Effect of Store Image on Store Loyalty and Perceived Quality as Mediation (Customers of Batik Tulis Village Store at Yogyakarta Special Region)

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ABSTRACT: This study purpose is to analyze the effect of store image on store loyalty, store image on perceived quality, perceived quality on store loyalty. Theoretically, study results contribute to consumer behavior in retail management, for business strategy maker, government to increase income in rural areas, for Tridharma to create a training program for regeneration of batik makers to improve the perceived quality to realize store loyalty. These study objects are customers of eight batik store. Population studies are all customers of eight stores in batik tulis village at Yogyakarta, Indonesia. Samples are part of customers in eight batik tulis store. A sample collection technique is convenience sampling. Samples size is 120 respondents as analysis unit. Data is analyzed by Structural Equation using PLS analysis of Model-based variance, PLS Swap Software version 4. Research results indicate that store image positively and significantly affect on store loyalty and perceived quality. Perceived quality positively and significantly affect on store loyalty but perceived quality become a partial mediation.

KEYWORDS: Store Image, Perceived Quality, Store Loyalty

I. INTRODUCTION

Assael (1998) states that one way of business to win competition is to create customer loyalty. Kumar, et al. (2011) describes the main drivers of customer loyalty are corporate and brand image, perceived value, trust, customer relationship, customer satisfaction, switching cost, waiting time, dependability, and quality. Business opportunities of batik tulis village store at Yogyakarta is very wide open, because Yogyakarta an education and tourist destination. Yogyakarta will be projected as fashion city. This study originated from the problem phenomenon of business and research gaps. Business phenomenon of batik village store offers a unique service, with stores in city. Consumers can order batik through online, telephone and come directly. Work in batik village store is tackled by expert employees. Employees who work on batik has many years experience as batik craftsmen. Most of stores have narrow park but comfortable and others are wider. Batik Tulis village stores offer an elegant color. Batik Tulis village stores use good quality materials, specially used for batik. Batik Tulis village stores provide unique batik motifs. Batik Tulis village stores batik produces durable batik. Sharp competition is happened between local batik artisans, at national and event international. Why Batik Tulis village stores still alive?

Research gaps of this study is based on previous research of Andreasen (1997); Bloemer, (2002); Yun and Linda (2007); Martenson (2007); Alves and Raposo (2007); Ryu, et al. (2008); Tong and Hawley (2009); Liljander, et al. (2009); Lin and Lu (2010); Wang and Ha (2011); Nsairi (2012); Kang, et al. (2012); Bruhn (2012); they report the effect of store image on store loyalty through various complete mediation variables. Previous research has not tested the effect of store image on store loyalty. Beneke et al (2011); dan Yusof, et al (2012) examine the relationship between store image and store loyalty. The previous research result support the existence of complete mediation variable. These previous study results contrast to findings of Jantan & Kamaruddin (1999); Miranda, et al. (2005); Sun and Young (2005); Oh, et al. (2007) who stated that store Image does not affect on store loyalty, but most states have a significant effect. This difference is due to indicators and analysis tools used are different. This was an opportunity for current researchers to include perceived quality as mediation with some reason.Perceived quality is the novelty of current study. Why perceived quality is presented in this study? First reason is many previous researchers do not examine the perceived quality as a mediation variable in SMEs batik. Secondly, there are some previous studies have tested the perceived quality have significant affect on store image that reported by Cengiz, et al. (2007) and Zorrilla (2011). Meanwhile, other researchers reported earlier by: Fandos and Flavia’n (2006) Gurbuz (2008); Kwak &
Kang (2009); Yuen ((2010); Wu (2011); Reddy et al (2011); Levy and Hanna (2012); Wang (2012) to prove that perceived quality affects on loyalty. Therefore, this study purpose is to analyze the effect of store image on store loyalty, store image on perceived quality, perceived quality on store loyalty. This research has contribution to development of science as a complete theory and models on consumer behavior, especially in field of management of store loyalty Retail. For Marketers, developing business strategies can increase store loyalty through store image to improve perceived quality. For local government, it can preserve cultural assets to develop the area potential as a tourist attraction and region batik innovations can improve rural economy. For Tridarma, it makes community service in form of training to strengthen store image to perceived quality and to improve store loyalty in Batik Tulis village stores Yogyakarta.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Marketing concept has been revealed in 1950s to highlight the importance of consumer behavior. Consumer behavior is defined as activities undertaken in order to acquire, consume, and to product and services, including decision-making processes before and after these activities (Assael, 1998). Consumer loyalty can be classified into two groups: brand loyalty and store loyalty. Brand loyalty is defined as consumer’s willingness to buy the same brand and recommend it to others, while the store loyalty is defined as consumer’s willingness to repeat purchase in same store or supermarket and recommend it to others.Schiffman and Kanuk (2004) state the factors effecting brand loyalty are Perceived product superiority, Bonding with product or company and satisfaction. Store loyalty display strongly affected by environment, especially the stores infrastructure that can do the retrofitting. Store image is the main variables that are used to affect store loyalty (Peter and Olson, 1996). Kumar, et al. (2011) describes the main drivers of customer loyalty are corporate and brand image, perceived value, trust, customer relationship, customer satisfaction, switching cost, waiting time, dependability, and quality. Schiffman and Kanuk (1994) explain customer often asses the product or service quality based on intrinsic of product (or service); extrinsic as price, store image, service environment, mark image, and promotion message. Product quality perception is concerned at physic characteristic of the product, as size, color, taste or aroma.

