## ANALYSIS OF CUSTOMER PERCEIVED VALUE and its IMPACT on CUSTOMER BRAND PREFERENCE and FUTURE PURCHASE INTENTION

### (A Case Study of 7-eleven Convenience Store in Indonesia)

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*Abstract*. *This research aims to analyse the impact of customer perceived value on customer brand preference and future purchase intention on customer of 7-eleven convenience store in Indonesia. The population are all previous customer of 7-eleven in Indonesia. Sample are acquired by using non-probability sampling method. Questionnaire are used to draw the samples out of population. Multiple regression analysis is used to analyse the relationship among variables. The finding shows that customer perceived value and customer brand preference has positive significant value toward future purchase intention. Customer brand preference has bigger impact toward future purchase intention than customer perceived value. The finding also reveals that 7-eleven still maintain positive perceived value and brand preference however, it is advised that the company should reconsider its brand positioning.*

*Key words*: *Customer Behaviour, Customer brand preference, Customer perceived value, Future purchase intention*

*Abstrak*. Penelitian ini bertujuan untuk menganalisa *customer perceived value* dan pengaruhnya terhadap *brand preference* dan *future purchase intention* pada pelanggan swalayan 7-eleven di Indonesia. Populasi penelitian adalah seluruh pelanggan 7-eleven sebelumnya di Indonesia. Sampel didapat dengan menggunakan metode non-probability sampling. Kuesioner digunakan untuk mendapatkan sampel dari populasi. Analisis regresi berganda digunakan untuk menganalisa pengaruh antar variable. Hasil penelitian menunjukkan bahwa costumer perceived value dan brand preference memiliki pengaruh positif dan signifikan terhadap future purchase intention. Brand preference memiliki pengaruh lebih besar dibandingkan customer perceived value. Hasil penelitian juga menunjukkan bahwa 7-eleven masih memiliki perceived value dan brand preference yang positif, tetapi perusahaan disarankan untuk mempertimbangkan *brand positioning*.

*Kata kunci*: *Customer Behaviour, Customer brand preference, Customer perceived value, Future purchase intention*

## Introduction

One of the most important steps in marketing activities is to determine the required strategy to introduce the product to the customer (Gielens & Steenkamp 2007). There are many companies that fail to their product marketing in the first years and some other companies fail compete with the new competitor. Therefore, a good understanding of the factor affecting the customer choice is crucial for the company to developed marketing strategies. The harsh competition demands the company to be able to achieve competitive advantages by offering value to the customer, while the customer decided which product and service they perceived to offer the best value (Wang 2010).

The concept of "perceived value" became known as the defining business issue in the 1990's and since then became research interest of the present business (Bonillo and Fernandez 2007). The concept has been used and regarded as the imperative prerequisite for business sustainability in the fierce market competition and therefore is believed as the key success for every company (Huber et al 2001). However, despite its extensive research interest, the concept itself has often been misused. Zeithalml (1988), regarded perceived value as "consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given. According to" Schiff man and Kanuk (2000), "Perception is process by which an individual's selects, organizers, and interprets stimuli into the meaningful and coherent picture of the world". Despite the different in definition, most researcher agreed that the term perceived value strongly related to the person ability to assess something and it might differ in each person.

The increasing competition in retailer industry forced the company to implement strategies to differentiate their product and service with the rival, gain customer loyalty, and generate long term- profit (Nguyen and Vo 2015). Therefore, there are many factors which contribute to the success of a company in adapting to new marketing strategies. For example, Chang and Dawson (2007), found out that 7-eleven, an international convenience store, successfully boosting their revenue through retail innovation, implementation of technological and managerial knowledge which lead to improvement in productivity. In 2009, 7-eleven opened their first store in Indonesia and thought it seemed to succeed, as the store was always filled up with customers, which lead to its expansion however, in June 2017, 7-eleven was forced to stop all their operating store in Indonesia due to failure in generating enough profit to cover their operational cost (Wirdana 2007). The news was received with mixed reactions from their customers, some were surprised as some others have predicted this event to happen. There are many assumptions as to what factors contributed to the closing down of the store, from the customer's behaviour, perception toward the store, competition among convenience store, and the alcoholic beverage ban in 2015 by the Indonesian government.

