

# Determinants of Store Patronage Frequency in Fast Fashion Industry: A Case Study of SOGO Department Store in Surabaya, Indonesia

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## Abstract

SOGO is a one-stop-shopping place that offers a variety of local and global products such as cosmetics, perfumes, men's, women's and children's fashion, as well as accessories. SOGO already has 18 department stores in 8 major cities in Indonesia. SOGO has 3 stores in Surabaya, which shows that Surabaya consumers have a large number of visits and purchasing power, thus providing benefits for the company. This study aims to analyze the factors that influence patronage frequency in SOGO Department Store Surabaya, Indonesia. The method used is quantitative methods of processing the data using AMOS. Data was collected by distributing questionnaires to 420 respondents with the characteristics of male and female respondents aged 18-60 years, live in Surabaya, have bought products from SOGO at least twice in the last 6 months, and have shopped at SOGO for other people. The result shows there are 6 variables (Prices of Products, Product Quality & Assortment, Social Networking, Aesthetics & Architectural Design, Exploration, Escapism) and 5 variables (Role Playing/Enactment, Tenant Mix, Convenience, Promotional Offer, Flow) that significantly and insignificantly influence the Patronage Frequency through Attitude as the intervening variable. The managerial implications are explained at the end.

**Keywords:** Determinants, Patronage Frequency, Attitude, Department Store, Consumer Behavior

## I. INTRODUCTION

The fashion director of *Teen Vogue* and *Allure* magazine Rajni Jacquez defined fashion as a human need, not a trend. While according to the site director of *InStyle* magazine Ruthie Friedlander, fashion is used to boost self-confidence, to prevent one-self from becoming an outsider, given the fact that fashion itself is a fleeting trend (Medine, 2018). Therefore, fashion can't be separated from both women and men's everyday life. Based on a survey of 300 fashion industry executives, the global fashion market was expected to grow by 3.5% - 4.5% in 2019 (The Business of Fashion & McKinsey and Company, 2019), and by 2030 the apparel and footwear industry itself is predicted to achieve growth of 81% to 102 million tons (The Fashion Law, 2019). On one hand, global fashion revenue is projected to rise from \$ 481.2 billion in 2018 to \$ 712.9 billion in 2022 (Orendorff, 2019).

Over time, one of the concepts in the fashion industry emerged, namely fast fashion, which first appeared in the late 1990s as a way to characterize the fast-paced change in fashion, causing several companies to start using this concept (Muthu, 2019). Previously, consumers had to pay a high price to be able to gain access to the latest fashion trends. Nowadays, fast fashion companies already provide this privilege by implementing efficient production chains (Linden, 2016). The affordable price of fast fashion products is the result of fast consumer demand, thus forcing the supply chain to process orders in a short period of time (Linden, 2016).

Since the emergence of fast fashion, consumer's consumption habits have begun to change. The Nature Climate Change (2018) article states this concept has become common, to the point that new designs can emerge in just a few weeks to meet the latest trends, given the fast process of production. It's estimated there are 20 new clothes produced for each person per year and the frequency of consumer purchases is now increasing by 60% compared to the year 2000. Each clothing is worn only a few times before being disposed of, making the lifespan short. This is supported by a survey conducted on 1,500 women aged over 16 years, which shows that as many as 33% of respondents consider their clothes classified as old if they have been used more than three times, and one in ten women only uses their clothes

three times before put it at the very bottom of the cupboard (Barnardos, 2015). Rapid growth occurred in the fast fashion industry. A study shows that this industry has grown by more than 21% over the past 3 years, compared to the growth of the luxury fashion industry which is classified as mediocre (Gilliland, 2019). Other research conducted by Euromonitor International even states that the fast fashion industry is growing faster than the apparel and footwear industry in general (Palumbo, 2018).

In Indonesia, the fashion industry is growing. Fashion has an important role in the national economy and is the second largest contributor after culinary in the creative economy sector of Rp. 166 billion of Gross Domestic Product (GDP). Internationally, fashion is also the biggest contributor to the creative economy's export performance of 54.5%, with a value of US \$ 10.9 million (CNBC Indonesia, 2019). This shows Indonesian consumers have large interest on fashion itself.

