

The Impact of Relationship Marketing, Store Atmosphere and, Service on Customer Retention

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Abstract. Relationship Marketing has developing to be a brand new paradigm for the marketing strategy. Relationship Marketing which implemented by the New Cinderella, has not been effectively performed yet. It can be observed through the New Cinderella employees' attitude when serving the customers. Customer retention, as marketing objective, is useful to keep the customers from moving to the competitors. Customer retention is useful to maintain a continually sales relationship with the customers in the long term. The sample unit selection technique of this research uses the Purposive Sampling. To obtain an accurate PLS prediction, which is consistent towards the research model, it is recommended that the minimum size of the sample is 100 respondents. The Partial Least Square Structural Equation Modeling (PLS-SEM) from the WarpPLS 6.0 software statistic package is used to analyze the data. The result of the research displays that the relationship marketing has positive influence towards the store atmosphere, the relationship marketing has positive influence towards the service, the relationship marketing has positive influence towards the customer retention, the store atmosphere has positive influence towards the customer retention and the service has positive influence towards the customer retention.

Keywords: Relationship Marketing, Store Atmosphere, Service, Customer Retention

1. Introduction

Relationship Marketing has been developing to be a brand new paradigm for marketing strategies. Relationship marketing is able to improve the knowledge and understanding towards the technology of information to provide satisfaction for the customers, which includes globally integrated quality management in order to cope with business challenges in a better and more aggressive way. The expected stimuli of the relationship marketing concept are the methods of attracting attention, maintaining customer satisfaction, as well as enhancing and strengthening relationships with the customers, in order to create customer retention. According to (Chakiso, 2015), all relationship marketing underpinnings such as trust, commitment, conflict management, communication, and gratitude have positive and moderate relationship with customers' loyalty.

New Cinderella has not been able to correctly implement the relationship marketing, as it can be observed through its employees' behavior when serving the customers. Employees tend to only focus on the service for the available products or products which the customers are interested in. They are still unable to properly implement a relationship marketing program, intended to establish a better communication with the customers, which certainly will be resulting on the increasing of both the number and the loyalty degree of the customers to New Cinderella. (Mcilroy & Barnett, 2000) stated that, the point that the company needs to understand in developing relationship marketing is its influence towards customer retention.

Besides establishing a good relationship with customers and creating loyalty, the next factor is the method to attract customers to visit and decide to purchase the products, such as through a site arrangement which provide comfort for the customers when they are in the store for shopping or other business activities. Anticipating this, many companies have implemented a system of site and store atmosphere arrangement to provide comfort for the customers. According to the previously conducted researches, as well as based on the researcher's experience and observations, when a customer wants to visit a shopping site, the atmosphere of the site and the cleanliness of the surrounding environment are the most considered points. In the subject of marketing study, this is known as atmosphere.

(Samli, Kelly, & Hunt, 1998), states that one of the factors used by the customers as the basis in choosing a shopping site is the comfort level of the store atmosphere. A company's store atmosphere can be measured through various elements, such as location, hospitality and security. Store atmosphere is the most important determining factor for customers in choosing a place to shop. Furthermore, the research also points out that there are several other determining elements in a company's store atmosphere, such as the employees, the interior designs, the temperatures, the decorations, and the use of colors.

The store atmosphere of New Cinderella is at a certain degree that enables the customers to feel comfortable while visiting and shopping at New Cinderella, which can be observed through the followings: the well-organized seating arrangement, the high quality furniture, the eye-refreshing room decorations, the cool temperatures, the attractive colors, the casual and moderate lighting system, the presentable product displays, as well as the health-standardized hygiene of the products and the site. These advantages give New Cinderella the upper hand in business competition in the City of Ambon.

In addition, another important factor in the business world is service, because it is a form of appreciation towards the customers. Therefore, it can be stated that a good service may make customers want to do more purchases, become less sensitive to the price of the product offered, and speak about their positive experience to others (Anderson, Fornell, & Lehmann, 1994); (Zeithaml, Berry, & Parasuraman, 1996); (Bolton, Kannan, & Bramlett, 2000) and (Rust & Oliver, 2012). Empirically, this assumption is supported by several studies, which consistently discover positive influences of the service towards the customer retention.

