

# *COMPARISON OF RETAIL SERVICE QUALITY BETWEEN INDOMARET AND ALFAMART (Case Study on Indomaret and Alfamart Consumers Buana Vista Indah Branch)*

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**Abstract**— This study aims to determine and distinguish whether there are differences in the retail service quality between Indomaret and Alfamart Buana Vista Indah Branch. The data analysis method used is the different test (Independent Sample T-test). The method used in this study is a comparative approach. The number of samples in this study were 100 respondents. Data collection in this study used a questionnaire consisting of 26 items/indicator statements. The result of this study indicate that the retail service quality variables in the Indomaret data group were worth 85,76 and the Alfamart data group was worth 82,80 so that the retail service quality in Indomaret better than Alfamart. The result also show that there is a differences between retail service quality at Indomaret and Alfamart Buana Vista Indah Branches as evidenced by the value of Significance (2-tailed) of 0,000 smaller than alpha value of 0,05.

**Keywords**— *Alfamart, Indomaret, Retail, Service Quality*

## I. INTRODUCTION

### A. Background

At the present the existence of retailers in Indonesia has been widely spread both locally, nationally, and internationally. Retail business in Indonesia is indeed quite promising to an endless market share, remembering that Indonesia is one of the countries with the highest needs and consumption of food, beverages and other products.

The type of modern retail that has the most dominant circulation in Indonesia is the minimarket. This causes modern retail companies such as minimarkets to be found and widely spread so that they can meet various consumer needs for food, beverages and other products.

Batam city in Kepulauan Riau Province which has been known as one of the industrial cities for workers has become one of the cities that has become the target of the retail business considering that Batam City has many immigrant communities from workers, students, and also students making a population in Batam City continues to grow every year. The total number of Indomaret and Alfamart minimarket spread outlets in Batam City is estimated to reach 500 outlets in total ([www.batamnews.co.id](http://www.batamnews.co.id)).

Minimarket Indomaret and Alfamart are companies that are engaged in trading business or better known as retail. Minimarket Indomaret and Alfamart are companies that are engaged in trading business or better known as retail. Indomaret Minimarket is a retail that provides a variety of basic needs and daily necessities, serves the general public complex, and has a shop area of around 200 m<sup>2</sup> ([www.indomaret.id](http://www.indomaret.id)). Meanwhile Alfamart minimarket is one of the retail companies which initially was the cigarette trading industry which then opened a minmarket network named Alfa Minimart where after 4 years of operation officially changed its name to Alfamart ([blog.alfamartku.com](http://blog.alfamartku.com)).

Minimarket Indomaret and Alfamart Buana Vista Indah Branch is located in Batam Kota Subdistrict as a retail company whose existence has become a public concern. This can be seen from the strong competition in the quality of retail services between the two minimarkets. Retail services in the shopping activities of products or goods at the Indomaret and Alfamart minimarket Buana Vista Indah Branch occur problems caused by the unavailability of supporting facilities such as tables and chairs in front of the minimarket so that every consumer cannot take a break or relax after buying food and drinks in the second the minimarket. In addition, the problem is the unavailability of membership cards for consumers who often shop at the Indomaret minimarket at Buana Vista Indah Branch. Then the absence of welcome made by minimarket employees to consumers who shop and the unavailability of electronic money (e-money) payment facilities at the Alfamart minimarket Buana Vista Indah Branch.

Based on the description of the background and the phenomenon above, it can be known that the quality of retail services plays an important role in providing satisfaction to consumers. If there is no good quality retail service, retail companies will find it difficult to gain market share and compete with other retail companies. In connection with the background described above, then researcher is interested in conducting research with the title “**COMPARISON OF RETAIL SERVICE QUALITY BETWEEN INDOMARET AND ALFAMART**” Case Study on Indomaret and Alfamart Buana Vista Indah Branch.

### B. Formulation of the Problem

Based on the background above, the authors formulate the following problems Is there a difference in the quality of retail services between Indomaret and Alfamart Buana Vista Indah Branch?

### C. Objective of the Study

The purpose of this study is to know and distinguish whether there are differences in the quality of retail services between Indomaret and Alfamart Buana Vista Indah Branch.

