THE ANALYSIS OF MARKETING MIX (4Ps)
TOWARD CUSTOMER SATISFACTION
(A CASE STUDY AT CARREFOUR JB PLAZA CIKARANG)

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CHAPTER I
INTRODUCTION

1.1. Background of the Study

In Levy and Weitz (2012) retail was defined as the set of business activities that add value to the products and services sold to customers for fulfill their personal or family needs. While Kotler and Amstrong (2012) said that retail business as all the activities related in selling products or services directly to final users either personal or non business uses. Regarding to those two definitions, retail can be defines as activities that related in selling of products and services directly from retailer to the final customers where the products sold have been accompanied by adding some values within.

Retailer become the last channel in distributing process, therefore, a product can be deliver directly from producer to consumers through retail stores. Almost all kind of products sell in the retail stores but mostly products are provided in retail stores are products to fulfill the daily need of households which are including nine basic commodities.

According to Asosiasi Pengusaha Ritel Indonesia (Association of Indonesian Retailers) – Aprindo (2012: www.seputar-indonesia.com), retail business in Indonesia can be differentiated into two big categories, which are traditional retail and modern retail. Traditional retail is a simple retail where the store is not too wide, type of product sold is not a lot, simple management system, not offer convenience when shopping, and there are bargain price processes with the merchant. While modern retail is a transformation from traditional retail concepts, where the store is usually larger, there are lot of product sold, well managed management system, offering convenience when shopping, the price is fixed, a self-service system, utilizing advanced technologies, and business format is adjusting to the current customers’ lifestyle. In Gusway (in Adiwijaya, 2010),
modern retail has some characteristics such as merchandise are displayed systematically and openly, using fix pricing or non-negotiable unless there are promotional program offered, imposing self-service, adopting advanced technologies to simplify shopping and ensuring payment accuracy when checkout process, and keeping comfortable atmosphere when customers in-store or out-store. From those characteristics, modern retail is not only guarantees the availability of products but also able to meet the consumers psychological aspects such as safety, convenience, and satisfaction.

Indonesia is a very potential market for retail business, especially for the modern retail. It is because of Indonesia has large population which is about 240 million people with the composition of the population dominated by teenagers and young adults with age ranges at 15 to 49 years old, which is 55.15 percent of the total population (Badan Pusat Statistik, 2012: http://sp2010.bps.go.id). It’s meant that the people of Indonesia are having high productiveness as well as have high consumptions power. In addition, Indonesia's income per capita is growing well, currently around U.S.$ 3,542 and is expected will reach U.S.$ 4,500 in 2014 (Aprindo, 2012: Swa.co.id). In fact, by having big income per capita and continually increasing by the year, and also supporting by big country and large number of populations, Indonesia will become an attractive market for retailers because the increasing of income per capita has been makes the number of the middle class also increase, as we know the characteristics of middle classes have a high purchasing power especially for better products quality.

Besides having a high purchasing power, Indonesia market is quite attractive entered by the retailer because of Indonesia culture is relatively open to the something new. Nowadays, Indonesian consumers buying behaviour have been changing, from shopping in traditional markets move to modern retail markets such as mini-market, supermarket and hypermarket (Apipudin, 2012: www.frontier.co.id). It has proven from figure: 1.1, where the percentage of daily necessities products those were consumers purchased in modern retail in 2011 to 2012 have increased.
Figure: 1.1. Percentage of the Products Purchased by Consumers in Modern Retail (researched in six major cities in Indonesia)

Source: Research Division of Frontier Consulting Group (2012: www.frontier.co.id)

Those potential factors have been supporting the development and growth of retail business in Indonesia that has progressed very fast. Based on data came from Aprindo (2012: www.datacon.co.id), the growth of modern retail business in Indonesia reached between 10 to 15 percent per year. Where the retail sales in 2006 was only 49 trillion rupiah, but grew rapidly up to 100 trillion rupiah in 2010 and 120 trillion rupiah in 2011. Meanwhile, in 2012 the retail growth assumed same which were 10 to 15 percent, or reach 138 trillion rupiah.

The development and growth of retail business was followed by growing of the number of retail companies. Currently, there are several large and well known modern retail companies competing to serve customers in over Indonesia such as Alfa, Carrefour, Giant, Hypermart, Indomart, Makro, and some other retailers. Those retail companies are competing to dominate the potential market in every region by achieving maximum market share. The data of market share of modern retailer in five major cities in Indonesia is shown in table: 1.1.
<table>
<thead>
<tr>
<th>Retailer</th>
<th>Jakarta (%)</th>
<th>Bandung (%)</th>
<th>Surabaya (%)</th>
<th>Medan (%)</th>
<th>Makasar (%)</th>
<th>Indonesia (%)</th>
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<tr>
<td>Alfa</td>
<td>9.70</td>
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<td>Indomaret</td>
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<tr>
<td>Matahari</td>
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<td>Carrefour</td>
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<td>Ramayana</td>
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**Table: 1.1. Market Share of Modern Retailer in Five Major Cities in Indonesia**

**Source:** Frontier SMfr@chise (in Lingga, 2002)

The intensity of competitions among the existing retailers in the market becomes very tight. Those retailers compete in every aspects of business especially for winning the consumers attention such as compete in offering satisfied product, place, promotion, price, and so on. The competition occurred indirectly has pushed retailers to work harder for improving their performances in order able to adapt and survive in the market.

However, by many of retail store start operating in the market, that will give advantages to the consumers because they have many alternatives choice to choose where they should purchase their needs. Customer choices are not only influenced by the price, but also includes quality of products, availability of products, store location, accessibility to store, services provided, safety and convenience while shopping, and so on. Customer will choose a retail store who can provide products and services appropriate to benefit the customer is seeking in order they get satisfaction (Levy and Weitz, 2012). In other way, customers will leave and move to others retail store if they don’t find products and services accordance with their expectation.

Therefore, for winning the competition retailers must provide product and services that meet to the customers’ needs and wants. In other words, retailers must deliver
value to customers in order customers get satisfaction. So, for creating that all, retailers can use marketing mix strategy – which is combining of product, price, place, and promotion. An effective marketing program blends each marketing mix element into an integrated marketing program designed to achieve the company’s marketing objectives by delivering satisfaction to consumers (Kotler and Armstrong, 2012).

1.2. Company Profile

Carrefour is a corporation engaged in the retail industry and is the largest retail group in Europe. Carrefour headquarters is located in France. The first Carrefour outlet opened on June 3, 1957 in Annecy, and was founded by Marcel Fournier and Louis Deforey.

Carrefour started the business in Indonesia since 1996 with the first outlet opening in Cempaka Putih, Jakarta in October 1998. At the same time, the Continent, the French retailer, opened its first outlet at Pasar Festival, Jakarta. In 1999, Carrefour and Promodes (as the main shareholder of the Continent) incorporates all retail operations throughout the world under the name Carrefour. It makes Carrefour became the second largest retailer in the world.

As part of the global company, PT. Carrefour Indonesia strives to provide world-class service standards for retail industry in Indonesia. Carrefour Indonesia introduced the concept of hypermarkets and provides a new shopping alternative in Indonesia for Carrefour Indonesia customers. Carrefour offers the concept of "One-Stop Shopping" by providing a diverse product selection, low prices, and also provides the best services that exceed customer expectations.

As one of the leading retail players, Carrefour Indonesia is committed to provide the best service to the Carrefour customers in Indonesia. 72 million customers have visited Carrefour in 2010, and have increased from 62 million customers in the previous year. Carrefour is very concerned about the needs of customers by offering more than 40,000 kinds of products, so customers can obtain a complete selection of daily needs by having good quality products at discount prices in a
comfortable shopping environment. Currently, Carrefour already operates 83 outlets and spread across 28 cities or regencies in Indonesia.

Vision:
Known and loved for helping customers and consumers to enjoy a better quality of life every day.

Motto:
“For Better Living”

Commitment of Carrefour:

- **Ada Yang Lebih Murah?, Kami Ganti 2X Selisihnya**: Carrefour will reimburse twice the difference in price of the product if there are products bought by consumers in other modern retail store with a cheaper price. The requirements are show the purchase receipt and products from other modern outlets in the same area within 15 days.

- **Barang Kembali, 100% Uang Kembali**: If consumers return the product intact - complete with packaging and accompanied with the purchase receipt, Carrefour will refund all money paid (100% money back). The requirements are limited within 7 days and do not apply for underwear, fresh products, frozen foods, CD & mobile phones.

- **Antrian Kasir Maksimal 2**: Carrefour will open additional cashiers if there are more than two customers were queuing for checkout.

- **Beda Harga Label vs Kasir, Bayar Yang Termurah**: If there is difference in price between the price on the label and the cashier, the customer can pay the lowest price with the provision informing the cashier where the position of label.
1.3. Problems Identified

Carrefour JB Plaza is one of big and well known modern retail store in Jababeka – Cikarang. Since operated in 2003, Carrefour JB has good performance by having big number of customers and sales. But, for the some years lately, Carrefour indicates a decreasing performance, it’s known from figure: 1.2. shown the number of customers were decreasing from month to month and year to year especially in 2012 for period January to October.

![The Customers Growth 2012](image)

**Figure: 1.2. The Customers Growth at Carrefour JB Plaza**

**Source:** Management record of Carrefour JB Plaza (data processed)

![The Sales Growth 2012](image)

**Figure: 1.3. The Sales Growth at Carrefour JB Plaza**

**Source:** Management record of Carrefour JB Plaza (data processed)
In addition, the decreasing number of customers also followed by decreasing amount of sales, where the data recorded shown in figure: 1.3.

From figure: 1.2. and 1.3., Carrefour JB Plaza has declining in the number of customers and amount of sales were quite significant. The factors that lead to decreased the number of customers and sales are due to the increasing number of modern retail stores who are around Jababeka including Alfamart, Cikarang Carrefour, Carrefour Express JB Plaza, Indomart, Naga Supermarket, Starmart and the latest one is Giant Cikarang.

According to Store Manager of Carrefour JB Plaza, the decreasing in the number of customers and sales at Carrefour JB Plaza has started since two years ago when many modern retail stores started open, then especially within one year recent where the increasing number of modern retail stores larger scale began operations in Jababeka, and the location is not too far from the target market of Carrefour JB Plaza, thereby making Carrefour JB Plaza lost in competition. The customers who used to shopping at Carrefour JB Plaza, today, most of them have switched to other retail stores. So, the number of transactions also declined then eventually was followed by decreasing in sales.

Modern retail stores who are competing with Carrefour JB Plaza provide excellence offering in every aspect such as accessibility, completeness and variety of products, competitive prices and convenience when shopping.

Therefore, the researcher is committed to solve the problem of declining number of customers and sales in Carrefour JB Plaza. The effort that should be conducted is by analyzing of marketing mix implementation towards the level of customers’ satisfaction at Carrefour JB Plaza. Thus, Carrefour JB Plaza can identify the level of customers satisfaction from the performance of marketing mix are implemented, and as well identifying which variables are not performing according to consumers’ expectations.
1.4. Statement of the Problem

**Question:** This research is to analyze the performance of marketing mix (4Ps) were implemented at Carrefour JB Plaza Cikarang toward customers’ satisfaction.

**Questions:** Researchers want to find the answers to the following questions:

1. Which variables from marketing mix that have directly impact to the customers?
2. How satisfied of customers towards implementation of marketing mix?

**Rationale:** In order researchers can identify problems and make recommendations or alternative solutions to solve the problems arisen, and as the final result that Carrefour JB Plaza can provide better products and services for improving customer satisfaction.

1.5. Research Objectives

The research is conducted to analyze the performance of marketing mix (4Ps) toward customers’ satisfaction at Carrefour JB Plaza Cikarang. This research is conducted through assessing the four dimensions of marketing strategy which is known as services marketing mix.

The specific objectives of this research are as follows:

1. To analyze the level of importance and level of performance of the marketing mix indicators (4Ps) at Carrefour JB Plaza so that it will be known which indicators have a high priority for improvement and which indicators should be maintained its performance.
2. To analyze the level of customer satisfaction from performance of marketing mix (4Ps) implementation at Carrefour JB Plaza.
1.6. Significance of the Study

1.6.1. For Academic Community
   a. To be a contribution of thought specialized in filed of marketing mix study.
   b. To provide a reference for conducting a related research topic in the future.

1.6.2. For Company
   a. To provide useful information to Carrefour JB Plaza.
   b. As a consideration for Carrefour JB Plaza to improve its Marketing Strategy regarding to the customers’ perspectives.

1.6.3. For Researcher
   a. To implement in-class learning to the real business practice.
   b. To have better understanding of marketing strategy especially marketing mix implemented in retail business.

1.7. Theoretical Framework

Carrefour JB Plaza is a modern retail store that is categorized as supermarket. Based on researcher observation, the products are provided consist of several product lines which are including food and beverages, groceries, home care, and personal care. The products offered by Carrefour JB Plaza are tangible products where customers can see, touch and feel the products those want to buy. Carrefour JB Plaza is also imposing full-service retailer where customers serve themselves when shopping. In addition, the marketing strategy in Carrefour JB Plaza is also just focussed on implementing of marketing mix which consists of four Ps – product, price, place, and promotion. Therefore, in this research, researcher focus studies on the marketing mix four Ps (McCharty in Kotler, 2012). By studying the performance of those elements in providing products to the customers, researcher expect that the Carrefour JB Plaza able to provide product accordance with the customers’ needs and want, with the result customers will feel satisfied.
Somehow, satisfaction of every customer has a different level. Therefore it is necessary to measure the level of satisfaction. There are several ways that can be used to measure customer satisfaction; one of them is conducting customer satisfaction survey towards implementation of marketing mix performance. Through the survey, company will obtain direct feedback from consumers to the marketing mix strategies that have been implemented. The survey is conducted by distributing a questionnaire package to every customer to be answered.