This research is based on Impulse buying theory. Clover (1950) first time promotes impulse buying theory, and show that several categories of products purchased on impulse. Impulse buying or unplanned purchasing according Loudon and Bitta (1993) are another consumer purchasing patterns. As the term implies, consumers purchase unplanned product”. This means that impulse buying is one type of consumer behavior, where it is visible from the consumer purchases that are not planned in detail. Impulsive buying (impulse purchase) is defined as the act to buy that previously not recognized consciously as a result of a judgment, or the intention of buying that formed before entering the store (Mowen and Minor, 2001).Abratt and Goodey (1990) stated that in-store stimuli such as POP poster may increase impulse buying behavior. Han et al. (1991) introduced the concept of fashion-oriented impulse buying for new fashion products. Zhou and Wong (2003) found that retail stores environment such as POP may affect impulse buying. Mattila and Wirtz (2008) found that store environmental stimuli such as social factors (perceived friendliness of employees) have positive effect on impulse buying behavior.

Martinou was the first people to examine store image in 1958. Store image includes layout, advertising, sales promotion, symbol and color. Engel (1996) states that determinant of store choice decisions vary by market and by product class. The striking attribute usually are (1) location; (2) nature and quality of diversity; (3) price; (4) advertising and promotion; (5) sales personnel; (6) service provided; (7) physical attributes of store; (8) nature of store customers; (9) stores atmospheric; (10) service and satisfaction after the transaction. Schiffman and Kanuk (1997) mentions the factors to create brand image are quality, trustworthy or reliable, usage or benefit, service, risk, price and image of that brand itself Engel (1996) defines store image as a store within consumers minds based on functional quality of store as price, store layout and spacious and well and diversity of products. Psychological attributes is a matter that can not be touched as a sense of belonging, style, excitement or pleasure, and comfort. Image can also be presented to incorporate elements of store personnel, returns discretion and store cleanliness. Kotler (2000) states the image is a set of beliefs, ideas and images are owned by a person to an object is determined by product image. Image associates with reputation of a brand/company.

Kotler (2008) states that perceived quality of products and services will affect on customer loyalty. Higher quality products or services makes consumer will buy a product or service needed or desired. Quality perception is an attitude resulting from a comparison of consumer expectations with actual performance (Parasuraman et al. 1985). Perceived quality is defined as consumer valuation of product excellence or superiority (Zeithaml, 1988; Aaker and Jacobson, 1994) which is based on subjective perception.
Effect of Store Image on Store Loyalty and Perceived Quality

Previous research studies on concept of store image, perceived quality, and store loyalty are:


**Relationship of Research Variables In Models :**

**Store Image Affects on Store Loyalty.** Relationship between store image and store loyalty are expressed by Bloemer and Ruyter (1998) that store image significantly affect on store loyalty of major department stores in Swiss city. Analysis tool is Hierarchical regression analysis, samples are 124 respondents. Miranda et al (2005) reported that store image affect on store loyalty Grocery stores in an Australian city, using multiple regression analysis tools, samples are 934 shoppers. Nguyen, et al. (2006) prove store image affects on purchase intention of Supermarket in Ho Chi Minh City, Vietnam, using SEM analysis with Amos program, samples are 508 respondents. Park (2008) reported that Store image significantly affect on Repurchase intention at online store in USA, analysis uses SEM with Amos program, and samples are 392 respondents. Maxwell, et al. (2009) prove the effect of store image on purchase intention in US grocery Student. Analysis tools uses SEM with Amos program, Samples are 400 respondents. Samani (2011) proves that store image affects on purchase intention of Hypermarket in Iran. Analysis tools is SEM with Amos program. Ishaq (2012) proves that store image affects on purchase intention at Telecommunications in Pakistan, it uses regression analysis tools, and samples are 357 respondents. Research of Bloemer and Ruyter (1998); Miranda et al (2005); Nguyen, et al. (2006); Park (2008); Maxwell, et al. (2009); Samani (2011); Ishaq (2012) prove the effect of store image on store loyalty.

**Store Image Affect on Perceived Quality.** Relationship between store image and perceived quality are presented by Cengiz, et al. (2007) to prove that image affects on perceived quality, analysis is SEM with Amos 4, and samples are 1467 respondents. Beristain and Zorrilla (2011) proved that store image affects on perceived quality. Analysis tools is SEM with Amos program, samples are 100 respondents. Cengiz, et al. (2007) and Zorrilla (2011) proves that store image affects on perceived quality.


### III. RESEARCH FRAMEWORK AND HYPOTHESIS DEVELOPMENT

This study starts from the theoretical literature and empirical studies. Theoretical literature examines the theory of consumer behavior, especially on store loyalty. Framework of this study logic is based on research problem, research objectives, theoretical and empirical studies to formulate hypotheses. This study suggests that first two lines were theoretical study directed to deductive reasoning is a process of thinking from general to specific. Both empirical studies in this research lead to inductive thinking of process of thinking from particular to general. Study is drawn from theoretical relevant research and empirical studies.
Effect of Store Image on Store Loyalty and Perceived Quality

Conceptual Framework and Research Variables

Figure 1. Conceptual Framework

Description

1. Fandos and Flavia’n (2006); Gurbuz (2008); Kwak & Kang (2009); Yuen (2010); Wu (2011)
2. Cengiz, et al. (2007) and Beristain and Zorrilla (2011)
3. Bloemer and Ruyter (1998); Miranda (2005); Nguyen, et al. (2006); Park (2008); Maxwell, et al. (2009); Samani (2011); Ishaq (2012)


IV. RESEARCH METHODS

Research locations are eight Batik Tulis village stores in Yogyakarta which consists of two districts. Bantul district has store name as follows: (1) Sung Sang, (2) Giri Indah, (3) Sido Mulyo, (4) Suka Maju, (5) Berkah Lestari, and (6) Bima Sakti. Kulon Progo district has store name as follows: (7) Sembung (8) Darminto. These study populations are all customers of Batik Tulis village stores in Yogyakarta. Convenience sampling technique is used to collect 120 respondents. Analysis unit is respondents from customer at eight Batik Tulis village stores in Yogyakarta. Data is analyzed by Structural Equation Model (SEM) based variance using PLS Swap Software version 4 as analysis tool.

Table 1. Operational Definition of Variables

<table>
<thead>
<tr>
<th>Store Image</th>
<th>Statements Item</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Stores at Batik Tulis village give easy service (online, telephone, and come straight) easy</td>
<td>Cengiz et al (2007); Berstain and Zorrilla (2011); Ryu, et al (2008); Nguyen et al. (2006)</td>
<td></td>
</tr>
<tr>
<td>2. Batik Tulis work is done by employees qualified</td>
<td>Ryu, et al (2008); Nguyen et al. (2006)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Perceived quality</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Batik Tulis village stores use good quality material</td>
<td>Gurbuz (2008); Kwak (2009); Levy (2012); Tsong (2012); Butt (2012); Cengiz et al (2007); Beristain and Zorrilla (2011)</td>
</tr>
<tr>
<td>3. Batik Tulis village stores provide unique Batik tulis motive</td>
<td>Fandos and Flavia’n (2006); Yuen (2010)</td>
</tr>
<tr>
<td>4. Batik Tulis village stores produce durable batik tulis</td>
<td>Harianto (2006); Slatten (2008); Chen and Chang (2013)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Store Loyalty</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I have been planned in a given time to buy at Batik Tulis village stores</td>
<td>Gu’rbuz (2008); Kwak (2009); Levy (2012); Ryu, et al (2008); Tong and Hawley (2009)</td>
</tr>
<tr>
<td>3. I bought a batik tulis in Batik Tulis village stores at Yogyakarta as high commitment in future</td>
<td>Bloemer and Ruyter (1998)</td>
</tr>
</tbody>
</table>
V. RESULTS AND DISCUSSION

Descriptive results

Descriptive results of this study can be seen in Table 2 below.

