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A Structural Model of Customer Loyalty: A case study of Isfahan Hypermarkets

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Abstract

The aim of this study was to identify factors affecting the loyalty of hypermarkets' customers in Isfahan province and, to investigate the effect of each factor. In this order, 40 factors were identified by literature review and by interviewing 50 managers, senior experts and customers familiar with this field. The conceptual model was developed and a questionnaire was designed. A sample of 390 loyal customers was selected by cluster sampling in five hypermarkets in Isfahan province. The factors were categorized using exploratory factor analysis and SPSS software in seven dimensions. Using confirmatory factor analysis methods, SEM modeling and Smart PLS software, analyzing the data, validating the model, and testing the hypothesis, were done. The Cronbach's alpha value for the whole questionnaire was calculated at 0.94. Results showed the positive effect of product, service quality, store convenience, the store's atmosphere, price/value, staff, and location on customer loyalty. The greatest impact was created by "location" with a path coefficient of 0.815 and the least impact was created by "service quality" with a 0.100 path coefficient on loyalty of Isfahan hypermarkets customers. Other factors, in effect, are product, price / value, staff, convenience, and atmosphere. All these factors can cover 90% of loyalty variance.

Keywords: customer loyalty, Hypermarkets, factor analysis, structural equation modeling.

1. Introduction

In the service sector, due to the activation of the retail industry and the expansion of competition, attracting and retaining customers is far more difficult than the past. In addition, massive changes in the needs and desires of customers have forced stores and planners to pay more attention to long-term plans and increasing customer's loyalty. The customers' mental image of a store is one of the factors influencing their loyalty to that store (Hasiri et al., 2016). Today, marketing is not the only way to progress; the important point is to develop and maintain long-term, interactive communication with customers (Dutsenwai et al., 2015). The reason is to improve relationships with customers and maintain loyal customers to increase revenue, improve efficiency, and reduce the costs (Clottey et al., 2011). Big stores will have to establish long-term relationships with customers and maintain and build loyalty in them to achieve the desired level of profitability, reduce costs, and stay in the competitive environment of today (Mafini et al., 2015). Customer loyalty to the organization, including service organizations (such as large stores), is an issue affected by a variety of factors and conditions inside and outside the organization (Afande, 2015). In this regard, the present study first determines the most important factors affecting the loyalty of large hypermarket customers in Isfahan by reviewing the literature of customer loyalty

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and its necessity in large stores and hypermarkets as well as various models presented. In addition, using structural equation modeling (SEM), the amount of effect of each factor, on loyalty, will also be determined. Using these results, decision makers (DMs) can attract those parts of the market that are not yet loyal to them. Also, by identifying the effective factors, it is possible to encourage the current customers to use these services more. Since hypermarkets in the big cities of Iran are expanding rapidly (the number of them has not yet reached enough to indicate maturity or stopping their growth), this study is very innovative and applicable in Iran.

2. Literature Review

Konuk (2018) revealed positive impact of perceived quality and perceived value on consumers' purchase intentions towards organic private label food in Turkey. Francioni et al. (2018) demonstrated, store loyalty increases when the retailer provides a good atmosphere. Shamah et al. (2017) conformed the positive impact of environment, price, product and service on African fast food customers' loyalty. Nikhashemi (2016) showed store attribute has a direct effect on customers' perceived value and their loyalty to hypermarkets in Malaysia. Nyadzayo and Khajehzadeh (2016) demonstrate direct relationship between customer satisfaction, customer value, and service quality; customer relationship management, quality of customer relationships and customer loyalty. Afande and John (2015) also showed, factors of price and changes in customer preferences lead to changes in customer loyalty, a positive image of the hypermarket affects customers' loyalty. Mafini and Dhurup (2015) showed, the positive effect of sales assistance, store atmospherics, store appeal, promotion and store accessibility to store satisfaction and customer loyalty in South African Retail Stores. Sanaei et al. (2015) investigated the customer loyalty in chain stores in Iran and suggested, two factors of trust and customer satisfaction have a direct effect and perceived quality, and perceived value have indirect effect on customer loyalty. However, the effect store reputation, and perceived fairness on customer loyalty was not verified. Hosseinzadeh et al., (2013) showed the positive effect of goods and reputation on the intention to support and ultimately on customer loyalty. Rastegar et al. (2013) evaluated and showed customers' mental image (Location, atmosphere, price/promotion, and product) have a positive and direct effect on loyalty to the store which is consistent with the findings of the present study. Ahmadi et al. (2012) evaluated the loyalty of customers in Refah and Shahrvand chain stores in Tehran (Iran) and indicate, the quality of the services provided as well as their trust and satisfaction of the stores were at a desirable level.