In this survey, will be measured the level of importance and level of performance towards marketing mix – four Ps implementation by using analysis method of Importance-performance Analysis (IPA) and Customer Satisfaction Index (CSI). The results of the analysis will show the level of customers’ expectation to the marketing mix and consumer perceptions to the implementation of the marketing mix. If the implementations of the marketing mix have been accordance with the expectations of customers, the company is considered to have been able to fulfill the customers’ wants in an effort to maintain and improve customer satisfaction. Instead, if the implementations of the marketing mix below customer expectations, the company must make improvements. From the analysis of Importance – Performance Analysis (IPA) and Customer Satisfaction Index (CSI), it will enable to formulate alternatives marketing mix strategies that can be applied in the company in an effort to maintain and improve customer satisfaction for the future, which in turn will increase the number of customers and sales.

From the theoretical framework above, researcher can create the operational framework which is shown in figure 1.4, below.
Figure: 1.4. Modified Operational Framework of Research
Source: Kotler and Amstrong (2012), and Lovelock (2005)

1.8. Scope and Limitations of the Study

Scope of this research is limited to study on analyzing the marketing mix which implemented at Carrefour JB Plaza towards customer satisfaction. The variables which are analyzed consist of product, price, place, and promotion. This research did not discuss about the level of competition between Carrefour JB Plaza with other modern retail stores. The respondents which selected are customers who have ever purchased in Carrefour JB Plaza. Data collection and research is conducted in December 2012.
1.9. Research Outlines

This thesis is presented with the contents that categorized into 5 (five) chapters. The chapters are:

**CHAPTER I: INTRODUCTION**

This chapter is an introductory chapter that outlines briefly the issues which include: background of the study, company profile, problems identified, statement of the problem, research objectives, significance of the study, theoretical framework, scope and limitations of the study, hypothesis, and research outlines.

**CHAPTER II: LITERATURE REVIEW**

In this chapter the author describes the theories that are relevant to the research conducted, which includes the theory of marketing mix, customer satisfaction, retail and previous research.

**CHAPTER III: METHODOLOGY**

In this chapter discusses about research method, research instruments, sampling design, testing the hypothesis, limitations.

**CHAPTER IV: ANALYSIS OF DATA AND INTERPRETATION OF RESULTS**

In this chapter discusses about the description of respondent profile, Importance-Performance Analysis (IPA), and Customer Satisfaction Index (CSI).

**CHAPTER V: CONCLUSIONS AND RECOMMENDATIONS**

This chapter is the last chapter that elaborates about the conclusions from the results of research and provide recommendation to the relevant parties about the results of research based on conclusion that has been made.
1.10. Definition of Terms

Customer Satisfaction: The extent to which a product’s perceived performance matches a buyer’s expectation.

Marketing mix: The set of controllable tactical marketing tools – product, price, place, and promotion – that the firm blends to produce the response it wants in the target market.

Place: includes company activities that make the product available to target consumers.

Price: The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service.

Product: Anything that can be offered to a market for attention, acquisition, use or composition that might satisfy a want or need.

Promotion: Communication activities where the functions is informing, persuading, and influence the consumer’s purchase decision.

Retail (retailing): All activities involved in selling goods or service directly to final consumers for their personal, non-business use.

Retailer: A business whose sales come primarily from retailing.

Supermarket: Large, low-cost, low margin, high-volume, self service, self-service store that carries a wide variety of grocery and household products.
CHAPTER II

LITERATURE REVIEW

2.1. Marketing

2.1.1. Definition of Marketing
Marketing is an activity of managing profitable customer relationships where the organization have to always identify and fulfill the customer needs in order able to give superior value to them, and at same times delivering satisfaction to the customers. Customer satisfaction will bring a positive impact to the company when the competition is very tight in the market. Therefore, one of essential key success of an organization or company is when the organization able to drive the marketing effectively.

Most of people thought that marketing is selling and advertising, it’s because of everyday people bombarded by any kind promotional activities such as TV commercials, catalogues, sales calls, and e-mail pitches. Actually marketing activities begun longs before a product appear in the shop. However, selling and advertising is only the marketing tip and only small part of a larger marketing mix\(^1\).

Today, marketing is not just about selling but marketing must be understood as a sense of satisfying customer needs. The activities of marketing are started from analyzing customer needs, gathering the information that needed to design, and then produce the goods or services that fit to customer expectations, satisfying customer preferences, and creating and maintaining relationships with customers and suppliers.

Marketing activities can be used in any organization such as profit-oriented business and non profit organization. Therefore, the understanding of marketing

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\(^1\) a set of tools that work combinatively to satisfy customers need and build lasting customers relationship.
is very important for every marketer. If the marketers understood what consumer needs; developed products that provide superior value; and the pricing, distributed, and promoted them effectively, they will be easier sell their products.

Broadly marketing was defined as a social and managerial process by which individuals and groups obtain what need went through creating, offering and exchanging product of value with others. Hence, Kotler and Amstrong, (2012 p.5) defined marketing as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return. Meanwhile Santon (1996 p.7) defined as overall systems related to business activities that influence each other, and the purposes is designing product, pricing, promoting and distributing the products to satisfy customers needs – both actual and potential customers, so the company can achieve organizational goals. Marketing also could be defined as an organizational function and set of process for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders (Kurtz, 2012 p.7).

From those definitions above, marketing can be defined as the way how the firm satisfy the need of customers through creating product that according to customer wants, then distribute the product, and finally customer can consume or using it. The process involving some marketing elements those we knew as marketing mix. The elements of marketing mix include product, price, place, and promotion. The purpose of implementation of marketing mix is for creating effective demand in the market. Therefore, except manufacturer, consumers also have to understand about the marketing because consumer is object of the marketing activities, so the consequences that must be accepted by the consumers are they have to pay the cost in certain amount of money according to the value of product when they want use or consume the product.

2.1.2. Marketing Management

Boyd et al. (2000 p.18) said that marketing management as a set of activities which started from process of analysis, planning, coordinating and controlling
toward the programs that consist of product developing, pricing, promoting, and
distributing the product, services or even ideas created. The purpose of the
activities are creating and maintaining the profitable transactions for company in
the market target. The America Marketing Association (in Kotler and Keller, 2012
p.5) defined marketing management as an activity, set of institutions, and
processes for creating, communicating, delivering, and exchanging offerings that
have value for customers, suppliers, and society at large. Marketing management
takes place when at least one party to a potential exchange thinks about the means
of achieving desired responses from other parties. Therefore Kotler and Keller
(2012 p.5) defined marketing management as the art and science of choosing
target markets and getting, keeping, and growing customers through creating,
delivering, and communicating superior customer value.

2.1.3. Marketing Mix
Marketing mix is one of part of marketing strategy. When the marketer used the
mix, it would direct their company’s activities toward profitably satisfying that
segment after they select a certain target market. According to Kotler and
Amstrong (2012) marketing mix is the set of tactical marketing tools that the firm
blends to produce the response it wants in the target market. The marketing mix
consists of every variable that company can control and influence the market
demand for its product. Nirwana (in Lingga, 2008) also added his statement that
marketing mix as tools that which is controlled by the company for serving the
target market.

McCharty (in Kotler, 2012 p.25) classified the marketing mix into the four Ps,
which includes product, price, place, and promotion. The marketing mix is
combination of the four strategic elements to meet the needs and preferences of a
specific target market Kurtz (2012 p.48).

Every variables of the marketing have influence each others in overall marketing
activities. According to Nirwana (in Lingga, 2008), the function and existence of
marketing mix variables can not be separated one to another’s because one
variable can influence the other marketing mix variables, and through
combination of marketing mix variables management can counterbalancing the competitors. Marketing mix can and should be an ever changing combination of variables to achieve success (Kurtz, 2012 p.48).

**Figure:** 2.1. The Four Ps of the Marketing Mix (*modified*)

**Source:** Kotler and Amstrong (2012), Lovelock (2006)

An effective marketing strategy is create through combining each marketing mix elements that become an integrated marketing program and designed to achieve the marketing objectives by delivering value to customers. The marketing mix contains of company’s tactical guidelines for establishing strong positioning in target markets.

Many possibilities indicators can be collected in to four groups of variables – the four Ps.

1. **Product**

   In the marketing mix, product is an essential element because through product firstly company can fulfill customer needs and wants. Kotler and Amstrong
(2012 p.224) defined product as anything that can be offered by the company to the customers for attention, acquisition, use, or consumption that might satisfy a want or need. Products consist of tangible and intangible objects; which are including physical goods, services, experiences, events, persons, places, properties, organizations, information, and ideas. Kurtz (2012 p.345) added his opinion that product as a bundle of physical, service, and symbolic attributes design to satisfy a customer’s wants and needs.

Product is one of marketing mix elements that can be used by marketers as an internal variable to control the increasing sales. Therefore, marketing strategy of a product can be emerged through product identity such as brand name, packaging, or warranty of product (Nirwana, in Lingga, 2008)). So, when marketers want to marketed their products, the marketers need to prepare appropriate product mix plan. The company who have good product mix planning, it will facilitate them in creating good product which is fit to the customer needs. Finally, it will bring advantages for the company and make the marketer is easier to develop other marketing mix variables.

A product mix also known as a product assortment – the set of all products and items a particular seller offer for sell. Based on Kotler and Keller (2012 p.336-337), product mix consist of various product lines. Product mix has certain width, length, depth, and consistency. Width of product mix can be defined as how many different product lines that company provide or offer. The length of a product mix means the total items in the mix. The depth of a product mix refers to how many variants of each product line are offered to the customers. And the consistency of the product mix can be described as how closely related the various product lines are in end use, production requirements, distribution channels, or some other way.

Lovelock et al. (2005) also said there are some variables that can be considered in product mix; such as quality and brand name. Developing a product involves defining the benefits that will offer to customers, especially quality of the product. Product quality is used by marketer as one of major positioning tools. Quality gives direct impact to product performance; thus, most people
perceived product quality will bring customer value and satisfaction.

Most of people define quality as “freedom defects”, but most of customer-oriented companies defined product quality in terms of creating customer value and satisfaction. According to The American Society for Quality (in Kotler and Amstrong, 2012 p.230) defined quality as the characteristics of a product or service that bear on its ability to satisfy stated or implied customer needs.

Product quality has two dimensions which are level and consistency. Quality level can be said as performance quality, its mean that the ability of a product to perform its functions so that can supporting the product’s positioning. While quality consistency or conformance quality mean the product is freedom from defects and always consistent in performing.

Brand plays significant role in a product, therefore marketers must have distinctive skill and able to build and manage brands. According to Kotler and Amstrong (2012 p.231), a brand is a name, term, sign, symbol, or design, or a combination of these, that identifies the producer or seller of a product or a service. A brand can helps consumers in identified products that might benefit them; brand also tell something about product quality and consistency. Customers who always buy the same brand know that they will get the same features, benefits, and quality each time they buy. In store, by providing many variances of brand will make customer satisfy because they will easier find product that needed, and can compare its quality to the other product brands.

2. **Price**

Price is the amount of money customer must pay for getting a product or a service. In broadly definition, According to Kotler and Amstrong (2012 p.290) price is the sum of all the cost that customers paid to gain the benefits of having or using a product. Price became most major factors affecting buyer choice. But today, non-price factors also have gained increasing importance. In despite, price still becomes one of the most important elements that determine a firm’s market share and profitability.

Kotler and Amstrong (2012) added their opinion that price is the only element
of marketing mix that produces revenue; then all other elements represent costs. Therefore, pricing decision will be assumed success if can contribute revenues to the firm. Determination and competition in pricing is the most problems are faced by most companies today. It’s because of a fierce and fast-changing pricing environment. Price has a flexibility characteristics, it is because price as one of marketing mix elements can be changed quickly.

Pricing is the number-one issue is faced by many marketing executives, and many companies do not handle pricing well. Sometimes company is not precise in determine the pricing, where when they are setting it is too high to produce any demand and one that is too low to produce a profit.

Customer perceptions of the product’s value are becoming the top standards on setting the prices. If customers perceive that the product’s price is greater than its value, they will not buy the product. Meanwhile product costs become the bottom basis of the prices. If the company take the product price below its costs, the company’s profits will suffer. In setting its price, except must to consider these two extremes rule, the company must consider several internal and external factors such as competitors’ strategies and prices, the overall marketing strategy and mix, and the nature of the market and demand.

According to Kotler and Amstrong (2012) there are three majors pricing strategy which are customer value-based pricing, cost-based pricing, and competition-based pricing.

1. Customers value-based pricing is company setting price based on customers’ perception of value rather than on the sellers cost. When marketers decide the pricing, they must start from customers’ value. When customers buy a product, they pay the cost (the price) for having or using some values (the product). Therefore, effective customer-oriented pricing have to involve the understanding of how much value consumers get on the benefits they receive from the product and setting a price that captures this value. Type of value-based pricing are divided into two: good-value pricing and value-added pricing. Good-value pricing is a strategy that offering the
right combination of quality and good service at a fair price. In other words, in value-based pricing strategy, customers pay the price suit to the product value is gotten (value for money). In the retail level, good-value pricing is implemented through everyday low pricing (ELDP) strategy where the price is charging a constant – everyday low price with few or no temporary price discount. In contrast, high-low pricing involves charging higher prices on everyday basis but conducts promotions frequently such as give discount or lower price temporarily for selected items. Value-added pricing is a strategy that adopted by the company through attaching value-added features and services to differentiate company’s offers and charging higher price.

2. Cost-based pricing is a strategy which is setting prices based on the costs for producing, distributing, and selling the product plus a fair rate of return for its effort and risk. Costs are set as the floor for determine the price, but does not means the company have to always minimize costs. Companies who have lower cost can set lower price that result in smaller margin buts greater sales and profits. Vice versa, for other companies who have to pay higher cost, they can claim higher price and margins. So the key to manage the spread between costs and prices are how much the company can makes for the customer value it delivers.