The service performed by New Cinderella for the visiting customers, has received a good rating. However, with the intense level of business competition in the city of Ambon, there is still no certainty whether it can increase the number of customers in the long term. It is inseparable because a company's service rating can be measured based on the customers value. (Grönroos, 2007) states that the company's service is a critical element for the perception of customers value.

Customer retention is defined as a marketing objective to keep customers from shifting to the competitors. According to (Bruhn, 2003), customer retention strategy aims to increase the currently existing level of customer retention in the company. Such a strategy is necessary because of several considerations, for instance, the need of bigger costs allocation for finding new customers rather than for maintaining the existing customers. (Kaplan & Norton, 1996) stated that customer retention is an activity that is directed to be able to maintain sustainable interactions with customers through ongoing relationships, loyalty marketing, database marketing, permissions marketing, and advancements. According to (Buttle, 2008) customer retention exists in order to maintain relationship with customers for the purpose of sustainable sales in the long term. Customer retention is a form of customer immunity. (Tjoa, Kastanya, Latumahina, & Aponno, n.d.)

Overall, the reason researchers conducted research at New Cinderella is, the researchers are interested in the object of the study compared to other similar businesses, in addition to a good personal experience of the researchers whilst visiting New Cinderella. The other factors are the relatively young age (3 years old), the increasing numbers of customers, and the more comfortable atmosphere compared to other similar competitors. Besides that, New Cinderella has also has its own unique feature, which is an impressive system of interior layout and decorations despite its narrow building structure. These factors enable New Cinderella to cope with the currently increasing competition among the business of restaurants, cafes and restaurants, whether in small, medium, or big scale.

This study therefore will address the main impact of relationship marketing, store atmosphere, and service on customer retention at the New Cinderella in Ambon. This study aims to provide answers to the following questions:

1. Is there an influence of relationship marketing towards store atmosphere?.
2. Is there an influence of relationship marketing towards service?.
3. Is there an influence of relationship marketing towards customer retention?.
4. Is there an influence of store atmosphere towards customer retention?.
5. Is there an influence of service towards customer retention?.

2. Theoretical Review and Hypotheses

2.1. Theoretical Review

2.1.1. Relationship Marketing

According to (Odekerken-Schroeder, G.O., K. de Wulf, 2000), there are seven keys in building a relationship marketing. Those seven keys are as follow:

1. Belonging: the customer's perception about the extent of the company's effort to be able meet the intrinsic needs of the customers as part of building relationships.
2. Communication: the customer's perception about the extent of the company's effort to be able to exchange information both written or directly with customers.
3. Customization: the customer's perception about the extent of the company's effort to be able to take advantage of its knowledge about customers in order to adjust its offer towards the customer's demands.
4. Differentiation: the customer's perception about the extent of the company's effort to be able to give more personal treatment.
5. Personalization: the customer's perception about the extent of the company's effort to be able to show its appreciation towards the customers.
6. Rewarding: the customer's perception about the extent of the company's effort to be able to offer tangible rewards in return for customer loyalty.
7. Security and convenience: the customer's perception about the extent of the company's effort to be able to reduce the products' risks for the customer.

2.1.2. *Customer Retention*

(Berry, Parasuraman, & Zeithaml, 1988) stated that there are four types of customer retention tactics that can be implemented according to the ability of each research object. Those tactics are as follow:

1. Financial Bonds
The benefits given include cost savings for the customers when purchasing a product. The most frequent implementation of providing financial benefits is through the frequency marketing programs, such as giving reward in the form of special discounts for the customers who purchase regularly or in large quantities.
2. Social Bonds
The benefits given include special services and treatments from employees. The easiest implementation of providing social benefits is by trying to remember customers by names.
3. Customization Bonds
The benefits given include the easiness for the customers. The implementation of providing customization benefits is by having uncomplicated payment method and easy access to get discounts if there is any.
4. Structural Bonds
The benefits given include the form of a strong bond, which is created from a good relationship.

