INCREASE CUSTOMER SATISFACTION OF PUBLIC MARKET IN INDONESIA WITH NON-LINEAR SEM-PLS

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ABSTRACT

The purpose of this study is to determine the factors that can measure utilitarian and hedonic value and the influence of utilitarian and hedonic value to customer satisfaction. Sampling technique in this research is purposive sampling method. The sample in this research is surabaya adolescents aged 17 years and above and has last education of high school. The method used in this research is Non-Linear SEM-PLS method, where the utilitarian value and hedonic value are second order. Utilitarian value in this research is measured by formative indicator that is, entertainment, exploration, place attachment and social status and hedonic value variable measured by formative indicator that is, entertainment, exploration, place attachment and social status. The results of the research inform that utilitarian value variable can be measured by monetary saving, selection, convenience and customized product indicator and hedonic value variable can be measured by entertainment, exploration, place attachment and social status indicator. The results of this study suggest that utilitarian and hedonic value influence significantly to customer satisfaction. The implication of this study provide an overview of the behavior of mall visitors in Surabaya so it can help the manager to arrange various marketing strategies related to customer behavior

Keywords: Utilitarian Value, Hedonic Value, Customer Satisfaction, Non Linier SEM-PLS

1. INTRODUCTION

Surabaya is one of the 2nd metropolises in Indonesia and the capital of East Java province. Population density surabaya that reached 3,057,766 people recorded August 2017, the estimated population is increasing because many residents outside Surabaya who domiciled in surabaya not recorded as a citizen of surabaya. Central Statistics Agency surabaya informed that every year economic growth in surabaya city increased, this is indicated by the value of

Gross Regional Domestic Product (GRDP) continues to grow every year. One of the main causes of Surabaya's Gross Domestic Product GRDP growth is large and retail in Surabaya. The rise of commercial activity in Surabaya has an impact on the establishment of traditional and modern traditions. One of the real effects of high trading activity is the establishment of new malls in Surabaya.

The phenomenon of the emergence of new malls in Surabaya, making Surabaya as one of the busy cities in Indonesia. The facts inform that the occupancy rate of malls in the city surabaya reach 90%, especially in the mall - mall middle class down, it shows that the business prospects in the city surabaya still promising. The phenomenon of the emergence of malls in Surabaya supported by the shopping culture of the city of Surabaya is more lively than the culture of saving. Another factor that supports the establishment of new malls in Surabaya because of the increasing demands of society associated with convenience and practicality of shopping. This fact makes the business innovate to win business competition by way of setting up new malls - malls that mencover the needs of these communities.

Increasing business competition in surabaya city resulted in businessmen have to compete to get the sympathy of the customers. One of the factors to get the customers' sympathy by looking at customer satisfaction when shopping at the mall. Customer satisfaction is a response to the evaluation process when customer goals related to the purchase and use of products and services satisfy and is an achievement. After purchasing and using the product, customers evaluate the experience and performance of the product in their expectation [1, 2, 3]. Some researchers conclude that customer satisfaction is influenced by utilitarian value and hedonic value, where utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5]. Hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional motives. Taking into account the factors that affect customer satisfaction will provide information kepasa businessman how to treat customers so that customers sympathy.

Several studies have shown different results relating to the effect of utilitarian value on customer satisfaction, among others, [6,7,8,9, 10] informed that utilitarian value have a positive effect on customer satisfaction while research conducted by [11] informs that utilitarian value negatively affects customer satisfaction. Several studies have shown harmonious results related to the influence of hedonic value on customer satisfaction, among others [8,9,10,11] informed that hedonic value has a positive effect on customer satisfaction. Utilitarian value and hedonic value in this research are second order, where formative indicators that measure utilitarian variable are entertainment, exploration, place attachment and social status whereas formative indicators that measure hedonic value variable are entertainment, exploration, place attachment and social status [9.12].

2. LITERATURE REVIEW

In the shopping activities undertaken by the consumer, a person is motivated by various psychological needs as well as factors of the value of a product. According to [13,14] motive is something that incites behavior to meet internal needs. As for some research done by previous experts about consumer spending motivation.

2.1. Customer satisfaction

According to [1,2,3], customer satisfaction is a response to the evaluation process when customer goals related to the purchase and use of products and services satisfy and is an achievement. After purchasing and using the product, customers evaluate the experience and performance of the product in their expectation. According to [15], customer satisfaction is the feeling of pleasure or disappointment of a person resulting from a comparison of the performance or outcome of a product related to the person's expectations. According to [9] customer satisfaction is considered as an assessment made by the customer on the experience of using a product at least as good as the customer expected. According to [16] customer satisfaction is defined as an evaluation process in which customers compare expectations before receiving services and after receiving services.

2.2. Utilitarian value

In utilitarian value, consumers view shopping activities as goal-oriented experiences and will complete shopping activities when consumers have already acquired the goods or services they desire [17,18]. The definition of utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called the rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5].

