# **Edelweiss Applied Science and Technology**

ISSN: 2576-8484 Vol. 9, No. 3, 2919-2929 2025 Publisher: Learning Gate DOI: 10.55214/25768484.v9i3.5888 © 2025 by the author; licensee Learning Gate

# The impact of service quality in retail stores on loyalty and repurchase intent through consumer value

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Abstract: This study aims to analyze the impact of service quality in large-scale retail stores on customer loyalty and repurchase intention through consumer value (functional value and emotional value). With the recent increase in online shopping and the expansion of contactless services, it has become crucial for offline retail stores to provide differentiated service quality to retain customers and enhance loyalty. The study examines the influence of service quality components (reliability, responsiveness, assurance, empathy, and tangibles) on consumer value and identifies the role of consumer value in shaping customer loyalty and repurchase intention. Based on data from 238 respondents, structural equation modeling (SEM) was utilized for analysis. The results indicate that key elements of service quality positively affect customer loyalty and repurchase intention through functional and emotional value. These findings offer strategic insights for retail stores to strengthen their competitiveness by adopting differentiated service strategies that enhance customers' emotional value.

Keywords: Consumer value, Loyalty, Repurchase intent, Retail stores, Service quality.

## 1. Introduction

With the rapidly changing environment of the retail industry, large-scale retailers such as hypermarkets face new strategic challenges. The rapid expansion of online shopping and the rise of contactless services have led consumers to increasingly prefer online channels, which offer greater convenience, over visiting offline stores [1]. In this context, it has become more crucial than ever for offline hypermarkets to provide differentiated, high-quality services to retain existing customers and attract new ones. Enhancing service quality, particularly to strengthen customer loyalty and encourage repurchase intention, has become a key focus across the retail industry [2].

In the past, service quality was often considered a supplementary factor that complemented product quality and price competitiveness. However, as consumer expectations have risen, it has evolved into a core competitive advantage. For offline retailers such as hypermarkets, it is no longer sufficient to simply serve as a space for product sales. Instead, offering unique experiences and value to customers has become essential [3]. Service quality now plays a vital role in improving customer satisfaction, fostering customer loyalty, and enhancing the long-term sustainability of businesses. Reflecting this trend, the retail industry is increasingly focused on adopting strategic approaches and innovative ideas to improve service quality.

However, the impact of hypermarket service quality on customer behavior is likely to be more complex than a direct relationship. It often involves a mediated relationship through the "consumer value" perceived by customers [4]. Consumer value refers to the overall satisfaction a customer experiences while using a product or service. It serves as a critical mediator in understanding the relationship between service quality and customer behavior. Consumer value is multifaceted, encompassing dimensions such as functional value, emotional value, and social value. These dimensions

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History: Received: 14 January 2025; Revised: 13 March 2025; Accepted: 17 March 2025; Published: 29 March 2025

positively influence customer satisfaction, loyalty, and repurchase intention [5].

For example, friendly staff interactions and efficient payment services in hypermarkets enhance functional value, while a pleasant shopping environment and various events boost emotional value. Furthermore, when consumers visit hypermarkets for social interaction or family activities, these experiences contribute to social value, thereby enhancing overall satisfaction. Consequently, the impact of service quality on customer behavior necessitates a more in-depth analysis that accounts for the multidimensional and complex mediating role of consumer value.

Previous studies have consistently attempted to analyze the influence of hypermarket service quality on consumer value, customer loyalty, and repurchase intention. In particular, the mediating role of consumer value in the relationship between service quality and customer behavior has been emphasized [6]. However, most studies have focused on the effects of specific service quality components on consumer value or examined direct relationships between individual service quality factors and loyalty. Comprehensive analyses that consider the multidimensional structure of service quality and the mediating role of consumer value remain relatively scarce.

Therefore, this study aims to systematically analyze the impact of hypermarket service quality on customer loyalty and repurchase intention through consumer value (functional value and emotional value). This research seeks to identify strategies for offline hypermarkets to secure a competitive edge against online retailers and provide strategic insights for the retail industry. Specifically, the objectives of this study are threefold: (1) to analyze the impact of hypermarket service quality on consumer value (functional and emotional), (2) to identify the influence of consumer value on customer loyalty and repurchase intention, and (3) to determine whether consumer value mediates the relationship between service quality and customer behavior.