2.1.3. *Store Atmosphere*

(Berman & Evans, 2010) state that atmosphere (atmospherics) refers to the store's physical characteristics that project an image and draw customers. According to (Levy Michael and Weitz Barton., 2001), store atmosphere consists of Instore atmosphere and Outstore atmosphere.

2.1.3.1. *Instore Atmosphere*

Instore atmosphere is the arrangements within the building, concerning:

1. Internal Layout: the arrangement of various facilities inside the building. For example, the layout of the customer's chair and table, the cashier's table, the lights, and the air conditioner.
2. Sounds: the entire collections of soundwaves broadcasted inside the building to create a relaxation for the customers consisting of live music in the restaurant or the music from the store's sound system.
3. Scents: the aroma presented inside the building. For example, the aroma of food and drink which create an appetite or the aroma caused by air freshener.
4. Texture: the physical appearance of the materials used for tables, chairs, and the walls inside the room.
5. Interior design: the space arrangement inside the building, which provide comfort for the customers. For example, the synchronization between the customers' area and the walkway, the design of bar's counter, the arrangement of furniture, and the systems of lighting inside the building.

2.1.3.2. *Outstore Atmosphere*

Outstore atmosphere is the arrangements outside the building, concerning:

1. External Layout: the arrangement of various facilities inside the building. For example, strategic location of customers' parking lot and signage.
2. Texture: the physical appearance of the materials used both in the buildings' outer side and outdoor facilities. For example, the texture of outside walls and the texture of the signage.
3. The exterior design: the arrangement of the outdoor space of the building. For example, the design of outdoor signage, the placement of entrance, the outside look of the building, and the system of outdoor lighting.

According to (Berman & Evans, 2010) atmosphere can be divided into several elements: exterior, general interior, store layout, and displays.

2.1.4. Service

In relation to constructing customer retention, service quality has several main dimensions. In the case of marketing products, there are eight main dimensions that are commonly used (Cronin & Taylor, 1992). Those dimensions are as follows:

1. Performance: the basic operating characteristics of a product.
2. Features: the special complementary characteristics, which may give good experience in the product usage.
3. Reliability: the probability of a product failure or damage within a certain period of time; the less likely the product to be damaged, the more reliable the product is.
4. Conformation: the conformity level of the product to the regulated standards.
5. Durability: the total amount of product usage before it has to be replaced. The greater the frequency of the possibility of normal usage, the greater the product durability is.
6. Serviceability: the speed and ease in service, as well as the competence and hospitality of the service staffs.
7. Aesthetics: the appearance of products that can be assessed through five senses.
8. Perception of quality Perceived Quality: the quality which is measured based on the seller's reputation.