With regard to the aforementioned and the variables mentioned in the research for customer loyalty to a large store, the factors affecting the loyalty of customers in such stores can be summarized in the following categories: The store's atmosphere which is defined as consciously designing the space in order to create a special emotional influence on buyers to increase the probability of purchase. Price/Value means the customer's perceptions of the benefits received against the monetary and non-monetary costs incurred for the use of the organization's services. The staff with appropriate behavior and skills can increase the willingness of customers to shop (Johnson, 2012). The products variable includes all product-related issues such as product diversity, product variety, size, taste, quality, and timeliness (Kalafinezhad & Long, 2013). Quality of service meaning, the higher the level of perceived product or service quality, the higher the level of customer satisfaction and loyalty. Quality of service includes physical, situational and behavioral dimensions (Khalafinezhad & Long, 2013). The location of the store refers to the convenience of the store location in terms of being quiet or crowded, availability, and having a parking. Convenience of using services means, adding value to the customer by reducing the amount of time and energy that one needs to spend on a service (Lee, 2015).

2.1. Theoretical Foundations of the Study

❖ Loyalty to the store

According to Bloemer and Ruyter (1998), Loyalty is a behavioral reaction (repeated reference) done consciously (not accidentally) that manifests itself over time in selecting a store from multiple stores, through a decision that is a psychological process leading to commitment. Loyalty, as a two-dimensional structure, has a behavioral and an attitudinal dimension (Prenticea and Loureiro, 2017). Visser and Van Noordwyk (2008b) classified store attributes into eight dimensions; namely, atmosphere, convenience, facilities, institutional, merchandise, promotion, sales personnel and service. Loyalty is deep customer commitment to refer or re-

purchase a product or service in the future despite the impact of competitors' marketing efforts to change customer behavior (Oliver, 1999). Since measuring the behavioral dimension of loyalty is easier, it is considered as a measure of loyalty (Demoulin and Zidaa, 2008). Loyalty to a store or a hypermarket can be increased through, the attitudinal dimension, which increases the customer's commitment, and the behavioral dimension, which increases the repetition of shopping (Pugazhenthi, 2011).

❖ Theories of Consumer Loyalty Behavior

We will continue to present two theories of rational behavior and the expections theory that are used in literature to explain the customer loyalty behavior. The rational behavior theory, is based on the principle that humans are rational and the intention of loyalty has a direct effect on customer behavior (willingness to buy) which leads to search for their favorite goods. Thus, decision-making costs can be reduced through the customer's mental commitment to previous choices and willingness to gain satisfaction by saving decision costs. According to the expectation's theory, customer's satisfaction is the degree to which the store will satisfy the customer's expectations which can increase customer satisfaction and ultimately customer loyalty to the store (Johnson, 2012).