### D. Significance of the Study

As for the benefits obtained from the research conducted by researchers are as follows:

#### 1. Practical benefits

##### 1) For the minimarket

As a consideration and contribution to retail companies Indomaret and Alfamart in the Batam area to improve the retail service quality in order to have added value and excellence in the future.

##### 2) For the company

As an evaluation material regarding problems and obstacles in the retail service quality strategy run by Indomaret and Alfamart minimarkets in the Batam area.

#### 2. Theoretical benefits

##### 1) For the author

In addition to knowledge and insights for researchers regarding the comparison of the quality of retail services between Indomaret and Alfamart Buana Vista Indah Branch and as an indicator for researchers to find out the extent to which the knowledge gained can be applied in the real world of business, especially in trading business.

##### 2) For the reader

As a guideline for further research in conducting research on the quality of retail services between Indomaret and Alfamart.

## II. REVIEW OF LITERATURE

### A. Definition of Retail

According to [9] the word retail comes from French ritellier, which means cutting or breaking something. Related to the activities carried out, retail shows an effort to break down goods or products produced and distributed by manufacturers or companies in large and bulk quantities to be consumed by end consumers in small quantities according to their needs. Understanding of retail becomes very closely related to the meaning of "retail" from the quantity of goods in large quantities such as dozen or pack to the quantity of unit goods.

### B. Retail Service Quality

Retail service is an effort made by retailers with the aim of facilitating buyers when shopping at a store or outlet. According to Dabholkar, et al in Utami [9] the dimensions of retail service quality are divided into five, namely as follows:

1. Physical aspects
2. Reliability
3. Personal interaction
4. Problem solving

### 5. Policy

### C. Retail Service Quality

According to Utami [9] quality can be viewed broadly as superiority or privilege and is defined as the delivery of services that are relatively special or superior to customer expectations, meaning that the company does not provide good quality service.

Service quality is also a complex construct, and most investigated in marketing disciplines. as a complex construct and most investigated in marketing disciplines, the idea of the concept of service quality continues to develop which is built through evaluation to the concepts of a number of attributes related to services.

### D. Service Quality in the Retail Business Environment

Searching for service quality in retail companies has implications for understanding quality, where there are many variations in approaches to the concept of quality in retail companies. According to Utami [9] there are two approaches in the concept of quality, namely an objective quality approach and a subjective quality approach.

The objective approach is an approach that emphasizes the view of quality internally, through a production and supply approach, adapting to a view that is a pre established specification, eliminating transaction errors (error-free service transactions), low costs and avoidance of a deviation from a set standard, and in accordance with standardized activities.

### E. Conceptual Framework

In this study, there are thought frameworks described in the following figure:

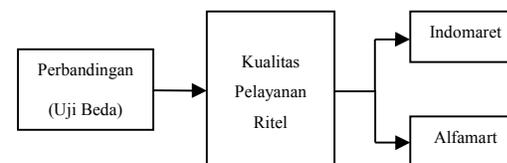


Fig. 1. Conceptual Framework

### F. Hypothesis

The hypothesis in this study are as follows:

**H0:** There is no different retail service quality between Indomaret and Alfamart Buana Vista Indah Branch

**H1:** There is different retail service quality between Indomaret and Alfamart Buana Vista Indah Branch.

## III. METHOD OF RESEARCH

### A. Research Design

This type of research uses quantitative methods. Quantitative method research in the form of numbers and analysis using statistics is seemed with the help of questionnaires.

### B. Objects and Scope of Research

The object of this research is general society and local society. The scope of this research is comparison to know the difference between Indomaret and Alfamart that measured by retail service quality variables.

**C. Population and Sample**

The population of this study is general society and local society who had shopped at Indomaret and Alfamart Buana Vista Indah Branch. This sample collection uses incidental sampling technique. This technique is used by researchers because of certain considerations in sampling.

**D. Data Collection Techniques**

The techniques for collecting data in this study are Questionnaires. According to [9] a questionnaire is a technique of data collection conducted by giving a set of questions that are written statements to the respondent to be asked for answers to the questions listed on the questionnaire.

**E. Validity and Reliability**

Validity test can be done by comparing the significance value with alpha (0.05). If the significance value is smaller than 0.05, then the indicator of the statement on the questionnaire is valid. While if the significance value is greater than 0.05, then the indicator of the statement on the questionnaire is invalid.