2.1.5. Previous Researches

Table 1. Previous Researches

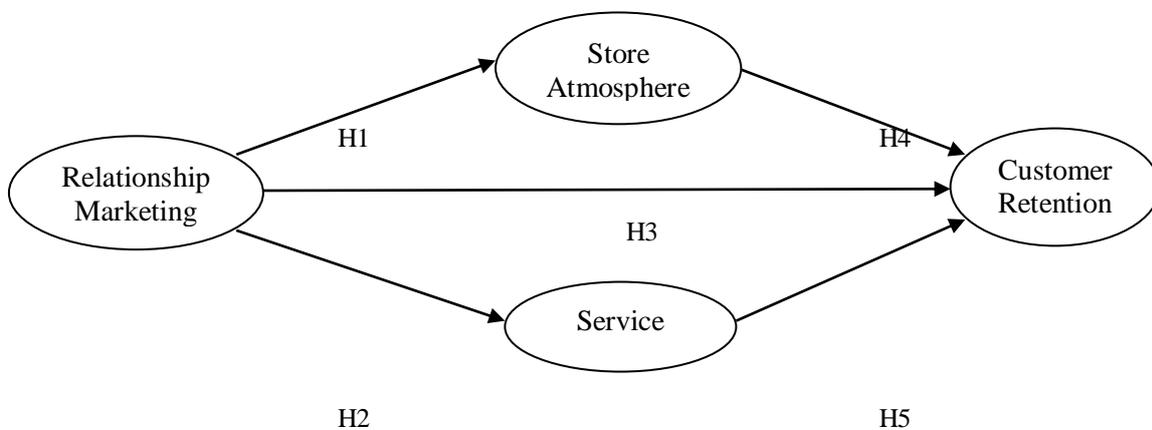
No.	Researchers	Variable	Method	Result
1.	(Opuni, Opoku, & Oseku-Afful, 2014)	- Relationship Marketing - Service quality - Customer Satisfaction	- Pearson's correlation - Ordinary least squares regression. - Univariate analysis of covariance.	- Emotional intelligence makes a strong positive relationship with relationship marketing. - Relationship marketing is highly positively related to service quality and customer satisfaction - Emotional intelligence positively relates to service quality and customer satisfaction.
2.	(Ogechukwu & Francis, 2013)	- Relationship Marketing Strategy - Customer Satisfaction - Customer Retention	Regression analysis.	That Igbo SMEs accept, use, and adopt the relationship marketing concept.
3.	(Husnain & Akhtar, 2015)	- Relationship Marketing - Customer Loyalty	Multiple regression analysis.	Four variables in relationship marketing have significant effect and predict good proportion of variance in customer loyalty.
4.	(Turhan, 2015)	- Store Satisfaction - Customer Retention - Store Design	Structural Equation Modelling.	Perceived store satisfaction mediates the relationships of store design and shopping ease with customer retention.

5. (Moongela, 2017)	- ServQual - Customer Retention	Quantitative Data was analysed using SPSS and Atlas.ti for the qualitative data.	The key factors that affect customer retention at the Peoples' Bank of Namibia is the empathy, assurance and professionalism dimensions of ServQual.
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2.1.5. *Theoretical Framework*

Relationship marketing in this study can provide benefits for the company to understand the obstacles in competition, thus enabling the company to improve customer retention. This research focuses in discovering the relationship among the influential variables on customer retention, which is the relationship marketing as a strategy performed by the company to maintain and increase the number of customers, through atmosphere, customer value and service. From this description, the theoretical framework in this research is as shown in the following figure:

Figure 1. Theoretical Framework



3. Research Hypotheses

(Mourougan & Sethuraman, 2017) states the definition of hypothesis as a tentative explanation that accounts for a set of facts and can be tested by further investigation. Hypothesis should be statements expressing the relation between two or more measurable variables. There are five hypotheses in this study which describe the direct relationship between the each variables.

1. There are positive influences of relationship marketing towards store atmosphere.
2. There are positive influences of relationship marketing towards service.
3. There are positive influences of relationship marketing towards customer retention.
4. There are positive influences of store atmosphere towards customer retention.
5. There are positive influences of service towards customer retention.

4. Method of Research

4.1 *Population and Sample*

4.1.1 *Population*

According to (Rahi, 2017), Population can be defined as all people or items that one wishes to understand. The population used in this research is the citizens of Ambon.

4.1.2 Sample

According to (Hair, Jr, 2015), a sample is a relatively small subset of the population. In researches using the PLS approach, the sample size criteria agreed upon by the researchers and the creators of PLS, (Sarstedt, Ringle, & Hair, 2014) is ten times the number of structural arrows leading to one of the latent variables. However, to obtain accurate PLS prediction which is consistent to the research model, Sarstedt et al, recommend a minimum sample size of 100, because the precision of model predictions of the data increases along with the increase of sample size.

4.1.3 Sampling Technique

The sampling method used in this study is non-probability sampling, which each member does not have the same opportunity to be included in the sample. The number of study samples is set at 100 respondents. For the technique of determining sample units (respondents), the researcher uses purposive sampling. Selected customers possess the following criteria:

- 25-50 years old.
- Has purchased New Cinderella’s products more than 3 times in the last 3-4 month period.
- Can represent the family as a decision-maker in family’s purchasing activities.
- Has a steady income.