Table 2. Descriptive results

<table>
<thead>
<tr>
<th>Statements Item</th>
<th>Loading</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Store Image</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Stores at Batik Tulis village give easy service (online, telephone, and come straight) easy</td>
<td>0.85</td>
<td>4,208</td>
</tr>
<tr>
<td>2. Batik tulis work is done by employees qualified</td>
<td>0.672</td>
<td>4,250</td>
</tr>
<tr>
<td>3. Batik Tulis village stores provides convenient park</td>
<td>0.848</td>
<td>4,133</td>
</tr>
<tr>
<td><strong>Perceived quality</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Batik Tulis village stores offers an elegant color of products</td>
<td>0.742</td>
<td>4,225</td>
</tr>
<tr>
<td>2. Batik Tulis village stores use good quality materials</td>
<td>0.853</td>
<td>4,342</td>
</tr>
<tr>
<td>3. Batik Tulis village stores provide unique Batik tulis motive</td>
<td>0.77</td>
<td>4,350</td>
</tr>
<tr>
<td>4. Batik Tulis village stores produce durable batik tulis</td>
<td>0.801</td>
<td>4,225</td>
</tr>
<tr>
<td><strong>Store Loyalty</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. I have been planned in a given time to buy at Batik Tulis village stores</td>
<td>0.825</td>
<td>3,900</td>
</tr>
<tr>
<td>2. I tell positive to friends/other about Batik Tulis village stores</td>
<td>0.767</td>
<td>4,183</td>
</tr>
<tr>
<td>3. I bought a batik tulis in Batik Tulis village stores at Yogyakarta as high commitment in future</td>
<td>0.861</td>
<td>4,042</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2014

Research results show the indicators of store image is highest (4.250) stating the fact that batik work is handled by skilled employees. This indicator is a major consideration in building store image. Field fact is is true. Batik Tulis village stores in Yogyakarta has long experience to pursue the batik craft. Experience innovative is in terms of color and motive. Public and students believe to learn batik at Batik Tulis village stores. Statistically, indicator of store image is the highest (0.850). It states that Batik Tulis village stores provide easy service (online sales, ordering by phone, and purchase directly). This indicator is a major factor to build store image. Theory strengthens the statement. Research results show indicator of perceived quality (4.350) is highest. It describes the reality that Batik Tulis village stores provide unique batik motifs. This indicator is a major consideration to build perceived quality. Motifs are rarely offered to customers with similar products. Motif created from the customer desires. Statistically, indicator of perceived quality (0.853) is highest. It describes Batik Tulis village stores use good quality materials. This indicator is a major consideration to build perceived quality. Theory strengthens the statement. Research results showed that indicator of store loyalty (4.183) is highest. It describes the reality that customers tell friends/others about Batik Tulis village stores positively. This indicator is a major consideration to build store loyalty. In fact, customers show word of mouth. Statistically, indicator of store loyalty (0.861) is highest. Customers have commitment in future to buy at Batik Tulis village stores. This indicator is a major consideration to build store loyalty. Theory strengthens the statement.

Quantitative results: Based on data analysis results, it can be seen the following findings. Tenenhaus GoF is 0.489. It means this model already meets the model fit, because it above 0.36.

Table 3. Quantitative Analysis

<table>
<thead>
<tr>
<th>Relationship/effect</th>
<th>R-Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store image → Perceived Quality</td>
<td>0.26</td>
</tr>
<tr>
<td>Store image → Perceived Quality → Store Loyalty</td>
<td>0.48</td>
</tr>
</tbody>
</table>

Description: S = significant at α = 0.05
Source: PLS Warp version 4, Processed 2014

Model 1. Store image affect on perceived quality and store loyalty.
Table 4. Path Coefficient Diagram and Hypothesis Testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Variables</th>
<th>Coefficient</th>
<th>P</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1</td>
<td>Store image → Store loyalty</td>
<td>0.25</td>
<td>P &lt; 0.01</td>
<td>Significant</td>
</tr>
<tr>
<td>H2</td>
<td>Store image → Perceived quality</td>
<td>0.51</td>
<td>P &lt; 0.01</td>
<td>Significant</td>
</tr>
<tr>
<td>H3</td>
<td>Perceived quality → Store loyalty</td>
<td>0.54</td>
<td>P &lt; 0.01</td>
<td>Significant</td>
</tr>
<tr>
<td>Model 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Store image → Store loyalty</td>
<td>0.50</td>
<td>P &lt; 0.01</td>
<td>Significant</td>
<td></td>
</tr>
</tbody>
</table>