3. Methodology

This study is an applied and exploratory research. Regarding the data collection method, this study is a descriptive and survey type of research. The most important data collection tools included questionnaires and interviews. The effective factors on customer loyalty were identified through library studies, the most important of them were identified by binomial test, and then, interviews done with about 50 specialists in the area of customer loyalty. These experts are those who: a) have at least 10 years' experience in the field of the customer; b) published at least 3 articles. Those characteristics are presented in Table 1. The effective factors are expressed in seven groups. Skewness/Kurtosis of the distributions of each group presented in Table 2. The adequacy of data for exploratory factor analysis presented in Table 3. The questionnaire has 40 items (table 4). Cronbach's alpha was used to measure the validity of the questionnaire. Cronbach's alpha for the Product quality was 0.907, Service quality 0.756, Convenience 0.733, Atmosphere 0.720, Price/Value 0.764, Staff 0.850, location 0.849 and for loyalty was 0/89. Cronbach's alpha of the total items was 0/936, which indicates a high validity. In the present study, there are two statistical populations that include loyalty experts and hypermarket loyal customers. Sample size for the experts is 50 individuals who were selected using available sampling. Sample size for the customers is 384. Sampling was done through the random cluster sampling method. Firstly, the province of Isfahan was divided into five classes: north, south, east, west and center, and then from each class a hypermarket was considered as a cluster. A branch was randomly selected from each district, and in each branch, 100 customers were questioned. A total of 500 Questionnaires were distributed among the individuals, and 390 Questionnaires were returned.

4. Analysis and Findings

As previously mentioned, the information needed in this study was collected in two steps. In the first stage, using questionnaires and interviews, experts and managers' opinions were collected and identified important factors. Then, these factors were classified and a questionnaire was developed. At the next stage, customers' opinion questionnaire was collected about the factors. Descriptive statistics of the data extracted from these Questionnaires are shown in the table below.

Table 1. Descriptive analysis of research data

Demographic features			Frequency	Relative frequency (%)
Sex	Managers and experts	Female	36	72
		Male	14	28
	Customers	Female	118	30
		Male	272	70
Age	Managers and experts	Under 30 years old	10	20

Demographic features			Frequency	Relative frequency (%)
		31-40	19	38
		41-50	15	30
		50 years and older	6	12
	Customers	Under 30 years old	76	19
		31-40	116	30
		41-50	153	40
		50 years and older	45	11
Education	Managers and experts	High school diploma	4	4
		Associate degree	12	24
		Bachelor's degree	23	46
		Master's degree	11	22
	Customers	High school diploma	100	26
		Associate degree	122	31
		Bachelor's degree	85	22
		Master's degree	35	1
		Ph.D.	48	12

To determine whether parametric or nonparametric tests should be used for testing the hypothesis, the data were first checked for normality. For this purpose, the standard error of the coefficient of skewness and the standard error of kurtosis coefficient were used. Table 2 shows that the standard error of the coefficient of skewness and Kurtosis of data is between -2 and +2; therefore, the distribution of data for all of the study variables is normal and parametric statistics can be used for data analysis (Momeni, 2008).

Table 2. Skewness/Kurtosis of the distributions

Variable	Kurtosis		Skewness	
	standard error	kurtosis	standard error	skewness
Product	0.47	0.55	0.24	0.045
Price/Value	0.47	-0.55	0.24	0.35
Atmosphere	0.47	-0.33	0.24	0.11
Convenience	0.47	-0.32	0.24	0.19
Service	0.47	-0.016	0.24	0.40
Staff	0.47	-1.12	0.24	0.15
Location	0.47	1.7	0.24	-1.09
Customer loyalty	0.47	-0.41	0.24	-0.11

4.1. Exploratory factor analysis to identify and classify the factors

Factor Analysis (FA) is used to determine the underlying variables of a phenomenon or classify a set of data. There is no pre-defined model in this case. Exploratory analysis can be a constructor, a model maker, or a hypothesis creator, too. Exploratory analysis is considered as a method of compiling and producing theory rather than a theoretical test method. Forty effective factors were considered by the researcher as well as previous studies as customer loyalty in hypermarkets in Isfahan province. In this part of the study, these factors are categorized using exploratory factor analysis. KMO and Bartlett test (Kaiser-Meyer-Olkin and Bartlett Test of Sphericity) was also used to ensure the internal coherence of the variables and their adequacy for factor analysis.