2.3. Hedonic value

According to [27], customers who have hedonic motivations while shopping have the view that shopping is a pleasure and pleasure and will consider shopping mall as a place for entertainment and exploration. According to [27], hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional motives. According [29], factors affecting customer hedonic value in shopping at malls are entertainment, exploration, place attachment, and social status.

2.4. Utilitarian Value on Customer Satisfaction

In utilitarian value, consumers view shopping activities as goal-oriented experiences and will complete shopping activities when consumers have already acquired the goods or services they desire [17,18]. The definition of utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called the rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5]. [7,8,9,10] inform that utilitarian value have positive effect to customer satisfaction while [11] informs that utilitarian value negatively affects customer satisfaction. From the illustration above, the hypothesis is built as follows:
H1: Influence Utilitarian Value on Customer Satisfaction

2.5. Hedonic Value on Customer Satisfaction

According to [27] customers who have hedonic motivation while shopping have the view that shopping is a pleasure and pleasure and will consider shopping malls as a place for entertainment and exploration. According to [27] some customers visited the mall just for places for recreation and entertainment. According to [4], hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional

motives [8,9,10,11] informs that hedonic value has a positive effect on customer satisfactio. From the illustration above, the hypothesis is built as follows:

H2: Influence hedonic value on customer satisfaction

3. RESEARCH METHOD

The purpose of this research is to know the influence of utilitarian value and hedonic value to customer satisfaction. The sampling technique used in this research is purposive sampling. Sources of data in the study obtained through the primary data obtained through the preparation of questionnaires according to the reference journal. The populations in the study were STIE Perbanas students who had visited and shop at malls in Surabaya. The sample in this research is surabaya teenager who has visited and shop at mall in Surabaya at least 1 time in the last 1 month, more than 17 years old and above. The method of analysis in this study using Structural Equation Modeling Partial Least Square (SEM-PLS). SEM-PLS analysis is divided into 2 stages namely, outer model and inner model. Outer model is used to see the validity and reliability of the indicator of the latent variable while the Inner model is used to see the significance of the path / test of influence between the latent variables.

The Outer model in this study is divided into 2, ie, explanatory factor analysis (EFA) is used if the indicator that measures the latent variable is formative and the confirmatory factor analysis (CFA) is used if the indicator measuring the latent variable is reflective. Confirmatori factor analyse, an indicator is said to be valid if loading factor value indicator that measures latent variable> 0,4 and average variance extracted (AVE) value> 0,5 while indicator is reliable if composite reliability (CR) and cronbach alpha (CA)> 0.7. Explanatory factor analysis, an indicator is valid if the value of loading factor indicator that measures latent variables> 0.4 and significance value <0.05 while the indicator is said to be reliable if the value of composite reliability (CR) and cronbach alpha> 0.7. Inner model in this study used to see the significance of the path / test of influence between latent variables, a path in say signfikan if the value of Tstatistik count> 1.96.

The variable in this research is divided into 2, namely exogenous and endogenous variables. Exogenous variables in this research are utilitarian value and hedonic value while endogenous variable in this research is customer satisfaction which is presented in table 1. Exogenous variables in this research are second order and formative, where utilitarian value is measured by variable monetary saving (MS), selection (S), convenience (C) and customized product (CP) while hedonic value is measured by entertainment (E), exploration (AT), place attachment (PA) and social status.

4. DATA ANALYSIS AND DISCUSSION

The data obtained in this study as many as 1197 data from 1230 questionnaires scattered, from 1197 data obtained in tabulation and in screning data. Then get 1177 data that can be used based on the completeness of the data and in accordance with the desired option researchers (data meet minimum requirements). After screning the next data in doing data analysis based on the framework and research hypothesis by using nonlinear SEM-PLS method using WARP-PLS 5.0 assistance. The result of data analysis is divided into 2 yatiu outer model and inner model, where outer model is divided into 2 stages namely first order and second order, while inner model see influence test between latent variables.

4.1. Outer Model - Confirmatory Factor Analysis

Outer model in this research using confirmatory factor analysis method. Confirmatory factor analysis is used to determine the validity and reliability of indicators against latent variables. An indicator is said to be valid and reliable if the loading value of the indicator factor

measures the latent variable> 0.4 and the average variance extracted (ave)> 0.5 and the composite reliability (cr)> 0.7. The results of confirmatory factor analysis based on table 2 indicate that each indicator measures monetary saving (ms), selection (s), convenience (c), customized product (c), entertainment (e), exploration (exp), place attachment (pa) and social status (ss), it is shown that all values of loading factors that measure the variable> 0.4, all ave values>> 0 and all values of cr and ca> 0.7. Next will be done second order outer model analysis, second order in this research is explanatory factor analysis. Explanatory factor analysis is used to determine the validity and reliability of indicators against latent variables. An indicator is said to be valid and reliable if the loading value of the indicator factor measuring the latent variable is> 0.4 and significant and the value of composite reliability (cr)> 0.7. The result of explanatory factor analysis based on table 3 informs indicators that measure ultilitarian value (UV) and hedonic value (HV) is valid and reliable, it is indicated that all value loading factor indicator that measure its variable> 0,4 and semuan significant value its <0.5.