Ultimately, this study aims to provide foundational data for hypermarkets to develop more concrete strategies to enhance customer satisfaction and loyalty. Furthermore, it seeks to propose diverse approaches for improving consumer value, offering meaningful implications for the broader retail industry.

#### 2. Theoretical Background

## 2.1. Service Quality in Large-Scale Retail Stores

Service quality is a comprehensive concept encompassing customers' cognitive and emotional evaluations of the overall performance of services provided by a company [7]. In offline retail stores like hypermarkets, not only product quality but also factors such as staff service attitudes, store cleanliness, and shopping convenience serve as key components of service quality [8]. Service quality has been identified as a critical factor that enhances customer satisfaction and positively influences loyalty and repurchase intention, directly contributing to the long-term performance of businesses [1]. For hypermarkets, it is essential to provide customer satisfaction by leveraging various products, competitive pricing, and a convenient shopping environment [9].

## 2.2. Consumer Value (Emotional Value, Functional Value)

Consumer value is defined as the overall benefits and experiences that customers gain from a product or service, and it can be broadly divided into functional value and emotional value [10]. Functional value refers to consumers' evaluations of a product's practicality, utility, and price competitiveness. In hypermarkets, key elements of functional value include product quality, reasonable pricing, and shopping convenience.

In contrast, emotional value encompasses the emotional responses consumers experience during the shopping process, such as joy, satisfaction, and enjoyment [11]. Emotional value is influenced by factors such as friendly service from staff and a clean shopping environment, which elicit positive emotions and play a significant role in enhancing consumer satisfaction [12].

Consumer value significantly impacts behavioral loyalty and repurchase intention. The higher the consumer value perceived by customers, the more likely they are to have a positive evaluation of the

Edelweiss Applied Science and Technology ISSN: 2576-8484 Vol. 9, No. 3: 2919-2929, 2025 DOI: 10.55214/25768484.v9i3.5888 © 2025 by the author; licensee Learning Gate company and demonstrate loyalty [7].

#### 2.3. Customer Loyalty

Customer loyalty is defined as a consistent positive attitude toward a specific company or brand, accompanied by an intention to repurchase. It is a critical factor for the long-term success of a business [13]. In the case of retail stores like hypermarkets, customer loyalty plays a pivotal role in encouraging repeat visits and repurchases, helping the company maintain a competitive edge in the market.

Customer loyalty is strengthened when customers are satisfied with the service and build trust in the company, which in turn positively impacts revenue growth and enhances the brand image [14]. Moreover, customer loyalty extends beyond mere purchasing behavior; it also includes advocacy behaviors, such as voluntarily spreading positive word-of-mouth about the company [15].

In this sense, hypermarkets can enhance customer loyalty by maintaining high levels of service quality, which will ultimately contribute to improving their competitiveness in the industry.

#### 2.4. Repurchase Intention

Repurchase intention refers to a customer's willingness to repeatedly purchase the same product or service. It is considered a crucial factor for maintaining profitability and driving growth for businesses [16]. Repurchase intention is primarily shaped by the satisfaction and positive experiences customers derive after using a service, which is closely linked to customer loyalty [17].

In the context of hypermarkets, repurchase intention increases when customers are satisfied with the service quality, product quality, and shopping convenience they experience. This makes repurchase intention a key factor in encouraging repeat visits, which is vital for the success of offline retailers [16].

In summary, repurchase intention is essential not only for driving long-term revenue growth but also for maintaining customer trust and fostering a positive brand image. Encouraging high levels of repurchase intention plays a significant role in strengthening a retailer's competitive edge in the market.

## 3. Research Method

## 3.1. Sample Design and Measurement Tools

This study aimed to examine the impact of service quality in hypermarkets on customer loyalty and repurchase intention through consumer value (emotional and functional value). To achieve this, a survey was conducted targeting individuals who had used a hypermarket at least once. Data collection took place from November 1 to November 14, 2024. The researchers explained the purpose and content of the study to participants through an online survey and obtained their consent before securing 240 responses. After excluding invalid or incomplete responses, a total of 238 valid responses were used for the final analysis.