3. Competition-based pricing is a strategy used when the company is setting the price based on competitors’ strategies, costs, prices, and market offering. Consumers will base their judgments of a product’s value on the prices that competitors charge for similar products. For implementing competition-based pricing strategy, the company have to assess and compare the competitors’ pricing strategies which are if consumers perceive that the company’s product or service provides greater value, the company can charge a higher price. If consumers perceive less value relative to competing products, the company must either charge a lower price or change customer perceptions to justify a higher price.

In retail, except three pricing strategies above, there are some element that
should be considered such as discount, allowances, payment terms, and price labelling. Those elements will bring satisfaction to the customer if manage well by the management, but vice-versa it will become boomerang if the company just pay little attention to them. According to Lovelock et al. (2005) as a part of marketing mix element, price has some variables such as discount, allowances, and payment terms. Discount is a straight reduction in price on purchases during a stated period of time or of larger quantities. Allowances are payment or price reductions to reward customers’ response such as buy in large quantities, pay with certain terms, or promoting the product. Those variables have to give special attention from the company because can add some values to buyers and make them satisfy when they buy.

3. **Place**

One of marketing activity is distributing product. The purpose of this activity is moving goods from producers to consumers – it overcome and add values by bridging the major time, place, and possession gap that separate goods and services from those who need or want them. Based on Kurtz (2012:49) marketer develops distribution strategies to ensure that consumers find their product in the proper quantities at the right times and places. Distribution decisions involve modes of transportation, warehousing, inventory control, order processing, and selection of distribution channels.

Distribution channel is used to distribute the product to certain location in order can be reached by customers anytime. In addition, producers used channel distribution because they can create greater efficiency in making goods available to the target market. According to Kotler and Amstrong (2012 p.341) marketing channel or distribution channel is a set of interdependent organizations that help make a product or service available for use or consumption by the consumer.

The availability of products in the market is directly affected by distribution channel. Therefore, in determining place or distribution channel is a crucial decision for the company. Distribution channel has some levels and every
companies do not have authentic similarity channel distribution because of the channel is designed depend on who are target of customers. Channel level is a layer of intermediaries that performs some work in bringing the product and its ownership closer to the final buyer (Kotler and Amstrong, 2012 p.341).

The numbers of intermediary levels indicates how long the stages throughout – lengths of the channel. **Figure: 2.2.** shows several consumer distribution channel of different lengths. Channel 1 is called a direct marketing channel

![Channel Diagram](image)

**Figure: 2.2.** Consumer Marketing Channels

**Source:** Kotler and Amstrong (2012 p.343)

where has no intermediary levels below which means the company sells directly to consumers. The remaining channels are indirect marketing channels where containing one or more intermediaries below.

From channels levels in **figure: 2.2.** above, the retailer is become most popular and well known by the people because retailer can find in everywhere and through retailer buyer can buy product in small amount or pieces. In retail also has channel – retailer channel. Retail channel is the way of retailer sells and delivers merchandise and services to its customers. There are many varieties of channels including the store, Internet, catalogue and direct mail, direct selling,
television home shopping, and automated retailing. From those channels, the store is become the most common channel used by retailers. Store is become majority of sales are made because customers prefer choose stores as place to get their needs rather than other non-store channel. But to choose good store location is not easy whereas in retail business location is a very crucial factor. Based on retail experts (in Kurtz, 2012:457), said that location is a potential determining factor in the success or failure of a retail business. A retail store may locate at an isolated site, in a central business district, or in a planned shopping centre. For deciding a location is affected by many factors such as the type of merchandise, the retailer’s financial resources, characteristics of target market, and site availability.

According to Lovelock (2005) there are some consideration factors when a retailer wants to choose a location as a place of retail store, such as location visibility and accessibility. Location visibility means how easy the location is found and reached by people. The retail store in the central business distracts or in planned shopping centre will be easier to find because the location near to area where many people doing activities there. Good location also need supported by good accessibility in order when people is going to the store, they do not need wasting much time on the way. Customers will be satisfied when they get the product they need and want, they can get it quite easily, comfortable, and less efforts. Therefore, the determinations of location or place where store will be operated have to think carefully by retailers.

Besides the store location, stores also have to project by their personalities which is through atmospherics – physical characteristics and amenities that attract customers and satisfy their shopping needs (Kurtz, 2012 p.460). Atmospherics include both a store’s exterior and interior decor. A store’s exterior help identify the retailer and attract its target market where the appearance including the architectural design, window display, signs, and entry way. Meanwhile the interior decor should also have to describing the retailer’s image, respond to customers’ interest, and must to attract shoppers to buy. The elements of store’s interiors include store layout, merchandise presentation,
lighting, colour, sounds, scents, and cleanliness.

The interior and exterior design is important because many people shop for many reasons – more than just purchasing needed products. The common reasons for shopping include socializing with family and friends, escaping the routine of daily life, fulfilling fantasies and so on. Therefore retailers have to make the store atmosphere as comfortable as possible to the customer.

In addition, the availability of supporting facilities such parking facility will facilitate customer who bring own vehicles. The availability of parking facility will influence the interest of customers to come to store. However customers prefer to choose store who have adequate and free charge parking.

4. Promotion

Promotion is communication activities where the functions is informing, persuading, and influencing the consumer’s purchase decision. According to Alma (2005) promotion is an activities of communication which is informing the merits of the product and services to convince a prospect customer. While Kotler and Amsrton (2012 p.476) defined promotion as activities of the firms on attempting to inform, persuade, and remind consumers directly or indirectly about the products and brand they sell. The company have to inform customers about the superiority of product in order them aware with it; persuade them in order they buy it; and frequently remind them in order the customers always remember to the product.

Promotion is representing the voice of the company and its brands; if company able to communicate the superiority of the product effectively, so the customer attention will attracted to the product marketed. Through promotion the company also can establish a dialogue and build relationships with customer.

Generally, there are some objectives of promotion (Kurtz, 2012 p.495) such as provide information to consumers and others, increase demand, differentiate a product, accentuate a product’s value, and stabilize size.

For deliver a clear and compelling message, company have to arrange and manage the integrated tools for communicate the message. According to Kotler
and Amsrtong (2012 p.408) there are five major promotion tools are defined as follows:

a. Advertising: Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. Advertising includes broadcast, print, Internet, outdoor, and other forms.

b. Sales promotion: Short-term incentives to encourage the purchase or sale of a product or service. Sales promotion includes discounts, coupons, displays, and demonstrations.

c. Personal selling: Personal presentation by the firm’s sales force for the purpose of making sales and building customer relationships. Personal selling includes sales presentations, trade shows, and incentive programs.

d. Public relations (PR): Building good relations with the company’s various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumours, stories, and events. PR includes press releases, sponsorships, special events, and Web pages.

e. Direct marketing: Direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships. Direct marketing includes catalogue, telephone marketing, kiosks, the Internet, mobile marketing, and more.

Effective of a communication is affected by selection of the tools used in promoting the products. In retail, retailers use variety of promotional techniques such as using catalogue, special event and sponsorship, discount, coupons, advertising in printed-media. Through those strategies, retailer seeks to communicate customers to inform about its stores-location, merchandise selections, hours of operation, and prices. In addition, a promotion helps retailers attract shoppers and build customer loyalty.
2.2. Customer

Customer is source of the company’s profit, so maintain good relationship to customers is priority in the business.

According to Kotler et al. (2005 p.89) type of customers is divided into six which are includes consumer markets, business markets, reseller markets, institutional markets, government markets, international markets. Consumer markets are individuals and households that buy goods and services for fulfilling personal needs. Business markets buy goods and services for further processing or for use in their production process, whereas reseller markets buy goods and services to resell at a profit. Institutional markets are made up of schools, hospitals, nursing homes, prisons and other institutions that provide goods and services to people in their care. Government markets are made up of government agencies that buy goods and services in order to produce public services or transfer the goods and services to others who need them. Finally, international markets consist of buyers in other countries, including consumers, producers, resellers and governments. Each market type has special characteristics that call for careful study by the seller.

In this research, the customers are consumer market where the customers who shopping at the Carrefour JB Plaza are individuals and households that purchase goods for fulfilling their personal or family needs.

2.2.1. Customer Satisfaction

At the end, all efforts that were doing by a company would get assessments from customers. The assessment is given about the level of satisfaction got over the performance of products and services used or consumed.

Satisfaction is a person’s feeling of pleasure or disappointment that result from comparing a product’s perceived performance (outcome) to expectations Kotler and Keller (2012 p.128). So, a customer satisfaction is depending on the performance of product’s perceived relative to customer’s expectation. Customer will dissatisfy if the product’s performance is below expectation. If the performance matches to customer’s expectation, the customer will be satisfied. If
performance is above expectations, the customer is highly satisfied or delighted.

A lot of benefits will be gotten by company if able to give satisfaction to the customers because satisfied customer will buy again and tell others about their good experiences when consumed or used company’s product. In contrary, dissatisfied customer will leave the company and switch to competitors and disparage the product to others. Therefore, most of outstanding companies consider customer satisfaction is important and become main priority.

Kotler and Amstrong (2012 p.13) said that most studies show that higher levels of customer satisfaction make greater customer loyalty, which in turn results will bring better impact to company performance. Moreover, most companies today aim to delight customers by giving less promise – only offer what they can deliver, but then deliver more than their promising. Delighting customer is important because customer who just satisfied to the product and service offer will be easier influenced to change their mind if they get better offering from competitors. While delighted customer will be difficult to influence them and make them change their choice. High satisfaction or delighting is not just able to create rational customer preference but also build emotional relationship to the product or brand.

Developing customer satisfaction is relatively difficult because marketers have to understand what customer thinks and expect from product they interest. So, Marketers must set the level of expectations carefully. If they set the expectations too low, they may satisfy those who buy but fail to attract enough customers. If they set expectations too high, customers will be disappointed.

2.2.2. Customer Satisfaction Measurement

There are several ways to the company that can do to know the values are presenting in the consumer (customer values). According to Kotler (1997) customer satisfaction can be measured through several different methods, which as follows:

1. Complaints and suggestions System

The company who focuses on the customer – customer oriented will provide
vast opportunity to the customers to give suggestions and complaints. The company can obtain the suggestion or complaint through providing a suggestion box, the comment form, customer hotlines, web pages, and e-mail. The information obtained can be good sources that can be processed and be basic ideas in making decisions and taking action in overcoming the problem, which in turn can improve the performance of the company.

2. **Ghost Shopping**

One of the ways to acquire an overview of the consumer profile is by hiring somebody to act as buyers or consumers to report their findings about the strengths and weaknesses of the company's and competitors’ products and services.

Regarding to the report about their experience when shopping in the own store and competitor store, companies can assess how good the performance of their own company compared to competitors in delivering satisfaction to customers. Ghost shopping can also be used to assess how well their staffs (sales persons) in serving consumers and tackling the problems are faced.

3. **Lost Customer Analysis**

Companies can contact consumers who have stopped buying or have switched to other supplier. The purpose is to learn the reasons why customers switch to other suppliers. So, from the results obtained, the company can take corrective action for the future.

4. **Customer Satisfaction Survey**

An outstanding company will measure customer satisfaction periodically which through survey, either by spread questionnaire, e-mail, telephone, or direct interview. The survey is useful for companies to obtain feedback directly from the customers about various aspects of the company’s performance. The company will be impressed positively by consumers because through the efforts, company is perceived want to pay attention to the consumer. In addition, company also perceived well by the consumers because willing to concern for their satisfaction.
Based on opinions of Gerson (2001), at least, there are five benefits for the company when measuring customer satisfaction, which as follows:

a. The measurements made people feel a sense of accomplishment in achieving a feat, which then transforms into excellent service to customers.

b. The measurement results can be used as the basis for determining performance and achievement standards which are must be achieved, and then it will be directed towards improved quality and better service, so that customer satisfaction also following increase.

c. By measuring it will provide immediate feedback from consumers to the company, especially if consumer itself which measures the performance of the companies that provide services.

d. The measurement results explain you what needs to fix from the quality and current customer satisfaction, and at once time explain you how to do it.

e. Measurements can motivate a person to do and achieve better results and higher productivity levels.

2.3. Retail

2.3.1. Definition of Retail
Retailer is one of channel distribution that has important role in delivering and retailing goods and services from producer to end users. A retailer or retail store is any business institution whose contribute biggest sales volume in retailing. According to Kotler dan Amstrong (2012 p.374) retailing is all the activities involved in selling products or services directly to final consumers for their personal, non-business use. While Levy and Weitz (2012 p.6) define retailing as the set of business activities that adds value to the products and services sold to consumers for their personal or family use.
From two definitions above, it can be concluded that retailing is a set of business activity related to the selling products and services directly by retailers to end users and as well as accompanied by adding values to the products and services sold.

Retailing activities is not only done in stores – store retailing – but also they sell product beyond the stores – non-store retailing such as internet, catalogue and direct mail, direct selling, television home shopping, and automated retailing. Retailers become end channel distributors in distribution process. Through retailers, a product can directly distribute to end consumer, therefore retailers are becoming a key components in supply chain\(^2\) that links manufacturers to consumers. **Figure: 2.3.** show where the retailer’s position within a supply chain.

![Figure: 2.3. Example of a Supply Chain Process](image)

**Figure: 2.3. Example of a Supply Chain Process**

**Source:** Levy & Weitz (2012)

From **figure: 2.3.**, we know that there are two channel distributions whose connected manufacturer to consumer which are wholesaler and retailer. Wholesalers and retailers may perform many of the same functions, but wholesalers focus on satisfying retailers’ needs, while because of retailer directly connected-below to the consumer so it makes their efforts have to satisfying the need of consumers.

In some supply chains, the manufacturing, wholesaling, and retailing activities are performed by independent firms, but most supply chains feature some vertical

\(^2\) a set of firms that make and deliver goods and services to consumers
integration (Levy and Weitz, 2012). Vertical integration means that a firm performs more than one set of activities in the channel. Where vertical integration is divided into two: backward integration and forward integration. Backward integration arises when a retailer performs some wholesaling and manufacturing activities, such as operating warehouses or designing private label merchandise. While forward integration occur when a manufacturer undertakes retailing and wholesaling activities, such as a company operating its own retail stores.