According to Sarjono and Julianita[12] the criteria for an indicator of the statement questionnaire are declared reliable if the alpha value is greater than 0.60.

**TABLE I. VALIDITY & RELIABILITY TEST RESULT AT INDOMARET**

| Variable                             | Statement Item | r <sub>table</sub> | r <sub>count</sub> | Status | Alpha Cronchbach Status |
|--------------------------------------|----------------|--------------------|--------------------|--------|-------------------------|
| Retail Service Quality (X) Indomaret | 1              | 0,1966             | 0,513              | Valid  | 0,788 Reliable          |
|                                      | 2              |                    | 0,513              | Valid  |                         |
|                                      | 3              |                    | 0,405              | Valid  |                         |
|                                      | 4              |                    | 0,359              | Valid  |                         |
|                                      | 5              |                    | 0,504              | Valid  |                         |
|                                      | 6              |                    | 0,289              | Valid  |                         |
|                                      | 7              |                    | 0,240              | Valid  |                         |
|                                      | 8              |                    | 0,235              | Valid  |                         |
|                                      | 9              |                    | 0,377              | Valid  |                         |
|                                      | 10             |                    | 0,294              | Valid  |                         |
|                                      | 11             |                    | 0,288              | Valid  |                         |
|                                      | 12             |                    | 0,425              | Valid  |                         |
|                                      | 13             |                    | 0,563              | Valid  |                         |
|                                      | 14             |                    | 0,392              | Valid  |                         |
|                                      | 15             |                    | 0,330              | Valid  |                         |
|                                      | 16             |                    | 0,533              | Valid  |                         |
|                                      | 17             |                    | 0,287              | Valid  |                         |
|                                      | 18             |                    | 0,533              | Valid  |                         |
|                                      | 19             |                    | 0,287              | Valid  |                         |
|                                      | 20             |                    | 0,258              | Valid  |                         |
|                                      | 21             |                    | 0,232              | Valid  |                         |
|                                      | 22             |                    | 0,568              | Valid  |                         |
|                                      | 23             |                    | 0,643              | Valid  |                         |
|                                      | 24             |                    | 0,643              | Valid  |                         |
|                                      | 25             |                    | 0,357              | Valid  |                         |
|                                      | 26             |                    | 0,359              | Valid  |                         |

**TABLE II. VALIDITY & RELIABILITY TEST RESULT AT ALFAMART**

| Variable               | Statement Item | r <sub>table</sub> | r <sub>count</sub> | Status | Alpha Cronchbach Status |
|------------------------|----------------|--------------------|--------------------|--------|-------------------------|
| Retail Service Quality | 1              | 0,1966             | 0,391              | Valid  | 0,785                   |
|                        | 2              |                    | 0,403              | Valid  |                         |
|                        | 3              |                    | 0,455              | Valid  |                         |

| (X) Indomaret |    |       |       | Reliable |
|---------------|----|-------|-------|----------|
|               | 4  | 0,280 | Valid |          |
|               | 5  | 0,465 | Valid |          |
|               | 6  | 0,198 | Valid |          |
|               | 7  | 0,269 | Valid |          |
|               | 8  | 0,257 | Valid |          |
|               | 9  | 0,291 | Valid |          |
|               | 10 | 0,352 | Valid |          |
|               | 11 | 0,270 | Valid |          |
|               | 12 | 0,466 | Valid |          |
|               | 13 | 0,253 | Valid |          |
|               | 14 | 0,335 | Valid |          |
|               | 15 | 0,274 | Valid |          |
|               | 16 | 0,345 | Valid |          |
|               | 17 | 0,429 | Valid |          |
|               | 18 | 0,584 | Valid |          |
|               | 19 | 0,442 | Valid |          |
|               | 20 | 0,431 | Valid |          |
|               | 21 | 0,425 | Valid |          |
|               | 22 | 0,586 | Valid |          |
|               | 23 | 0,741 | Valid |          |
|               | 24 | 0,693 | Valid |          |
|               | 25 | 0,242 | Valid |          |
|               | 26 | 0,221 | Valid |          |

Based on the result of validity test on all indicator / items statement on Retail Service Quality (X) at Indomaret and Retail Service Quality (X) at Alfamart which was tested with SPSS version 20, it can be seen that all indicator / items statement are valid where it can be seen  $r_{count}$  values off all indicators / items statement greater than  $r_{table}$  of 0.1966 so that can be said that all indicators / item statement are worthy of being used as measuring tools and the entire statement item can be carried out to the next step which is reliability test.