4.2 Analysis Technique

To analyze the data, the researcher applies the Partial Least Square Structural Equation Modeling (PLS-SEM) of the WarpPLS 6.0 statistic software package in the model and hypothesis assessment. According to (Hair, Jr, 2015), partial least squares (PLS) is a statistical procedure for estimating simultaneous systems of equations referred to as structural equation modeling (SEM).

5. Result and Discussion

5.1 Result

5.1.1 Respondents Profile

This study will analyze customers’ answers on the distributed questionnaires, particularly in the respondents profile section. The information generated includes gender, age and occupation. The result of the analysis of the respondent's profile is as follows: 35% male and 65% women, with the majority 55% are between 25-30 years old and work as Civil Servants as much as 40%.

5.1.2 Model Assessment Result

5.1.2.1 Outer Model

Table 2. Loading Factor

Indicators	RM	SA	SER	CR
RM1	.766			
RM2	0.748			
RM3	0.732			
RM4	0.809			
RM5	0.810			
RM6	0.735			
RM7	0.799			
SA1		0.772		
SA2		0.761		
SA3		0.702		
SA4		0.678		
SA5		0.640		

SA6	0.786	
SA7	0.665	
SA8	0.670	
SA9	0.763	
SA10	0.702	
SER1		0.641
SER2		0.788
SER3		0.789
SER4		0.678
SER5		0.584
SER6		0.780
SER7		0.758
SET8		0.747
CR1		0.787
CR2		0.723
CR3		0.717
CR4		0.745

Source: Processed primary data

Based on the Table 2, it can be observed that all items have loading factor above 0.4. Therefore, it can be concluded all indicators are valid to be applied in research model.

Table 3. Composite Reliability and Cronbach's Alpha

Variables	Composite Reliability	Cronbach's Alpha
RM	0.912	0.887
SA	0.913	0.894
SER	0.897	0.869
CR	0.832	0.730

Source: Processed primary data

Based on the table above, it can be observed that the composite reliability value of each research variable is above 0,70. Therefore, it can be stated that the research data complies with the criteria of the composite reliability testing. This result indicates that all of the researched constructs are confirmed to be complying with the composite reliability criteria, thus each construct can be set as a research variable. The table above also shows that the Cronbach Alpha's values of all research variables is above 0.70. Therefore, it can be stated that Cronbach Alpha value has fulfill the reliability test.

Table 4. Average Variance Extracted (AVE)

Variables	Average Variance Extracted (AVE)
RM	0.596
SA	0.512
SER	0.525
CR	0.553

Source: Processed primary data

Based on the table above, it shows that the AVE's value of each research variable is above 0.5, so that it can be declared to be valid.

5.1.2.2 Inner Model

Figure 2. Hypotheses Test Result

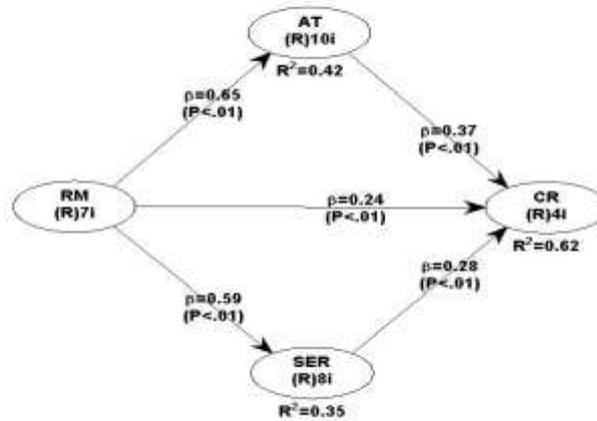


Table 5. Path Coefficients

	Path coefficients	P values
RM -> SA	0.649	<0.001
RM -> SER	0.588	<0.001
RM -> CR	0.238	0.006
SA -> CR	0.370	<0.001
SER -> CR	0.280	0.002