In the convenience store sector, brand positioning and market segmentation is crucial in order to gain market share. Though 7-eleven positioned themselves as a premium convenience store, selecting the most strategic location, and wide range of services such as small cafeteria and free internet access but it was at the cost of increasing prices. This strategy successfully attracted many customer and the store brand quickly become famous (Silviana and Danubrata 2017). Growing in lifestyle preferences helped the store to increase their brand image and preferences among the youth generation. However, with the store closing down, the customers will likely search for alternative solution for similar convenience store and therefore might affect the already established

store brand image and preference. Losing brand loyalty and preference will like to affect future purchase intention (Yaseen et al 2011).

Future purchase intention or repurchase intention is defined as the consumer decision to get involved in activity in the future with the service/ product provider and what form this activity will take (Hume et al 2006). Consumer with higher brand preference toward a product will more likely to come back and purchase the product in the future. Repurchase intention is the result of consumer behaviour toward a certain product or service. For the purpose of this research, the term future purchase intention is used instead of repurchase intention due to the store being no longer available but intend to reopen in the future.

Based on those factors, this research will try to analyse the current customer perceived value on their brand preference toward the store which could affected their future purchase intention of the store product. Although there are many literature and research regarding customer perceived value and purchase intention, many of them are focusing on existing company or product. Nguyen and Vo (2015) focus on private label, Ariff et al (2014) on organic food, Akdeniz (2012) on Pringles product. This research however is intended to focus on a company which has been closed down but are intending to reopen in the future.

## Research Objectives

To critically analyse the impact of customer perceived quality on customer brand preference and future purchase intention, a clear and well-structured research objective is required. The objective objectives of this study are as below;

1. To analyse the relationship of customer perceived value on customer brand preference of the already closed – 7-eleven stores in Indonesia.

2. To analyse relationship of customer brand preference on future purchase intention of the already closed – 7-eleven stores in Indonesia.

3. To analyse relationship of customer perceived quality on future purchase intention of the already closed – 7-eleven stores in Indonesia

At the end of this research, the researcher will provide recommendations for the company to reinvest in the future in Indonesia.

## Literature Review

### Consumer Behaviour

The world is constantly moving, goods and service are continuously being produced and consumed every day. The demand for good and service also constantly change. Numerous factor such as political situation, geographical position, technological development, income, etc contribute in shaping the consumer behaviour and attitude toward their need and want. Consumer behaviour is not static but rather dynamic, it is continuously evolving and change. Understanding consumer behaviour help the companies to cope with better

strategy to seize potential market and become the key player in the competition. Consumer behaviour can be described as the study of the process involved when consumers (both individual or groups) chose, buy, consume, or dispose of products, services, ideas, experiences as a mean to satisfy their need (Mooij 2004: 93)

The underlying factors of customer choice is the concept of needs and wants. Consumer purchase good or service to satisfy their needs and wants. The good or service itself is less important than considering how the ability of the good or services to meet the expectation of the individual. Therefore, it is assumed that what people actually purchase is not the good or service itself but rather the benefit given by the good or the services. In other word, people tend to purchase goods or services that have the ability to meet the needs and want, whether it worth the money or time sacrificed to get the good and services, and what kind of values can be acquired.

**Consumer Attitude theory**

The word "attitude" has been around and is one of the key concept in psychology for a long period of time. Nowadays, there are numerous definition and measurement have been proposed to define the word attitude. Fishbein and Ajzen (1956:6) as quoted from Szmigin and Piacentini (2015: 197) defined the term attitude as *" a learned predisposition to respond in a consistently favourable or unfavourable manner in relation to some object"*. In other words, attitudes refer to the customers feeling toward a certain concept which can be a brand, people, or anything else feel attach to. According to Peter and Olson (2013:116), attitude is the overall evaluation of a person toward a certain concept. This evaluation is constructed by the cognitive system. Therefore, the consumer overall evaluation is created when they put together the knowledge, beliefs, or meaning toward the object.

The attitude of a consumer always points out towards some concepts. These concepts can be in form of object or behaviour. For an object, the concept can be toward tangible object such as, a product, the shops, the employees, and the brand ambassador, or it can be toward intangible/imaginary object such as ideas or concepts. The consumer attitude toward their behaviour can be in form behaviour in the past and behaviour in the future (Peter and Olson 2013 :116). Therefore, it is important for the company to ensure the consumer to have positive feeling toward the product. Consumer with positive feeling or attitude are more likely to purchase the product and even better, they will recommend the product to other people. Otherwise, consumer with negative attitude toward will avoid buying the product and even worse, they will influence other people not to consume the product.