From the table it is known that the Retail Service Quality (X) at Indomaret has a cronchbach alpha coefficient of 0,788 the the Retail Service Quality (X) at Alfamart has 0,785 which shows results above 0, 60. So, from the table it can be said that the measurements of each of the questionnaire variables are reliable.

**F. Normality Test**

The normality test that used in this study is the Kolmogorov-Smirnov Test. According to Kasmadi and Sunariah [2] the provision that the distribution of data is normally distributed is if the value of Asymptotic Significance (2-tailed) is greater than the alpha value of 0.05.

**G. Difference Test (Independent Sample T-Test)**

The different test used in this study is the Independent Sample T-test. The results of the calculation can be seen from the average value obtained by each group of data in the Independent Sample T-test so that differences can be known or not and aims to answer statements about hypothesis that have been made previously.

**IV. RESULTS AND DISCUSSION**

**A. Normality Test Result**

**TABLE III. NORMALITY TEST RESULT**

| Variabe                    | Data Group | Asymp. Sig (2-tailed) | Decision |
|----------------------------|------------|-----------------------|----------|
| Retail Service Quality (X) | Indomaret  | 0,710                 | Normal   |
|                            | Alfamart   | 0,552                 | Normal   |

Based on Table 3 above, it can show that Indomaret Data Group has a significant level of 0,710 and Alfamart Data Group has a significant level of 0,552 shows that the significant level produced  $> 0,05$  that mean the variable data on retail service quality between the Indomaret and Alfamart data groups is normally distributed.

*B. Difference Test Result*

**TABLE IV. DIFFERENCE TEST RESULT**

| Data Group | Average | Average Difference |
|------------|---------|--------------------|
| Indomaret  | 85,76   | 2,960              |
| Alfamart   | 82,80   |                    |

Based on Table 5 above, it can be known descriptively in the different tests. The Indomaret data group has an average value of 85.76 and the Alfamart data group has an average value of 82.80 where the difference in mean values is owned that is equal to 2,960 so it can be concluded that there is a difference between the Indomaret data group and the Alfamart data group.

**TABLE V. HYPOTHESIS TEST RESULT**

|   |                 | Kualitas Pelayanan Ritel |                             |
|---|-----------------|--------------------------|-----------------------------|
|   |                 | Equal variances assumed  | Equal variances not assumed |
| Levene's Test for Equality of variances | F               | .560                     |                             |
|   | Sig.            | .455                     |                             |
| t-test for Equality of Means            | T               | 3.657                    | 3.657                       |
|   | Df              |                          | 196.343                     |
|   | Sig. (2-tailed) | .000                     | 0.000                       |
|   | Mean Difference | 2.960                    | 2.960                       |

Based on Table 5 it can be known the significance value of F is 0.455 which means it has a value greater than 0,05 and it can be concluded that the retail service quality data group between Indomaret and Alfamart is homogeneous so that the t test uses Equal Variance Assumed. Determination of t table is done in advance to be able to compare the value of t count with t table which can be seen from the significance of  $0,05:2 = 0,025$  (2-tailed) with degrees of freedom (df)  $n-2 = 100-2 = 98$  so that it is obtained t table value is 1,984. Furthermore, the calculated t value obtained in Equal Variance Assumed of 3,657 which means greater than t table of 1,984 and also on the 2-tailed Significance value which is 0,000 which means less than 0,05 so it can be concluded that H0 rejected and H1 accepted, which means there is a difference in the quality of retail services between Indomaret and Alfamart Buana Vista Indah Branch.

*A. Discussions*

Based on the results of the research and the results of the statistical test and hypothesis testing using the Independent Sample T-Test above, it can known that the overall of retail service quality at Indomaret Buana Vista

Indah Branch is better than the retail service quality at Alfamart Buana Vista Indah Branch proven in Table 5 regarding the differences in the average Indomaret and Alfamart data groups where the Indomaret data group is worth 85,76 and the Alfamart data group is 82,80.