Table 1 Loading Factor, *AVE,* Composite Reliability, Croncbach Alpha

Variabel	Indicator	Loading Factor								AVE	CR	CA
		MS	S	C	CP	E	EXP	PA	SS			
MS	MS1	0.855	-0.031	0.108	-0.334	0.061	0.010	-0.026	0.016	0.772	0.910	0.852
	MS2	0.905	0.239	-0.192	0.255	-0.020	-0.137	0.100	-0.001			
	MS3	0.874	-0.218	0.093	0.063	-0.039	0.133	-0.078	-0.014			
S	S1	0.032	0.879	-0.076	-0.030	0.458	-0.273	0.018	0.036	0.737	0.894	0.821
	S2	0.061	0.850	-0.215	0.070	-0.153	0.137	-0.292	0.253			
	S3	-0.095	0.846	0.295	-0.039	-0.322	0.146	0.274	-0.293			
C	C1	0.148	0.089	0.904	-0.068	-0.241	0.178	-0.167	0.144	0.818	0.900	0.777
	C2	-0.148	-0.089	0.904	0.068	0.241	-0.178	0.167	-0.144			
CP	CP1	-0.082	0.162	0.028	0.891	-0.245	0.019	0.025	-0.210	0.767	0.908	0.848
	CP2	0.092	-0.112	0.233	0.887	-0.350	0.169	-0.121	0.235			
	CP3	-0.010	-0.053	-0.272	0.850	0.622	-0.196	0.101	-0.026			
E	E1	-0.023	0.064	-0.077	0.288	0.885	-0.490	0.102	0.065	0.809	0.927	0.881
	E2	0.113	-0.060	0.020	-0.296	0.927	0.035	-0.066	-0.013			
	E3	-0.095	-0.001	0.056	0.023	0.885	0.453	-0.033	-0.051			
EXP	EXP1	-0.132	0.241	-0.196	0.132	0.132	0.870	-0.270	0.285	0.764	0.907	0.846
	EXP2	0.030	-0.121	-0.063	-0.032	0.060	0.891	-0.161	0.075			
	EXP3	0.103	-0.117	0.262	-0.101	-0.196	0.862	0.439	-0.365			
PA	PA1	-0.068	-0.221	0.283	-0.066	-0.075	0.067	0.877	-0.294	0.731	0.891	0.816
	PA2	-0.195	0.439	-0.336	0.016	-0.104	0.171	0.846	-0.186			
	PA3	0.267	-0.211	0.043	0.052	0.182	-0.242	0.842	0.493			
SS	SS1	0.049	-0.195	-0.022	0.062	0.060	-0.023	0.075	0.948	0.899	0.947	0.888
	SS2	-0.049	0.195	0.022	-0.062	-0.060	0.023	-0.075	0.948			

Source: Process by Warp-PLS 5.0

Monetary saving (MS), selection (S), convenience (C) and customized product (CP) are the second and formative utilitarian value indicators. Furthermore, to see whether monetary saving (MS), selection (S), convenience (C) and customized product (CP) can measure utilitarian value by first obtaining monetary saving (MS), selection (S), convenience (C) and customized product (CP) each named lv_MS, lv_s, lv_C and lv_Cp. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, monetary saving (MS), selection (S), convenience (C) and customized product (CP) are able to measure well the utilitarian value, this is indicated by all loading factor values lv_MS, lv_s, lv_C and lv_Cp> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05.

Table 2 LF, AVE, CR dan CA, R-Square, Adj R-Square second Order SEM-PLS

Variabel	Indicator	LF	Pvalue	AVE	CR	CA	R-Square	Adj R-Square
UV	lv_MS	0.878	<0.001	-	-	-	-	-
	lv_S	0.924	<0.001					
	lv_C	0.913	<0.001					
	lv_CP	0.914	<0.001					
HV	lv_E	0.926	<0.001	-	-	-	-	-
	lv_EXP	0.915	<0.001					
	lv_PA	0.927	<0.001					
	lv_SS	0.901	<0.001					
CS	CS1	0.934		0.871	0.931	0.852	0.735	0.732
	CS2	0.934						

Source: Process by Warp-PLS 5.0

Monetary saving (MS), selection (S), convenience (C) and customized product (CP) are the second and formative utilitarian value indicators. Furthermore, to see whether monetary saving (MS), selection (S), convenience (C) and customized product (CP) can measure utilitarian value by first obtaining monetary saving (MS), selection (S), convenience (C) and customized product (CP) each named lv_MS, lv_s, lv_C and lv_Cp. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, monetary saving (MS), selection (S), convenience (C) and customized product (CP) are able to measure well the utilitarian value, this is indicated by all loading factor values lv_MS, lv_s, lv_C and lv_Cp> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05.

Entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are hedonic value indicators that are both order and formative. Furthermore, to see whether entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are able to measure hedonic value by first obtaining entertainment factor score (E), exploration (Exp), place attachment PA) and social status (SS) each named lv_E, lv_Exp, lv_PA and lv_SS. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are able to measure well the utilitarian value, this is indicated by all loading values of factor name lv_E, lv_Exp, lv_PA and lv_SS> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05.

CS1 and CS2 are customer satisfaction (CS) indicators that are first order and reflexive. A reflexive indicator is said to measure well if the variable is valid and reliable ie, value loading factor> 0.4, AVE value <0.5, CA and CR value> 0.7. Based on table 2, CS1 and CS2 are capable of measuring customer satisfaction (CS) well (valid and reliable), it is indicated by all loading values> 0.4, AVE> 0.5 and CA & CR> 0.7

Table 3 Path Coeficient and Pvalue

Variable	Path Coefisien	Pvalue	Result
Ultilitarian value --> C. Satisfaction	0,211	< 0,01	Affected
Hedonic value --> C. Satisfaction	0,658	< 0,01	Affected

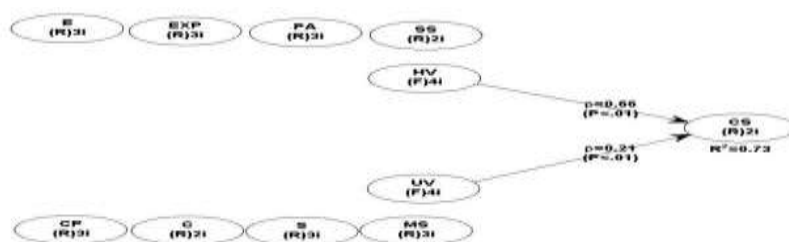Source: Process by Warp-PLS 5.0

Figure 1 Structural Equation model of Customer Satisfaction.

Source: Process by Warp-PLS 5.0

4.2. Utilitarian Value on Customer Satisfaction

The first hypothesis testing is done to determine the effect of utilitarian value to customer satisfaction. Table 3 informs that the value of ulitarian value coefficient value to customer satisfaction is 0.211 with Pvalue value <0.01, it can be concluded that utilitarian value positively influence to customer satisfaction (Hypothesis 1 accepted). These results indicate that any change in utilitarian value increase will affect changes in customer satisfaction and vice versa, which means that the higher consumer perception that mall meets the utilitarian values formed from monetary saving (MS), selection (S), convenience (C) and customized product (CP) then the more satisfied consumers. The results of this study support [6,7,8,9,10] show that utilitarian value have positive effect to customer satisfaction.

4.3. Hedonic Value on Customer Satisfaction

The first hypothesis testing is done to determine the influence of hedonic value to customer satisfaction. Table 3 indicates that the hedonic value coefficient value value to customer satisfaction is 0.658 with Pvalue value <0.01, it can be concluded that hedonic value has positive effect on customer satisfaction (Hypothesis 2 accepted). These results indicate that any change in the increase in hedonic value will affect changes in customer satisfaction and vice versa, which means that the higher consumer perceptions of the mall meet the utilitarian values formed from entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) then the more satisfied consumers. The results of this study support the research of [8,9,10,11].

5. CONCLUSION

The results of this study inform that all observable items of each variable are able to explain well construct, with good results it can be concluded that Utilitarian value formatively can be measured by monetary saving, selection, convenience and customized product indicator whereas hedonic value can formatively measure with entertainment indicators, exploration, place attachment and social status. The results also informed that utilitarian and hedonic value significantly influence customer satisfaction. This research can give description about the behavior of mall visitor in Surabaya so that it can help the manager to arrange various marketing strategy related to customer behavior, so that can be obtained competitive advantage that distinguish between one mall with another. Local government should also have to support the development of various malls in the city of Surabaya is expected to be able to further promote economic growth in the city of Surabaya, especially in the field of retail trade.

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LEMBAR
HASIL PENILAIAN SEJAWAT SEBIDANG ATAU *PEER REVIEW*
KARYA ILMIAH: JURNAL ILMIAH

Judul Jurnal Ilmiah (Artikel) : INCREASE CUSTOMER SATISFACTION OF PUBLIC MARKET IN IINDONESIA WITH NONLINEAR SEM-PLS

Penulis Jurnal Ilmiah : Moch Bisyri Effendi

Status Penulis : Penulis Mandiri

Identitas Jurnal Ilmiah :
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Surabaya, 13 November 2018

Reviewer 1

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Penggunaan SEM-PLS dalam penelitian ini sudah tepat untuk menjawab rumusan masalah dan menyesuaikannya dengan karakteristik data dan topik.

