

Gender	Frequency	Percentage
Male	96	48 %
Female	104	52 %
Total	200	100 %

Source: Primary Data (computed), 2012

Table 4.1 describes that the experienced consumers in shopping on Malioboro Street in Universitas Islam Indonesia mostly are female (52%) and the rest are male (48%).

4.1.2.2. Respondents Age

Based on the respondents' age, there are three groups: 15 – 19 years old; 20 – 24 years old and 25 – 30 years old. The result of the data analysis based on respondents' characteristic of age is showed in table 4.2.

Table 4.2

The Distribution Frequencies of the Respondents Age

Age	Frequency	Percentage
15 – 19 years old	54	27 %
20 – 24 years old	140	70 %
25 – 30 years old	6	3 %
Total	200	100 %

Source: Primary Data (computed), 2012

Table 4.2 describes that the consumers of mobile service provider which using Blackberry as their mobile phone in Universitas Islam Indonesia mostly are from age 20 to 24 years old (70%) with characteristics that consumer from this age is young people and productive age.

4.1.2.3. Respondents Personal Income per Month

Based on the respondents' personal income, there are five categories of consumers. Consumers with < Rp.500.000; Rp.500.000 – Rp. 999.000; Rp. 1.000.000 – Rp. 1.499.000; Rp. 1.500.000 – Rp. 2.000.000 and > Rp. 2.000.000. The result of the data analysis based on respondents' characteristic of age is showed in table 4.3.

Table 4.3

The Distribution Frequencies of the Respondents Personal Income per month

Personal Income per month	Frequency	Percentage
< Rp. 500.000	16	8 %
Rp. 500.000 – Rp. 999.000	76	38 %
Rp. 1.000.000 – Rp. 1.499.000	68	34 %
Rp. 1.500.000 – Rp. 2.000.000	26	13 %
>Rp. 2.000.000	14	7 %
Total	200	100 %

Source: Primary Data (computed), 2012

4.2. Research Findings

4.2.1. Validity and Reliability Tests

4.2.1.1. Validity Test

The validity test in this research employs SPSS. If the corrected item total correlation is greater than critical value for validity coefficient (0.361), it means the item can be considered as valid, but if the validity coefficient of one item is less than the critical value for validity coefficient (0.361) it means the item is invalid or failed.

Table 4.4 The Validity Test

Variable	Question Items	r	Status
Image	I.1	0.563	Valid
	I.2	0.420	Valid
	I.3	0.746	Valid
	I.4	0.783	Valid
	I.5	0.708	Valid
	I.6	0.691	Valid
	I.7	0.620	Valid
	I.8	0.404	Valid
	I.9	0.756	Valid
	I.10	0.623	Valid
Satisfaction	S.1	0.874	Valid
	S.2	0.890	Valid
Loyalty	L.1	0.870	Valid
	L.2	0.877	Valid

Source: SPSS Calculation

From Table 4.1, it can be seen that all of questions greater than critical value for validity coefficient (0.361). So, it can be stated that all items in the questionnaire can be declared as a valid question.

4.2.1.2. Reliability Test

Reliability test is conducted with SPSS by putting all questions in SPSS to be analyzed. It uses alpha coefficient from Cronbach to find the value of alpha Cronbach (α) is ≥ 0.6 thus the measurement tool of the research is claimed reliable to be used.

Table 4.5 The Reliability Test

Variable	Coefficient Alpha	Reliability
Image (I)	0.834	Reliable
Satisfaction (S)	0.715	Reliable
Loyalty (L)	0.691	Reliable

Source: SPSS Calculation

Based on Table 4.2 above, it can be seen that the Cronbach alpha coefficient values for each variable is greater than 0.6. If it refers to questionnaire, all the items in question is a reliable research variables. So, the questions in the research variables can be used for further research.

4.2.2. Descriptive Analysis of Research Variables

Descriptive Analysis of Research Variables is the analysis explained in detail about the correlation of research in the form of the sentence. This part presents the

results of the analysis which includes the description of the research variables- image, consumer satisfaction and consumer loyalty.

The lowest perception score is: 1

The highest perception score is: 5

$$5 - 1$$

$$\text{Interval} = \frac{\quad}{5} = 0.8$$

$$5$$

To obtain limits of perception as in Table 4.6 below:

Table 4.6

The Criteria of Consumer Perception

Interval	Image	Consumer satisfaction	Consumer Loyalty
1.00 – 1.80	Very bad	Very dissatisfied	Very not loyal
1.80 – 2.60	Bad	Not satisfied	Not Loyal
2.61 – 3.40	Neutral	Neutral	Neutral
3.41 – 4.20	Good	Satisfied	Loyal
4.21 – 5.00	Very good	Very satisfied	Very Loyal

4.2.2.1. Descriptive Variable of Image

Image construct (*unobserved/latent variable*) measured by using indicator (*observed/manifest variable*). There are ten questions in the questionnaire, and the result of descriptive analysis from Image variable is:

Table 4.7

Descriptive Variable of Image

Item	Consumer Image Indicator	Mean	Category
I 1	Fun experience	3.97	Good
I 2	Interesting of product offering	3.58	Good
I 3	Variety of stores	3.89	Good
I 4	Security	3.40	Neutral
I 5	Friendliness, family, and warmth	3.61	Good
I 6	Coziness	3.39	Neutral
I 7	Access attributes (easy access, traffic, public transportation, etc)	3.47	Good

I 8	Public facilities (ATM, parking area, public telephone, etc)	3.83	Good
I 9	Layout	3.67	Good
I 10	Reputation	3.53	Good
Mean total		3.63	Good

The result of descriptive analysis in Table 4.7 shows the assessment of Malioboro Street image is equal to 3.63. Meanwhile, the highest ratings is in the fun experience, Malioboro Street has the image with an average of 3.63 (good), and the lowest assesment is in Malioboro Street image with an average of 3.39 (neutral). This number means that the consumer has given a good image for Malioboro Street because it is on the interval 3.41 to 4.20. These results show that almost all items of Malioboro Street Image belong to the category of good.