Then based on the hypothesis test it can be seen that there are differences in the retail service quality between Indomaret and Alfamart Buana Vista Indah Branch. This can be proven in Table 5 regarding the results of hypothesis testing where the value of t calculated using Equal Variance Assumed has a value of 3,657 which mean greater than t table of 1,984 and a Significance 2-tailed value of 0,000 is below the level of significance with a parameter of 0,05. So that H0 is rejected, which means that there are differences in customer satisfaction to the quality of Indomaret minimarkets and Alfamart minimarkets.

**V. CONCLUSIONS**

*A. Conclusions*

Based on the results of the research described in the previous chapter, conclusions can be taken as follows :

1. The characteristic of respondents who are consumers of the Indomaret and Alfamart minimarket Buana Vista Indah Branch are the most dominant are 58 female, 48 have Diploma/Bachelor education, 37 are private employees, 54 respondents have more than 3 million in income, the number of visit to Indomaret is more than 4 times as many as 50 respondents, and the number of visits to Alfamart is more than 4 times as many as 44 respondents.
2. There is a difference between the Indomaret data group and the Alfamart data group which is proven by the descriptive average carried out by different tests where the Indomaret data group gets a score of 85,76 and the Alfamart data group scores 82,60 . So, that it can be seen that overall the retail service quality at Indomaret Buana Vista Indah Branch is better than the retail service quality at Alfamart Buana Vista Indah Branch.
3. There are differences in the retail service quality between Indomaret and Alfamart Buana Vista Indah Branch as evidenced by the hypothesis testing where the value of t count obtained is 3,657 greater than the value of t table which is worth 1,984 and the value of Significance 2-tailed obtained at 0,000 smaller than 0,05.

*B. Recommendations*

1. Referring to the description of the retail service quality variable at Indomaret in the fourth statement (X.4) regarding available supporting facilities (such as tables and chairs) very many respondents who gave answers strongly disagree. This is due to the unavailability of supporting facilities (such as tables and chairs) so that the management of the Indomaret Buana Vista Indah Branch minimarket can provide supporting facilities (such as tables and chairs) so that consumers who finish shopping can relax and take a break.
2. Referring to the description of retail service quality variables in Indomaret on the twenty-sixth statement (X.26) regarding minimarkets offering membership

cards very many respondents who gave answers strongly disagree. Therefore, it is recommended that Indomaret as one of the largest retail companies in Indonesia need to carry out a policy by offering membership to consumers who come shopping, especially at the Buana Vista Indah branch of Indomaret and generally in every other Indomaret outlet.

3. Referring to the description of retail service quality variables at Alfamart in the fourth statement (X.4) regarding available supporting facilities (such as tables and chairs) very many respondents who gave answers strongly agreed. Therefore, the management of Alfamart Branch Buana Vista Indah should be able to provide supporting facilities (such as tables and chairs) in front of the minimarket so that every consumer can take a break.
4. Referring to the description of the retail service quality variables at Alfamart on the thirteenth statement (X.13) regarding employees welcoming the arrival of consumers, there were very many respondents who gave very disagreeing answers because in each Alfamart outlet there were no words spoken by minimarket employees in welcoming consumers. Therefore, Alfamart retail companies should be able to apply generally to all employees at each Alfamart outlet in order to welcome the arrival of consumers by giving remarks.
5. Referring to the description of the retail service quality variable at Alfamart on the twenty-fifth statement (X.25) regarding minimarkets providing payment facilities using e-money very much also giving very disagreeing answers where this is because in each outlet Alfamart is not available for e-money payment facilities other than payment facilities using debit and credit cards. Therefore, it is better for retail companies to establish policies in payment facilities other than debit and credit cards, namely with payment facilities using e-money, especially in Alfamart outlets, Buana Vista Indah Branch and generally in every other Alfamart outlet.
6. Future research should be able to add or use other research variables so that future research can be a comparison so that the results can be better understood.
7. Future research should use other retail companies as research locations so that the research results can be used as a comparison with the results of previous studies.

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