Table 3. The adequacy of data for exploratory factor analysis

KMO	Bartlett	Degree of freedom	Sig. of Bartlett test	Percentage of variance
0.8	0.9	139	0.000	0.6

When the sampling adequacy statistic (sampling quality index) is more than 0/05 (sig < 0/05), this indicates that the factor analysis is appropriate for these data and satisfy the conditions required for performing factor

analysis. The percentage of variance explained is 0/6 (Momeni et.al, 2007). Therefore, the variability of the questions is high.

Table 4. The rotated matrix for Questionnaire items

DIMENSIONS	QUESTIONS										
	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9		
PRICE/VALUE	0.105	0.041	0.08	0.258	0.121	0.072	0.021	0.08	0.103		
STAFF	0.098	0.131	0.093	0.04	0.067	0.067	0.134	0.208	0.334		
SERVICE QUALITY	0.164	0.035	0.19	0.024	0.29	0.05	0.071	0.269	0.021		
PRODUCT QUALITY	0.763	0.684	0.662	0.647	0.647	0.646	0.641	0.581	0.58		
ATMOSPHERE	0.109	0.21	0.008	0.152	0.015	0.156	0.078	-0.24	0.098		
CONVENIENCE	0.048	0.11	0.028	0.187	-0.31	0.192	0.104	0.024	0.148		
LOCATION	0.072	0.136	0.133	0.017	-0.16	0.224	0.029	0.094	0.094		
	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20
PRICE/VALUE	0.231	0.231	0.379	0.084	0.014	0.021	0.172	0.114	0.167	0.04	0.097
STAFF	0.24	0.216	0.129	0.282	0.319	0.331	0.289	0.264	0.214	0.122	0.142
SERVICE QUALITY	0.537	0.753	0.396	0.641	0.744	0.775	0.716	0.461	0.402	0.451	0.7
PRODUCT QUALITY	-0.061	-0.076	-0.02	-0.23	-0.001	0.002	0.089	0.26	0.127	0.202	0.08
ATMOSPHERE	0.118	-0.15	0.181	0.213	0.221	0.141	0.145	0.179	0.252	0.146	0.142
CONVENIENCE	0.06	-0.04	0.101	0.074	0.14	0.105	0.039	0.185	0.247	-0.08	-0.11
LOCATION	0.038	0.044	0.14	0.105	0.039	0.185	0.247	-0.08	-0.11	0.164	0.251
	Q21	Q22	Q23	Q24	Q25	Q26	Q27	Q28	Q29		
PRICE/VALUE	0.172	0.167	0.114	0.352	0.36	0.219	0.235	0.258	0.225		
STAFF	0.079	0.066	-0.1	0.094	-0.05	0.134	0.091	-0.03	0.153		
SERVICE QUALITY	0.091	0.037	-0.14	0.237	0.211	0.227	0.117	0.208	0.108		
PRODUCT QUALITY	0.323	0.067	0.026	0.045	0.033	0.029	0.169	0.089	0.072		
ATMOSPHERE	0.122	0.084	0.142	0.14	-0.25	0.282	0.536	0.574	0.684		
CONVENIENCE	0.578	0.522	0.811	0.795	0.423	0.448	0.248	0.149	0.029		
LOCATION	0.114	0.099	0.014	-0.28	0.173	0.034	0.176	-0.06	0.047		
	Q30	Q31	Q32	Q33	Q34	Q35	Q36	Q37	Q38	Q39	Q40
PRICE/VALUE	0.826	0.81	0.775	0.799	0.005	0.137	0.071	-0.2	0.163	-0.05	0.12
STAFF	0.183	0.409	0.213	0.336	0.529	0.533	0.646	0.596	0.041	0.223	-0.03
SERVICE QUALITY	0.032	0.073	0.057	0.218	0.157	-0.15	0.124	0.05	0.088	-0.17	0.194
PRODUCT QUALITY	-0.024	-0.023	0.035	0.0135	-0.098	0.09	-0.146	-0.634	0.066	0.198	0.159
ATMOSPHERE	0.092	0.027	0.232	0.077	-0.12	0.202	-0.16	0.068	-0.13	0.03	0.024
CONVENIENCE	0.113	-0.11	-0.06	0.232	0.021	-0.04	0.065	0.006	0.024	0.094	0
LOCATION	-0.1	-0.42	0.012	0.005	0.08	-0.12	-0.32	0.007	0.094	0.094	0.094