Competition in the Indonesian fashion industry is quite fierce, given the existence of global retail brands that operate in the country. PT Mitra Adi Perkasa Tbk (MAP) is a well-known retail company in Indonesia, which houses a variety of global retailers including fast fashion retail. The company was founded in 1995, has operations in 71 cities, and has more than 2,300 retail stores throughout Indonesia. Some well-known brands under the auspices of MAP are Starbucks, Zara, Marks & Spencer, SOGO, SEIBU, Oshkosh B'Gosh, Reebok, and many more. (MAP, 2019).

SOGO is a retail department store that was first established in 1830 in Osaka, Japan. In 2016, department stores were judged to be losing their appeal in Japan, and this also affected SOGO's performance. According to the Japan Department Stores Association, national department stores sales performance declined to ¥ 6.17 trillion in 2015, compared to 2000 which amounted to ¥ 8.82 trillion. Takafumi Sakata as Professor at Chukyo University also added that in order to survive, department stores must differentiate themselves from shopping malls and other online stores in terms of marketing, human resources, or original products (Aoki, 2016).

In contrast to its performance in Japan, SOGO Department Store overall has a good performance in Indonesia. It was first opened in Jakarta in 1990, and is one of the one-stop shopping destinations offering a variety of local and global products such as cosmetics, perfumes, men's, women's and children's fashion, as well as accessories. At present, SOGO already has 18 department stores in 8 major cities in Indonesia (SOGO, 2019). The rise of online shopping trends also occurs in Indonesia, causing shopping centers to be not as crowded as they used to be. Even though this is a threat to offline stores, SOGO experiences no difficulty operating in Indonesia. CEO of SOGO Indonesia Sherry Sjiamsuri stated SOGO's 29th birthday in 2019 proved the Indonesian retail sector still has good sales performance (Kontan, 2019).

In Surabaya, there are 3 SOGO stores, each of them located in Tunjungan Plaza 4, Galaxy Mall, and Pakuwon Mall. The existence of 3 stores indicates Surabaya consumers have a large number of visits and purchasing power, thus providing benefits for the company. The competition came from the online store sector, where according to Google's research, Surabaya consumers shopped online the most, beating Medan and Jakarta consumers (Tempo.co, 2017). Therefore, it is important to know how SOGO manages to compete with online stores in Surabaya.

This research attempted to study the influence of Aesthetics & Architectural Design, Escapism, Exploration, Flow, Tenant Mix, Role Playing/Enactment, Convenience, Social Networking, Product Quality & Assortment, Prices of Products, and Promotional Offer on Patronage Frequency through Attitude as the intervening variable in SOGO Department Store Surabaya, Indonesia. This research was conducted based on a research gap from previous studies that examined about mall shoppers which were both studied in Nigeria. The results of research conducted by Idoko (2017) states that escapism has an influence on consumer mall attitude. While the research of Idoko et al. (2019) shows different result, where escapism has no significant effect on consumer mall attitude.

## **II. LITERATURE REVIEW**

### **II.1 Patronage Frequency**

Patronage frequency or visiting pattern is consumer behaviors such as the number of store visits, the amount of time spent at stores, and the number of stores visited (Millan & Howard, 2007). East (1997) identified patronage intention as consumers' switching behavior and satisfied consumer behavior seen from their behavior that always visits the company. It is an overall measurement which captures the possibility and desire to shop, purchase, and recommend the company to other people (Grewal et al., 2003). Customer patronage intention is a combination of attitude, normative belief, and motivation towards buying attitude (Fishbein & Ajzen, 1975). It's interpreted as individual's decision to revisit the same place or service provider (Hellier et al., 2003).

### **II.2 Aesthetics & Architectural Design**

Architecture is the design process includes planning, designing, creating, erecting, constructing, and executing of various types of spaces which are functionally efficient, economical, and aesthetically pleasing (Vinchu et al, 2017). This aspect of aesthetic involves feelings and emotion. Hill (1999) defined aesthetic related to architecture as one's experience

about places, and perceived emotions as a result of interaction between humans and space. Olanusi et al. (2015) stated that high quality architecture is a corporate identity, meaning guests or consumers got their first impression from the building architecture. The aspect of aesthetic design does not only consist of functional and construction factors, but also of certain things like how the design itself is captured by human senses (Cheung, 1997). Hence, the hypothesis for this variable will be as follows:

H1: Aesthetics & Architectural Design has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### **II.3 Escapism**