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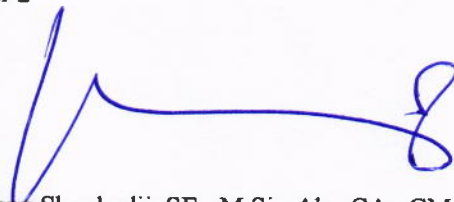
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International Journal of Civil Engineering and Technology (IJCIET) Volume 9, Issue 7, July 2018, pp. 1394–1402, Article ID: IJCIET_09_07_147 Available online at http://www.iaeme.com/ijciet/issues.asp?JType=IJCIET&VType=9&IType=7 ISSN Print: 0976-6308 and ISSN Online: 0976-6316 © IAEME Publication Scopus Indexed INCREASE CUSTOMER SATISFACTION OF PUBLIC MARKET IN INDONESIA WITH NON- LINEAR SEM-PLS Moch Bisyri Effendi Accounting Department, STIE Perbanas, Surabaya, Indonesia ABSTRACT The purpose of this study is to determine the factors that can measure utilitarian and hedonic value and the influence of utilitarian and hedonic value to customer satisfaction. Sampling technique in this research is purposive sampling method. The sample in this research is surabaya adolescents aged 17 years and above and has last education of high school. The method used in this research is Non-Linear SEM-PLS method, where the utilitarian value and hedonic value are second order. Utilitarian

value in this research is measured by formative indicator that is, entertainment, exploration, place attachment and social status and hedonic value variable measured by formative indicator that is, entertainment, exploration, place attachment and social status. The results of the research inform that utilitarian value variable can be measured by monetary saving, selection, convenience and customized product indicator and hedonic value variable can be measured by entertainment, exploration, place attachment and social status indicator. The results of this study suggest that utilitarian and hedonic value influence significantly to customer satisfaction. The implication of this study provide an overview of the behavior of mall visitors in Surabaya so it can help the manager to arrange various marketing strategies related to customer behavior Keywords: Utilitarian Value, Hedonic Value, Customer Satisfaction, Non Linier SEM-PLS Cite this Article: Moch Bisyri Effendi, Increase Customer Satisfaction of Public Market in Indonesia with Non- Linear Sem-Pls, International Journal of Civil Engineering and Technology, 9(7), 2018, pp. 1394–1402.
http://www.iaeme.com/IJCIET/issues.asp?JType=IJCIET&VType=9&IType=7
1. INTRODUCTION Surabaya is one of the 2nd metropolises in Indonesia and the capital of East Java province. Population density surabaya that reached 3,057,766 people recorded August 2017, the estimated population is increasing because many residents outside Surabaya who domiciled in surabaya not recorded as a citizen of surabaya. Central Statistics Agency surabaya informed that every year economic growth in surabaya city increased, this is indicated by the value of Gross Regional Domestic Product (GRDP) continues to grow every year. One of the main causes of Surabaya's Gross Domestic Product GRDP growth is large and retail in Surabaya. The rise of commercial activity in Surabaya has an impact on the establishment of traditional and modern traditions. One of the real effects of high trading activity is the establishment of new malls in Surabaya. The phenomenon of the emergence of new malls in Surabaya, making Surabaya as one of the busy cities in Indonesia. The facts inform that the occupancy rate of malls in the city surabaya reach 90%, especially in the mall - mall middle class down, it shows that the business prospects in the city surabaya still promising. The phenomenon of the emergence of malls in Surabaya supported by the shopping culture of the city of Surabaya is more lively than the culture of saving. Another factor that supports the establishment of new malls in Surabaya because of the increasing demands of society associated with convenience and practicality of shopping. This fact makes the business innovate to win business competition by way of setting up new malls - malls that mencover the needs of these communities. Increasing business competition in surabaya city resulted in businessmen have to compete to get the sympathy of the customers. One of the factors to get the customers' sympathy by looking at customer satisfaction when shopping at the mall. Customer satisfaction is a response to the evaluation process when customer goals related to the purchase and use of products and services satisfy and is an achievement. After purchasing and using the product, customers evaluate the experience and performance of the product in their expectation [1, 2, 3]. Some researchers conclude that customer satisfaction is influenced by utilitarian value and hedonic value, where utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5]. Hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional motives. Taking into account the factors that affect customer