4.2.2.2. Descriptive Variable of Satisfaction

Satisfaction construct (*unobserved/latent variable*) measured by using indicator (*observed/manifest variable*). There are two questions in the questionnaire, and the result of descriptive analysis from satisfaction variable is:

Table 4.8

Descriptive Variable of Satisfaction

Item	Consumer loyalty Indicator	Mean	Category
S1	Overall satisfaction	3.55	Satisfied
S2	Constancy	3.38	Neutral
Mean total		3.47	Satisfied

The result of descriptive analysis in Table 4.8 shows the assessment of consumer satisfaction is equal to 3.47. Meanwhile, the highest ratings is in the overall satisfaction, Malioboro Street is satisfactory with an average of 3.47 (satisfied), and the lowest assesment is recommendation to shop at Malioboro Street with an average of 3.38 (neutral). This number means that the consumer has given a satisfied with the assessment of consumer satisfaction on Malioboro Street because it is on the interval 3.41 to 4.20. These results show that almost all items of consumer satisfaction belong to the category of satisfied.

4.2.2.3. Descriptive Variable of Loyalty

Loyalty construct (*unobserved/latent variable*) measured by using indicator (*observed/manifest variable*). There are two questions in the questionnaire, and the result of descriptive analysis from loyalty variable is:

Table 4.9

Descriptive Variable of Loyalty

Item	Consumer loyalty Indicator	Mean	Category
L1	Repurchase intention	3.94	Loyal
L2	Recommendation	3.96	Loyal
Mean total		3.95	Loyal

The results of descriptive analysis in Table 4.9 show that the average respondent's assessment of consumer loyalty is equal to 3.95. It means that consumers have been loyal to Malioboro Street because it is mostly on the interval 3.41 to 4.20. The highest consumer loyalty shown in the table is repurchasing intention with an average of 3.96 (loyal). And consumer loyalty on the lowest item on the recommendation is reduced by an average of 3.95 (neutral). These results indicate that consumers are loyal to the Malioboro Street.

4.2.3. Goodness of Fit Model

To determine the criteria for Goodness of Fit model, the researcher use: Absolute Fit Measured (absolute index measurement), Incremental Fit Measured (additional measurement index) and the Parsimonious Fit Measured (Measurement simplicity index). Goodness of Fit model makes use of Amos software version 6.0. Here's goodness of fit index generated after testing:

Table 4.10

Goodness of Fit Index (First Model)

<i>Goodness of Fit Index</i>	<i>Result</i>	<i>Cut Off Value</i>	<i>Criteria</i>
Likelihood Chi Square	135.095	≤ 95.08	Not good
RMSEA	0.064	≤ 0.08	Good
GFI	0.916	≥ 0.9	Good
TLI	0.909	≥ 0.9	Good
CFI	0.926	≥ 0.9	Good

Source: AMOS calculation

Based on the table above, the result of Chi Square has a probability of 135.095 which is not ≤ 95.08 . Based on the cut-off value rule, the model is not significant but according to Ghazali (2005), if the Chi Square is not significant, then there must be other models for goodness of fit.), Chi-square is not a very good fit index in practice under many situations because it is affected by the following factors

(1) sample size: larger samples produce larger chi-squares that are more likely to be significant (Type I error). Small samples may be too likely to accept poor models (Type II error).

The Root Mean Square Error of Approximation - RMSEA, an index used to compensate for the Chi Square statistics in a large sample. RMSEA value indicates goodness of fit that can be expected when the model estimated in the population. Acceptance of the recommended value is <0.08 , while the test result is 0.064. It indicates that the model is good.

Based on an analysis of the goodness of fit - GFI reflects the level of fitness of overall model. The recommended level of acceptance is $GFI > 0.90$. The results show the value of GFI is 0.916 for $GFI > 0.9$. So the model has a good fit.

Tucker Lewis Index - TLI is an alternative to incremental fit index that compares the tested model with the baseline. The values are recommended as a good level of fitness > 0.90 . The results show that the TLI value of 0.909 so it can be stated that the level of conformance is in good criteria.

Comparative Fit Index – CFI a development of TLI index that represents progress. The values are recommended as a good level of fitness > 0.90 . The results show that the CFI value of 0.926 so it can be stated that the level of progress is in good fit.

From the measurement results, it can be concluded that the parameter has met the expected requirement. According to Ghazali (2005) all the model meets the assumption of Goodness of Fit model so that the requirements have been met.

4.3. Implication

4.3.1. Result of Hypothesis Test

As described in Chapter II, the hypotheses are proposed. The hypotheses of the research are conducted one-tailed test, because the relationship between the independent variables with the dependent variables hypothesized has a positive effect. To determine whether the hypothesis is supported by data or not, then the probability value from the Critical Ratio (CR) compared with $\alpha = 5\%$ (0.05). If Standardized coefficients parameters are positive and probability values of Critical Ratio (CR) less than $\alpha = 5\%$ (0.05), it can be concluded that the research hypotheses are supported by the data (proven significantly). Test results of the research model can be described as follows:

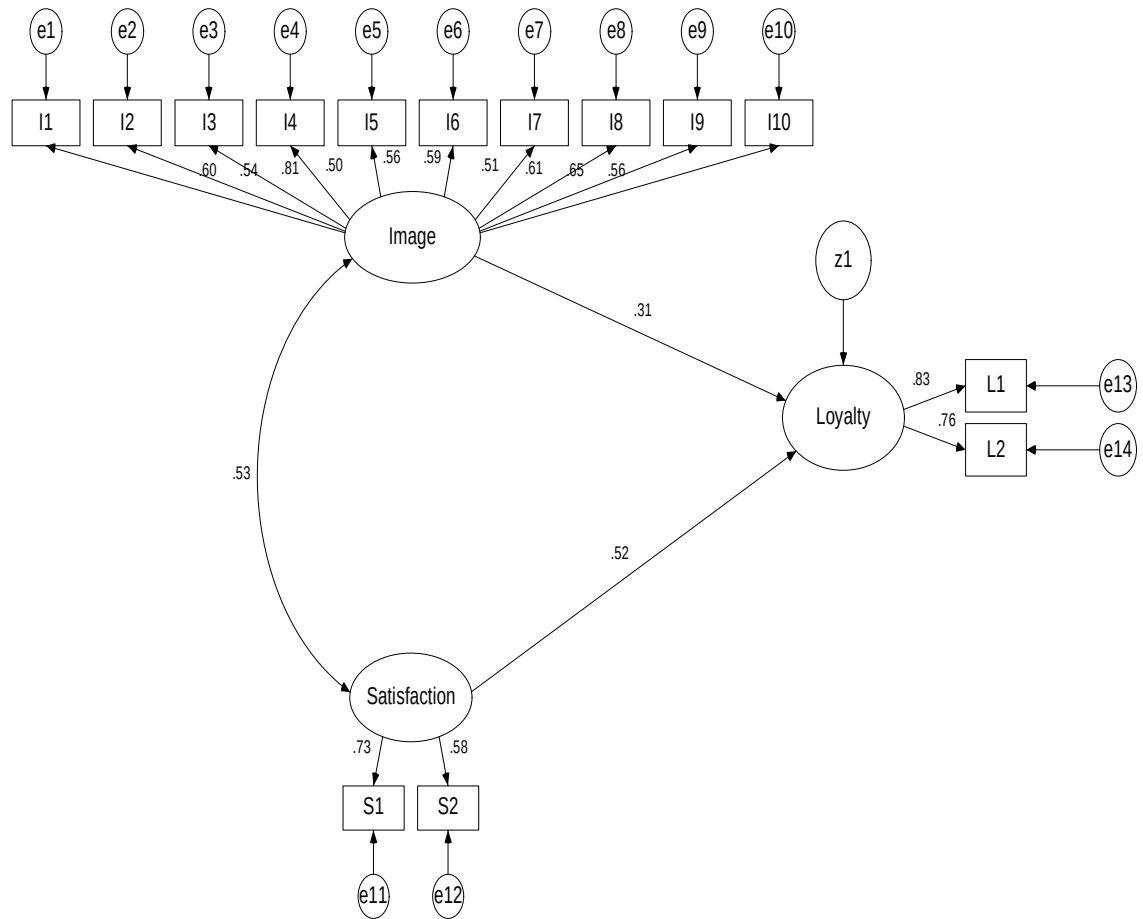


Figure 4.1

The Result of The Research Model

Based on statistical analysis using the program AMOS version 6.0, test results show a causal relationship of each variable research are presented in the following table:

Table 4.11

Estimation Result by using AMOS model

Correlation between the variable	Coefficient Standardized	Critical Ratio	Probability Value	Lable
Loyalty ← Image	0.309	2.829	0,05	H1 supported
Loyalty ← Satisfaction	0.522	3.840	0,000	H2 supported

Source: AMOS calculation

Based on table 4.11 , the correlation between image and satisfaction is shown on the coefficient 0.531. While, the equation for loyalty is:

$$\text{Loyalty} = 0.309 \text{ Image} + 0.522 \text{ Satisfaction}$$

4.3.2. Analysis

4.3.2.1. The Effect of Malioboro Image towards Consumer Loyalty

In the previous chapter, the researcher has presented the second alternative hypothesis - There is a positive influence of Malioboro Street Image to consumer loyalty. The test results by using path analysis (SEM) is known that the Standardized Regression Weights of consumer satisfaction to consumer loyalty is equal to 0.309 with the p-value ($0.005 < 0.05$). It means that the image of Malioboro Street has positive and significant effect on consumer loyalty. Thus, the last hypothesis in this research is proved. When viewing from the direct influence of the weights (standardized) positive value indicates that the better image built on Malioboro Street, the more loyal consumers to shop at Malioboro Street.

4.3.2.2. The Effect of Consumer Satisfaction towards Consumer Loyalty

In the previous chapter, the researcher has presented the last alternative hypothesis - There is a positive influence of consumer satisfaction to consumer loyalty. The test results by using path analysis (SEM) is known that the Standardized Regression Weights of consumer satisfaction to consumer loyalty is equal to 0.522 with the p-value ($0.000 < 0.05$). It means that consumer satisfaction has positive and significant effect on consumer loyalty. Thus, the last hypothesis in this research is proved. When viewing from the direct influence of the weights (standardized)

positive value indicates that the more consumer satisfied on Malioboro Street, the more loyal consumers are.

4.4. Discussion

AMOS analysis results indicate a positive and significant correlation between variable image and consumer satisfaction towards Malioboro Street. The significance can be seen from the value of p value smaller than the value of 5% significance. It means the better image built on Malioboro Street, the more loyal consumers to shop at Malioboro Street.

The results are in line with the results of research conducted by Bloemer and Ruyter (1997), Selnes (1993), Bigne' et al. (2001), and Andreassen and Lindestad (1998). They have Investigate and found that image and satisfaction has positive correlation which means that image and satisfaction can impact each other. When consumer satisfaction increase the levels of image about products or services then increasing level of image will affect the higher satisfaction.

The first hypothesis test results found that good image has a positive and significant effect on consumer loyalty. The results are relevant with the research by Selnes (1993) and Andreassen and Lindestad (1998). The higher the level of the image, it tends to create increasing the levels of customer loyalty.

AMOS analysis results also indicate a positive and significant influence of variable consumer satisfaction to consumer loyalty towards Malioboro Street. The significance can be seen from the value of p value smaller than the value of 5% significance. It means higher consumer satisfaction has been able to make a significant contribution to the increase of consumer loyalty towards Malioboro Street.

The last hypothesis test results found that consumer satisfaction has a positive and significant effect on consumer loyalty. The results are relevant with the research by Sambandam and Lord (1995), LaBarbera and Mazursky (1983), Anderson and Sullivan (1993); Cronin et al., (2000), Bolton and Lemon (1999). They have Investigate and found an influence of consumer satisfaction on loyalty. It means that if consumer satisfaction is increasing, consumer loyalty will increase as well.

CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

From the estimated results, the conclusion and suggestion are the result of the demographic data gained, the role of the correlation between image and satisfaction, role of the image towards loyalty, and role of consumer satisfaction towards loyalty from the data that has been gained from 200 respondents. It can be concluded as follows:

1. When the consumer satisfied in shopping at Malioboro Street, the image of Malioboro Street as shopping area and also as the tourism destination will increase in a good way. Then the increasing of Malioboro's Street image leads the increasing of consumer satisfaction when they come again to consume.

There is positive correlation between image and satisfaction of the consumer from the students of Universitas Islam Indonesia. It then create the possibility that when the consumer satisfied in shopping at Malioboro Street, the image of Malioboro Street as shopping area and also as the tourism destination will increase in a good way. Then the increasing of Malioboro's Street image leads the increasing of consumer satisfaction when they come again to consume.