Source: Processed primary data

Based on the hypotheses test result in Figure 2 dan Table 5 above, it can be determined that the Path Coefficients of each variable are as follow:

1. The first hypothesis of the research is confirmed, because the results of data analysis displays that the path coefficients' value is 0.649 with p values of <0.001 or smaller than 0.05. Therefore, it can be stated that relationship marketing has positive influence towards the store atmosphere.
2. The second hypothesis of the research is confirmed, because the results of data analysis displays that the path coefficients' value is 0.588 with a p value of <0.001 or smaller than 0.05. Therefore, it can be stated that relationship marketing has positive influence towards service.
3. The third hypothesis of the research is confirmed, because the results of data analysis displays that the path coefficients' value is 0.238 with a p value of 0.006 or smaller than 0.05. Therefore, it can be stated that relationship marketing has positive influence towards customer retention.
4. The fourth hypothesis of the research is confirmed, because the results of data analysis displays that the path coefficients' value is 0.370 with a p value of 0.002 or smaller than 0.05. Therefore, it can be stated that the store atmosphere has positive influence towards customer retention.

5. The fifth hypothesis of the research is confirmed, because the results of data analysis displays that the path coefficients' value is 0.280 with a p value of <0.002 or smaller than 0.05. Therefore, it can be stated that service has positive influence towards customer retention.

Tabel 6. R-Squared Coefficients

RM	SA	SER	CR
	0.421	0.346	0.619

Source: Processed primary data

Based on the hypotheses test result in Figure 2 dan Table 6, it can be determined that R-Squared Coefficients are as follow:

1. R-Squared coefficient for store atmosphere variable is 0.421. It means that store atmosphere variable which can be explained by relationship marketing variable is 42.1%. Meanwhile, the rest 57.9% is explained by other variables unrelated to the research model.

2. R-Squared coefficient for service variable is 0.346. It means that service variable which can be explained by relationship marketing variable is 34.6%. Meanwhile, the rest 65.4% is explained by other variables unrelated to the research model.

3. R-Squared coefficient for customer retention variable is 0.619. It means that customer retention variable which can be explained by relationship marketing variable, store atmosphere variable, service variable is 61.9%. Meanwhile, the rest 38.1% is explained by other variables unrelated to the research model.

This test results also displays that the model in this research can be claimed as good model. This can be determined by Average path coefficient (APC) = 0.425, P<0.001, Average R-squared (ARS) = 0.462, P<0.001, Average adjusted R-squared (AARS) = 0.454, P<0.001, Average block VIF (AVIF) = 2.176, and Tenenhaus GoF (GoF) = 0.502.

5.2 Discussion

5.2.1 The Influence of Relationship Marketing towards Store Atmosphere

Based on the results of the research, it can be concluded that, relationship marketing, applied by the company, thrives in establishing a good relationship with customers. The customer is the most important thing in managing a business, because it is the customers that determine the success of a business. Therefore, in attracting the customers' attention, the company must strive for various subjects, including establishing a good relationship with customers or commonly known as relationship marketing. A good relationship marketing will have a good impact on the company, such as keeping the customers from moving to other companies.

In addition, the further benefit is that the company is able to save more time and cost used, in order to gain new customers, because it is easier to retain the existing customers than to find new ones. A good relationship will also encourage the customers to broadcast positive things about the company, thus attracting new customers. When a company is going to build relationships with customers, it must be able to prepare everything appropriately, including atmosphere (site arrangement) which is created to be as good and comfortable as possible. By doing that, the company will be able to advertise their products easier and make the customers feel satisfy during the visit. Subsequently, the facilities provided by the company will also support the relationship marketing. The company must be able to provide adequate facilities. For instance, a good lighting system will enable the customers to find the products they want to purchase easier. Likewise, a suitable temperature can give comfort for the visiting customers. The other supporting facilities are an apparent list of products, which enables the customers to easily choose the products they want to purchase, as well as a large and safe parking facility for the driving customers. All of these facilities can attract customers to visit and build a good relationship with customers. Beside that, the company must also give more attention and special service to the customers, such as having polite and friendly employees, which will make the customers feel favored and satisfied during the visit. The company also needs to improve its understanding towards the customers personally. By getting to know the customers, the company will be able to understand the desires and needs of the customers in the future, which certainly generate the feelings of appreciation among the customers. Moreover, information that the company publishes to the customers must be accurate, so that the customers will receive the suitable products as expected. Once a good relationship has been established, it will be even better if the company offers rewards to the customers by giving discounts/bonuses at certain times. This will make the customers feel even more satisfied, so they will revisit and do more routine purchases in the long term.