Peter and Olson (2013:127) stated that generally most of the researcher tried to build the relationship between consumer attitude and consumer behaviour. Based on the assumption of idea of consistency, company might expect if the consumer attitude toward a certain product is more favourable then it is expected that he consumer will be likely to purchase the product. However, it is almost impossible to predict accurately the consumer specific behaviour solely based on consumer overall attitude toward the object. In summary, having positive or negative attitude toward a product does not necessarily means the person will certainly perform positive or negative behaviour toward the product. Therefore, the marketers require a behavioural model that explain the factor which affected specific behaviour.

**Consumer Perception**

Perception provides the knowledge of the world around us. Every people may have different way to perceive a certain thing. Perception is defined as the process of choosing, organizing and interpreting information input to produce meaning (Dibb, Simkin, Pride , Ferrel 2016). Based on that definition, there are three main steps involved in creating customer perception; selecting, organizing, and interpreting information input. Selection of information

Literature review define customer perceived value as the consumer overall evaluation toward the benefit of a product based on the consumer valuation on whether the product is worth the cost and time to get or to use the product (Hellier et al 2003). Zeithaml (1988) describe perceived value as how the customer assesses the product or services utility based on their own perception on what is given and received.

**Brand preferences**

American Marketing Association defines brand as the name, sign, symbol, or design, or its combination meant to identify good or services from one seller or a group of sellers and distinguish them from the competitor (Kotler and Keller 2009). According to Kotler and Keller (2009), the function of brand for the companies are: 1. To simplify the handling or tracking of a product, 2. Helps in managing inventories and accounting notes, 3. Offer law protection to the company for the features or unique aspect of the product. For the companies, brand represents parts of valuable law properties, able to influence customers, and tradeable. Ardhanari (2008) explain that stronger brand preference helps the product to have stronger brand loyalty. A company who is able to maintain brand preference will be able to survive the competition.

Brand preference is one of the consumer appreciation form toward a brand. It is a situation where the consumer prefers a certain brand because of their positive feeling toward it. Brand preference usually occurs in the alternative evaluation stage of the customer decision making. Brand preference is considered very important as it will further lead the consumer toward brand loyalty (Kotler and Keller 2009).

**Repurchase intention**

According to Hume et al (2006) the definition of repurchase intention is the consumer decision to get involved in activity in the future with the service/ product provider and what form this activity will take. Repurchase intention is the result of attitude or consumer behaviour toward the good or services being consumed. Therefore, repurchase intention can simply be defined as the intention of the consumer to repurchase or to revisit the same good/service provider. In this research, the term future purchase intention is used to describe this repurchase intention term. Future purchase intention is consumer repurchase intention when the good or service provider become available in the future. Zeithalm (1966) proposed two kinds of positive repurchase intention, first: the consumer intention to repurchase and second; the consumer intention to get involved in making positive recommendation and word of mouth communication.

The customer purchase behaviour can be predicted from their spoken intention or from the estimation of their buying probability. Pickering and Isherwood (1974), as quoted from East, Wright, and Vanhuele (2014: 136), stated that around 61 percent of people who selected the option "100 percent likely to purchase" ended up purchasing the product

asked. Stanson in Yuliana and Eryadi () stated that in problem solving process and decision making, the result of its integration process is the choice. This cognitively shows consumer intention behaviour. Behaviour intention is a plan or intention to conduct one or more behaviours or commonly knowns as decision planning. Therefore, in purchasing process, purchase intention can be defined as a planning to conduct purchasing of a product .