Retailer is needed because in selling product to consumers retailer can perform be more efficiently rather than manufacturer and wholesaler. In addition, retailer can increase the value of products and services for consumers. According to (Levy and Weitz, 2012 p.8) the activities of creating value includes providing an assortment of products and services, breaking bulk, holding inventory, providing services.

2.3.2. Types of Retailers
Retail stores come in all shapes and size, but according to Kotler and Amstrong (2012 p.375) they can be classified in terms of several characteristics, such as the amount of service, product lines, relative price, and organizational approach.

1. **Amount of Service**

Because of different types of products and customers so required of different of service are given. To meet these varying different service need, retailer may offer some category levels, including self-service, limited service, and full service.

a. **Self-service retailer**
A retail store who the customers serve themselves in shopping process. The typical of product sold in the self-service retailers such as convenience goods, nationally branded, fast-moving shopping goods.

b. **Limited-service retailer**
A retail store that provide sales assistance to assist customer when need some information about the product looking for. Because of need more sales people that make the operational cost increased so result in higher prices.
2. **Product Line**
Retailers also can be classified based on the product assortments which are including as follows:

a. **Specialty stores**
A retail store that handles a narrow product line with a deep or wide variety assortment within that line. According to Kurtz (2012 p.462) Specialty stores include a wide range of retail outlets, such as fish market, grocery stores, men’s and women’s shoe stores, and bakeries. Specialty stores are different with specialty products. Specialty stores remain to store who carry convenience and shopping goods. The label of specialty reflects to the practice of the store where handling a specific, narrow line of merchandise.

b. **Department store**
A retail store that carries a wide variety and deep assortment of product lines where each line is operated as a separate department managed by specialist buyers or merchandisers. Department store handles a variety of merchandise, including clothing and accessories, household and dry goods, appliances, and furniture (Kurtz, 2012 p.463).

Based on chains, department store can be categorized into three tiers (Levy and Weitz, 2012 p.41). The fist tier includes upscale, high-fashion chain with exclusive designer merchandise and excellent customer service. Second tier is retailers sell more modestly priced merchandise with less customer service. Third tiers is retailer create high value-oriented where focus to more price conscious consumers.

c. **Supermarket**
Today, the most frequently shopped type of retail store is supermarket. Supermarket is a large, low-cost, low margin, high volume, self service retail
that offering a wide variety of grocery and household products. Supermarket carry about 30,000 SKUs\textsuperscript{3} and for limited assortment supermarkets, or extreme-value food retailers, only stock about 2,000 SKUs (Levy and Weitz, 2012 p.35).

d. Convenience store
Convenience store is a small store, located near residential area, that is open long hours seven days a week and carries a limited of high-turnover convenience goods. Convenience store offers a limited variety and assortment of merchandise at a convenience location in 3,000 to 5,000 square-foot stores and charge higher prices than supermarkets. But convenience store focuses on their appeals on accessible location, extended store hours, rapid checkout service, and adequate parking facilities.

For increasing convenience, convenience stores are opening smaller store close to where consumer shop and work, easy access, storefront parking, and quick in-and out access are key benefits offered by convenience stores. In addition, for more convenience customers, convenience stores also are exploring the use of technology.

e. Superstore
Superstore is a large retail store which is much larger than a regular supermarket and usually smaller than hypermarket that offers a large assortment of routinely purchased food products, non-food items, and services. The sizes of store reach 185,000 square feet that combines a supermarket with discount store merchandise.

Superstore provides a one-stop shopping experience by offering broad assortment of grocery and general merchandise products under one roof.

f. Category killer
Category killer is a giant specialty store that offers a large assortment of a particular line or within a few related product lines, and is staffed by knowledgeable employees.

\textsuperscript{3} Stock-keeping unit
Generally, category killers are having wide range of categories such as electronics, home-improvement products, books, baby gear, toys, linens and towels, party goods, sporting goods, and even pet supplies.

Most of category killers use a self-service approach, but they also provide assistance to customers in some areas of the store.

g. Service retailer

Many retailers product lines is actually service. The retailers sell services rather than merchandise. Service retailers include hotels and motels, banks, airlines, colleges, hospitals, movie theatres, tennis clubs, bowling alleys, restaurants, repair services, hair salons, and dry cleaners.

3. Relative Price

Retailers can be classified based on the prices charging. Most retailers charge regular prices for normal-quality goods and customer service, and the others retailers offer higher-quality goods and service at higher prices. Retailers who offer low prices are discount stores and “off-price” retailers.

a. Discount store

Discount store is a retail store that offers a wide variety of merchandise, limited service, at lower prices by accepting lower margins and selling at higher volume. Discount stores offer both private labels and national brands.

b. Off-price retailer

Off-price retailer is a retailer that buys at less-than-regular wholesale prices and sells at less than retail. Off-price retailers are able to sell brand-name and even designer-label merchandise up to 60 percent lower than the other retailers because of their unique buying and merchandising practices.

Off-price retailers can be offer in all product lines, include food, clothing, and electronics to no-frills banking and discount brokerages. There are three main types of off-price retailers which are including independents, factory outlets, and warehouse clubs.
Independent off-price retailer is an off-price retailer where either independently owned and run or is a division of a larger retail corporation.

Factory outlet is an off-price retailer who is owned and operated by a manufacturer and normally carries the manufacturer’s surplus, discontinued, or irregular goods.

Warehouse club or membership warehouse is an off-price retailer that offers a limited selection of brand name grocery items, appliances, clothing, and a hodgepodge of other goods at deep discounts to members who pay annual membership fees.

2.4. Previous Study

There were some previous researches on the topic of marketing mix analysis; including research was conducted by Vera Marintan Lingga (2008) with the title “The Analysis of Customer Satisfaction toward Marketing Mix (7Ps) Implementation at Toserba X Bogor (Analisis Kepuasan Konsumen Terhadap Pelaksanaan Bauran Pemasaran (7P) Pada Toserba X Bogor)”. The research was analyzed by using Importance Performance Analysis (IPA) and Customer Satisfaction Index (CSI) method. From the research was resulted some analysis such as the indicators of marketing mix that became a main priority for improved by Toserba X were including quality of agribusiness product, knowledge of salesperson, attentive of salesperson in helping customer, transaction speed, response to complaints, design and layout of stores, store conveniences, store cleanliness, and product display. Indicators that have been implemented well by Toserba X and should be maintained were including the variety of products, price offered, discounts, location, special sale, friendliness and courtesy of salesperson, salesperson uniforms, and ease of payment. In addition, indicators those have a lower priority to be improved, which were including parking facilities, interesting advertising, and room aroma. And then indicators of marketing mix those were considered excessive by the customers which were quality of non-agribusiness...
product, brand, credible advertising, music, room lighting, room colour. For the CSI analysis was obtained the score of customer satisfaction index by 66.8 percent which has a meaning that customers were satisfied with the implementation of marketing mix (7Ps) at Toserba X.

Mey Ristiani Widoretno (2010) with the title “The Analysis Customer Satisfaction toward Marketing Mix at Seafood X Restaurant Bogor (Analisis Kepuasan Konsumen Terhadap Bauran Pemasaran Pada Restoran Seafood X di Kota Bogor)”. The research was analyzed by using Importance Performance Analysis (IPA) and Customer Satisfaction Index (CSI) method. The marketing mix elements were studied includes product, price, place, promotion, process, people, physical evidence. The results of analysis using IPA was resulted indicators that became a main priority for improved its performance were cleanliness food presentation, price, friendliness of waitress, time on presenting menu, cleanliness of sink, cleanliness of toilet, parking facility, and trusted advertising. Indicators that should be maintained its performance include freshness of the fish, fish aroma, cooking spices aroma, seafood manufacture variance, complaint response, availability of sink, availability of toilet, praying facility, room lighting. Indicators those have low priority were including food presentation, restaurant location, waitress knowledge, waitress appearance, and availability of suggestion box. In addition, indicators of marketing mix those were considered excessive by the customer which were food portion, variety of fish, restaurant decoration, completeness of eat utensil, playground facility, transaction speed, music, room colour and freshness. For the CSI analysis was obtained the score of customer satisfaction index by 75.80 percent which has a meaning that generally customers were satisfied with the implementation of marketing mix at seafood X restaurant.

Fitra Arlina Nasution (2011) with the title “Analyze The Influence of Marketing Mix Strategy to the Satisfaction and loyalty customer of SIMPEDES at PT Bank Rakyat Indonesia (Persero) Tbk Deli Tua”. This research aims to study and analyze the influence of marketing mix strategy of product, promotion, plece, people, process and customer service to the satisfaction of SIMPEDES saving at PT Bank Rakyat Indonesia (Persero) Tbk Unit of Deli Tua Medan and to study the
influence of the satisfaction of the customer to the loyalty of the customer at PT Bank Rakyat Indonesia (Persero) Tbk Unit of Deli Tua Medan. The applied analysis method is a quantitative descriptive by multi linier regression and simple correlation analysis. The result of study indicates that the determination coefficient variable is 0.651 this indicates that 65.1% of variables of product, price, promotion, place, people, process, Customer service, describes its influence to the variable of customer satisfaction of the SIMPEDES saving at PT Bank Rakyat Indonesia (Persero) Tbk Unit of Deli Tua Medan, while 34.9% is unstudied other variables that indicated that 69.1% of customer satisfaction variable describe its influence to the loyalty variable of customer at PT Bank Rakyat Indonesia (Persero) Tbk Unit of Deli Tua Medan while 30.9% is unstudied other variables.

The difference of this research with the previous research is the object and time of research. The research object in this research is marketing mix (4Ps) that implemented at Carrefour JB Plaza Cikarang and the time is on December 2012 to January 2013.
CHAPTER III
RESEARCH METHODOLOGY

Research is the systematic process of collecting, analyzing, and interpreting data in order to become an information where will be use to solve the problem arise. Herein researcher has particularly important role in understanding the problem arise and then communicate that understanding to others people (Leedy & Ormrod, 2010).

In this chapter, the research method will be discussed in more detail. This is important conducted in order able to develop a well-planned research model. So, through this model researcher has a guidance in develop this research.

3.1. Research Method

Cooper and Schindler (2006 p.5) said that a research is any systematises inquiry that conducted to provide information for guiding decision of problem solving. More specifically, as explained by the American Marketing Association (AMA) (in Cooper and Schindler, 2006) that research is a process of determining, acquiring, analyzing and synthesizing, and disseminating relevant data, information, and insights to decision makers in ways that mobilize the organization to take appropriate marketing actions that, in turn, maximize business performance. Good research will generate reliable information that can be used as a consideration in decision making process. Therefore, for generating good research is needed appropriate method to answer the problems. So that, this research will use quantitative method in order can answer the research questions.

Quantitative research refers to the systematic scientific investigation of properties and phenomena and their relationships via statistical, mathematical or computational techniques. The objective of quantitative research is to develop and employ mathematical models, theories and hypotheses pertaining to phenomena
Quantitative research is generally approached using scientific methods and involves analysis on numerical data. The methodology will be used in determining sampling design and data analyzing. For processing the data, researcher uses SPSS 16.0 version and Microsoft Excel 2007 version.

3.2. **Research Time and Place**

This research was undertaken at Carrefour JB Plaza, a company engaged in retail business that distribute and sells products to end customers. Carrefour JB Plaza is located at Jalan Industri Utara 1, Comp Jababeka II, Cikarang Baru Residence. Collecting data and research was conducted from December 2012 to January 2013.

3.3. **Research Instruments**

3.3.1. **Source of Data**

In this research, researcher used both primary data and also secondary data.

1. **Primary Data**

According to Sekatan and Baugie (2009 p.180) primary data is the information that obtained first-hand by the researcher on the variables of interest for specific purpose of the study.

In this research, primary data was collected from distributing questionnaire to customer of Carrefour JB Plaza. The questionnaire was constructed in closed-questions where the questions include the assessment to the level of importance and level of performance toward marketing mix implementation at Carrefour JB Plaza. The marketing mix is assessed consist of several elements which are we known as four Ps, which are including product, price, place, and promotion. The primary data were need in this research is shown in **table: 3.1**.
2. **Secondary Data**

Secondary data is the information that gathered from sources that already provided such as company records or archives, government publications, industry analyzes offered by any media, website, internet, and so on (Sekatan and Baugie, 2009 p. 180). Istijanto (2009 p. 38) also stated that secondary data is the data that has been collected by others – was not by the researchers itself – and used for other purposes. In other words, researcher just only took a note, accessed, or requested the data (sometimes the data already be information) to other parties who have gathered directly in the field.

In this research, researcher gathered secondary data from company documents, literature study, internet, journal, e-book and so on. The kinds of information were needed in this research is shown in **table: 3.2**.

<table>
<thead>
<tr>
<th>No.</th>
<th>Data</th>
<th>Source of Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Data of number of customers and sales growth</td>
<td>Carrefour JB Plaza</td>
</tr>
<tr>
<td>2</td>
<td>Company profile</td>
<td>Carrefour JB Plaza</td>
</tr>
<tr>
<td>3</td>
<td>Data of retail in Indonesia</td>
<td>Books and Internet</td>
</tr>
</tbody>
</table>

**Table:** 3.2. The secondary data are needed and the sources of data

### 3.3.2. Data Collection Methods

In this research, researcher undertakes the data collection through several methods, which were including questionnaires, interviews and observation.
1. Interviewing
Interviewing is a method used to obtain the information directly, deeply, unstructured, and individually. In the interview, the respondents were asked by the interviewer to express his/her feelings, motivations, attitudes, or beliefs about the topic (Malhotra, in Istijanto, 2009).

In this research, researchers conducted interviews to the store manager of Carrefour JB Plaza. The questions asked were regarding to problems faced by Carrefour, so researcher can explore deeply the problems occurred. In addition, researcher also conducted brief interview to 20 customers for getting more details information about the performance of Carrefour JB Plaza. The questions being asked were the advance of question from the questions of the questionnaire.