The results of the exploratory factor analysis also confirm the categorization performed by the researcher. As shown in the table above, the determined factors are classified in the categories they are most closely associated with. Therefore, based on the results of this test, the classification of effective factors in customer loyalty in hypermarkets of Isfahan, are as follows:

A) Product quality: Questions q1 to q9, including variance within the product class, diversity among classes of products, attractive product packaging, up-to-date and freshness of products, product sizing, fast provision of new goods, provision of accurate product information, product quality, lack of any defects in products. B) Service quality: Questions q10 to q20, including a system for collecting customer complaints, customer relationship management system, radio, television and newspaper advertising, customer loyalty programs, working hours, appropriate number of cashiers, the waiting time behind the cash register, fast and efficient checking, the ability to purchase all products in one go, honesty with the customer, reputation of the store. C) Convenience: Questions q21 to q26, including easy use of physical facilities (escalators, elevators, and baby baskets), easy access to carts and shopping baskets, easy access to products on shelves, easily moving in the store, the store's layout and decoration, specified prices on all products. D) Atmosphere: Questions q27 to q29, including health and safety, lighting, coloring and air conditioning, and type of music played. E) Price/Value: Questions q30 to q33, including product prices, credit card facilities, promotional activities such as: awards, competitions, discounts, auctions, and coupons, and store prices compared to other stores. F) Staff: Questions

q34 to q37, including employees' knowledge of products and locations, suitable appearance of employees, employee's appropriate behavior and responsiveness, patience and morale to help customers. G) Location: Questions q38 to q40, including the closeness of the store to work and living places, the closeness of the store to other stores, the availability of parking facilities.

As stated in the research literature section, A-G main variables affect customer loyalty. If we consider these effects simultaneously, we can imagine a model that has 7 independent variables and a dependent variable. This model is presented in figure 1 as a conceptual model of research.

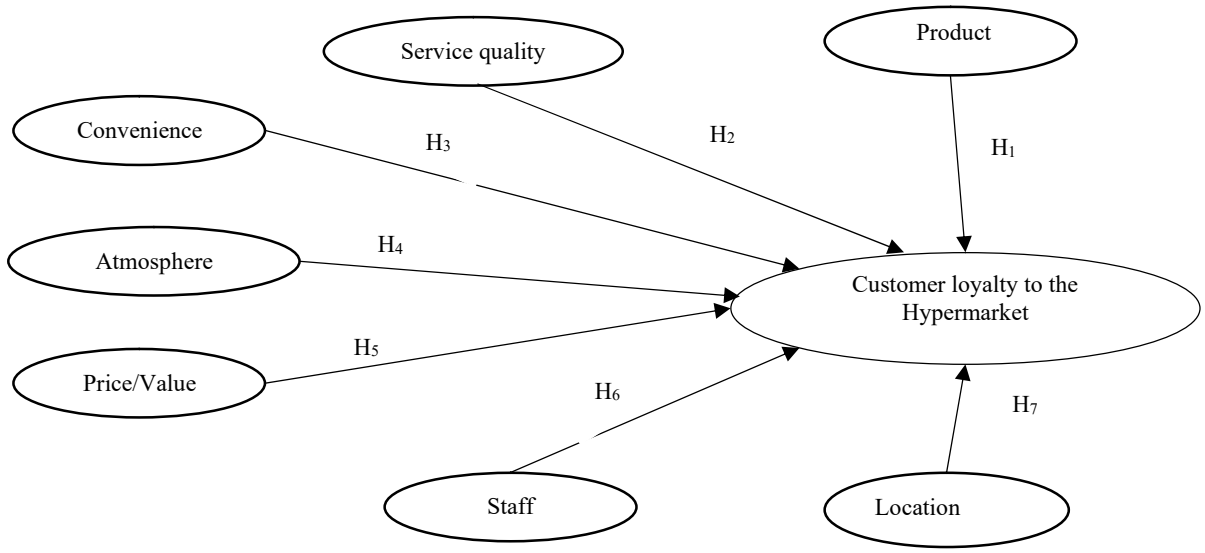

Figure 1. The research conceptual model

The hypothesis of the present study are as follows:

- The product has a positive and significant effect on customer loyalty.
- Service quality has a positive and significant effect on customer loyalty.
- Convenience has a positive and significant effect on customer loyalty.
- The store's atmosphere has a positive and significant effect on customer loyalty.
- Price/Value has a positive and significant effect on customer loyalty.
- Staff has a positive and significant effect on customer loyalty.
- Location has a positive and significant effect on customer loyalty.

4.2. Analyzing the conceptual model using SEM

In the structural equation modeling, it is first necessary to study the structure's validity in order to determine if the identified indicators are accurate enough to measure the dimensions or the structures. The GOF index in the PLS model is a practical solution to this problem of examining the general fit of the model and acts as a fitting index in covariance-based methods, and can be used to check the validity or quality of the PLS model in general. This index acts like the LaserLeal fitting indexes and is between 0-1, and values close to 1 represent the quality of the model. The |t-value| of each indicator should be higher than 1.96. In this condition, the indicator has the required accuracy to measure the hidden attribute. In order to evaluate the convergence validity in the Smart PLS software, the AVE indicator is used. The value of this indicator varies between 0 and 1, and measures more than 0/4, are acceptable. For each sub-model, the AVE value described should be greater than the correlation values of that structure (sub-model) with another structure. To test the reliability, Cronbach's Alpha was used. The results of this analysis are presented in Table 5. According to this table, the calculated values show that reliability and validity are both at an appropriate level.

Table 5. Validity/reliability and fitness of model

Var.	Q	Path	t-value	Cronbach's alpha	R^2	AVE	GOF
Convenience	Q1	0.434	8.621	0.733	-	0.729	0.758
	Q2	0.635	14.718				
	Q3	0.730	28.957				
	Q4	0.858	61.560				
	Q5	0.862	92.257				
	Q6	0.856	60.432				
Service quality	Q1	0.566	11.999	0.756	-	0.628	
	Q2	0.672	18.345				
	Q3	0.396	6.668				
	Q4	0.696	23.187				
	Q5	0.555	12.771				
	Q6	0.704	23.757				
	Q7	0.651	16.529				
	Q8	0.662	22.773				
	Q9	0.673	21.189				
	Q10	0.672	16.561				
	Q11	0.664	21.245				
atmosphere	Q1	0.903	19.025	0.720	-	0.872	
	Q2	0.899	18.690				
	Q3	0.814	12.049				
Value	Q1	0.976	82.117	0.764	-	0.849	
	Q2	0.458	6.991				
	Q3	0.984	121.596				
	Q4	0.978	88.129				
Staff	Q1	0.877	90.492	0.850	-	0.761	
	Q2	0.781	28.018				
	Q3	0.686	18.252				
	Q4	0.701	12.877				
Location	Q1	0.693	6.438	0.849	-	0.740	
	Q2	0.836	12.877				
	Q3	0.693	6.438				
product	Q1	0.359	7.409	0.907	-	0.701	
	Q2	0.799	31.053				
	Q3	0.846	34.480				
	Q4	0.854	48.560				
	Q5	0.546	17.728				
	Q6	0.458	6.993				
	Q7	0.857	47.899				
	Q8	0.886	55.614				
	Q9	0.708	21.590				
Loyalty	Q1	0.325	4.808	0.898	0.894	0.720	
	Q2	0.968	189.542				
	Q3	0.968	211.487				
	Q4	0.622	13.344				

4.3. Hypothesis testing by Structural Equation Modeling

Customer loyalty research model which was designed in Smart PLS software, is a dependent variable, and, seven independent variables were; product, service quality, store atmosphere, store convenience, price/value, location, and staff. Structural equations are relations between latent and observable variables and are used to test the hypothesis. T-value at the confidence level of 95% was used to determine the significance of the relationship between the independent and the dependent variable. According that factor loads and t values are given numerically in Table 5, in order to avoid text contouring, the insertion of images related to the implementation of the model in a PLS software, was economized. Considering that the standard non-significant t-values are

between -1.96 and +1.96, one can study the structural equation model at the level of significance to examine the effect of loyalty dimensions on customer loyalty.