satisfaction will provide information kepasa businessman how to treat customers so that customers sympathy. Several studies have shown different results relating to the effect of utilitarian value on customer satisfaction, among others, [6,7,8,9, 10] informed that utilitarian value have a positive effect on customer satisfaction while research conducted by [11] informs that utilitarian value negatively affects customer satisfaction. Several studies have shown harmonious results related to the influence of hedonic value on customer satisfaction, among others [8,9,10,11] informed that hedonic value has a positive effect on customer satisfaction. Utilitarian value and hedonic value in this research are second order, where formative indicators that measure utilitarian variable are entertainment, exploration, place attachment and social status whereas formative indicators that measure hedonic value variable are entertainment, exploration, place attachment and social status [9.12]. 2. LITERATURE REVIEW In the shopping activities undertaken by the consumer, a person is motivated by various psychological needs as well as factors of the value of a product. According to [13,14] motive is something that incites behavior to meet internal needs. As for some research done by previous experts about consumer spending motivation. 2.1. Customer satisfaction According to [1,2,3], customer satisfaction is a response to the evaluation process when customer goals related to the purchase and use of products and services satisfy and is an achievement. After purchasing and using the product, customers evaluate the experience and performance of the product in their expectation. According to [15], customer satisfaction is the feeling of pleasure or disappointment of a person resulting from a comparison of the performance or outcome of a product related to the person's expectations. According to [9] customer satisfaction is considered as an assessment made by the customer on the experience of using a product at least as good as the customer expected. According to [16] customer satisfaction is defined as an evaluation process in which customers compare expectations before receiving services and after receiving services. 2.2. Utilitarian value In utilitarian value, consumers view shopping activities as goal-oriented experiences and will complete shopping activities when consumers have already acquired the goods or services they desire [17,18]. The definition of utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called the rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5]. 2.3. Hedonic value According to [27], customers who have hedonic motivations while shopping have the view that shopping is a pleasure and pleasure and will consider shopping mall as a place for entertainment and exploration. According to [27], hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional motives. According [29], factors affecting customer hedonic value in shopping at malls are entertainment, exploration, place attachment, and social status. 2.4. Utilitarian Value on Customer Satisfaction In utilitarian value, consumers view shopping activities as goal-oriented experiences and will complete shopping activities when consumers have already acquired the goods or services they desire [17,18]. The definition of utilitarian value is the motive that encourages consumers to buy products because of the functional benefits and objective characteristics of the product and also called the rational motives [4]. Customers with utilitarian spending motivation perceive the benefits derived depending on whether the shopping activities can be solved efficiently or not [5]. [7,8,9,10] inform that utilitarian value have positive effect to customer satisfaction while [11] informs that utilitarian value negatively affects customer satisfaction. From the illustration above,

the hypothesis is built as follows: H1: Influence Utilitarian Value on Customer Satisfaction 2.5. Hedonic Value on Customer Satisfaction According to [27] customers who have hedonic motivation while shopping have the view that shopping is a pleasure and pleasure and will consider shopping malls as a place for entertainment and exploration. According to [27] some customers visited the mall just for places for recreation and entertainment. According to [4], hedonic value is the motivation of psychological needs such as satisfaction, prestige, emotion, and other subjective feelings. These needs often arise to meet social and aesthetic demands and are also called emotional motives [8,9,10,11] informs that hedonic value has a positive effect on customer satisfactio. From the illustration above, the hypothesis is built as follows: H2: Influence hedonic value on customer satisfaction 3. RESEARCH METHOD The purpose of this research is to know the influence of utilitarian value and hedonic value to customer satisfaction. The sampling technique used in this research is purposive sampling. Sources of data in the study obtained through the primary data obtained through the preparation of questionnaires according to the reference journal. The populations in the study were STIE Perbanas students who had visited and shop at malls in Surabaya. The sample in this research is surabaya teenager who has visited and shop at mall in Surabaya at least 1 time in the last 1 month, more than 17 years old and above. The method of analysis in this study using Structural Equation Modeling Partial Least Square (SEM-PLS). SEM-PLS analysis is divided into 2 stages namely, outer model and inner model. Outer model is used to see the validity and reliability of the indicator of the latent variable while the Inner model is used to see the significance of the path / test of influence between the latent variables. The Outer model in this study is divided into 2, ie, explanatory factor analysis (EFA) is used if the indicator that measures the latent variable is formative and the confirmatory factor analysis (CFA) is used if the indicator measuring the latent variable is reflective. Confirmatori factor analyse, an indicator is said to be valid if loading factor value indicator that measures latent variable> 0,4 and average variance extracted (AVE) value> 0,5 while indicator is reliable if composite reliability (CR) and cronbach alpha (CA)> 0.7. Explanatory factor analysis, an indicator is valid if the value of loading factor indicator that measures latent variables> 0.4 and significance value <0.05 while the indicator is said to be reliable if the value of composite reliability (CR) and cronbach alpha> 0.7. Inner model in this study used to see the significance of the path / test of influence between latent variables, a path in say signfikan if the value of Tstatistik count> 1.96. The variable in this research is divided into 2, namely exogenous and endogenous variables. Exogenous variables in this research are utilitarian value and hedonic value while endogenous variable in this research is customer satisfaction which is presented in table 1. Exogenous variables in this research are second order and formative, where utilitarian value is measured by variable monetary saving (MS), selection (S), convenience (C) and customized product (CP) while hedonic value is measured by entertainment (E), exploration (AT), place attachment (PA) and social status. 4. DATA ANALYSIS AND DISCUSSION The data obtained in this study as many as 1197 data from 1230 questionnaires scattered, from 1197 data obtained in tabulation and in screning data. Then get 1177 data that can be used based on the completeness of the data and in accordance with the desired option researchers (data meet minimum requirements). After screning the next data in doing data analysis based on the framework and research hypothesis by using nonlinear SEM-PLS method using WARP-PLS 5.0 assistance. The result of data analysis is divided into 2 yatiu outer model and inner model, where outer model is divided into 2 stages namely first order and second order, while inner model see influence test between latent variables. 4.1. Outer Model - Confirmatory Factor Analysis Outer model in this