2. Questionnaire
Questionnaire is a data collection technique that conducted by giving a set of questions or a written statement to respondents for answered (Sugiyono, 2008).

In this research, researcher used questionnaire to collect the primary data. Questionnaire was designed by using closed questions and measurement variable using interval scale, which is a scale that has a sequence and have the same interval or distance between categories or points closest (Istijanto, 2009 p.83)

The questionnaire are made into two types which are level of importance (Y) questionnaire and level of performance (X) questionnaire. The number of question are same – 19 questions. The questions represent variables of marketing mix (4Ps).

The following table: 3.3, shown the list of the indicators from the variables of marketing mix that will be researched at Carrefour JB Plaza.
<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Sub-Variables</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Product</td>
<td>Brand</td>
<td>1 Variance of brand names</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Assortment</td>
<td>2 Variety of products</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3 Variety of products’ size (volume)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Quality</td>
<td>4 Quality of agribusiness product</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 Quality of non-agribusiness product</td>
</tr>
<tr>
<td>2</td>
<td>Price</td>
<td>Competitive Level</td>
<td>1 Competitive pricing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Price list</td>
<td>2 Price at label meet to the checkout price</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Discounts</td>
<td>3 Discounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Flexibility</td>
<td>4 Payment systems flexibility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Value for money</td>
<td>5 Conformity of product price to product quality</td>
</tr>
<tr>
<td>3</td>
<td>Place</td>
<td>Visibility</td>
<td>1 Store location</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accessibility</td>
<td>2 Accessibility of the store</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Environment support</td>
<td>3 Adequate and free parking facility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ambience</td>
<td>4 Comfortability when shopping</td>
</tr>
<tr>
<td>4</td>
<td>Promotion</td>
<td>Sales promotion</td>
<td>1 Advertising at printed media</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2 Interesting and informative catalogue</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3 Direct and indirect prize promotion</td>
</tr>
</tbody>
</table>
Researhcer used interval scale as measurement tool and specifically using likert scale - five levels in constructing the questionnaire. Likert-scale is a measurement scale that asks respondent indicates their level of agreement or disagreement to a series of statements or question about certain objects (Istijanto, 2009 p.90). The scale score (1 - 5) used in this research is shown in table: 3.4. below:

<table>
<thead>
<tr>
<th>Performance (X)</th>
<th>Score (Weight)</th>
<th>Importance (Y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not very satisfy</td>
<td>1</td>
<td>Not very important</td>
</tr>
<tr>
<td>Not satisfy</td>
<td>2</td>
<td>Important</td>
</tr>
<tr>
<td>Neutral</td>
<td>3</td>
<td>Neutral</td>
</tr>
<tr>
<td>Satisfy</td>
<td>4</td>
<td>Important</td>
</tr>
<tr>
<td>Very satisfy</td>
<td>5</td>
<td>Very important</td>
</tr>
</tbody>
</table>

Table: 3.4. Measurement level

3. Observation
Collecting data through observation conducted by observing and recording behaviour patterns of people, objects, or events in a systematic way (Malhotra in Istijanto, 2004 p.60). Observations conducted by the researcher through direct observation to the objects and did not communicate or ask the people or objects being observed, so that the person or object being observed did not realize that they are being investigated.

Observations were conducted aimed to observe about the marketing mix are implemented at Carrefour JB Plaza. The objects being observed were elements
of marketing mix variables such as product, price, place, and promotion. In addition, researcher also observed the behavior of customers while shopping.

3.4. Sampling Design

3.4.1. Population
Population refers to the entire group of people, events, or things of interest that the researcher wishes to investigate (Sekatan and Baugie, 2009 p.262). In this research, the population to be studied is the entire customers of Carrefour JB Plaza where the average number of customers from the data obtained in October to November 2012 as many as 16,320 customers per a month.

3.4.2. Sample
Sample is subset of the population (Sekatan and Baugie, 2009 p.263). The sample is taken from the part of population to be studied and considered eligible in representing the population. In this research, sampling gathered from the consumers who made purchasing at the Carrefour JB Plaza.

3.4.3. Sampling Method
In this research, researcher used non-probability sampling approach to gather the respondent, and specifically used convenience sampling method, which is the procedure for getting sample units according to researcher pretension (Kuncoro, 2009). Through this method, researcher takes sampling from population that easy to find or certain population availability only. Respondent who chosen because of they are in the location where the questionnaire was spreading at certain time.

3.4.4. Sampling Size
In this research, the number of population is known, and the number of population is relatively big. So, to determine of the sample size that should be taken, researcher use formula of Yamane (in Sarwono, 2012 p.27), which is in accordance with the following formula:
\[ n = \frac{N}{1 + N(e)^2} \]

**Equation:** 3.1. Sample size formula

where:
- \( n \) : sample size
- \( N \) : population size
- \( e \) : margin of error

This study used a 90 percent confidence level. In other words, the margin error of this research is acceptable at 10 percent \((a = 10\%)\). Therefore, the population size refers to the average of customer’s numbers in October to November 2012 as many as 16,320 people in a month. So the calculation of the sample size is:

\[ n = \frac{16,320}{1 + (16,320 \times (0.1)^2)} = 99.4, \text{ so rounded up to 100} \]

From the calculation is getting the number of samples have to be taken in this research is as many as 100 respondents.

### 3.5. Data Analysis Method

Data processing method used in this research is validity testing, reliability testing, descriptive analysis, importance-performance analysis (IPA) and customer satisfaction index (CSI). The explanation of each method as follows:

#### 3.5.1. Validity Testing

Validity testing is a test of how well an instrument that is developed measures the particular concept it is intended to measure Sekatan and Baugie (2009). Through validity test, researcher can ensure the questions in the questionnaire are the exact question should ask to the respondent in order to accomplish the research objective effectively.
For validating the instruments, researcher used content validity to ensure that the measure includes an adequate and representative set of items that tap the concept (Sekatan and Baugie, 2009 p.159). Researcher conducted focus discussion with the relevant parties such as thesis advisor and management of Carrefour JB to ensure that the variables contained in questionnaire are valid. In addition, before distribute the questionnaire, researcher was conducted preliminary study by distributing questionnaire to several customers of Carrefour JB Plaza make sure that respondent who would be fill the questionnaire would answer the questionnaire based on what researcher expected.

3.5.2. Reliability Testing

In Sekatan and Baugie (2009), reliability is characteristic of measurement that indicates the extent to which it is without bias (error free) and hence ensures consistent measurement across time and across the various items’ in the instrument. In other words, reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the “goodness” of a measure.

To measure the reliability, researcher use Cronbach Alpa formula. The formula of Cronbach Alpha is:

$$\alpha = \frac{n \cdot r}{1 + (n - 1)r}$$

**Equation: 3.2. Cronbach Alpha Formula**

Where:

- $\alpha$ : instrument reliability’s coefficient
- $r$ : mean correlation coefficient between variables
- $n$ : number of questions

Based on Sarwono (2012:86), the stipulation of variable that can be said reliable if (1) score of Cronbach’s Alfa is positive and may not negative and (2) score of Cronbach’s Alfa is equal or more than 0.8, it is reliable. In this research, score of
Cronbach’s Alpha for level of Importance is 0.873 and for level of performance is 0.891, which mean that both of them are marked as reliable.

3.5.3. Descriptive Analysis

Descriptive analysis is a method that uses numerical and graphical methods to look for patterns in a data set, to summarize the information revealed in a data set, and to present the information in a convenient form (McCalve et.al, 2008). Descriptive analysis has purpose to process raw data to become easier understanding in concise information form.

In descriptive analysis, the values can be represented by mean (average), median, modus, frequency table, or percentage (Istijanto, 2009).

3.5.4. Importance-Performance Analysis (IPA)

Based Hansen and Bush (1999, in Den et al., 2005), explain that IPA is a simple and effective technique that can assist marketers in identifying improvement priorities for product or service indicators and direct quality-based marketing strategies. IPA method is used to analyze two dimensions of product or service indicators which are importance level and performance level (satisfaction) to customers.

The indicators are measured in this research include the dimensions of marketing mix that implemented by Carrefour JB Plaza. The purpose is to develop more effective marketing programs in the future.

The level of importance of the marketing mix dimension is to represent the level of performance expected by customers. While the level of performance intended to assess how good the implementation of the marketing mix by Carrefour JB Plaza based on customer assessment.

In determine the level of importance and level of performance indicators; there are several provisions in making the range for each class, as follows:

a. The smallest possible score obtained was 100 with the assumption that all of respondents (for example 100 people) gave an answer is not very important or not very good (score of 1) to the all indicators of the marketing mix.
b. The biggest possible score obtained was 500 with the assumption that all of respondents (for example 100 people) gave an answer is very important or very good (score of 5) to the all indicators of the marketing mix.

To determine the range in each class, researcher used formula of Martilla dan James (1997, in Lingga 2008) which states the following formula:

$$Rs = \frac{(X_{ib} - X_{is})}{n},$$

**Equation: 3.3. Range scale formula**

where:

- $Rs$ : range scale
- $X_{ib}$ : the biggest possible score obtained
- $X_{is}$ : the smallest possible score obtained
- $n$ : the number of measurement level

So the range for each class researched is:

$$Rs = \frac{(5 \times 100 - 1 \times 100)}{5} = 80$$

Therefore, the details of classes’ distribution based on level of importance and level of performance are below:

<table>
<thead>
<tr>
<th>Performance (X)</th>
<th>Range</th>
<th>Importance (Y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not very good</td>
<td>100 – 179</td>
<td>Not very important</td>
</tr>
<tr>
<td>Not good</td>
<td>180 – 259</td>
<td>Not important</td>
</tr>
<tr>
<td>Neutral</td>
<td>260 – 339</td>
<td>Neutral</td>
</tr>
<tr>
<td>Good</td>
<td>340 – 419</td>
<td>Important</td>
</tr>
<tr>
<td>Very good</td>
<td>420 – 500</td>
<td>Very important</td>
</tr>
</tbody>
</table>

**Table: 3.5. Class range**
Then the result of calculation and analysis of the level of importance and performance above expressed in Cartesian diagram. Cartesian diagram can show the position of the indicators or elements that are considered able to influencing consumer satisfaction. In the Cartesian diagram, the indicators are divided in four quadrants.

Horizontal axis (X) in the Cartesian diagram represents the average of performance level scores, while the vertical axis (Y) represents the average of importance level scores (Supranto, 2001), which is formulated as below:

\[
\bar{X}_i = \frac{\sum X_i}{n}, \text{ and } \bar{Y}_i = \frac{\sum Y_i}{n}
\]

**Equation:** 3.4. Average score of level of importance and level of performance

where:

- \(\bar{X}_i\) : the average score of the level of performance factor - i
- \(\bar{Y}_i\) : the average score level of importance factor - i
- \(\sum X_i\) : total score of level of performance factors to - i
- \(\sum Y_i\) : total score of the level of importance to the factor - i
- \(n\) : number of respondents

Cartesian diagram is a table that is divided into four sections that restricted by two perpendicular lines that intersect at certain points (\(\bar{X}, \bar{Y}\)), where A is the average score of level of performance of all the indicators, while B is the average score of level of importance of all the indicators that influence customer satisfaction. The value of \(\bar{X}\) dan \(\bar{Y}\) stated in the following formula:

\[
\bar{X} = \frac{\sum_{i=1}^{n} X_i}{k}, \text{ and } \bar{Y} = \frac{\sum_{i=1}^{n} Y_i}{k}
\]

**Equation:** 3.5. Restricted lines formula
where:
\( \bar{X} \) : limit of axis X (performance level)
\( \bar{Y} \) : limit of axis Y (importance level)
\( k \) : number of indicators of marketing mix dimensions

Furthermore, the level of these indicators is described and divided into four quadrants within Cartesian diagram (importance-performance matrix diagram) as below:

![Cartesian diagram]

**Figure:** 3.1. Cartesian diagram

**Source:** Martilla and James (1977, in Kitcharoen, 2004)

Each quadrant describes different circumstances, which are:

1. **Quadrant I – Concentrate Here**
   An area which shows that the marketing mix indicators are considered important by customers, but in the reality Carrefour JB Plaza has not performed it according to the customers’ expectation. The indicators included in this quadrant should be improved.

2. **Quadrant II – Keep Up the Good Work**
   An area that shows the marketing mix indicators are considered important by customers and Carrefour JB Plaza has executed these indicators up to
customers’ expectation. Therefore, indicators are includes in this quadrant should be maintained its performance.

3. Quadrant III – Low Priority
An area that shows the marketing mix indicators that are considered less important by the customers, and in reality, the performance was not too special or the execution was still not good.

4. Quadrant IV – Possible Overkill
An area that shows the marketing mix indicators that are considered less important by customers, but Carrefour JB Plaza has done well and felt too much by the customers.