Young et al. (2017) defined escapism as activities carried out to distract one-self from problems experienced in real life. Escapism is interpreted as a psychological state where an individual gets really immersed in an activity (Mathwick & Rigdon, 2004). Huizinga (1955) stated that escapism is an aspect of playfulness which allows consumers to temporarily 'escape from everything' and to pretend. Escapism refers to an individual's way to get lost in certain activities to avoid self-evaluation (Baumeister, 1990). Hence, the hypothesis for this variable will be as follows:

H2: Escapism has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### **II.4 Exploration**

Exploration or variety seeking shows that in general, individuals prefer to have experiences which can satisfy their desire for variety, novelty, change, and complexity (Cheng et al., 2012). This exploration behavior is an individual's tendency to seek diversity of choices of goods or services from time to time (Kahn et al., 1986) to maintain optimal level of stimulation. The search for new things helps consumers to achieve the optimal level of sensation, which can be seen in each person's character, thus showing the difference in variety seeking at the individual level (Legohérel et al., 2016). Exploration is a behavior where consumers are extrinsically motivated to explore various brands in product markets, and also intrinsically motivated to find alternative brands for learning purposes (Teunter, 2002). Hence, the hypothesis for this variable will be as follows:

H3: Exploration has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### **II.5 Flow**

According to To & Sung (2015), flow is a holistic sensation experienced by individuals when totally immersed in something. Bloch et al. (1994) describes flow as a pleasantly fun situation, associated with losing track of time. Csikszentmihalyi (1990) believes that flow is a state where individuals get really immersed in activities, making other activities become meaningless. When individuals are in the state of flow, individuals fail to pay attention to time and will overlook other activities (Congwen et al., 2010). Flow is also similar to absorption, which is defined as the state of an individual who has full concentration and is happy to do something, where time goes very fast and that individual has difficulty to escape from that situation (Schaufeli & Bakker, 2004). Hence, the hypothesis for this variable will be as follows:

H4: Flow has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### **II.6 Tenant Mix**

Tenant mix is a variety of brands that rent spaces at a company. The term tenant mix refers to combination of variety of factors, includes space proportion or numbers of unit occupied by various retailers, as well as relative tenant placements at stores (Kirkup & Rafiq, 1994). Tenant mix can be identified as relationship between percentage of store area occupied by various brands at stores (Dawson, 1983). A good tenant mix means having various brands work together to improve store's performance, and also means that each of brand experiences success to run their businesses individually (Greenspan, 1987). A good selection and allocation of places has the potential to determine consumers' footsteps (Teller et al., 2008) and to be a one-stop shopping place (Sternquist, 2007), especially for consumers who seek variation. Hence, the hypothesis for this variable will be as follows:

H5: Tenant Mix has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### **II.7 Role Playing/Enactment**

Tuomela (1995) defined role playing or 'playing a role' as duties and rights accepted by individuals related to certain roles, and how individuals fulfill their social duties by using their rights. The term role is interpreted as an expected behavior from each individual within certain social groups (Montgomery, 1998). According to Jenkins (2004), social identity is not just a label, but also continuous process of interaction happens among individuals from the same group, and also among individuals from different groups. Ahmed et al. (2007) argues that the most carried out activities

are learned behaviors, as well as behaviors that are traditionally expected or accepted as part of a position or role in society, such as mothers, housewives, students, or husbands. Hence, the hypothesis for this variable will be as follows:

H6: Role Playing/Enactment has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

## **II.8 Convenience**

Convenience is interpreted as specific attributes needed to make an activity more comfortable (Reimers & Clulow, 2009). Convenience is described as resources such as time and efforts needed by consumers when shopping for products (Brown, 1990). According to El-Adly & Eid (2015), convenience is anything that does not take consumers' time and efforts. Convenience can also be identified as utility coming from store's ability to provide chance for consumers to do various shopping activities with minimum time and efforts (El-Adly & Eid, 2015). Store convenience refers to places that have all attributes which can minimize time and efforts needed by consumers when visiting the stores (Reimers, 2013). Another definition of store or retail convenience is the cost of time and money spent by consumers, associated with shopping activities in retail environment (Seiders et al., 2000). Hence, the hypothesis for this variable will be as follows:

H7: Convenience has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

## **II.9 Social Networking**

Social networking is a state where consumers need places to interact each other freely without paying attention to genders (Idoko, 2017). Social influence refers to action, feelings, thoughts, attitude or change in individual behavior through interaction with other individuals or groups (Rana et al., 2015). In its relationship with social interaction, Carù & Cova (2006) explained that consumers can't really experience a great consumption activity without sharing it with other people. Social interaction is defined as a form of externality in which reference group actions influence individual preferences (Scheinkman, 2008). According to some observations, a lot of consumers do not shop alone, thus friends, family, and other groups have strong influence on consumer buying decision (Rana et al., 2015). Hence, the hypothesis for this variable will be as follows:

H8: Social Networking has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

## **II.10 Product Quality & Assortment**

According to Kotler & Armstrong (2018), product quality is a characteristic of product or service depends on its ability to satisfy consumers' needs. In general, product quality can be defined as the ability of a product or service to fulfill or exceed consumers' expectation (Waters & Waters, 2008). Product quality is consumers' perception towards the overall quality or excellence of a product or service, related to its intended purpose, relative to alternatives (Aaker, 1991). Quality is something used to measure the extent to which a product successfully fulfills its functions with consumers (Kahn et al., 2002). Assortment is a set of market product which includes substitution products, complementary products, as well as independent products to consume (Betancourt & Gautschi, 1990). Product assortment refers to the availability of variety of products offered by companies to be owned or consumed by consumers (Kotler & Keller, 2016). Hence, the hypothesis for this variable will be as follows:

H9: Product Quality & Assortment has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

## **II.11 Prices of Product**

Prices of product is the amount of money that must be paid by consumers to get products or services (Kotler & Armstrong, 2018) or the amount of money that needs to be traded for the benefit of owning or using products or services (Bearden et al., 2004). Another similar definition by Zeithaml (1988) is price can be interpreted as an attribute to sacrifice in order to obtain certain products or services. Perceived price is a perception representative or consumers' subjective perception of a product's objective price (Jacoby & Olson, 1977). According to Peter & Olson (2000), price perception is related to how price information being fully understood by consumers, and how it gives meaning to consumers. Hence, the hypothesis for this variable will be as follows:

H10: Prices of Product has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

## **II.12 Promotional Offer**

Promotional offer or sales promotion is defined as a set of incentive tools, mostly short-term, designed to stimulate the consumers' purchase activity of certain products or services to become faster and bigger (Kotler & Keller, 2012). Sales promotion is a short-term incentive to trigger buying or selling transaction of products or services (Kotler & Armstrong, 2018). Totten & Block (1994) refers to sales promotion as any activity carried out by producers to encourage

faster and bigger transaction, and to influence consumers to buy products. It's also described as a set of marketing techniques designed within strategic marketing framework for extra value-added to products or services above normal offers, to achieve certain sales and marketing goals (Brassington & Pettitt, 2000). It's a deliberate effort done by marketer to give proper information in a suitable manner to get expected response from consumers (Zalloco et al., 2008). Hence, the hypothesis for this variable will be as follows:

H11: Promotional Offer has a significant influence on Attitude of SOGO Department Store's consumers in Surabaya

### II.13 Attitude

Kotler (2000) defined attitude as self-evaluation, inherent emotional feeling, as well as the behavior tendencies towards certain objects and ideas of an individual. Attitude is evaluation of psychological objects assessed through dimensions such as good-bad, dangerous-beneficial, pleasant-unpleasant, and liked-disliked (Ajzen, 2001). Attitude can be interpreted as knowledge and positive or negative emotions towards an object and activity (Pride & Ferrell, 1991). According to Taylor & Todd (1995), attitude toward a behavior refers to the extent to which individuals have favorable or unfavorable evaluation, or assessment of action that must be done. Attitude toward a behavior is positive or negative evaluation towards relevant behavior which comprised of individual's strong behavior regarding the consequences of doing something (Kim & Karpova, 2010). Hence, the hypothesis for this variable will be as follows:

H12: Attitude has a significant influence on Patronage Frequency of SOGO Department Store in Surabaya

### II.14 Research Framework

The research framework of this research as depicted in Figure 1.



Figure 1. Research Framework



This research consists of 13 variables which are Aesthetics & Architectural Design, Escapism, Exploration, Flow, Tenant Mix, Role Playing/Enactment, Convenience, Social Networking, Product Quality & Assortment, Prices of Products, and Promotional Offer as exogenous variables, as well as Attitude and Patronage Frequency as endogenous variables.