The study developed measurement items based on prior research related to hypermarket service quality, consumer value, customer loyalty, and repurchase intention. To align with the study's objectives, the items proposed in previous studies were adapted to suit the research context. As shown in <Table 1>, a 5-point Likert scale was employed to structure the measurement items.

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**Table 1.** List of measurement.

Factor				
Reliability	The hypermarket delivers products within the promised time frame.  The product information provided by the hypermarket is accurate and trustworthy.  The hypermarket consistently delivers the services expected by customers.			
Responsiveness	Hypermarket staff respond promptly to customer requests. The hypermarket actively works to resolve customer complaints. The hypermarket provides immediate assistance when needed by customers.	Yoon, et al. [2] and Zeithaml, et al. [7]		
Assurance	Hypermarket staff inspire confidence in customers. The hypermarket offers a safe shopping environment. Hypermarket staff are knowledgeable about products and trustworthy.	Yoon, et al. [2] and Zeithaml, et al. [7]		
Empathy	The hypermarket understands the perspective of its customers.  Hypermarket staff respect customer needs.  The hypermarket provides services tailored to individual customer requirements.	Yoon, et al. [2] and Zeithaml, et al. [7]		
Tangibles	The hypermarket's stores are clean and well-organized. The facilities and equipment in the hypermarket are modern and appealing. The product displays and store design are visually attractive.	Yoon, et al. [2] and Zeithaml, et al. [7]		
Functional Value	The hypermarket offers a wide variety of products at reasonable prices.  The hypermarket helps customers easily find desired products.  The hypermarket has an efficient payment and checkout system.			
Emotional Value	Shopping at the hypermarket is an enjoyable experience.  The hypermarket provides a comfortable and satisfying shopping environment.  Using the hypermarket generates positive emotions.			
Customer Loyalty	I plan to continue using the hypermarket in the future. I am willing to recommend the hypermarket to others. I have a positive image of the hypermarket.			
Repurchase Intention	I intend to shop at the hypermarket again.  Even with other options, I will choose to shop at the hypermarket.  I plan to purchase products from the hypermarket in the future.	Hong and Lee [16]		

#### 3.2. Analysis Method

This study aims to explore the relationships among various latent variables and their effects on specific outcomes. To achieve this, Covariance Structure Analysis (CSA) was applied. This method was chosen as a robust tool that not only examines the relationships between variables based on hypotheses but also integrates the complex causal relationships among latent variables, including their measured values.

For data analysis, the widely used statistical software SPSS and structural equation modeling (SEM) software AMOS were employed. SPSS provides a range of functionalities for data analysis and inferential statistics, while AMOS supports advanced modeling and analysis capabilities, including covariance structure analysis. These tools played a pivotal role in conducting the statistical analysis for this study.

# 3.3. Hypothesis Development

## 3.3.1. The Relationship Between Hypermarket Service Quality and Consumer Value

Service quality in hypermarkets is composed of five dimensions: reliability, responsiveness, assurance, empathy, and tangibles. These dimensions significantly influence the value perceived by consumers [2, 7].

First, reliability refers to a hypermarket's ability to consistently deliver promised services, providing consumers with a sense of stability and satisfaction, thereby enhancing functional value. Next, responsiveness represents a hypermarket's ability to promptly respond to customer requests, which is

associated with convenience and can further increase functional value. Assurance, which encompasses the professionalism and trustworthiness of hypermarket staff, helps consumers feel secure and dependent on the service, fostering positive emotional value. Additionally, empathy reflects an attitude of understanding and respecting individual customer needs, making consumers feel uniquely valued and strengthening emotional value. Lastly, tangibles pertain to the physical aspects of a hypermarket, such as its facilities and environment. A clean and modern environment offers psychological satisfaction, boosting both functional and emotional value simultaneously.

These elements of service quality enhance the functional and emotional value perceived by consumers when using hypermarkets, leading to positive evaluations of the store. Specifically, functional value refers to the practical benefits offered by hypermarkets, such as reasonable prices, convenient locations, and fast service. Higher service quality emphasizes these functional benefits. Conversely, emotional value encompasses the enjoyment and satisfaction consumers experience during the shopping process, which depends on how comfortable and pleasant the service feels [6, 8, 9]. For example, friendly staff interactions and a well-maintained store environment evoke positive emotions, increasing customer loyalty and reinforcing the intention to revisit.