**Conceptual Framework**

Based on the conceptual framework previously explained. The hypotheses for this research is constructed as below:
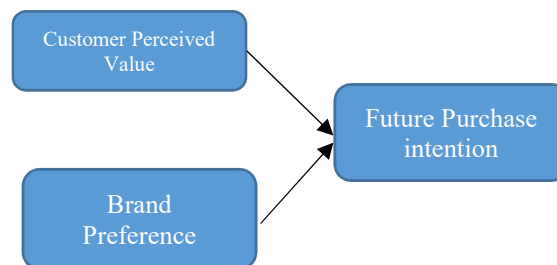


**Figure 1**. Conceptual Framework

**Research methodology**

**Research Philosophy**

Research philosophy can be simply explained as the way on how the data used in the research are collected, analysed, and interpreted. The research philosophy of research is varied depends on the concept used by the researcher. The term epistemology, also known as the theory of knowledge, of the research point out to several sets of assumption in research; positivism and interpretivism (Sekaran and Bougie 2013).
Based on the previous research objectives, this research focus on the analysis of the customer perceived value and its impact on customer brand preference and future purchase intention. This research used constructed questionnaires and its structured research methodology help to analyse the data easier. Furthermore, the data collected for this research is quantitative data. Therefore, positivism is considered best philosophy of this research.

**Population and Sampling**

Sekaran and Bougie (2013) define population as the group of people, events, or things which the researcher would like to identify. Research population is the entire research subject. Based on the definition, the population in this research is all customer of 7-eleven

convenience store in Indonesia. Sample is a portion or a subset of the entire population which will be selected to draw conclusion from the population. Samples are drawn by using non-probability sampling method which do not give the same probability to each elements of the population to be chosen as the research sample (Bryman and Bell 2011). The type of non-probability sampling method used in this research is convenience sampling method which is best used if the population are large and unknown. This method allows the researcher to acquire the data quickly and efficiently (Bryman and Bell 2011).

The number of samples selected in this research are around 100. This is accordance to Sugiyono (2011:115) who stated that for the research with the population is greater than 100 then the number of suitable samples is 100 samples. Furthermore, Since the population is too big, maximum likelihood is used in order to draw sample out of population. By using this method, the relevant number of samples is around 100 – 200.

**Data Collection method**

Based on its type, the data acquired in this research are quantitative data which is the data acquired from the questionnaire respond converted into number by using Likert scale. Based on the types of data used, this research used primary data and therefore questionnaire is used as method of collecting data. Questionnaire is data collection method where each person is asked a specific and same set of question to see the respond (Saunders, Lewis, Thornhill 2009). The questionnaire will be distributed by using online questionnaire and record all the respond.

In the questionnaire, the respondent will be given a set of question and they are expected to give answer to all questions. Each question answered will be given a score. Likert scale is used as the score measurement scale. Likert scale is a psychometric scale commonly used in questionnaire or survey research. Each answer will have 5 scale intervals with 1 being completely disagree to 5 being completely agree. Likert scale measurement is shown in table 3.1 below:

**Table 3.1 Liker Scale Measurement**

| No | Option | Score |
|----|--------|-------|
| 1 | Strongly Disagree | 1 |
| 2 | Disagree | 2 |
| 3 | Neither agree nor disagree | 3 |
| 4 | Agree | 4 |
| 5 | Strongly Agree | 5 |

Likert scale is one of rating scale method used in the research. It used to examine how strong of the agreement or disagreement toward a certain question. 5 scales measurement is used to make it easy to analyse and interpret the result. Liker scale is one of the most frequently used rating scale in the study of attitude and behaviour (Sekaran and Bougie 2013)

## Result and Analysis

### Questionaire mean comparison

Based on previous respond individual presentation, it is essential to review the overall variable at once in order to provide a better comparison among variables. As the researcher used 5-scale Likert scale measurement, 1 point indicate strongly disagree, 2 indicate disagreement and up to 5 point indicating strong agreement. Therefore, result pointing toward 5 indicates agreement and result pointing toward 1 indicates disagreement. The means comparison is shown in table below;

| Question | N | Mean | Standard Deviation |
|---|---|---|---|
| **Percieved value of price** | | | |
| I believe 7-eleven product are sold at reasonable price. | 116 | 3.4310 | .82593 |
| I believe the products are good and worth its price. | 116 | 3.5259 | .87934 |
| I believe the difference in price with other competitors is not really much. | 116 | 3.3017 | .86698 |
| I believe 7-eleven product is considered premium brand. | 116 | 3.2931 | .93267 |
| **Perceived value of quality** | | | |
| Quality of product always comes first when I decide to buy something. | 116 | 4.0431 | .80641 |
| I believe the product sold at 7-eleven has good quality | 116 | 3.5172 | .72810 |
| I believe 7-eleven has good quality services | 116 | 3.7759 | .72335 |
| I am satisfied with the product I bought from the store. | 116 | 3.7414 | .73568 |
| **Perceived social value** | | | |
| I believe shopping at 7-eleven stores give me positive emotional feeling. | 116 | 3.3621 | .90790 |
| I believe shopping at 7-eleven will have positive impact on my social acceptance in the community | 116 | 3.1638 | .94127 |
| I believe shopping at 7-eleven increase my perception toward a product | 116 | 3.1810 | .99214 |
| **Perceived convenience value** | | | |
| I feel comfortable when I go shopping at 7-eleven store | 116 | 3.7759 | .74701 |
| I can always find the product I need at the store. | 116 | 3.5948 | .85444 |
| The product and service are easily accessible | 116 | 3.7241 | .75281 |
| **Brand Preference** | | | |