### III. RESEARCH METHODOLOGY

This research was conducted in Surabaya, Indonesia, with the SOGO Department Store as the object and its consumers as the population. Data was collected by distributing questionnaires to 420 respondents with the characteristics of male and female respondents aged 18-60 years, live in Surabaya, have bought products from SOGO at least twice in the last 6 months, and have shopped at SOGO for other people. The method used in this study can process the simultaneous analysis associated with the multi-variable research model which is Structural Equation Model (SEM) using AMOS 20.0 software. Snowball sampling technique was used to choose respondents who could fill out and help distributing the questionnaires. The first part of questionnaire consists of questions used to obtain general information about respondents to ensure the suitability of respondents with sample characteristics. And the second part of questionnaire consists of questions used to obtain research data regarding the influence of Aesthetics & Architectural Design, Escapism, Exploration, Flow, Tenant Mix, Role Playing/Enactment, Convenience, Social Networking, Product Quality & Assortment, Prices of Products, and Promotional Offer towards Patronage Frequency of SOGO Department Store Surabaya with Attitude as intervening variable. Likert scale from scale 1-5 was used to formulate the questionnaire, where the answer choices are provided at intervals from 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

### IV. RESULTS AND DISCUSSION

#### IV.1 Profile of Respondents

450 questionnaires were distributed, but only 420 were returned and could be processed. 17 were not returned and 13 were not filled out completely. The result shows that the respondents consist of 342 or 81.4% of women and 78 or 18.6% of men. The majority of respondents who visit and shop at SOGO were women. The respondents were also classified by age, and those who filled out the questionnaires comprised of 238 or 56.7% aged 18-35 years, 149 or 35.5% aged 35-50, and 33 or 7.9% aged 51-60 years. All of the respondents live in Surabaya, have bought products from SOGO at least twice in the last 6 months, and have shopped at SOGO for other people.

#### IV.2 Reliability Test

According to Hair et al. (1998), the composite reliability value should exceed 0.7 to be accepted. Therefore, all of variables used in this research are reliable.

Variabel	(Σstd.loading)	(Σstd.loading) <sup>2</sup>	Σerror	Construct Reliability
Aesthetics & Architectural Design	1,703	2,900	1,117	0,722
Escapism	1,753	3,073	1,247	0,711
Exploration	2,467	6,086	2,457	0,712
Flow	1,885	3,553	1,146	0,756
Tenant Mix	2,071	4,289	0,929	0,822
Role Enactment/Playing	1,969	3,877	1,498	0,721
Convenience	2,556	6,533	1,952	0,769
Social Networking	1,941	3,767	1,399	0,729
Product Assortment and Quality	1,824	3,327	1,268	0,724
Prices of Products	1,953	3,914	1,332	0,741
Promotional Offer	1,995	3,980	1,394	0,740
Attitude	1,968	3,873	1,498	0,721
Patronage Frequency	2,084	4,343	1,311	0,768

**Table 1. Construct Reliability**

4.3 Structural Equation Modelling (SEM)

The results of the measurement model on AMOS 20 shown below have RMSEA = 0.048, CMIN / DF = 1.954, and there are no indicators with standard loading <0.5. Therefore, this model is suitable to be a measurement model for this research.