research using confirmatory factor analysis method. Confirmatory factor analysis is used to determine the validity and reliability of indicators against latent variables. An indicator is said to be valid and reliable if the loading value of the indicator factor measures the latent variable> 0.4 and the average variance extracted (ave)> 0.5 and the composite reliability (cr)> 0.7. The results of confirmatory factor analysis based on table 2 indicate that each indicator measures monetary saving (ms), selection (s), convenience (c), customized product (c), entertainment (e), exploration (exp), place attachment (pa) and social status (ss), it is shown that all values of loading factors that measure the variable> 0.4, all ave values>> 0 and all values of cr and ca> 0.7. Next will be done second order outer model analysis, second order in this research is explanatory factor analysis. Explanatory factor analysis is used to determine the validity and reliability of indicators against latent variables. An indicator is said to be valid and reliable if the loading value of the indicator factor measuring the latent variable is> 0.4 and significant and the value of composite reliability (cr)> 0.7. The result of explanatory factor analysis based on table 3 informs indicators that measure ultilitarian value (UV) and hedonic value (HV) is valid and reliable, it is indicated that all value loading factor indicator that measure its variable> 0,4 and semuan significant value its <0.5. Table 1 Loading Factor, AVE, Composite Reliability, Croncbach Alpha Variabel Indicator MS S C Loading Factor E CP EXP PA SS AVE CR CA MS1 0.855 -0.031 0.108 -0.334 0.061 0.010 -0.026 0.016 MS MS2 0.905 0.239 -0.192 0.255 -0.020 -0.137 0.100 -0.001 0.772 0.910 0.852 MS3 0.874 -0.218 0.093 0.063 -0.039 0.133 -0.078 -0.014 S1 0.032 0.879 -0.076 -0.030 0.458 -0.273 0.018 0.036 S S2 0.061 0.850 -0.215 0.070 -0.153 0.137 -0.292 0.253 0.737 0.894 0.821 S3 -0.095 0.846 0.295 -0.039 -0.322 0.146 0.274 -0.293 C C1 0.148 0.089 0.904 -0.068 -0.241 0.178 -0.167 0.144 0.818 0.900 0.777 C2 -0.148 -0.089 0.904 0.068 0.241 -0.178 0.167 -0.144 CP1 -0.082 0.162 0.028 0.891 -0.245 0.019 0.025 -0.210 CP CP2 0.092 -0.112 0.233 0.887 -0.350 0.169 -0.121 0.235 0.767 0.908 0.848 CP3 -0.010 -0.053 -0.272 0.850 0.622 -0.196 0.101 -0.026 E1 -0.023 0.064 -0.077 0.288 0.885 -0.490 0.102 0.065 E E2 0.113 -0.060 0.020 -0.296 0.927 0.035 -0.066 -0.013 0.809 0.927 0.881 E3 -0.095 -0.001 0.056 0.023 0.885 0.453 -0.033 -0.051 EXP1 -0.132 0.241 -0.196 0.132 0.132 0.870 -0.270 0.285 EXP EXP2 0.030 -0.121 -0.063 -0.032 0.060 0.891 -0.161 0.075 0.764 0.907 0.846 EXP3 0.103 -0.117 0.262 -0.101 -0.196 0.862 0.439 -0.365 PA1 -0.068 -0.221 0.283 -0.066 -0.075 0.067 0.877 -0.294 PA PA2 -0.195 0.439 -0.336 0.016 -0.104 0.171 0.846 -0.186 0.731 0.891 0.816 PA3 0.267 -0.211 0.043 0.052 0.182 -0.242 0.842 0.493 SS SS1 0.049 -0.195 -0.022 0.062 0.060 -0.023 0.075 0.948 0.899 0.947 0.888 SS2 -0.049 0.195 0.022 -0.062 -0.060 0.023 -0.075 0.948 Source: Process by Warp-PLS 5.0 Monetary saving (MS), selection (S), convenience (C) and customized product (CP) are the second and formative utilitarian value indicators. Furthermore, to see whether monetary saving (MS), selection (S), convenience (C) and customized product (CP) can measure utilitarian value by first obtaining monetary saving (MS), selection (S), convenience (C) and customized product (CP) each named lv_MS, lv_s, lv_C and lv_Cp. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, monetary saving (MS), selection (S), convenience (C) and customized product (CP) are able to measure well the utilitarian value, this is indicated by all loading factor values lv_MS, lv_s, lv_C and lv_Cp> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05. Table 2 LF, AVE, CR dan CA, R-Square, Adj R-Square second Order SEM-PLS Variabel Indicator LF Pvalue AVE CR CA R-Square Adj R- Square UV lv_MS lv_S lv_C lv_CP 0.878 0.924 0.913 0.914 <0.001 <0.001 <0.001 <0.001 - - - - - HV lv_E lv_EXP lv_PA lv_SS 0.926 0.915 0.927 0.901 <0.001 <0.001 <0.001 <0.001 - - - - - CS CS1 CS2