Description: S = significant at α = 0.05
Source: PLS Warp version 4, Processed 2014

Examination: Store image affect on store loyalty, perceived quality as mediation can be seen in model 1 and model 2 as follows:

Figure 3. Model 2

Table 4 shows for model 1 that path coefficient store image on store loyalty is significant at 0.25 (a). Path coefficient of perceived quality on store image is significant at 0.51 (b). Path coefficient of perceived quality on store loyalty is significant at 0.54 (c). But in second models the path coefficient of store image on store loyalty is 0.50 (d). Path coefficient of store image on store loyalty of 0.25 (a) is smaller than path coefficient of store image on store loyalty of 0.50 (d). It shows that relation between store images on store loyalty through perceived quality is partial mediation. These results prove the store image can also affect store loyalty through perceived quality.

This means that perceived quality significantly affect on store image and perceived quality significantly affect on store loyalty. Then store image significantly affect on store loyalty. Improved store images directly significant affect to increase store loyalty, and also through a high perceived quality.

Discussion of Research Results: This study discusses the findings related to theory and results of previous research that has been presented above. To answer problems of business phenomenon, research gap can be seen as below. Research gap results of previous studies show that different mediation of store image to store loyalty for each researcher is presented by Bloemer, (2002); Yun and Linda (2007); Martenson (2007); Alves and Raposo (2007); Ryu, et al. (2008); Tong and Hawley (2009); Liljander, et al. (2009); Lin and Lu (2010); Wang and Ha (2011); Nsairi (2012); Kang, et al. (2012); Bruhn (2012); Hsin (2013). These findings are supported by
other researchers of Beneke, et al. (2011); Yusof, et al. (2012). Previous research finding result support the complete mediation variable... These previous study results contrast to findings of Jantun & Kamaruddin (1999); Miranda, et al. (2005); Sun and Young (2005); Oh, et al. (2007) show effect of store image on store loyalty is significant, and most stores image do not affect significantly on store loyalty. Several previous studies confirm that effect of store image on store loyalty must go through mediation. Based on previous studies, researchers include perceived quality as a mediation variable. First reason to include perceived quality is previous studies have not entered quality perceived as a mediation variable. Second reason is Fandos and Flavian (2008); Gurbuz (2008); Kwak & Kang (2009); Yuen ((2010); Wu (2011); Reddy et al (2011); Levy and Hanna (2012); Wang (2012); Butt (2012); Buil et al (2013) proved to effect the perceived quality of store loyalty. Third reason is store image affects on perceived quality, as proposed earlier by Cengiz et al (2007) and Beristain and Zorrilla (2011).to prove that bank image affect on perceived quality.

**Store Image Affect on Store Loyalty.** Store image significantly affect on store loyalty. Path coefficient is positive. It means the relationship between store image and store loyalty is direct relationship. This means that if store image is higher then customer loyalty on Batik Tulis village stores is higher, and vice versa. Results Hypothesis H1 test show that store image has positive and significant effect on store loyalty. Hypothesis H1 can be accepted or supported by reality of Batik Tulis village stores in Yogyakarta. This finding supports the opinion of Peter and Olson (1996) and theory of Bloemer and Ruyter (1998) that store image significantly affect on store loyalty of major department stores in Swiss city. Miranda et al (2005) reported that store image affect on store loyalty of Grocery stores in an Australian city. Nguyen, et al. (2006) proves that store image affect on purchase intention at Supermarket in Ho Chi Minh City, Vietnam. Park (2008) reported that Store image significantly affect on Repurchase intention in online shopping in USA. Maxwell, et al. (2009) prove that store image affect on purchase intention in US grocery Student. Samani (2011) proves that store image affects on purchase intention of Hypermarket in Iran. Ishaq (2012) prove that store image affect on purchase intention in Pakistan Telecommunication.