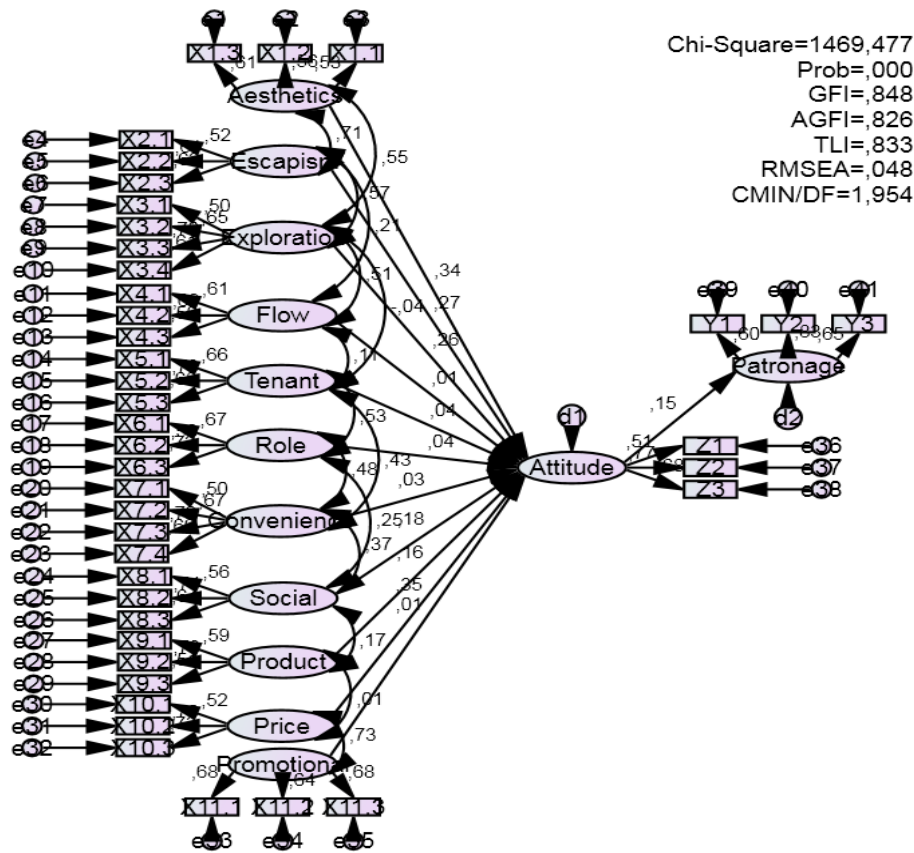


Figure 2. Full Structural Equation Model (SEM)

IV.3 Hypotheses Testing

Hypotheses testing was done by looking at the C.R value for each coefficient. C.R value is significant if  $\geq 2$ , which means the hypothesis can be accepted. If the value of C.R < 2 then it is not significant and the hypothesis is rejected.

		Estimate	S.E.	C.R.	P	Analysis
Attitude	<--- Aesthetics & Architectural Design (H1)	,257	,108	2,388	,017	Significant
Attitude	<--- Escapism (H2)	,211	,095	2,218	,027	Significant
Attitude	<--- Exploration (H3)	,211	,092	2,284	,022	Significant
Attitude	<--- Flow (H4)	,004	,071	,059	,953	Not Significant
Attitude	<--- Tenant Mix (H5)	,026	,055	,478	,633	Not Significant
Attitude	<--- Role Playing/Enactment (H6)	,025	,050	,504	,614	Not Significant
Attitude	<--- Convenience (H7)	,020	,053	,379	,704	Not Significant
Attitude	<--- Social Networking (H8)	,121	,046	2,656	,008	Significant

Attitude	<---	Product Quality & Assortment (H9)	,150	,056	2,672	,008	Significant
Attitude	<---	Prices of Product (H10)	,229	,070	3,254	,001	Significant
Attitude	<---	Promotional Offer (H11)	,007	,067	,103	,918	Not Significant
Patronage Frequency	<---	Attitude (H12)	,172	,073	2,362	,018	Significant

**Table 2. Evaluation of Structural Model Coefficients**

The result shows that there are 7 significant variables as shown on table, which means H1, H2, H3, H8, H9, H10, and H12 were accepted. The rest of hypotheses (H4, H5, H6, H7, H11) were not accepted. The Prices of Product variable has the highest C.R value which is 3.254, which means this is the most important variable in this research. SOGO's target market is middle to upper income consumers, which can be seen from the prices of product as well as the tenants inside. Surabaya residents are known for their expensive lifestyle. The brands quality and reputation make consumers perceive that the prices are worth the money spent to obtain the products. Product Quality & Assortment has the second highest C.R value which is 2.672. A lot of consumers prioritize diversity and quality when it comes to choosing or buying products. Competitors also sell products similar to SOGO, but SOGO is known as a store that has a variety of products and quality. There is a slogan "there is price, there is quality", and this is found in products sold by SOGO, as evidenced by the large number of consumer visits to the stores even though its products are more expensive than competitors' products. Social Networking has the third highest C.R value which is 2.656. Consumers are satisfied with SOGO because it doesn't make consumers feel alone when shopping at their stores. The existence of get-together culture in Indonesia allows SOGO to be one of the objects to implement this, which can be shown through how consumers enjoy the crowded atmosphere at the store, or how consumers love to discuss SOGO with others. The next variable is Aesthetics & Architectural Design that has C.R value of 2.388. Surabaya consumers' expensive lifestyle influences their behavior to visit aesthetically designed places. Identical to its image, SOGO has a beautiful store design. Aesthetic beauty can be found in places like SOGO stores. Exploration has the fifth highest C.R value which is 2.284. Consumers consider SOGO stores and its products to be fun things to explore. Even though SOGO has offline competitors that sell similar products, it doesn't lessen consumer interest towards the stores. The last significant variable is Escapism with C.R value of 2.218. Significant results can be caused by consumers' desire to relieve fatigue from their daily activities. Dense work puts pressure and stress on consumers. The large number of products sold and the aesthetic beauty of SOGO can help to entertain consumers who want to escape their reality of life.