4.4. Analysis of the hypothesis

As it is observed in the following table, all |T-value| coefficients is over 1.96 for all of the paths, indicating that all hypothesis are confirmed. Considering these results, the following can be stated: The first hypothesis (the positive and significant effect of the product on customer loyalty), the second hypothesis (the positive and significant effect of service quality on customer loyalty), the third hypothesis (the positive and significant effect of store convenience on customer loyalty), the fourth hypothesis (the positive and significant effect of store atmosphere on customer loyalty), the fifth hypothesis (the positive and significant effect of price/value on customer loyalty), the sixth hypothesis (the positive and significant effect of staff on customer loyalty), and the seventh hypothesis (the positive and significant effect of location on customer loyalty) were confirmed. An explanation of the model's statistics is presented in the table 6. Note that the value of R2 in Table 5 indicates that the seven factors have been able to justify 89% of the loyalty changes in the hypermarkets in Isfahan.

Table 6. Summary of results of hypothesis testing

hypothesis	Independent variable	Dependent variable	Path coefficient	T statistic	Test result
1	The product	Customer loyalty	0.621	4.154	Confirmed
2	Service quality		0.100	2.248	Confirmed
3	Convenience		0.206	2.251	Confirmed
4	Atmosphere		0.193	2.029	Confirmed
5	Price/Value		0.412	2.506	Confirmed
6	Staff		0.222	2.862	Confirmed
7	Location		0.815	2.915	Confirmed

5. Conclusion and suggestion

5.1. Conclusion

Creating loyalty in customers is vital in any business performance, this study was conducted by analyzing the factors affecting customer loyalty to answer the questions of research. The first question was answered through exploratory factor analysis and Varimax rotation 40, and customer loyalty indicators were categorized into the seven dimensions of the product, service quality, store atmosphere, store convenience, price/value, location, and staff (table 5). Through statistical analyzes, the effect of each category of factors on customer loyalty was investigated in the form of the seven hypotheses. To test the hypothesis, the structural equation modeling was conducted in SmartPLS software and t-value was used. The hypothesis is confirmed at the confidence level of 95%. The results showed, a positive and significant relationship between the product, service quality, store atmosphere, store convenience, price/value, location, staff dimensions and customer loyalty. Considering the importance of the customer in the competitive world of today, and considering that based on previous studies, the cost of attracting new customers is far more than the cost of maintaining customer loyalty. Positive customer experience with the store leads to customer loyalty, the desire to buy more in the future, and recommending the store to other people. With appropriate behavior and skills, the staff can increase the willingness of customers to buy from the store. The findings of the present study are consistent with previous studies conducted by Konuk (2018) "positive impact of quality and value on consumers' purchase intentions"; Francioni et al. (2018) "increase of store loyalty through good atmosphere"; Shamah et al. (2017) "positive impact of environment, price, product and service on customers' loyalty"; Nikhashemi (2016) "direct effect of store attribute on customers' value and their loyalty to hypermarkets"; Nyadzayo and Khajehzadeh (2016) "direct relationship of customer value, service quality and customer loyalty"; Afande and John (2015) "price and positive image of hypermarket customers' loyalty"; Mafini and Dhurup (2015) "the positive effect of sales assistance, store atmospherics, store appeal, promotion and store accessibility to customer loyalty"; Sanaei et al. (2015) "indirect effect of quality, and value on customer loyalty". Hosseinzadeh et al., (2013) "positive effect of goods and reputation on customer loyalty"; Rastegar et al. (2013) "positive and effect of customers' mental image"

(Location, atmosphere, price/promotion, and product) on store loyalty"; and Ahmadi et al. (2012) "desirable level of customers loyalty through service quality". At present, no other study has examined the simultaneous effect of the variables presented in this study in the form of a structural equation model.