2. When the image of Malioboro Street as a shopping area and tourism destination increase, the loyalty of consumers to Malioboro Street also increase. The increasing of consumer loyalty leads the repurchase and the recommendation for Malioboro Street by the consumer also increase. Better image of Malioboro Street, the higher of the consumer loyalty on shopping at Malioboro Street. The consumer loyalty can be determined by the possibility in repurchasing behavior and recommendation to other people by the consumer.
3. When the satisfaction of consumer of Malioboro Street is increasing, the loyalty of consumer towards Malioboro Street also increases. It will also lead that the repurchase and the recommendation for Malioboro Street by the consumer also increase. There is a positive and significant influence between consumer satisfaction and the loyalty of consumer. The higher consumer satisfaction, the higher of the consumer loyalty on shopping at Malioboro Street will be. The consumer loyalty can determined by the possibility in repurchasing behavior and recommendation to other people by the consumer which shown on the mean repurchasing and recommendation which are on the loyal level.

5.2. Recommendations

Both of image and satisfaction should be well considered by the responsible people of Malioboro Street. Consider here means that there should be a maintain action and also an effort to gain both image of Malioboro Street and satisfaction of the consumer who include of the tourist. Image of Malioboro Street and satisfaction of the consumer must be maintained and increased because based on the result of Covariances, image and satisfaction has positive correlation and they impact each other towards Malioboro Street. Also based on the result of Standardized Regression Weight, both image and satisfaction have the positive effect towards consumer loyalty.

The dimensions of image that considering become the initial priority to be gained are security and coziness of one stop shopping because both of them is still in the rank of neutral in the interval of mean. It means that good security image and coziness image of Malioboro Street have not reached the good level in consumer mind. By increasing the level of security and coziness, it does not mean that the other dimensions of image are inconsiderable. The higher the interval of each element will increase the image of Malioboro Street.

To increase the level of consumer satisfaction towards Malioboro Street, the initial priority of the loyalty dimensions that should be considered is constancy. Constancy here means that the consumer has the feeling that they have made the good

choice in shopping at Malioboro Street. The level of constancy can be increased by managing and controlling the better quality of the products offered in Malioboro Street that will also lead the satisfactory.

5.3. Limitations of the Study and Guidelines for Future Research

Based on the result of the research, there are some limitations were encountered:

1. The results of this research have temporary implications, because consumers' perception varies over time.
2. The subject of the research was only conducted in Universitas Islam Indonesia.
3. The research does not investigate every possible relevant effect that could potentially influence consumer loyalty on Malioboro Street besides image and consumer satisfaction.

Based on the limitations, the researcher suggests the following guidelines for future research:

1. Using more dimensions of image, consumer satisfaction, and consumer loyalty will create more detailed research.
2. Using larger number of respondents or even wider areas is suggested to have more reliable data.

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<http://www.bmg.go.id>

<http://kompas.com>

A. QUESTIONNAIRE

ANGKET PENELITIAN

Kepada YTH,
Bapak/Ibu/Saudara/i
Di Tempat

Assalamu'alaikum Wr. Wb.

Dengan Hormat,

Saya adalah mahasiswa Fakultas Ekonomi Jurusan Manajemen yang sedang melakukan penelitian untuk tugas akhir dengan judul **“The Effect of Image and Satisfaction on Loyalty towards Malioboro Street Businesses in Yogyakarta”** dimana dalam penelitian ini Saya menyusun kuesioner untuk menunjang penelitian tersebut.

Saya memohon kesediaan Bapak/Ibu/Saudara/i untuk meluangkan waktu guna membantu saya menjadi responden penelitian. Kebeneran dan kelengkapan jawaban Bapak/Ibu/Saudara/i akan sangat membantu Saya dalam penelitian ini.

Atas kesediaan dan partisipasi Bapak/Ibu/Saudara/i, Saya ucapkan terimakasih.

Wassalammu'alaikum Wr. Wb.

Hormat Saya,

Nesmy Zulfa Hidayati

BAGIAN I

KARAKTERISTIK RESPONDEN

Pertanyaan berikut akan berkenaan dengan jati diri Saudara. Jawablah pertanyaan berikut dengan memberi tanda **silang (X)** pada nomor jawaban yang dianggap sesuai.

Apa jenis kelamin Saudara?

1.	Pria
2.	Wanita

Berapakah usia Saudara pada saat ulang tahun terakhir?

1.	15-19 tahun
2.	20-24 tahun
3.	25-30 tahun

Berapakah pendapatan/uang saku Saudara dalam sebulan (Rp)?

1.	< 500.000
2.	500.000 – 999.000
3.	1.000.000 – 1.499.000
4.	1.500.000 – 2.000.000
5.	> 2.000.000

BAGIAN II

Petunjuk: Berilah penilaian Bapak/Ibu/Saudara/i terhadap pernyataan-pernyataan dibawah ini dengan **MENYILANG** atau **MELINGKARI** angka yang dianggap paling sesuai.

1 = Sangat tidak setuju (STS)

3 = Netral (N)

2 = Tidak setuju (TS)

4 = Setuju (S)

5 = Sangat setuju (SS)

1. Citra Malioboro

Pertanyaan	Pernyataan				
	STS	TS	N	S	SS
Malioboro memberikan pengalaman yang menyenangkan					
Malioboro memiliki banyak toko yang menawarkan berbagai produk					
Dagangan-dagangan yang ditawarkan di Malioboro menarik					
Keamanan di sekitar Malioboro baik					
Saya merasakan keramahan dan kehangatan di Malioboro					
Malioboro memberikan kenyamanan dalam melakukan one stop shopping					
Akses untuk ke Malioboro mudah dijangkau					
Malioboro memiliki fasilitas					

umum seperti ATM, bank, kantor pos, dsb					
Layout Malioboro memudahkan saya untuk berbelanja					
Malioboro memiliki reputasi yang baik sebagai tempat berbelanja					

2. Kepuasan Pelanggan Malioboro

Pertanyaan	Pernyataan				
	STS	TS	N	S	SS
Saya merasa puas berbelanja di Malioboro					
Saya merasa melakukan hal yang tepat dengan berbelanja di Malioboro					