Role Playing/Enactment is the first insignificant variable that has C.R value of 0.504. This can be caused by consumers who prefer to shop at SOGO for themselves. Competition can also come from online stores. Sometimes, consumers are faced with circumstances of being far from relatives. Shopping for others through an online store allows consumers to easily send the products directly to relatives. Next is Tenant Mix with C.R value of 0.478. Even though SOGO's tenants already provide products that consumers are looking for, but the variation of tenants is considered not enough and interesting much. The competition coming from offline competitors is not very threatening, but the fierce competition is deemed coming from online stores. For instance, Zalora, which has a large number of local and international tenants. Zalora even has high-class tenants such as Mango, Gap, and Forever 21, making Zalora a better one-stop shopping choice than offline stores in this case SOGO. Convenience has the third highest C.R value in the group of insignificant variables which is 0.379. SOGO is located and has similar products as its competitors. Both SOGO and its competitor such as Centro are located in malls, and operate in fashion sector. It can also more convenience for consumers to shop online since consumers don't have to go to the stores to explore and buy products. Promotional Offer has the second lowest C.R value which is 0.103. This can be influenced by consumers' perception that SOGO products have premium quality, therefore consumers will continue to shop even though the prices are normal. Too many discounts and promos will also decrease SOGO's premium image. Therefore, consumers can look for promotional offers at SOGO competitor stores. Variable that has the lowest C.R value is Flow, which is 0.059. This could be due to SOGO is located in malls, making consumers prefer to spend more time exploring other places in the mall. It means the flow state itself is likely to be more achieved inside the mall itself, not only inside of SOGO stores. Competition does not only come from fellow offline stores but also from online stores. A study of online flow shows that the state of flow influences consumer attitudes related to the website or online retailer (Ceribeli et al., 2017). The reason why is the existence of



increasingly internet-based lifestyle. Internet addiction is likely to make consumers lose track of time when visiting online stores.

**V. CONCLUSION AND RECOMMENDATION**

The result of this study shows that Prices of Products, Product Quality & Assortment, Social Networking, Aesthetics & Architectural Design, Exploration, and Escapism have significant influence on Patronage Frequency through Attitude as intervening variable. The rest of variables (Role Playing/Enactment, Tenant Mix, Convenience, Promotional Offer, and Flow) have no significant influence on Patronage Frequency through Attitude as intervening variable.

**V.1 Managerial Implications**

The managerial implications will be based on indicators used in the distributed questionnaires. The recommendations are explained starting from indicators that have the highest impact to the lowest impact for each variable.

Current Research	Managerial Implications
<p><i>Prices of Products</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to add more upper-class tenants such as Lasenza, Victoria Secret, and Onitsuka Tiger which sell products for consumer who are already satisfied with SOGO's prices of product.</li> <li>- It is recommended for SOGO not to give a lot of discounts for its products to prevent the company from losing its premium image.</li> <li>- It is recommended for SOGO to be more selective in choosing tenants to avoid consumers' perception that SOGO is the same like its competitors for having the same tenants which sell similar products at competitive prices.</li> </ul>
<p><i>Product Quality &amp; Assortment</i> <i>Prices of Products</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to add more upper-class tenants as mentioned previously to distinguish the company form its competitors.</li> <li>- It is recommended for SOGO to maintain the product quality by establishing internal team specialized in doing quality control towards the products before being displayed in stores.</li> <li>- It is recommended for SOGO to add more products for consumers with special needs, such as extra-large size for those who have plus size bodies.</li> </ul>
<p><i>Social Networking</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to make consumers feel as a part of SOGO family by sending birthday wishes via Short Message Service (SMS), Instant Messaging, or E-Mail, and also giving gifts to consumers such as shopping vouchers.</li> <li>- It is recommended for SOGO to hold beauty classes by inviting or involving beauty influencers who have a lot of followers on social media. Those followers will talk about the events resulting it to gain a lot of audience.</li> </ul>