3.5.5. Customer Satisfaction Index (CSI)
Customer Satisfaction Index (CSI) is a quantitative analysis method which is used to determine the overall level of customer satisfaction by using an approach that considers level of importance of marketing mix dimensions measured. To conduct measurements of CSI, according Aritonang (2005), it can be conducted through the following stages:

a. Calculating the Mean Importance Score (MIS) and Mean Performance Score (MPS). MIS and MPS score obtained from the average score of importance and performance level of each respondent.

\[ MIS = \frac{\sum_{i=1}^{n} Y_i}{n}, \quad \text{and} \quad MPS = \frac{\sum_{i=1}^{n} X_i}{n} \]

**Equation:** 3.6. MIS and MPS formula

where:

\( Y_i \) : importance score of indicators - \( i \)

\( X_i \) : performance score of indicators - \( i \)

\( n \) : the number of respondents
b. Calculating the Weight Factors (WF). The weight is a percentage of the MIS score for each indicator toward the MIS total score of all indicators.

\[ WF = \frac{MIS_i}{\sum_{i=0}^{p} MIS_i} \times 100\% \]

**Equation:** 3.7. Weight Factors formula

where:

- \( p \) : number of importance indicators
- \( i \) : marketing mix dimension - \( i \)

c. Calculating the Weight Score (WS). The weight is a multiply between WF and MSS.

\[ WS_i = WF_i \times MPS_i \]

**Equation:** 3.8. WS formula

d. Determine the Customer Satisfaction Index (CSI) through calculation formula below:

\[ CSI = \frac{\sum_{i=0}^{p} WS_i}{HS} \times 100\% \]

**Equation:** 3.9. CSI formula

where:

- \( p \) : importance indicators - \( i \)
- \( HS \) : highest scale

In general, if the CSI score is above 0.50 (50 percent), so it can be said that customers had been satisfied, but otherwise if the score of CSI is under 0.50 (50 percent) it’s meant that the customers feel dissatisfied. Overall level of satisfaction of the respondents can be seen from the customer satisfaction criteria’s levels which is divided in five criteria, from dissatisfy to very satisfy as below:
<table>
<thead>
<tr>
<th>CSI Score</th>
<th>CSI Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.00-0.34</td>
<td>Not very satisfy</td>
</tr>
<tr>
<td>0.35-0.50</td>
<td>Not satisfy</td>
</tr>
<tr>
<td>0.51-0.65</td>
<td>Neutral</td>
</tr>
<tr>
<td>0.66-0.80</td>
<td>Satisfy</td>
</tr>
<tr>
<td>0.81-1.00</td>
<td>Very satisfy</td>
</tr>
</tbody>
</table>

**Table**: 3.6. Satisfaction criteria’s level

Source: Ihsani (in Oktaviani and Suryana, 2006)

3.6. Limitations

In conducting this research, researcher faced some difficulties. Some of them were the difficulties to meet the management of Carrefour JB Plaza for asking research permission, lack of substantive references of research method. In addition, when distributing questionnaire, researcher accepted many rejections from prospective respondents.
CHAPTER IV
ANALYSIS OF DATA AND INTERPRETATION OF RESULT

4.1. Respondent Profile Analysis

Customers are very important for the company especially for retail company because they are main source of the company’s revenue. Therefore, management of Carrefour JB Plaza need to know and identify the customers profile in order can provide better product and services to them. The profile was needed to know includes gender, age, last education, occupation, amount of money spent when shopping at Carrefour JB Plaza, distance of home to store, and how often visit Carrefour JB Plaza in a month. To know the profile of customer, researcher distributed 100 questionnaires to customers who purchased in Carrefour. From the questionnaires that have been filled, are obtained the following results:

4.1.1. Respondent Profile Based on Gender

Customers who became respondent in this research consist of 36 percent male and 64 percent female. Based on the data obtained, most of respondents who came to Carrefour JB Plaza were female. The data of respondent profile based on gender is shown on figure: 4.1.

![Figure: 4.1. Respondent Profile Based on Gender](image)

Source: Primary data – processed (2013)
4.1.2. Respondent Profile Based on Age

Respondents who came to Carrefour JB Plaza was dominated by respondents who have age between 18 to 35 years old as many as 73 percent. Most of them are in productive age and have had a family. In addition, the respondents who came to Carrefour JB Plaza were respondents who have been age between 36 to 45 years old as many as 18 percent, and followed by age under 18 years old as many as 10 percent. The rest respondents were age 46 to 55 years old as many as 5 percent. The complete data of respondent profile based on age is shown on figure: 4.2.

Figure: 4.2. Respondent Profile Based on Age
Source: Primary data – processed (2013)

4.1.3. Respondent Profile Based on Last Education

In marketing, data of customers’ education level can provide own meaning that can be interpreted to some marketing information. The higher customers’ education level, will be higher also the expectations.

For instance, the higher of the customers’ education level of Carrefour JB Plaza, then the expectation what is expected to stores will be higher too. In addition, the customers also becoming increasingly critical in providing assessment towards marketing mix strategy implemented at Carrefour JB Plaza.

Respondent who came to Carrefour was coming from different education backgrounds, but most of their last educations are senior high school as many as 65 percent. Then followed by bachelor degree as many as 16 percent. The complete data is shown on figure: 4.3.
4.1.4. **Respondent Profile Based on Occupation**

Viewed from the type of occupations, most of the respondents who came to Carrefour JB Plaza were private employees which are as many as 58 percent. Then followed by the entrepreneur amounted to 13 percent, and student as many as 12 percent. The rest of respondents’ occupation includes teacher or lecturer, housewife, and security as many as 14 percent. The complete data is shown on figure: 4.4.

4.1.5 **Respondent Profile Based on Average Amount of Money Spent**

The amount of money spent in each transaction by every respondent while shopping at Carrefour JB Plaza is part of the total revenue that can be received by Carrefour. Therefore, the greater the amount of money spent by the respondents
when shopping, as many as that the opportunity of Carrefour JB can generate the revenue.

Respondent who came to Carrefour JB Plaza mostly spent their money Rp. 75,000 - Rp. 150,000 per transaction, which was as many as 36 percent. Followed by respondents who spent their money for Rp. 150,000 - Rp. 225,000 per transaction those were as many as 17 percent. The following figure 4.5, is shown a complete respondents’ profile based on the amount of money spent per transaction.

![Amount of Money Spent](chart.png)

**Figure:** 4.5. Respondent Profile Based on Amount of Money Spent  
**Source:** Primary data – processed (2013)

### 4.1.6. Respondent Profile Based on Distance of Home

Distance of customer's home is one of the elements that must be identified by Carrefour, because by knowing where the majority of customers come from, Carrefour can carry out effectively the performance of the marketing mix strategy such as the promotional activities.

Based on data obtained, respondent who came to Carrefour JB Plaza, most of their home have distance less than 1km. to Carrefour JB Plaza, which is as many as 31 percent, followed by respondents who own a home distance within 1-2 km. and more than 3 km. at 27 percent and 26 percent. The rest is respondents who have home with a distance between 2.1 to 3 km which as many as 16 percent.
4.1.7. Respondent Profile Based on Number of Visiting

The number of customer visits is one of the indicators that can be used to see the level of customer loyalty. Customers who regular visit Carrefour JB Plaza indicate that they are loyal and keep choosing Carrefour as a place for shopping. However, the customers also become more critical in providing assessment to the performance of Carrefour JB Plaza especially to the marketing mix strategy implemented.

From data obtained, most of respondents come to Carrefour are 1 time a month which is 28 percent, 2 times a month as many as 26 percent, and 3 times a month are 25 percent. For more complete information of the number of customer visits to Carrefour JB Plaza is shown in figure: 4.7.

**Source:** Primary data – processed (2013)
4.2. Importance-Performance Analysis (IPA) and Customer Satisfaction Index (CSI)

4.2.1. Importance-Performance Analysis (IPA)

IPA is a method that can be used to measure the level of importance and level of performance of a marketing strategy which is in this research is a marketing mix. From the data that processed by the IPA method, it would be known which variables those have low performances – below customers expectation and requiring improvement; which variables have been implemented by the company appropriate to customer expectations; which variables have low priority for improved, as well as which variables are considered excessive by the customer. From the results obtained, Carrefour JB Plaza can develop appropriate and effective program. The first phase that should be conducted in IPA method is calculating the results of the assessment of each of the indicators which are divided into levels of importance and level of performance. Respondents' assessment toward the level of importance and level of performance of the marketing mix in Carrefour JB Plaza shown in the tables as follows:

1. Product

Product is an essential element that offered by company to the customers. Conversely, for customer products is the main reason why they are coming to store and making a purchase. Through the product, customers can fulfill needs and wants. The better performance of the product mix will generate products that can make customers be more satisfied.

In this research, there are several indicators of product mix are analyzing, which are including variety of products, variety of products’ size, variety of brand names, quality of agribusiness and non-agribusiness product.

The following table: 4.1. is showing the results of a study of the level of importance and level of performance of product mix indicators at Carrefour JB Plaza.
<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator</th>
<th>Level of Importance</th>
<th>Level of Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>Variety of products</td>
<td>1 0 13 37 49 433</td>
<td>1 11 31 40 17 361</td>
</tr>
<tr>
<td>X2</td>
<td>Variety of product’s sizes</td>
<td>0 4 11 36 49 430</td>
<td>1 11 41 32 15 349</td>
</tr>
<tr>
<td>X3</td>
<td>Variety of brand names</td>
<td>0 0 16 41 43 427</td>
<td>0 9 34 41 16 364</td>
</tr>
<tr>
<td>X4</td>
<td>Quality of agribusiness product</td>
<td>0 2 10 24 64 450</td>
<td>0 9 42 35 14 354</td>
</tr>
<tr>
<td>X5</td>
<td>Quality of non-agribusiness product</td>
<td>0 0 9 39 52 443</td>
<td>0 0 28 50 22 394</td>
</tr>
</tbody>
</table>

**Table:** 4.1. Assessment of Respondents Toward Indicators of Product

**Source:** Primary data (processed), 2013

From the table: 4.1. above, it can be described as follows:

a. Variety of products (X1)

For the level of importance (LoI) of “variety of products”, as many as 49 percent respondents say very important, 37 percent say important, 13 percent say neutral, 0 percent say not important, and 1 percent say not very important. So that, the total score of LOI of “variety of products” is 433, which lies on the range between 420 – 500. It’s meant, the “variety of products” considered very important by customers.

For the level of performance (LoP) of “variety of products”, as many as 17 percent say very satisfy, 40 percent say satisfy, 31 percent say neutral, 11 percent say not satisfy, and 1 percent say not very satisfy. So that, the total score of LoP of “variety of products” is 361, which lies on the range between 340 – 419. It’s meant, customers are satisfied to the performance of “variety of products”.
b. Variety of product’s sizes (X2)
For the LoI of “variety of product’s sizes”, as many as 49 percent say very important, 36 percent say important, 11 percent say neutral, 4 percent say not important, and 0 percent say not very important. So that, the total score of LOI of “variety of product’s sizes” is 430, which lies on the range between 420 – 500. It’s meant, the “variety of product’s sizes” considered very important by customers.

For the LoP of “variety of product’s sizes”, as many as 15 percent say very satisfy, 32 percent say satisfy, 41 percent say neutral, 11 percent say not satisfy, and 1 percent say not very satisfy. So that, the total score of LoP of “variety of product’s sizes” is 349, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “variety of product’s sizes”.

c. Variety of brand names (X3)
For the LoI of “variety of brand names”, as many as 43 percent say very important, 41 percent say important, 16 percent say neutral, 0 percent say not important and not very important. So that, the total score of LOI of “variety of brand names” is 427, which lies on the range between 420 – 500. It’s meant, the “variety of brand names” considered very important by customers.

For the LoP of “variety of brand names”, as many as 16 percent say very satisfy, 41 percent say satisfy, 34 percent say neutral, 9 percent say not satisfy, and 0 percent say not very satisfy. So that, the total score of LoP of “variety of brand names” is 364, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “variety of brand names”.

d. Quality of agribusiness product (X4)
For the LoI of “quality of agribusiness product”, as many as 64 percent say very important, 24 percent say important, 10 percent say neutral, 2 percent say not important, and 0 percent say not very important. So that, the total score of LOI of “quality of agribusiness product” is 450, which lies on the range between 420 – 500. It’s meant, the “quality of agribusiness product” considered very important by customers.

For the LoP of “quality of agribusiness product”, as many as 14 percent say very
satisfy, 35 percent say satisfy, 42 percent say neutral, 9 percent say not satisfy, and 0 percent say not very satisfy. So that, the total score of LoP of “quality of agribusiness product” is 354, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “quality of agribusiness product”.

e. Quality of non-agribusiness product (X5)
For the LoI of “quality of non-agribusiness product”, as many as 52 percent say very important, 39 percent say important, 9 percent say neutral, 0 percent say not important and not very important. So that, the total score of LoI of variety of brand name is 443, which lies on the range between 420 – 500. It’s meant, the “quality of non-agribusiness product” considered very important by customers.

For the LoP of “quality of non-agribusiness product”, as many as 22 percent say very satisfy, 50 percent say satisfy, 28 percent say neutral, 0 percent say not satisfy and not very satisfy. Therefore, the total score of LoP of “variety of non-agribusiness product” is 394, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “quality of non-agribusiness product”.

2. Price
Price is the amount of money that buyer must pay if they want to get or consume a certain product or service. Although non-price factors are increasing importance consideration today for customers making a decision, but price still become most major influencing customer choices.

In this research, there are some indicators of pricing mix are analyzing, which are including the competitive pricing, product price at label match to the checkout price, discounts, payment terms flexibility, and product price suit to product quality.

The following table: 4.2. is showing the result of research of level of importance and level of performance toward price mix indicators at Carrefour JB Plaza.
<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator</th>
<th>Level of Importance</th>
<th>Level of Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td></td>
<td>(Total Score)</td>
<td>(Total Score)</td>
<td></td>
</tr>
<tr>
<td>X6</td>
<td>Competitive pricing</td>
<td>1 2 13 36 48 428</td>
<td>3 7 26 47 17 368</td>
</tr>
<tr>
<td>X7</td>
<td>Price at label meet to the checkout</td>
<td>1 2 12 40 45 426</td>
<td>5 8 20 52 15 364</td>
</tr>
<tr>
<td></td>
<td>price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X8</td>
<td>Discounts</td>
<td>1 1 3 35 60 452</td>
<td>3 5 39 32 21 363</td>
</tr>
<tr>
<td>X9</td>
<td>Payment systems flexibility</td>
<td>0 5 15 36 44 419</td>
<td>0 3 15 50 32 411</td>
</tr>
<tr>
<td>X10</td>
<td>Conformity of product price to product</td>
<td>0 0 10 38 52 442</td>
<td>0 8 24 51 17 377</td>
</tr>
<tr>
<td></td>
<td>quality</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table: 4.2. Assessment of Respondents Toward Indicators of Price

Source: Primary data (processed), 2013

From the **table: 4.2.** above, it can be described as follows:

a. Competitive pricing (X6)

For the LoI of “competitive pricing”, as many as 48 percent say very important, 36 percent say important, 13 percent say neutral, 2 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “competitive pricing” is 428, which lies on the range between 420 – 500. It’s meant, the “competitive pricing” considered very important by customers.