5.2.2 *The Influence of Relationship Marketing towards Service*

A good relationship is established because of the availability of proper service from the company. The company must make every effort to satisfy and please customers, because it will affect customers' decision whether to revisit or not. In establishing a good relationship, the company has to be familiar with the nature of the customers, so that the company will have a good decision-making process and gain benefits from that decision. Therefore, the point that needs to be considered in improving the quality of service is the company performance, which means the employees' punctuality in serving customers. If the order arrives on time, the customers will feel satisfy, because they do not have to waste time during the visit just for waiting on the order. The company, with sufficient knowledge about its customers, will certainly treat these customers properly and rarely make mistakes in serving customers. The company will also provide the best products in order to maintain the existing good relationship. Therefore, the products offered by the company must have guaranteed quality with certified health standards. The products' features and appearance has to be attractive so that the customers will be interested.

The company's reputation also affects the relationships created between the company and customers. Customers will be interested in visiting if the company has a good reputation, because it means that the company certainly has high quality standard in terms of its service as well as its product. If the company has already managed to establish a good relationship with the customers, then it will be even better if the company offers discounts at certain periods of time, so that the customers will feel prioritized, thus preserving the long-term relationship with the company. With the success of retaining loyal customers, the company will gain benefit. Based on research conducted, relationship marketing has significant influence towards service. It can be observed from New Cinderella's relationship marketing, which can be declared to be successful in establishing a good relationship with its customers by providing services in accordance with the standards expected by the customers, so that customers will be satisfied when visiting.

5.2.3 *The Influence of Relationship Marketing towards Customer Retention*

Customers are a company's most valuable asset. Therefore, the company has to try and attract as many customers as possible, which will be resulted in the increasing profits. In addition to attracting new customers, the company must also be able to build good relationships with old customers, because that will affect customer behavior towards the company. Customers who have good relationship with the company are customers who are satisfied with the company's performance. This kind of customers will continue to purchase company's products and become loyal customers. Loyal customers have to be retained so that the company does not necessarily have to allocate too much time and costs to attract new customers. Another positive influence of customer retention is that the customers will inform positive things about the company to other people, which can attract new customers to visit. Therefore, one of the efforts that a company has to perform to build a good relationship with the customers is by providing of physical facilities, which can fulfill the customers' needs, and enabling the customers in accessing these facilities easily, for instance, the customization in payment process. Customers will be interested to visit if the company has an uncomplicated payment method. The company must be able to maintain this, so that customers will remain satisfied when making purchases at the company. In addition, the company must also be able to control employees' performance and guarantee that customers are treated properly by the employees, so that the customers will feel comfortable and being respected during the visit. Subsequently, the company also has to give rewards to the customers, in order to convince the customers that they have established a good relationship with the company. These rewards might be in the form of discounts or bonuses. This is intended to make customers feel benefited when purchasing company's products. The results of the conducted research shows that the New Cinderella company has succeeded in building a good relationship with customers by providing positive things that can retain the existing customers.