	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to hold fashion show events, or fashion-themed talk shows by inviting celebrities as the guests or speakers.</li> </ul>
<p><i>Aesthetics &amp; Architectural Design</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to change the cashiers color design to gold, to give it a premium look.</li> <li>- It is recommended for SOGO to provide pictures of models wearing clothes displayed on shelves to give consumers the product visualization in their minds (how the products will look like if they are worn on human bodies).</li> <li>- It is recommended for SOGO to arrange and organize the consumers in-out concept to be like bazaar, so the consumers who visit the stores can get past all tenants.</li> </ul>
<p><i>Exploration</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to provide electronic catalogue consists of the latest fashion products, to inform the consumers about the products and to help consumers explore the stores better.</li> <li>- It is recommended for SOGO to find more well-known tenants that can't be found in SOGO's competitors.</li> <li>- It is recommended for SOGO to have internal team specialized in filtering old products, to know whether they are still up-to-date with the latest fashion trends or not.</li> </ul>
<p><i>Escapism</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to have coffee shop inside as an escape place for consumers who are already tired of shopping and want to relax while drinking coffee.</li> <li>- It is recommended for SOGO to add arcade game inside to fill consumers' free time while exploring the store.</li> <li>- It is recommended for SOGO to provide aroma therapy inside, given the fact that sweet-smelling smells can help reduce stress.</li> </ul>
<p><i>Role Playing/Enactment</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to provide special packaging and packaging corner for consumers who buy products that will be given to other people.</li> <li>- It is recommended for SOGO to offer bundling price for consumers to stimulate impulse buying. Bundling price can trigger consumers to buy products not only for themselves, but also for other people.</li> <li>- It is recommended for SOGO to provide family set products which are up-to-date with the latest fashion trends. The products can be used by consumers and their own respective families.</li> </ul>

<p><i>Tenant Mix</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to be more selective regarding which tenants are suitable with company image.</li> <li>- It is recommended for SOGO to add more tenants that sell products for plus size consumers.</li> <li>- It is recommended for SOGO to maintain its exclusivity by only accepting reputable tenants.</li> </ul>
<p><i>Convenience</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to add more stores located near settlements. But for the time being, there are no mall locations other than those that exist now, which fit the criteria of SOGO image.</li> <li>- It is recommended for SOGO to provide electronic map consists of information about tenants inside of the store, that facilitates consumers to find what to look for.</li> <li>- It is recommended for SOGO to improve their Standard Operating Procedure (SOP), where it is advised for the securities to patrol around the store, to increase consumers' feeling of security. SOGO is also recommended to add more cctv cameras which can reach every part of the store.</li> <li>- It is recommended for SOGO to penetrate into the electronics sector, allowing consumers to also find electronic products in SOGO.</li> </ul>
<p><i>Promotional Offer</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to collaborate with <i>cashless payment</i> companies such as OVO, Go-Pay, or Danaku as means of payment, where consumers can get cashback via points.</li> <li>- It is recommended for SOGO to give merchandises or souvenirs to consumers when buying products at certain amount of total prices.</li> <li>- It is recommended for SOGO to maintain the existing special price system, in a form of direct price-cutting.</li> </ul>
<p><i>Flow</i> is one of variables that should be the focus in the process of increasing <i>Attitude</i> variable.</p>	<ul style="list-style-type: none"> <li>- It is recommended for SOGO to provide additional facilities such as small home theater that serve interesting movies, which makes consumers losing track of time inside of SOGO stores.</li> <li>- It is recommended for SOGO to do periodic decor renovation, since decoration is one of the main factors that influence consumers' mood.</li> <li>- It is recommended for SOGO to do scripted disorientation, by designing the layout appearances of products to distract consumers that already have plan to buy something with other products, resulting in consumers spending many hours in SOGO.</li> </ul>

Based on the result, the main recommendation for the object of this study is that SOGO should add more upper-class tenants such as Lasenza, Victoria Secret, and Onitsuka Tiger which sell products for consumer who are already satisfied with SOGO's prices of product. The reason why this is being recommended is for SOGO's consumers, premium

prices are not significant issues in buying products. Hence, adding more premium tenants that sell high-end products can be done by SOGO to attract more consumers included in SOGO's target market.

## V.2 Recommendations

Further researches can be done by considering these limitations as follows:

1. This research object is only limited to SOGO Department Store's consumers in Surabaya. Further research can be carried out using broader research objects, to get other results regarding factors that influence consumer's attitude and patronage frequency.
2. The result of this study can't be generalized for cases outside of this research object, which is SOGO Department Store.
3. Further research to complement the variables exist in this study needs to be done to further refine the understanding of the factors that influence consumer's attitude and patronage frequency.

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