For the (LoP) of “competitive pricing”, as many as 17 percent say very satisfy, 47 percent say satisfy, 26 percent say neutral, 7 percent say not satisfy, and 3 percent say not very satisfy. So that, the total score of LoP of “competitive pricing” is 368, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “competitive pricing”.

65
b. Price at label meet to the checkout price (X7)

For the LoI of “price at label meet to the checkout price”, as many as 45 percent say very important, 40 percent say important, 12 percent say neutral, 2 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “price at label meet to the checkout price” is 426, which lies on the range between 420 – 500. It’s meant, the “price at label meet to the checkout price” considered very important by customers.

For the LoP of “price at label meet to the checkout price”, as many as 15 percent say very satisfy, 52 percent say satisfy, 20 percent say neutral, 8 percent say not satisfy, and 5 percent say not very satisfy. So that, the total score of LoP of “price at label meet to the checkout price” is 364, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “price at label meet to the checkout price”.

c. Discounts (X8)

For the LoI of “discounts”, as many as 60 percent say very important, 35 percent say important, 3 percent say neutral, 1 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “discounts” is 452, which lies on the range between 420 – 500. It’s meant, the “discounts” considered very important by customers.

For the LoP of “discounts”, as many as 21 percent say very satisfy, 32 percent say satisfy, 39 percent say neutral, 5 percent say not satisfy, and 3 percent say not very satisfy. So that, the total score of LoP of “discounts” is 363, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “discounts”.

d. Payment systems flexibility (X9)

For the LoI of “payment systems flexibility”, as many as 44 percent say very important, 36 percent say important, 15 percent say neutral, 5 percent say not important, and 0 percent say not very important. So that, the total score of LoI of “payment systems flexibility” is 419, which lies on the range between 340 – 419. It’s meant, the “payment systems flexibility” considered important by customers.
For the LoP of “payment systems flexibility”, as many as 32 percent say very satisfy, 50 percent say satisfy, 15 percent say neutral, 3 percent say not satisfy, and 0 percent say not very satisfy. So that, the total score of LoP of “payment systems flexibility” is 411, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “payment systems flexibility”.

e. Conformity of product price to product quality (X10)

For the LoI of “conformity of product price to product quality”, as many as 52 percent say very important, 38 percent say important, 10 percent say neutral, 0 percent say not important, and 0 percent say not very important. So that, the total score of LoI of “product price suit to product quality” is 442, which lies on the range between 420 – 500. It’s meant, the “conformity of product price to product quality” considered very important by customers.

For the LoP of “conformity of product price to product quality”, as many as 17 percent say very satisfy, 51 percent say satisfy, 24 percent say neutral, 8 percent say not satisfy, and 0 percent say not very satisfy. So that, the total score of LoP of “conformity of product price to product quality” is 377, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “conformity of product price to product quality”.

3. Place

Distributing products is one of marketing activities. The purpose of that activities are moving goods from producers to consumers. The availability of products in the market is directly affected by channel or place. Therefore, in determining channel or place is a crucial decision for the company because to choose good place is not easy and proper place will affect customer satisfaction.

In this research, there are some indicators of place are analyzing, which are including store location, accessibility of the store, distance of home to store, adequate and free parking facility, comfortability when shopping.

The following table: 4.3, is showing the result of research of level of importance and level of performance toward place indicators at Carrefour JB Plaza.
<table>
<thead>
<tr>
<th>Code</th>
<th>Indicator</th>
<th>Level of Importance</th>
<th>Level of Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1 2 3 4 5 (%)</td>
<td>1 2 3 4 5 (%)</td>
</tr>
<tr>
<td>X11</td>
<td>Store location</td>
<td>3 1 14 27 55</td>
<td>3 4 20 56 17</td>
</tr>
<tr>
<td>X12</td>
<td>Accessibility of the store</td>
<td>0 0 11 39 50</td>
<td>2 4 18 52 24</td>
</tr>
<tr>
<td>X13</td>
<td>Distance of home to store</td>
<td>1 7 25 36 31</td>
<td>5 7 32 33 23</td>
</tr>
<tr>
<td>X14</td>
<td>Adequate and free parking facility</td>
<td>0 2 16 30 52</td>
<td>10 11 32 30 17</td>
</tr>
<tr>
<td>X15</td>
<td>Comfortability when shopping</td>
<td>1 0 6 29 64</td>
<td>1 2 25 47 25</td>
</tr>
</tbody>
</table>

Table: 4.3. Assessment of Respondents Toward Indicators of Place

**Source:** Primary data (processed), 2013

From the table: 4.3, above, it can be described as follows:

a. **Store location (X11)**

For the LoI of “store location”, as many as 55 percent say very important, 27 percent say important, 14 percent say neutral, 1 percent say not important, and 3 percent say not very important. So that, the total score of LoI of “store location” is 430, which lies on the range between 420 – 500. It’s meant, the “strategic location” considered very important by customers.

For the (LoP) of “store location”, as many as 17 percent say very satisfy, 56 percent say satisfy, 20 percent say neutral, 4 percent say not satisfy, and 3 percent say not very satisfy. So that, the total score of LoP of “store location” is 380, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “strategic location”.

b. **Accessibility of the store (X12)**

For the LoI of “accessibility of the store”, as many as 50 percent say very
important, 39 percent say important, 11 percent say neutral, 0 percent say not important and not very important. So that, the total score of LoI of “accessibility of the store” is 439, which lies on the range between 420 – 500. It’s meant, the “accessibility of the store” considered very important by customers.

For the (LoP) of “accessibility of the store”, as many as 24 percent say very satisfy, 52 percent say satisfy, 18 percent say neutral, 4 percent say not satisfy, and 2 percent say not very satisfy. So that, the total score of LoP of “accessibility of the store” is 392, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “accessibility of the store”.

c. Distance of home to store (X13)
For the LoI of “distance of home to store”, as many as 31 percent say very important, 36 percent say important, 25 percent say neutral, 7 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “distance of home to store” is 389, which lies on the range between 340 – 419. It’s meant, the “distance of home to store” considered important by customers.

For the (LoP) of “distance of home to store”, as many as 23 percent say very satisfy, 33 percent say satisfy, 32 percent say neutral, 7 percent say not satisfy, and 5 percent say not very satisfy. So that, the total score of LoP of “distance of home to store” is 362, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “distance of home to store”.

d. Adequate and free parking facility (X14)
For the LoI of “adequate and free parking facility”, as many as 52 percent say very important, 30 percent say important, 16 percent say neutral, 2 percent say not important, and 0 percent say not very important. So that, the total score of LoI of “adequate and free parking facility” is 432, which lies on the range between 340 – 419. It’s meant, the “adequate and free parking facility” considered important by customers.

For the (LoP) of “adequate and free parking facility”, as many as 17 percent say very satisfy, 30 percent say satisfy, 32 percent say neutral, 11 percent say not satisfy, and 10 percent say not very satisfy. So that, the total score of LoP of
“adequate and free parking facility” is 333, which lies on the range between 260 – 339, it’s meant, customers perceived neutral to the performance of “adequate and free parking facility”.

e. Comfortability when shopping (X15)
For the LoI of “comfortability when shopping”, as many as 64 percent say very important, 29 percent say important, 6 percent say neutral, 0 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “comfortability when shopping” is 455, which lies on the range between 420 – 500. It’s meant, the “comfortability when shopping” considered very important by customers.

For the (LoP) of “comfortability when shopping”, as many as 25 percent say very satisfy, 47 percent say satisfy, 25 percent say neutral, 2 percent say not satisfy, and 1 percent say not very satisfy. So that, the total score of LoP of “comfortability when shopping” is 393, which lies on the range between 340 – 419, it's meant, customers are satisfied to the performance of “comfortability when shopping”.

4. Promotion
Promotion is communication activities where the functions is informing, persuading, and influencing the consumer’s purchase decision. Effective of a communication is affected by selection of the tools used in promoting the products. The purpose of promotion especially for the retailers is to informs its stores-location, merchandise selections, hours of operation, and prices. In addition, a promotion helps retailers attract shoppers and build customer loyalty.
In this research, there are some indicators of place are analyzing, which are including advertising at printed media, interesting and informative catalogue, direct and indirect prize promotion, and special events (bazaar)
From the table: 4.4. above, it can be described as follows:

a. Advertising at printed media (X16)

For the LoI of “advertising at printed media”, as many as 20 percent say very important, 46 percent say important, 22 percent say neutral, 12 percent say not important, and 0 percent say not very important. So that, the total score of LoI of “advertising at printed media” is 374, which lies on the range between 340 – 419. It’s meant, the “advertising at printed media” considered important by customers.

For the LoP of “advertising at printed media”, as many as 9 percent say very satisfy, 30 percent say satisfy, 50 percent say neutral, 10 percent say not satisfy, and 1 percent say not very satisfy. So that, the total score of LoP of “advertising at printed media” is 336, which lies on the range between 260 – 339, it’s meant, customers perceived neutral to the performance of “advertising at printed media”.

Table: 4.4. Assessment of Respondents Toward Indicators of Promotion

Source: Primary data (processed), 2013
b. Interesting and informative catalogue (X17)
For the LoI of “interesting and informative catalogue”, as many as 21 percent say very important, 50 percent say important, 24 percent say neutral, 4 percent say not important, and 1 percent say not very important. So that, the total score of LoI of “interesting and informative catalogue” is 386, which lies on the range between 340 – 419. It’s meant, the “interesting and informative catalogue” considered important by customers.

For the LoP of “interesting and informative catalogue”, as many as 10 percent say very satisfy, 59 percent say satisfy, 24 percent say neutral, 5 percent say not satisfy, and 2 percent say not very satisfy. So that, the total score of LoP of “interesting and informative catalogue” is 370, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “interesting and informative catalogue”.

c. Direct and indirect prize promotion (coupon/ point/ voucher) (X18)
For the LoI of “direct and indirect prize promotion”, as many as 35 percent say very important, 41 percent say important, 18 percent say neutral, 5 percent say not important, and 1 percent say not very important. So that, the total scores of LoI of “direct and indirect prize promotion” is 404, which lies on the range between 340 – 419. It’s meant, the “direct and indirect prize promotion” considered important by customers.

For the LoP of “direct and indirect prize promotion”, as many as 16 percent say very satisfy, 41 percent say satisfy, 34 percent say neutral, 6 percent say not satisfy, and 3 percent say not very satisfy. So that, the total score of LoP of “direct and indirect prize promotion” is 361, which lies on the range between 340 – 419, it’s meant, customers are satisfied to the performance of “direct and indirect prize promotion”.

d. Special events – bazaar (X19)
For the LoI of “special events – bazaar”, as many as 24 percent say very important, 33 percent say important, 30 percent say neutral, 11 percent say not important, and 2 percent say not very important. So that, the total score of LoI of “special
events – bazaar” is 366, which lies on the range between 340 – 419. It’s mean, the “special events – bazaar” considered important by customers.

For the LoP of “special event – bazaar”, as many as 18 percent say very satisfy, 23 percent say satisfy, 36 percent say neutral, 20 percent say not satisfy, and 3 percent say not very satisfy. So that, the total score of LoP of “special events – bazaar” is 333, which lies on the range between 260 – 339, it’s meant, customers perceived neutral to the level of performance of “special events – bazaar”.

For the next phase in the IPA method, after calculate the assessment of every indicators toward level of importance and level of performance, we calculate average scores of level of importance and level of performance which are acquired from dividing the total score of level of importance and level of performance by total number of respondent. After that, summing up all of average score of level of importance and also summing up all of average score of level of performance, so then obtained the total average score of each level of importance and level of performance and then the each score is divided with total number of variables.

Average score of level of importance and level of performance is completely shown in table: 4.5.

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicators</th>
<th>Total Score of Assessment</th>
<th>Ȳ</th>
<th>ȲX</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>LoI</td>
<td>LoP</td>
<td></td>
</tr>
<tr>
<td>X1</td>
<td>Variety of products</td>
<td>433</td>
<td>361</td>
<td>4.33</td>
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<tr>
<td>X2</td>
<td>Variety of product’s sizes</td>
<td>430</td>
<td>349</td>
<td>4.30</td>
</tr>
<tr>
<td>X3</td>
<td>Variety of brand names</td>
<td>427</td>
<td>364</td>
<td>4.27</td>
</tr>
<tr>
<td>X4</td>
<td>Quality of agribusiness product</td>
<td>450</td>
<td>354</td>
<td>4.50</td>
</tr>
<tr>
<td>X5</td>
<td>Quality of non-agribusiness product</td>
<td>443</td>
<td>394</td>
<td>4.43</td>
</tr>
<tr>
<td>X6</td>
<td>Competitive pricing</td>
<td>428</td>
<td>368</td>
<td>4.28</td>
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<tr>
<td>--------</td>
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<td>-----</td>
<td>-----</td>
<td>------</td>
</tr>
<tr>
<td>X7</td>
<td>Price at label meet to the checkout price</td>
<td>426</td>
<td>364</td>
<td>4.26</td>
</tr>
<tr>
<td>X8</td>
<td>Discounts</td>
<td>452</td>
<td>363</td>
<td>4.52</td>
</tr>
<tr>
<td>X9</td>
<td>Payment systems flexibility</td>
<td>419</td>
<td>411</td>
<td>4.19</td>
</tr>
<tr>
<td>X10</td>
<td>Conformity of product price to product quality</td>
<td>442</td>
<td>377</td>
<td>4.42</td>
</tr>
<tr>
<td>X11</td>
<td>Store location</td>
<td>430</td>
<td>380</td>
<td>4.30</td>
</tr>
<tr>
<td>X12</td>
<td>Accessibility of the store</td>
<td>439</td>
<td>392</td>
<td>4.39</td>
</tr>
<tr>
<td>X13</td>
<td>Distance of home to store</td>
<td>389</td>
<td>362</td>
<td>3.89</td>
</tr>
<tr>
<td>X14</td>
<td>Adequate and free parking facility</td>
<td>432</td>
<td>333</td>
<td>4.32</td>
</tr>
<tr>
<td>X15</td>
<td>Comfortability when shopping</td>
<td>455</td>
<td>393</td>
<td>4.55</td>
</tr>
<tr>
<td>X16</td>
<td>Advertising at printed media</td>
<td>374</td>
<td>336</td>
<td>3.74</td>
</tr>
<tr>
<td>X17</td>
<td>Interesting and informative catalogue</td>
<td>386</td>
<td>370</td>
<td>3.86</td>
</tr>
<tr>
<td>X18</td>
<td>Direct and indirect prize promotion (coupon/point/voucher)</td>
<td>404</td>
<td>361</td>
<td>4.04</td>
</tr>
<tr>
<td>X19</td>
<td>Special events – bazaar</td>
<td>366</td>
<td>333</td>
<td>3.66</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total</th>
<th>80.25</th>
<th>69.65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average</td>
<td>4.22</td>
<td>3.67</td>
</tr>
</tbody>
</table>

**Table:** 4.5. Calculation of average score of level of importance and level of performance

**Source:** Primary data (processed), 2013

After getting the result of the average score of level of importance and level of
performance which is shown in table: 4.5, for next phase is inputting every average score of level of importance and level of performance into Cartesian diagram. Cartesian diagram is a chart which is divided into four sections and confined by two intersection lines at point (A,B), where A is average score of level of performance that is 3.67, while B is average score of level of importance that is 4.22. The complete diagram is shown in figure: 4.8.