5.2.4 *The Influence of Store Atmosphere towards Customer Retention*

In building a business, atmosphere has a considerably significant role for the survival of the business, because atmosphere can attract customers to visit. Atmosphere is also one of the pillars for the company's identity. The customers will be more interested to visit, if the generated atmosphere has distinctive and unique features, because there are different motives of each customer in fulfilling their needs and desires. Some come to simply enjoy the atmosphere, spend their spare time, or relieve the stress. Others come to purchase the company's products. Therefore, the point that the company needs to pay attention to is not merely fixated on the manufactured products, but also that the generated atmosphere has to be able to make customers become interested to visit and feel comfortable during the visit. If a customer feels comfortable in a company, he/she will continue to visit the company and make more purchases. These customers are called loyal customers. The company has to be able to maintain the loyal customers so that it does not have to make an effort to search for new customers, because through these loyal customers, the company can attract new customers by means of *word of mouth* among the customers. In the effort to retain the existing customers, the company must pay

attention to several things including the atmosphere. Atmosphere includes several elements. First is a proper lighting system, because proper lighting can affect the beauty of the place. This means that the provided light is neither too bright that blinding the customers' eyes nor too dark that makes it hard for customers to enjoy the atmosphere on site. Next is in terms of room temperature setting. This is quite important to consider because it involves the comfort level that the customers feel on site. Room temperature that is too hot or too cold can make customers feel uncomfortable during the visit. Besides the temperature of the room, the cleanliness of the site also contributes to customers' comfort. Customers will feel safe and assured in the products offered if the site has a guaranteed level of cleanliness. Customers will also feel happy when visiting if a company has friendly and hospitable employees, which enables decent feedback between customers and employees. A proper service can increase customers' interest in purchasing products and brings benefits for the company itself. An apparent list of products will also help ease the customers to get information about the desired product. This means that the list of products must contain pictures, prices and also other related information required by customers about the desired products. The next factor is the sound. Customers will be more comfortable in a site if it is equipped with pleasant music to hear and in accordance with the on-site atmosphere. Room decoration is also an important factor in creating the site's atmosphere. An attractive decoration which synchronized with the color of the room may indulge the customer's eyes, thus comforting the customers while on site. The company must be able to retain customers by accommodating the factors that has been explained above. The company will be considered successful if the benefits of all those factors are experienced by the customers.

5.2.5 *The Influence of Service towards Customer Retention*

A company's reputation depends on the service it has. Therefore the service factor is a mandatory strategy that must be carried out, so that the business will progress and gain greater profits. A good (deluxe) company along with a proper service will attract the attention of customers to visit so that the number of customers will keep on increasing. Maximum service will be smoothly performed if the company has competent employees. The better the service of a company is, the higher the level of customers' satisfaction towards the company. In accordance with the increasing level of customers' satisfaction, the company will be able to retain the existing customers, thus reducing the time and energy allocation in order to invent strategies to gain new customers. There are several efforts that a company can perform in retaining customers through the service it provides. First effort to be considered is the punctuality in serving a product order. The order has to be delivered on time to the customers so that the customers do not need to waste time just waiting for orders. Next, the company must carefully pay attention to customer desires so that the extent of mistakes can be reduced and earn the respect of the customers. Therefore, customers will not be hesitant to revisit. Another effort to maintain the customers is to convince the customers that the company's products are consumable. This can be accomplished by providing evidence that the products abide by the regulated health standards, which inevitably remove any hesitation the customers have in consuming the product. Besides that, there are also several other influential factors such as: creating an attractive product display and complementary features, as well as constantly replacing products so that customers will not be indifferent towards the company's products. As explained earlier about the reputation of a company, customers will feel confident when choosing to visit a company if the company is already recognized to have a good reputation in terms of the quality of products and services. When all the above factors have been successfully implemented, the customer will be able to feel the benefits for themselves. Therefore, the efforts made by the company to retain customers can be stated as successful. From the research conducted, it can be seen that the New Cinderella has successfully carried out customer retention by conducting services in accordance with what customers expect, so that the customers will not hesitate in making more purchases at New Cinderella.

6. Conclusion

The result of this research supports all the proposed hypotheses. First, there is a positive influence of relationship marketing towards store atmosphere. Second, there is a positive influence of relationship marketing towards service. Third, there is a positive influence of relationship marketing towards customer retention. Fourth, there is a positive influence of store atmosphere towards customer retention. Fifth, there is a positive influence of service towards customer retention.

Further researches are expected to expand the result of this research by using more samples and different companies.

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