| | | | |
|---|---|---|---|
| I will still prefer 7-eleven store than the other convenience store. | 116 | 2.9052 | .94158 |
| I am thinking to go shopping more often | 116 | 2.7328 | .86836 |
| I believe my preference toward the store will remain the same. | 116 | 3.3966 | .91252 |
| When it comes to purchasing or using service at convenience store, 7-eleven will still be my first choice. | 116 | 2.8793 | .96148 |
| **Future Purchase Intention** | | | |
| I will still purchase and use service at 7-eleven stores. | 116 | 3.3621 | .82774 |
| There is still high probability for me to go shopping at 7-eleven | 116 | 3.3793 | .84086 |
| I will still recommend 7-eleven stores to others | 116 | 3.2759 | .85043 |

In summary, 7-eleven has done fair job on maintaining their positive value to their customer. However, positive value alone is not enough for the store to attract customer to have strong brand preference. There are many other factors which could be a much more important consideration for the customer to have strong preference toward a product other than positive perceived value. Future purchase intention shows that customers are still willing to purchase at the store in the future.

**Multiple regression analysis**

Multiple linear regression analysis is applied to analyse the relationship among the research variables. This analysis is used to analyse the research objectives which is analysis of customer perceived value and its impact on customer brand preference and future purchase intention. The result is shown in table below:

**multiple regression analysis**

| R | R square | Adjusted R Square | F | Sig |
|---|---|---|---|---|
| .809a | .655 | .649 | 107.405 | .000 |

| Model | Unstandardized Beta | t. | Sig. | Conclusion |
|---|---|---|---|---|
| Customer perceived | .134 | 6.116 | .000 | significant |

| | | | | |
|---|---|---|---|---|
| value – Future Purchase intention | | | | |
| Customer perceived value – Customer Brand Preference | .288 | 10.872 | .000 | significant |
| Customer Brand Preference – Future Purchase intention | .270 | 4.969 | .000 | significant |

Based on the following result, r square value as the coefficient of determinant shows the ability of independent variable to explain dependent variables. Therefore, in this research r square is 0.655 which means that variables customer perceived value and customer brand preferences are able to explain variable future purchase intention as much as 65.5 percent and the rest 34.5 percent are explain by other factors. This shows that customer perceived value and customer brand preference has fairly strong relationship with future purchase intention.

For the first research objective, customer perceived value has significant positive impact on future purchase intention with significance value of 0.00 which is smaller than significant level of 0.05. Therefore, if customer perceived value is increased then future purchase intention will also increase. For the second research objective, customer perceived value has significant positive impact on customer brand preference with significance value of 0.00 which is smaller than significant level of 0.05. This means if customer perceived value is increased then customer brand preference will also increase. And the for the last research question, customer brand preference also has positive significant impact on future purchase intention with significance value of 0.00 which is smaller than significant level of 0.05. Therefore, if customer brand preference is increased then future purchase intention will also increase. Unstandardized beta coefficient shows how strong the effect of independent variables toward dependent variables. The higher the number, the greater the effect (Larry et al, 1986). based on the result customer brand

preference has higher beta coefficient (0.270) than customer perceived value (0.134) toward future purchase intention thus we can conclude that brand preference has higher impact toward future purchase intention than customer perceived value.

In summary, all research questions are proven to have positive significant impact toward dependent variables. Customer brand preference factors affect future purchase intention greater than customer perceived value. Customer perceived value and customer brand preference are able to explain future purchase intention for 65.5 percent.