0.934 0.934 0.871 0.931 0.852 0.735 0.732 Source: Process by Warp-PLS 5.0 Monetary saving (MS), selection (S), convenience (C) and customized product (CP) are the second and formative utilitarian value indicators. Furthermore, to see whether monetary saving (MS), selection (S), convenience (C) and customized product (CP) can measure utilitarian value by first obtaining monetary saving (MS), selection (S), convenience (C) and customized product (CP) each named lv_MS, lv_s, lv_C and lv_Cp. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, monetary saving (MS), selection (S), convenience (C) and customized product (CP) are able to measure well the utilitarian value, this is indicated by all loading factor values lv_MS, lv_s, lv_C and lv_Cp> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05. Entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are hedonic value indicators that are both order and formative. Furthermore, to see whether entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are able to measure hedonic value by first obtaining entertainment factor score (E), exploration (Exp), place attachment PA) and social status (SS) each named lv_E, lv_Exp, lv_PA and lv_SS. A formative second order indicator is said to measure well if loading factor> 0.4 and significance value <0.05. Based on table 2, entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) are able to measure well the utilitarian value, this is indicated by all loading values of factor name lv_E, lv_Exp, lv_PA and lv_SS> 0.4 and all significant values of lv_MS, lv_s, lv_C and lv_Cp <0.05. CS1 and CS2 are customer satisfaction (CS) indicators that are first order and reflexive. A reflexive indicator is said to measure well if the variable is valid and reliable ie, value loading factor> 0.4, AVE value <0.5, CA and CR value> 0.7. Based on table 2, CS1 and CS2 are capable of measuring customer satisfaction (CS) well (valid and reliable), it is indicated by all loading values> 0.4, AVE> 0.5 and CA & CR> 0.7 Table 3 Path Coeficient and Pvalue Variable Path Coefisien Pvalue Result Ultilitarian value --> C. Satisfaction 0,211 < 0,01 Affected Hedonic value --> C. Satisfaction 0,658 < 0,01 Affected Source: Process by Warp-PLS 5.0 Figure 1 Structural Equation model of Customer Satisfaction. Source: Process by Warp-PLS 5.0 4.2. Utilitarian Value on Customer Satisfaction The first hypothesis testing is done to determine the effect of utilitarian value to customer satisfaction. Table 3 informs that the value of ulitarian value coefficient value to customer satisfaction is 0.211 with Pvalue value <0.01, it can be concluded that utilitarian value positively influence to customer satisfaction (Hypothesis 1 accepted). These results indicate that any change in utilitarian value increase will affect changes in customer satisfaction and vice versa, which means that the higher consumer perception that mall meets the utilitarian values formed from monetary saving (MS), selection (S), convenience (C) and customized product (CP) then the more satisfied consumers. The results of this study support [6,7,8,9,10] show that utilitarian value have positive effect to customer satisfaction. 4.3. Hedonic Value on Customer Satisfaction The first hypothesis testing is done to determine the influence of hedonic value to customer satisfaction. Table 3 indicates that the hedonic value coefficient value value to customer satisfaction is 0.658 with Pvalue value <0.01, it can be concluded that hedonic value has positive effect on customer satisfaction (Hypothesis 2 accepted). These results indicate that any change in the increase in hedonic value will affect changes in customer satisfaction and vice versa, which means that the higher consumer perceptions of the mall meet the utilitarian values formed from entertainment (E), exploration (Exp), place attachment (PA) and social status (SS) then the more satisfied consumers. The results of this study support the research of [8,9,10,11]. 5. CONCLUSION The results of this study inform that all observable items of each variable are able to explain

well construct, with good results it can be concluded that Utilitarian value formatively can be measured by monetary saving, selection, convenience and customized product indicator whereas hedonic value can formatively measure with entertainment indicators, exploration, place attachment and social status. The results also informed that utilitarian and hedonic value significantly influence customer satisfaction. This research can give description about the behavior of mall visitor in Surabaya so that it can help the manager to arrange various marketing strategy related to customer behavior, so that can be obtained competitive advantage that distinguish between one mall with another. Local government should also have to support the development of various malls in the city of Surabaya is expected to be able to further promote economic growth in the city of Surabaya, especially in the field of retail trade.

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