5.2. Suggestions

Regarding the acquisition of customer loyalty, the following is recommended according to the findings of this study: Considering the result of first hypothesis significant increasing product quality, the availability of up-to-date products in each product category, increasing the number of existing brands and their inventory stock to attract better and more purchases, using special packaging methods for a better and more attractive layout in the store and correctly notifying of products are recommended. Based on the results of the second hypothesis, it is recommended that attention is paid to the quality of the products in the organizational plans and policies. It is also recommended that customers become informed of quality of products in tangible ways and more emphasis is put on this dimension in the store's marketing and advertising activities. According to the result of third hypothesis, it is suggested that large stores increase the quality of their communications with their customers and make them loyal by building trust in them. Trust is the main factor that leads to customer loyalty. When customers trust a service provider, they not only constantly use its services, but also recommend them to others. Therefore, trust is the most important variable in the quality of the relationship. According to the result of forth hypothesis, appropriate arrangement of products for easy access, convenient store design for easy movement in the store, placing seats for customers to rest, especially near the cash registers, easy access to shopping gears, and possibility of carrying the cart to the car are recommended. As the result of fifth hypothesis, it is recommended that managers of big stores equip the store with beautiful decorations, pay attention to multimedia and lighting, as well as colors, color psychology, and music, create an aesthetic atmosphere, improve the environment and health of the store, so that they can turn shopping into a fun experience. Considering the result of sixth hypothesis, it is suggested that managers of major stores of Isfahan take the importance of this factor into account and keep their prices at a competitive level or equivalent to other large stores. Also, by expanding promotional pricing activities, the time span that customers return to the same store for shopping can be extended. Another effective factor is credit card facilities. In order to facilitate shopping, it is essential to install an adequate number of service counters in a store. Based on the results of the seventh hypothesis, the co-operation, respectfulness, and appearance of the personnel who deal with customers have a direct relationship with the amount of loyalty and their subsequent referrals. It is suggested that efforts be made to maintain the employees at a quality level by developing human resources strategic plans, motivating the employees (materially and spiritually), holding training courses, using a workplace uniform, and improving their appearance. As the eighth hypothesis, it is suggested that convenient and free parking lots be provided to customers. In the case of space constraints, mechanized parking's can also be used.

According to this finding that the most influential factor in customer loyalty is the location of hypermarkets, it is advisable to pay attention to the scientific locating of these types of stores, when founding. Since the construction of such stores costs a lot of money, it is recommended to consider the amount of location studies before doing this. In this regard, the use of mathematical models, linear programming, and multi-criteria decision-making models is also recommended to enrich location surveys.

Since the second factor affecting the customer loyalty is product-related factors, special attention should be paid to contracting suppliers. The quality of the goods, the time of supply and the price of the goods are among the most important factors that were recognized in this study. Using mathematical models to select the best suppliers, using JIT models to save time on delivery to customers and using lean models to lower the final price of products offered in these stores is recommended to top managers and decision makers in supermarkets.

5.3. Limitations

This study has some limitations: 1) the presented research was conducted based particularly on Hypermarket sector; therefore, results cannot be generalized to other sectors of economy or market. Future research should focus on measuring customer loyalty with wholesales and other service industries. In addition, it would be useful to consult on studies from other regions of country, since the use of an identical model would be useful to

compare the results. 2) Limited resources and time, resulted in a small sample and, therefore, the findings cannot be generalized to all Hypermarket's loyal customers. Future research is required to collect data from the customers of different Hypermarkets and increase the sample size. 3) This research's model entailed a total of seven variables and customers loyalty. This model can be developed with different variables. In order to examine improvements to the instrument, longitudinal research could be conducted by ingeminate the study in analogous settings over different time phases.

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