**Analysis**

Based on the answer, most of the participant agreed that 7-eleven has positive perceived value to the customer. The research illustrated all perceived value including price, quality, social, and convenience value received mostly positive answer. customer perceived value as the consumer overall evaluation toward the benefit of a product based on the consumer valuation on whether the product is worth the cost and time to get or to use the product (Hellier et al 2003). Therefore, based on the result, we can deductively suggest that in terms of price, quality, social, and convenience, 7-eleven is positively perceived by the customer. This result supported the finding of Septiani (2012) who found that 7-eleven has bigger store space for the costumer to eat in the store, better store layout compares to its competitor, more convenience, cleanliness, more variety of product sold, product availability, speed of transaction, employees knowledge, and several more attributes. However, there are several factors in which 7-eleven is lacking compares to its competitor namely, more expensive price for the same product, lack of promotion strategy such as membership card, and product discount.

As for customer brand preference, we can deductively assume that most of the customer will not have higher brand preference toward the store product if the store to reopened. Indonesian Fast moving consumer good (FMCG) consumer trend is to purchase FMCG in a variety of stores depending on the category of the product. In other word, Indonesian consumer does not make purchase in one place or one type of retail channel (Rastogi, Utama, Choudhury 2016). Based on this finding, we can deductively suggest that the though the consumer positively perceived 7-eleven, they are likely to search for alternative stores which met their preference on the product. They will more likely to purchase good from groceries store *(warung)* such as cigarettes, mineral water, as they are more accessible.

According the outcome of the research, customer will also likely to make purchase at the store if it set to reopen in the future despite having closed down. Unlike in other places such Canada, 7-eleven in Indonesia offers their customer many reasons to sit down, starting from large seated area, cinema sized roadside screen, breakfast and quick meal freshly made in the store (Samuel 2013). These services are what makes 7-eleven unique and successfully attracted many young customers in Indonesia (Schonhard 2012). Therefore, based on the outcome of this research we can deductively assume that the customer is still looking for similar services from convenience stores and are still willing to purchase at 7-eleven if it is considered still worth it.

In term of gender, the result shows that both female and male consumer have similar answer for consumer perceived value, customer brand preference and future purchase intention. 7-eleven is a convenience stores which does not focus on a specific

gender. Most of the customers' motivation to go to 7-eleven is to hang out with friends and family and only a small portion of customer who would actually purchase their household needs (Septiani 2012). Furthermore, the store is opened 24 hours which means that they never closed. This is something most of the convenience stores in Indonesia does not do. 7-eleven has become a luxury alternatives for customer to spend their night time rather than sitting on the side of street (Schonhard 2012).

There is no significance difference of answer of participant in term of age, indicating that all customer share relatively similar motivation going to the stores. Around 65 percent of 7-eleven customer are younger than 30 which deductively indicates similar lifestyle and need (Schonhard 2012). Growing demand of trendy lifestyle and increasing number of middle class people helped 7-eleven to quickly gain popularity among millennial (Deutch 2011). Similar answer on customer brand preference deductively indicates that customer prefer 7-eleven more as the trendy hangout place where they can spend quality time during day or night time while enjoying free service and conformity rather than 7-eleven as the convenience stores to purchase daily needs (Schonhard 2012).

The outcome of the result also shows that there is no significant difference in term of employment status. based on this outcome, we can deductively assume that people who have their own income and those who haven't conducted similar purchasing behavior. Consequently, the amount of product purchase by the customer will not meet the expectation of the company. Deductively, consumer do not consider purchasing product that they consider expensive even if it is by a small difference. Fajriah (2017) explained that one of the factor contributing to 7-eleven bankruptcy is the behavior of its customer. Customers like to spend hours sitting and enjoying free service but only order one or two kinds of products which affected the operational cost of 7-eleven higher than the revenue.