**Store Image Affect on Perceived Quality.** Test result shows perceived quality significantly affect on store image. Path coefficient is positive. It means the relationship between store images on perceived quality is direct relationship. This means that higher store create higher perceived quality of customer of Batik Tulis village stores, and vice versa. Therefore, hypothesis H2 can be accepted or supported by reality of Batik Tulis village stores in Yogyakarta. This finding supports research of Cengiz, et al. (2007) that store image affect on perceived quality of banks in Turkey. Beristain and Zorrilla (2011) proves that store image affects on perceived quality in Hypermarket.

**Perceived Quality Influencing Store Loyalty.** Perceived quality significantly affect on store loyalty. Path coefficient is positive, it means relationship between store images on store loyalty has a direct relationship. This means that higher perceived quality can makes higher perceived quality of customer of Batik Tulis village stores in Yogyakarta, and vice versa. Therefore, hypothesis H3 can be accepted or supported by reality of Batik Tulis village stores in Yogyakarta. This finding supports the opinion of Schiffman and Kanuk (2004); Kotler (2008) and research of Fandos and Flavia'n (2006) to prove that perceived quality affects loyalty of Protected designation of origin (PDO). Gurbuz (2008) proves that perceived quality affects loyalty of furniture stores in one city in Turkey. Kwak (2009) proved that intention Purchase affect on perceived quality in sports arena. Yuen (2010) proves that perceived quality affects on purchase intention in Hong Kong Gallery. Wu (2011) Buil, et al. (2013) proved that perceived quality affects on Purchase intention of online store in America. Relationship between store image on loyalty can be implemented widely, such as in department stores, Grocery stores, supermarkets, online shopping, Student grocery, Hypermarket and Telecommunications. Relationship of perceived quality on store image can be implemented widely, such as in a bank and in Hypermarket. Relationship between perceived quality and store loyalty can be implemented widely, such as furniture stores, sports arenas, Gallery and online store. Relation with theory of impulse buying is not fully valid.

**Implication:** Businesses actor should concern to store image associated with increase of online services, telephone and comes directly where having consequences for customer to buy again, they speak positively about batik store. In addition they commit to select their store choice. Batik tulis should be done by skilled employees and attention is given to give Comfort Park to increase store loyalty. Store image has a positive impression. It can create good quality perceived at Batik Tulis village stores. Efforts to keep the perceived quality should concern to elegant products color, using good quality materials, providing a unique batik motifs and durable. Therefore, consumers can make repeat purchases, positive talk to other party and commit to make a purchase at Batik Tulis village stores.
Limitation: Limitation of this research is the model is tested to customer of eight retail store in one Yogyakarta Special Region in one country of Indonesia.

Future Researcher: Given the R square of 0.48 indicates that model fit by 48%. Other variables affecting loyalty stores is 52%, which was not included in this model. (Peter and Olson, 1996); Schiffman and Kanuk (2004); and Kumar, et al. (2011) describes the main drivers of customer loyalty is the corporate and brand image, perceived value, trust, customer relationship, customer satisfaction, switching cost, waiting time, dependability, and quality. Future researchers can explore other variables such as brand prestige related to social class, review the theory of planned behavior for further study. Researchers can examine the theory of impulse buying. Reason Action and planned Behavior.

VI. CONCLUSION

Based on results of research discussion, some conclusion can be stated below.

1. **Store image significantly affect store loyalty.** The findings show that store image significantly affect on store loyalty. Positive path coefficient shows the relationship between store image and store loyalty has a direct relationship. This means that higher perceived quality can increase customer perceived loyalty at Batik Tulis village stores, and vice versa.

2. **Store Image Affect on Perceived Quality.** The findings show that store image significantly affects perceived quality. Positive path coefficient shows the relationship between store image and store loyalty has a direct relationship. This means higher perceived quality can increase store loyalty at Batik Tulis village stores, and vice versa.

3. **Perceived Quality Affect on Store Loyalty.** The findings indicate significantly significantly that perceived quality significantly affect on store loyalty. Positive path coefficient shows the relationship between store image and store loyalty has a direct relationship. This means that higher perceived quality can increase customers loyalty at Batik Tulis village stores, and vice versa.

VII. SUGGESTION

1. Actors of Batik Tulis village stores should maintain the perceived quality by observing the higher class customer for motifs and colors in order different with lower class consumers.
2. Businesses actors should provide service to make customers want to purchase.
3. Actors of Batik Tulis village stores should improve store image by improving the knowledge and skills to produce better Batik Tulis.
4. Businesses actors should provide convenient park for customer of Batik Tulis village stores.

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