3. Kesetiaan Pelanggan Malioboro

Pertanyaan	Pernyataan				
	STS	TS	N	S	SS
Saya akan berbelanja di Malioboro lagi suatu saat					
Saya akan merekomendasikan orang lain untuk berbelanja di Malioboro					

C. VALIDITY AND RELIABILITY RESULT FROM SPSS

Validity

- Image

Correlations

[illegible]

I6	Pearson Correlation	.210	.270	.354	.505**	.497**	1	.286	.332	.450*	.403*	.691**
	Sig. (2-tailed)	.266	.149	.055	.004	.005		.125	.074	.012	.027	.000
	N	30	30	30	30	30	30	30	30	30	30	30
I7	Pearson Correlation	.173	.137	.390*	.558**	.275	.286	1	.162	.359	.532**	.620**
	Sig. (2-tailed)	.361	.472	.033	.001	.141	.125		.392	.051	.002	.000
	N	30	30	30	30	30	30	30	30	30	30	30
I8	Pearson Correlation	.045	-.114	.210	.000	.702**	.332	.162	1	.217	.037	.404*
	Sig. (2-tailed)	.815	.548	.265	1.000	.000	.074	.392		.249	.846	.027
	N	30	30	30	30	30	30	30	30	30	30	30
I9	Pearson Correlation	.405*	.230	.437*	.536**	.397*	.450*	.359	.217	1	.638**	.756**
	Sig. (2-tailed)	.026	.221	.016	.002	.030	.012	.051	.249		.000	.000
	N	30	30	30	30	30	30	30	30	30	30	30
I10	Pearson Correlation	.415*	-.101	.261	.477**	.188	.403*	.532**	.037	.638**	1	.623**
	Sig. (2-tailed)	.023	.596	.163	.008	.320	.027	.002	.846	.000		.000
	N	30	30	30	30	30	30	30	30	30	30	30
Total I	Pearson Correlation	.563**	.420*	.746**	.783**	.708**	.691**	.620**	.404*	.756**	.623**	1
	Sig. (2-tailed)	.001	.021	.000	.000	.000	.000	.000	.027	.000	.000	
	N	30	30	30	30	30	30	30	30	30	30	30

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

- Satisfaction

Correlations

		S1	S2	total S
S1	Pearson Correlation	1	.556**	.874**
	Sig. (2-tailed)		.001	.000
	N	30	30	30
S2	Pearson Correlation	.556**	1	.890**
	Sig. (2-tailed)	.001		.000
	N	30	30	30
total S	Pearson Correlation	.874**	.890**	1
	Sig. (2-tailed)	.000	.000	
	N	30	30	30

** . Correlation is significant at the 0.01 level (2-tailed).

- Loyalty

Correlations

		L1	L2	total L
L1	Pearson Correlation	1	.527**	.870**
	Sig. (2-tailed)		.003	.000
	N	30	30	30
L2	Pearson Correlation	.527**	1	.877**
	Sig. (2-tailed)	.003		.000
	N	30	30	30
total L	Pearson Correlation	.870**	.877**	1
	Sig. (2-tailed)	.000	.000	
	N	30	30	30

** . Correlation is significant at the 0.01 level (2-tailed).

Reliability

Image

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.831	.834	10

Loyalty

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.690	.691	2

Satisfaction

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.714	.715	2

B. RESPONDENT DATA

No	image										Satisfaction		Loyalty	
	I1	I2	I3	I4	I5	I6	I7	I8	I9	I10	S1	S2	L1	L2
1	4	3	4	5	4	5	4	5	4	4	3	2	4	4
2	4	3	4	3	4	2	3	4	2	3	2	2	3	3
3	4	3	4	4	4	4	3	4	4	5	4	2	4	4
4	3	5	4	3	5	4	4	4	4	5	3	4	3	4
5	4	3	4	4	4	5	3	4	3	4	4	4	4	5
6	5	2	4	4	4	4	4	3	4	5	3	3	4	4
7	5	4	4	4	5	4	3	4	4	4	3	4	3	4
8	4	4	3	2	3	4	3	4	3	2	3	3	3	4
9	3	3	4	4	2	4	3	2	3	4	3	2	5	4
10	4	4	3	2	4	3	3	4	3	2	3	3	4	4
11	4	2	3	2	2	2	3	3	4	2	3	4	4	5
12	3	2	4	2	4	3	3	3	3	4	4	4	5	5
13	2	3	3	5	2	2	2	2	2	2	2	2	3	3
14	5	5	5	5	5	4	5	5	5	3	5	5	4	4
15	3	4	5	4	5	4	5	5	4	4	3	2	4	4
16	4	4	4	2	4	4	4	5	3	3	4	5	3	5
17	5	3	4	4	5	3	3	4	4	4	3	3	4	3
18	4	2	3	3	3	4	3	3	4	4	3	3	3	4
19	4	4	4	3	3	3	4	3	3	3	3	3	5	4
20	4	3	3	3	4	4	3	3	4	3	4	4	4	4
21	4	4	3	2	3	3	3	3	2	3	3	3	3	4
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26	5	5	5	4	5	4	4	5	4	3	4	5	4	4
27	4	4	4	4	5	4	4	5	4	4	4	4	4	4
28	5	4	5	4	5	4	4	4	5	5	3	4	5	5
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54	3	3	4	3	3	3	2	4	3	3	4	3	4	4
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56	3	4	4	4	4	3	3	3	3	4	3	3	4	4
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66	4	5	4	3	4	3	3	3	4	4	3	3	4	4
67	3	4	3	4	3	2	4	4	4	3	2	2	2	2
68	5	5	4	4	5	4	3	5	4	4	5	5	5	5
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70	4	3	3	3	3	4	4	3	3	4	2	2	4	3
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126	4	4	4	2	3	4	4	4	2	3	4	5	3	5
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129	4	3	4	3	3	3	4	3	3	4	3	3	4	4
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200	2	2	2	3	2	2	3	2	2	3	2	2	3	3

D. STRUCTURAL EQUATION MODELLING (SEM)

Standardized Regression Weights: (Group number 1 - Default model)

	Estimate
I1 <--- Image	.602
I2 <--- Image	.545
I3 <--- Image	.815
I4 <--- Image	.501
I5 <--- Image	.557
I6 <--- Image	.589
I7 <--- Image	.511
I8 <--- Image	.613
I9 <--- Image	.655
I10 <--- Image	.556
S2 <--- Satisfaction	.577
S1 <--- Satisfaction	.732
L1 <--- Loyalty	.826
L2 <--- Loyalty	.756