**Figure:** 4.8. Cartesian Diagram of Marketing Mix (4 Ps) Carrefour JB Plaza

**Source:** Primary data (processed), 2013

**Information:**

X1. Variety of products
X2. Variety of product’s sizes
X3. Variety of brand names
X4. Quality of agribusiness product
X5. Quality of non-agribusiness product
X6. Competitive pricing
X7. Price at label meets to the checkout price
X8. Discounts
X9. Payment systems flexibility
X10. Conformity of product price to product quality
X11. Store location
X12. Accessibility of the store
X13. Distance of home to store
X14. Adequate and free parking facility
X15. Comfortability when shopping
X16. Advertising at printed media
X17. Interesting and informative catalogue
X18. Direct and indirect prize promotion (coupon/ point/ voucher)
X19. Special events – bazaar

From the Cartesian diagram above, indicators those studied are scattered into four sections, which are Quadrant I (high priority), Quadrant II (maintain performance), Quadrant III (low priority), Quadrant IV (attributes to de-emphasize). The Cartesian diagram above will be interpreted as follows:

a. Quadrant I
Indicators in this quadrant are indicators that considered important by customers, but in the reality Carrefour JB Plaza has performed them are more below than customers expectation so that did not give satisfaction to customers. Based on figure: 4.8., there are nine indicators that have performance below customers’ expectations. So, it should get more attention from management of Carrefour JB Plaza and become a top priority for improvement. The Indicators are including as follows:

a. Variety of products (X1)
b. Variety of products’ size (X2)
c. Variety of brand names (X3)
d. Quality of agribusiness product (X4)
e. Price at label meet to the checkout price (X7)
f. Discounts (X8)
g. Adequate and free parking facility (X14)

b. Quadrant II
The quadrant describes that the performance of Carrefour has met to the customers' expectations, so customers are satisfied with the performance of
Carrefour for the indicators contained in this quadrant. Based on figure: 4.8., there are six indicators that should be maintained the performance by the Carrefour JB Plaza.

a. Quality of non-agribusiness (X5)
b. Competitive pricing (X6)
c. Conformity of product price to product quality (X10)
d. Store location (X11)
e. Accessibility of the store (X12)
f. Comfortability when shopping

c. Quadrant III
This quadrant describes that the indicators inside of the quadrant are indicators that have a less effect for customer satisfaction because customers are not consider important. But instead, Carrefour performances to the indicators are also considered low or not satisfying customers. There are four indicators in figure 4.8. which should be improved performance by Carrefour JB Plaza but has a low priority, which as follows:

a. Distance of home to store (X13)
b. Advertising at printed media (X16)
c. Direct and indirect prize promotion (coupon/point/voucher) (X18)
d. Special events – bazaar (X19)

d. Quadrant IV
The quadrant describes that the indicators within it are indicators that perceived as unimportant indicators by customers, but Carrefour JB Plaza has had a good performance on these indicators. The indicators included in this quadrant are:

a. Payment systems flexibility (X9)
b. Interesting and informative catalogue (X17)

4.2.2. Customer Satisfaction Index (CSI)
CSI is a method used to determine the customer satisfaction as whole with approach which considers level of importance and the level of performance of the
indicators of marketing mix are being measured.

Calculation of the CSI derived from the average score Level of Importance and the average score of level of performance. Further details of the calculation of CSI Carrefour JB Plaza can be seen in table: 4.6, as follows:

<table>
<thead>
<tr>
<th>Code</th>
<th>Indicators</th>
<th>Mean Importance Score</th>
<th>Weight Factor</th>
<th>Mean Performance Score</th>
<th>Weight Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Variety of products</td>
<td>4.33</td>
<td>0.054</td>
<td>3.61</td>
<td>0.19</td>
</tr>
<tr>
<td>2</td>
<td>Variety of product’s sizes</td>
<td>4.30</td>
<td>0.054</td>
<td>3.49</td>
<td>0.19</td>
</tr>
<tr>
<td>3</td>
<td>Variety of brand names</td>
<td>4.27</td>
<td>0.053</td>
<td>3.64</td>
<td>0.19</td>
</tr>
<tr>
<td>4</td>
<td>Quality of agribusiness product</td>
<td>4.50</td>
<td>0.056</td>
<td>3.54</td>
<td>0.20</td>
</tr>
<tr>
<td>5</td>
<td>Quality of non-agribusiness product</td>
<td>4.43</td>
<td>0.055</td>
<td>3.94</td>
<td>0.22</td>
</tr>
<tr>
<td>6</td>
<td>Competitive pricing</td>
<td>4.28</td>
<td>0.053</td>
<td>3.68</td>
<td>0.20</td>
</tr>
<tr>
<td>7</td>
<td>Price at label meet to the checkout price</td>
<td>4.26</td>
<td>0.053</td>
<td>3.64</td>
<td>0.19</td>
</tr>
<tr>
<td>8</td>
<td>Discounts</td>
<td>452</td>
<td>0.056</td>
<td>3.63</td>
<td>0.20</td>
</tr>
<tr>
<td>9</td>
<td>Payment systems flexibility</td>
<td>4.19</td>
<td>0.052</td>
<td>4.11</td>
<td>0.21</td>
</tr>
<tr>
<td>10</td>
<td>Conformity of product price to product quality</td>
<td>4.42</td>
<td>0.055</td>
<td>3.77</td>
<td>0.21</td>
</tr>
<tr>
<td>11</td>
<td>Store location</td>
<td>4.30</td>
<td>0.054</td>
<td>3.80</td>
<td>0.20</td>
</tr>
<tr>
<td>12</td>
<td>Accessibility of the store</td>
<td>4.39</td>
<td>0.055</td>
<td>3.92</td>
<td>0.21</td>
</tr>
<tr>
<td>13</td>
<td>Distance of home to store</td>
<td>3.89</td>
<td>0.048</td>
<td>3.62</td>
<td>0.18</td>
</tr>
<tr>
<td>14</td>
<td>Adequate and free parking</td>
<td>4.32</td>
<td>0.054</td>
<td>3.33</td>
<td>0.18</td>
</tr>
<tr>
<td>Facility</td>
<td>Score 1</td>
<td>Importance 1</td>
<td>Score 2</td>
<td>Importance 2</td>
<td>Score 3</td>
</tr>
<tr>
<td>----------</td>
<td>---------</td>
<td>---------------</td>
<td>---------</td>
<td>---------------</td>
<td>---------</td>
</tr>
<tr>
<td>15 Comfortability when shopping</td>
<td>4.55</td>
<td>0.057</td>
<td>3.93</td>
<td>0.22</td>
<td></td>
</tr>
<tr>
<td>16 Advertising at printed media</td>
<td>3.74</td>
<td>0.047</td>
<td>3.36</td>
<td>0.16</td>
<td></td>
</tr>
<tr>
<td>17 Interesting and informative catalogue</td>
<td>3.86</td>
<td>0.048</td>
<td>3.70</td>
<td>0.18</td>
<td></td>
</tr>
<tr>
<td>18 Direct and indirect prize promotion (coupon/point)</td>
<td>4.04</td>
<td>0.050</td>
<td>3.61</td>
<td>0.18</td>
<td></td>
</tr>
<tr>
<td>19 Special events – bazaar</td>
<td>3.66</td>
<td>0.046</td>
<td>3.33</td>
<td>0.15</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80.25</strong></td>
<td><strong>100%</strong></td>
<td><strong>69.65</strong></td>
<td><strong>3.67</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Customer Satisfaction Index</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>0.73</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Table:** 4.6. Calculation of Customer Satisfaction Index Carrefour JB Plaza

**Source:** Primary data (processed), 2013

Based on the calculation above, then obtained score of Customer Satisfaction Index by 0.73 or 73 percent. That number lies on the range 0.66 to 0.80 which means that customers Carrefour JB plaza is generally satisfied with the performance of the marketing mix strategy implemented in Carrefour JB Plaza.

Therefore, Carrefour JB Plaza must be able to maintain and even improve the performance of the marketing mix continuously, so that existing customers remain satisfied and loyal to choose Carrefour JB as a place for shopping, as well as attract back customers who have switched to other retail stores and attract new customers to come and shop at Carrefour JB Plaza.
CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1. Conclusion

Based on the description and the analysis of the marketing mix towards customer satisfaction in Carrefour JB Plaza, the conclusions that can be drawn are as follows:

1. The indicators of the marketing mix (4Ps) that must be considered and become the main priorities of Carrefour JB Plaza for improved its performance are indicators contained in quadrant I of Cartesian Diagram, as follows:
   
   a. Variety of products (X1)
   b. Variety of product’s sizes (X2)
   c. Variety of brand names (X3)
   d. Quality of agribusiness product (X4)
   e. Price at label meet to the checkout price (X7)
   f. Discounts (X8)
   g. Adequate and free parking facility (X14)

   Those indicators become the main priorities for improving because are considered important by customers. However, Carrefour JB Plaza has not implemented in accordance with the customer expectations.

2. The indicators of the marketing mix four (Ps) that must be considered and maintained its performance by JB Carrefour Plaza are indicators contained in quadrant II of Cartesian Diagram, as follows:

   a. Quality of non-agribusiness (X5)
   b. Competitive pricing (X6)
   c. Conformity of product price to product quality (X10)
d. Store location (X11)
e. Accessibility to store (X12)
f. Comfortability when shopping (X15)

Those indicators have to maintain because the indicators are considered important by customers and have implemented well or according to customer expectations by Carrefour JB Plaza.

3. Based on Customers Satisfaction Index (CSI) it is known that customers of Carrefour JB Plaza are generally satisfied to the implementation of the marketing mix which are implemented at Carrefour JB Plaza.

5.2. Recommendation

Based on the conclusions above, there are some recommendations that can be delivered by the author to be used as inputs for Carrefour JB Plaza are as follows:

1. Management of Carrefour JB Plaza needs to improve the performance of the indicators those are on quadrant I of Cartesian diagram which as follows:
   
a. Product
   Product is a highly influential element for the customer because from five indicators were studied in this research, four of them are considered important to the customer but the performance considered not yet satisfactory. Therefore, Carrefour JB should focus on providing products by having variety of options of product lines, sizes, and brand. For instance, by adding several product lines that have not been available in Carrefour JB Plaza but are sought out by many customers such as electronic products, fresh fish, low-cholesterol eggs, automotive spare-parts, and sport equipment. In addition, Carrefour JB Plaza should also add variety of product lines, products’ size, and the brand is considered incomplete by customers such as the kind of vegetables, fruits, detergents, snacks, instant noodles, canned beverages, cosmetics and personal care product, cake and bakery, home appliances, and
medicine.

b. Price
Price at label at Carrefour JB Plaza is assessed less satisfying because of it often found which the product price on the label is not conformed to the price at checkout (cashier). So, Management of Carrefour JB Plaza must be actively updating the latest prices on the labels and improve the performance of management control especially for checking the product price listed on the product label.

c. Place
To improve the performance of the “parking facility”, researcher suggests that at least there are two ways should be conducted by Carrefour. First, cooperate with the related authorized parties for improving the safety in the parking area so that customers who bring own vehicles will not feel worried with their vehicles being parked when shopping at Carrefour JB Plaza. Second, cooperate with the related authorized parties for eliminating the parking fees to customers of JB Plaza who bring personal vehicles. By eliminating parking fees, so the customers who have own vehicles would not think twice if they intend to come to Carrefour.

2. Keep maintain the performance of indicators of marketing mix those are on quadrant II of Cartesian diagram which are including the quality of non-agribusiness product, competitive pricing, conformity of product price to product quality, store location, accessibility to store, comfortability when shopping.
Carrefour JB Plaza should always provide high quality products with suitable and acceptable price by the customer. In addition, Carrefour also should be always checking (control) the prices offered by competitors to consumers especially for the types of products that are similar. Carrefour JB Plaza location is considered strategic by the customer because of easy to find and access to Carrefour was considered good enough. In addition, customers are also comfortable while shopping at Carrefour JB Plaza. Therefore, Carrefour
should be maintained or even improved its performance so that consumers feel more satisfied anytime.

3. Management of Carrefour JB Plaza should conduct customer satisfaction surveys continually in order to know the level of customer satisfaction from the time to time and then in order able to improve the performance the company in the future so that it can increase the score of customer satisfaction index to near with the maximum score, which is 100 percent. For research in the future, the research should focus only on one element of the marketing mix. The purpose is to know more deeply how big the correlation and the influences of each indicator to the customer satisfaction.