Our first research objective is to analyses the impact of customer perceived value on customer brand preference of the already closed – 7-eleven stores in Indonesia. The outcome of this research shows that customer perceived value positive significantly influences customer brand preference. Zeithaml (1988) stated that companies are trying to gain competitive market by offering higher value to the costumer while the costumers choose the product they considered has higher value offered. 7-eleven was valued positively by the costumer and thus has positive impact toward customer brand preference ($\beta = 0.288$). However, the previous questionnaire result showing that there is less preference to purchase or make 7-eleven as their priority choice to go shopping deductively indicates that 7-eleven was not initially customer first choice. Based on the outcome of the result, we can also deductively assume that customer preference toward the store was not for its price but rather for its convenience. Therefore, customer will more likely to purchase food or beverage and consume it at the store but less likely to purchase anything to be taken home. This assumption is supported by Indonesian Chamber of Commerce and Industry, Rosan P Roeslani who stated that the closing of the store was not due to the slowing down of retail sector but rather due to 7-eleven brand positioning itself more as hangout places than a convenience stores. This costly strategy has led to operational costs that exceed revenues (Riyadi 2017)

The second research objective is to analyse relationship of customer brand preference on future purchase intention of the already closed – 7-eleven stores in Indonesia. The result shows that brand preference positive significantly influence future purchase intention ($\beta = 0.270$). Retail market business in Indonesia is experiencing a

rough situation with many retailer and convenience stores decided to shut down their operational stores (Kusuma, 2017). According to Indonesian minister of trade, Enggartiasto Lukita, a retail business must have unique offer to attract customer and to survive the competition (Anggriani 2017). 7-eleven convenience stores who position themselves as trendy hangout places rather than shopping place successfully attracted many young customers to spend their times at the stores but fail to attract them to make repeated purchase (silviana and Danubarata 2017). According to Khan, Ghauri, and Majeed (2012) found that brand attributes positively related to purchase intention. Furthermore, they found out that young customer at the age of 26- 30 to have lowest behavioural intention and likes to switch their behaviour but higher purchase intention. However, they found that 20 – 25 years old group has the highest behavioural intention but with lowest purchase intention. Based on the outcome of this research, brand preference contributes to purchase intention higher than customer perceived value ($\beta = 0.270$ and $\beta = 134$), therefore we can deductively assume that brand preference is required for the company to attract customer to purchase the product repeatedly.

The final objective is to analyse relationship of customer perceived value on future purchase intention of the already closed – 7-eleven stores in Indonesia. The result shows that customer perceived value has positive significant impact on future purchase intention ($\beta = 134$). The finding reveals that several perceived value factors combine (price, quality, social, and convenience) enhanced the customers' intention to purchase at the stores. When it comes to purchase intention, perceived quality and perceived value affects consumer purchase intention .Quality offered from a certain brand will influence customer perception in making future purchase decision. The stronger the intention of the person the more likely that the person will purchase the product in the future .From the outcome of the result, customer perceived values are positive and it has positive influence toward purchase intention. Therefore, we can deductively assume that 7-eleven still retain its positive value to the customer and it will likely to influence its older customer to repurchase the product or enjoy the service at the store in the future.

## Kesimpulan

This research is expected to contribute to retail industry literature by analysing and demonstrating the costumer behaviour, preference, and perception toward retailer store in Indonesia especially 7-eleven. Customer perceived value are measured by using 4 value dimensions, price, quality, social, and convenience. From 116 participants, the outcome of the research as below:

1. From the outcome of participant characteristic analysis, the participants are almost equally divided based on gender where Male makes up 55% and Female 45%. This similarity is expected to reduce bias analysis based on gender. Most of the participant are in between 18 years and 30 years old (following the rule of the ethic approval mention in previous chapter), showing that the majority of 7-eleven customer are young people or young professional. In term of employment status, the majority of 7-eleven customer are student (56%) and followed by fully employed (25,9%), part-time employed (9.5%), and unemployed (8,6%)

2. There is no significance difference in participant answer toward the survey based on their characteristic which are gender, age, and employment status. Therefore,

we can deductively assume that all customer participated in this research share similar perception, purchasing behaviour, and preference.

3. Positive significant relationship between customer perceived value and customer brand preference (β = 0.288) deductively indicates that 7-eleven are positively valued by customer and is affecting its brand preference. However, the mean score of brand preference is low which deductively indicates that purchasing at 7-eleven is not the main choice.

4. Positive significant relationship between customer brand preference and future purchase intention (β = 0.270) deductively indicates that the customer consider 7-eleven to be ahead of its competitor in term of brand preference and therefore are still willing to come to the stores in the future.

5. Positive significant relationship between customer perceived value and future purchase intention (β = 0.288) deductively indicates that 7-eleven are positively valued by the customer and they are willing to return to the store when it is set to reopen in the future.

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