		Totall
I1	Pearson Correlation	.643**
	Sig. (2-tailed)	.000
	N	200
I2	Pearson Correlation	.630**
	Sig. (2-tailed)	.000
	N	200
I3	Pearson Correlation	.785**
	Sig. (2-tailed)	.000
	N	200
I4	Pearson Correlation	.575**
	Sig. (2-tailed)	.000
	N	200
I5	Pearson Correlation	.644**
	Sig. (2-tailed)	.000
	N	200
I6	Pearson Correlation	.655**

	Sig. (2-tailed)	.000
	N	200
I7	Pearson Correlation	.578**
	Sig. (2-tailed)	.000
	N	200
I8	Pearson Correlation	.647**
	Sig. (2-tailed)	.000
	N	200
I9	Pearson Correlation	.689**
	Sig. (2-tailed)	.000
	N	200
I10	Pearson Correlation	.627**
	Sig. (2-tailed)	.000
	N	200
Totall	Pearson Correlation	1
	Sig. (2-tailed)	
	N	200

Correlations

		S1	S2	TotalS
S1	Pearson Correlation	1	.422**	.820**
	Sig. (2-tailed)		.000	.000
	N	200	200	200
S2	Pearson Correlation	.422**	1	.865**
	Sig. (2-tailed)	.000		.000
	N	200	200	200
TotalS	Pearson Correlation	.820**	.865**	1
	Sig. (2-tailed)	.000	.000	
	N	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Correlations

		L1	L2	TotalL
L1	Pearson Correlation	1	.625**	.906**
	Sig. (2-tailed)		.000	.000
	N	200	200	200
L2	Pearson Correlation	.625**	1	.896**
	Sig. (2-tailed)	.000		.000
	N	200	200	200
TotalL	Pearson Correlation	.906**	.896**	1
	Sig. (2-tailed)	.000	.000	
	N	200	200	200

Correlations

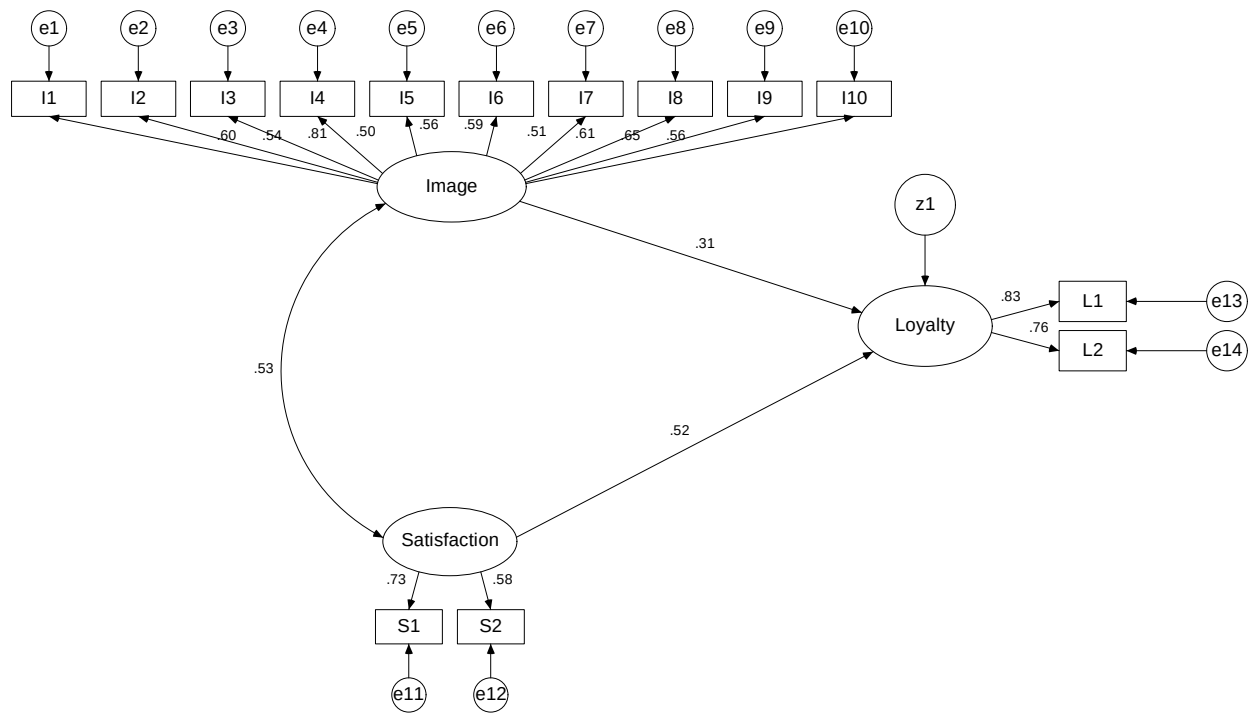
		L1	L2	TotalL
L1	Pearson Correlation	1	.625**	.906**
	Sig. (2-tailed)		.000	.000
	N	200	200	200
L2	Pearson Correlation	.625**	1	.896**
	Sig. (2-tailed)	.000		.000
	N	200	200	200
TotalL	Pearson Correlation	.906**	.896**	1
	Sig. (2-tailed)	.000	.000	
	N	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

Descriptives

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
I1	200	2.00	5.00	3.9700	.80144
I2	200	2.00	5.00	3.5800	.95822
I3	200	2.00	5.00	3.8900	.74880
I4	200	1.00	5.00	3.4000	.87970
I5	200	1.00	5.00	3.6050	.99191
I6	200	1.00	5.00	3.3900	.82541
I7	200	2.00	5.00	3.4700	.74287
I8	200	2.00	5.00	3.8250	.82326
I9	200	2.00	5.00	3.6650	.91486
I10	200	2.00	5.00	3.5250	.84436
S1	200	1.00	5.00	3.5450	.78809
S2	200	2.00	5.00	3.3800	.89980
L1	200	2.00	5.00	3.9350	.74400
L2	200	2.00	5.00	3.9600	.70775
Valid N (listwise)	200				



Analysis Summary

Date and Time

Date: Wednesday, April 25, 2012

Time: 7:22:14 AM

Title

data amos: Wednesday, April 25, 2012 07:22 AM

Groups

Group number 1 (Group number 1)

Notes for Group (Group number 1)

The model is recursive.

Sample size = 200

Variable Summary (Group number 1)

Your model contains the following variables (Group number 1)

Observed, endogenous variables

I1

I2

I3

I4

I5

I6

I7

I8

I9

I10

S2

S1

L1

L2

Unobserved, endogenous variables

Loyalty

Unobserved, exogenous variables

Image

e1

e2

e3

e4

e5

e6

e7

e8

e9

e10

Satisfaction

e12

e11

e13

e14

z1

Variable counts (Group number 1)

Number of variables in your model: 32

Number of observed variables: 14

Number of unobserved variables: 18

Number of exogenous variables: 17

Number of endogenous variables: 15

Parameter summary (Group number 1)

	Weights	Covariances	Variances	Means	Intercepts	Total
Fixed	18	0	0	0	0	18
Labeled	0	0	0	0	0	0
Unlabeled	13	1	17	0	0	31
Total	31	1	17	0	0	49

Assessment of normality (Group number 1)

Variable	min	max	skew	c.r.	kurtosis	c.r.
L2	2.000	5.000	-.285	-1.643	-.105	-.302
L1	2.000	5.000	-.116	-.668	-.664	-1.916
S1	1.000	5.000	-.303	-1.750	-.050	-.145
S2	2.000	5.000	.051	.293	-.788	-2.276
I10	2.000	5.000	-.179	-1.034	-.575	-1.658
I9	2.000	5.000	-.198	-1.143	-.765	-2.208
I8	2.000	5.000	-.209	-1.205	-.583	-1.683
I7	2.000	5.000	-.118	-.682	-.334	-.965
I6	1.000	5.000	-.291	-1.681	-.211	-.609
I5	1.000	5.000	-.292	-1.689	-.823	-2.375
I4	1.000	5.000	-.027	-.154	-.548	-1.581
I3	2.000	5.000	-.323	-1.864	-.140	-.405
I2	2.000	5.000	-.143	-.825	-.913	-2.634
I1	2.000	5.000	-.357	-2.062	-.467	-1.348
Multivariate					8.811	2.944

Observations farthest from the centroid (Mahalanobis distance) (Group number 1)

Observation number	Mahalanobis d-squared	p1	p2
95	35.553	.001	.216
181	33.463	.002	.088
150	30.419	.007	.151
124	30.419	.007	.046
191	29.244	.010	.046
145	28.264	.013	.050
134	26.501	.022	.163
119	26.160	.025	.125

Observation number	Mahalanobis d-squared	p1	p2
157	25.447	.030	.158
13	25.277	.032	.110
160	24.575	.039	.161
126	23.516	.052	.357
43	23.027	.060	.420
170	22.983	.061	.327
63	22.847	.063	.276
171	22.768	.064	.215
45	22.620	.067	.183
110	22.507	.069	.148
69	22.387	.071	.121
29	21.921	.080	.183
53	21.747	.084	.171
92	21.426	.091	.208
137	21.177	.097	.228
90	21.026	.101	.215
196	20.876	.105	.204
187	20.721	.109	.198
67	20.672	.110	.158
102	20.543	.114	.147
116	20.485	.116	.119
161	20.464	.116	.087
194	20.198	.124	.113
105	19.789	.137	.197
101	19.492	.147	.263
188	19.343	.152	.269
97	19.059	.163	.347

Observation number	Mahalanobis d-squared	p1	p2
180	18.952	.167	.336
173	18.950	.167	.272
179	18.750	.175	.312
9	18.625	.180	.314
16	18.511	.185	.313
86	18.387	.190	.317
178	18.349	.191	.277
4	18.171	.199	.313
169	17.942	.209	.383
93	17.881	.212	.356
198	17.672	.222	.421
78	17.613	.225	.394
15	17.581	.227	.351
147	17.377	.237	.418
190	17.325	.239	.387
33	17.200	.246	.406
130	17.154	.248	.374
100	17.068	.253	.369
11	16.988	.257	.361
195	16.856	.264	.388
120	16.851	.264	.331
149	16.771	.269	.325
25	16.500	.284	.450
109	16.356	.292	.491
14	16.332	.294	.447
55	16.189	.302	.489
189	16.164	.303	.447

Observation number	Mahalanobis d-squared	p1	p2
47	16.004	.313	.504
32	15.878	.321	.537
85	15.804	.326	.533
177	15.730	.330	.529
138	15.724	.331	.473
122	15.670	.334	.454
125	15.574	.340	.468
80	15.566	.341	.415
183	15.429	.349	.461
1	15.298	.358	.504
12	15.253	.361	.480
136	15.240	.362	.433
104	15.153	.368	.443
6	14.999	.378	.506
175	14.849	.389	.568
140	14.690	.400	.636
41	14.615	.405	.639
68	14.590	.407	.604
64	14.569	.408	.564
2	14.547	.410	.525
197	14.488	.414	.516
82	14.322	.426	.594
121	14.186	.436	.648
123	14.091	.443	.669
143	14.006	.449	.682
49	13.998	.450	.637
94	13.984	.451	.594

Observation number	Mahalanobis d-squared	p1	p2
152	13.951	.453	.565
39	13.573	.482	.798
127	13.563	.483	.762
103	13.560	.483	.719
99	13.424	.493	.768
128	13.424	.493	.723
159	13.352	.499	.728
70	13.250	.507	.755
163	13.197	.511	.747
193	13.182	.512	.712
112	13.137	.516	.697

Models

Default model (Default model)

Notes for Model (Default model)

Computation of degrees of freedom (Default model)

Number of distinct sample moments: 105

Number of distinct parameters to be estimated: 31

Degrees of freedom (105 - 31): 74

Result (Default model)

Minimum was achieved

Chi-square = 135.095

Degrees of freedom = 74

Probability level = .000

Group number 1 (Group number 1 - Default model)

Estimates (Group number 1 - Default model)

Scalar Estimates (Group number 1 - Default model)**Maximum Likelihood Estimates****Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
Loyalty <--- Image	.393	.139	2.829	.005	
Loyalty <--- Satisfaction	.618	.161	3.840	***	
I1 <--- Image	1.000				
I2 <--- Image	1.081	.168	6.424	***	
I3 <--- Image	1.264	.148	8.537	***	
I4 <--- Image	.912	.152	5.998	***	
I5 <--- Image	1.145	.175	6.540	***	
I6 <--- Image	1.007	.147	6.829	***	
I7 <--- Image	.786	.129	6.097	***	
I8 <--- Image	1.046	.148	7.041	***	
I9 <--- Image	1.241	.168	7.393	***	
I10 <--- Image	.973	.149	6.530	***	
S2 <--- Satisfaction	1.000				
S1 <--- Satisfaction	1.112	.206	5.387	***	
L1 <--- Loyalty	1.000				
L2 <--- Loyalty	.871	.104	8.341	***	

Standardized Regression Weights: (Group number 1 - Default model)

	Estimate
Loyalty <--- Image	.309
Loyalty <--- Satisfaction	.522
I1 <--- Image	.602
I2 <--- Image	.545
I3 <--- Image	.815

	Estimate
I4 <--- Image	.501
I5 <--- Image	.557
I6 <--- Image	.589
I7 <--- Image	.511
I8 <--- Image	.613
I9 <--- Image	.655
I10 <--- Image	.556
S2 <--- Satisfaction	.577
S1 <--- Satisfaction	.732
L1 <--- Loyalty	.826
L2 <--- Loyalty	.756

Covariances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Image <--> Satisfaction	.132	.034	3.941	***	

Correlations: (Group number 1 - Default model)

	Estimate
Image <--> Satisfaction	.531

Variances: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
Image	.232	.053	4.417	***	
Satisfaction	.268	.075	3.554	***	
z1	.174	.044	3.931	***	
e1	.407	.045	9.141	***	
e2	.642	.069	9.358	***	

	Estimate	S.E.	C.R.	P	Label
e3	.188	.027	7.077	***	
e4	.577	.061	9.487	***	
e5	.675	.072	9.317	***	
e6	.443	.048	9.198	***	
e7	.406	.043	9.460	***	
e8	.421	.046	9.092	***	
e9	.476	.054	8.873	***	
e10	.490	.053	9.320	***	
e12	.538	.070	7.629	***	
e11	.287	.063	4.543	***	
e13	.175	.042	4.210	***	
e14	.213	.036	5.980	***	

Modification Indices (Group number 1 - Default model)

Covariances: (Group number 1 - Default model)

	M.I.	Par Change
e10 <--> e12	7.442	-.111
e9 <--> Satisfaction	5.664	.071
e8 <--> e9	4.311	.072
e7 <--> Satisfaction	7.952	-.076
e7 <--> e11	8.554	-.089
e5 <--> e12	6.209	.119
e5 <--> e8	5.544	.095
e4 <--> e14	8.535	-.086
e4 <--> e12	4.861	-.096
e4 <--> e8	17.150	-.154
e3 <--> e13	6.195	.048

	M.I.	Par Change
e2 <--> z1	6.481	-.085
e2 <--> e13	4.178	-.065

Variances: (Group number 1 - Default model)

	M.I.	Par Change
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Regression Weights: (Group number 1 - Default model)

	M.I.	Par Change
L2 <--- I4	9.051	-.130
L1 <--- I4	4.552	.094
L1 <--- I3	4.087	.105
S1 <--- I7	6.045	-.155
S2 <--- I10	4.841	-.147
S2 <--- I5	4.042	.114
I10 <--- S2	5.163	-.129
I8 <--- I4	12.349	-.192
I7 <--- Satisfaction	4.606	-.228
I7 <--- S1	8.607	-.172
I4 <--- L2	4.413	-.164
I4 <--- I8	9.919	-.211
I3 <--- L1	4.390	.100

Minimization History (Default model)

Iteration		Negative eigenvalues	Condition #	Smallest eigenvalue	Diameter	F	NTries	Ratio
0	e	6		-.738	9999.000	924.629	0	9999.000
1	e	4		-.117	2.764	451.290	20	.235
2	e*	2		-.101	1.515	272.720	5	.495
3	e	0	186.273		.761	167.516	5	.990
4	e	0	153.307		.555	145.926	2	.000
5	e	0	157.861		.325	135.832	1	1.137
6	e	0	211.489		.136	135.107	1	1.073
7	e	0	229.353		.027	135.095	1	1.017
8	e	0	229.619		.001	135.095	1	1.001

Model Fit Summary**CMIN**

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	31	135.095	74	.000	1.826
Saturated model	105	.000	0		
Independence model	14	917.879	91	.000	10.087

RMR, GFI

Model	RMR	GFI	AGFI	PGFI
Default model	.038	.916	.880	.645
Saturated model	.000	1.000		
Independence model	.207	.424	.335	.368

Baseline Comparisons

Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
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Model	NFI Delta1	RFI rho1	IFI Delta2	TLI rho2	CFI
Default model	.853	.819	.928	.909	.926
Saturated model	1.000		1.000		1.000
Independence model	.000	.000	.000	.000	.000

Parsimony-Adjusted Measures

Model	PRATIO	PNFI	PCFI
Default model	.813	.694	.753
Saturated model	.000	.000	.000
Independence model	1.000	.000	.000

NCP

Model	NCP	LO 90	HI 90
Default model	61.095	32.364	97.659
Saturated model	.000	.000	.000
Independence model	826.879	733.400	927.804

FMIN

Model	FMIN	F0	LO 90	HI 90
Default model	.679	.307	.163	.491
Saturated model	.000	.000	.000	.000
Independence model	4.612	4.155	3.685	4.662

RMSEA

Model	RMSEA	LO 90	HI 90	PCLOSE
Default model	.064	.047	.081	.085
Independence model	.214	.201	.226	.000

AIC

Model	AIC	BCC	BIC	CAIC
Default model	197.095	202.149	299.343	330.343
Saturated model	210.000	227.120	556.323	661.323
Independence model	945.879	948.162	992.056	1006.056

ECVI

Model	ECVI	LO 90	HI 90	MECVI
Default model	.990	.846	1.174	1.016
Saturated model	1.055	1.055	1.055	1.141
Independence model	4.753	4.283	5.260	4.765

HOELTER

Model	HOELTER .05	HOELTER .01
Default model	141	155
Independence model	25	28

Execution time summary

Minimization: .031

Miscellaneous: .094

Bootstrap: .000

Total: .125