Thus, the elements of service quality in hypermarkets have a direct impact on consumer value, playing a crucial role in customer satisfaction and repurchase intentions.

Based on these considerations, the following hypotheses are proposed:

Hypothesis. The elements of hypermarket service quality positively influence functional value.

Hypothesis.-: Reliability positively influences functional value.

Hypothesis<sub>1-2:</sub> Responsiveness positively influences functional value.

Hypothesis<sub>1-3:</sub> Assurance positively influences functional value.

Hypothesis<sub>1-4</sub>. Empathy positively influences functional value.

Hypothesis<sub>1-5</sub>. Tangibles positively influence functional value.

Hypothesis: The elements of hypermarket service quality positively influence emotional value.

Hypothesis<sub>2-1</sub>: Reliability positively influences emotional value.

Hypothesis<sub>2-2</sub>: Responsiveness positively influences emotional value.

Hypothesis<sub>2-3</sub>: Assurance positively influences emotional value.

Hypothesis<sub>2-4</sub>: Empathy positively influences emotional value.

Hypothesis<sub>2-5</sub>: Tangibles positively influence emotional value.

## 3.3.2. The Relationship Between Consumer Value, Customer Loyalty, and Repurchase Intention

The functional and emotional value perceived by consumers at hypermarkets directly influences customer loyalty and repurchase intention [6, 16].

First, functional value refers to the tangible benefits consumers gain from hypermarkets, such as a wide range of product choices, reasonable pricing, and a convenient shopping environment. This functional value fosters the perception that hypermarkets are efficient and cost-effective options, which in turn builds trust among consumers. The higher the functional value, the more likely consumers are to remain loyal to a particular hypermarket, thereby strengthening their repurchase intentions. Functional value also plays a key role in positioning hypermarkets as preferred shopping destinations over competitors by emphasizing their efficiency and practicality.

Next, emotional value encompasses the satisfaction and positive emotions consumers experience during their shopping journey at hypermarkets. Emotional value significantly impacts customer loyalty and repurchase intentions [6, 18]. For instance, friendly service and a pleasant shopping environment provide consumers with enjoyable experiences, enhancing emotional value. When consumers accumulate positive experiences at a hypermarket, their loyalty to the store increases, and they are more likely to revisit and recommend it to others.

Ultimately, while both functional and emotional value influence customer loyalty and repurchase intention, emotional value plays a deeper role in strengthening the relationship between consumers and hypermarkets, contributing to long-term customer retention.

Edelweiss Applied Science and Technology ISSN: 2576-8484 Vol. 9, No. 3: 2919-2929, 2025 DOI: 10.55214/25768484.v9i3.5888 © 2025 by the author; licensee Learning Gate Based on these findings, the following hypotheses are proposed:

Hypothesis: Consumer value positively impacts customer loyalty.

Hypothesis.-: Functional value positively impacts customer loyalty.

Hypothesis<sub>3-2:</sub> Emotional value positively impacts customer loyalty.

Hypothesis\* Consumer value positively impacts repurchase intention.

Hypothesis.: Functional value positively impacts repurchase intention.

Hypothesis. Emotional value positively impacts repurchase intention.

# 4. Analysis Results

# 4.1. Characteristics of the Sample

The demographic characteristics of the sample used in this study are as follows:

By gender, there were 120 males (50.4%) and 118 females (49.6%). In terms of age, 163 respondents (68.5%) were in their 20s, 9 (3.8%) were in their 30s, 26 (10.9%) were in their 40s, and 40 (16.8%) were aged 50 or older.

Regarding educational background, 124 respondents (52.1%) were current university students, 36 (15.1%) were college graduates, 66 (27.7%) were university graduates, and 12 (5.0%) held graduate degrees or higher.

As for the hypermarkets most frequently used, 103 respondents (43.3%) primarily visited E-mart, 42 (17.6%) chose HomePlus, 34 (14.3%) preferred Lotte Mart, 43 (18.1%) used Hanaro Mart, and 16 (6.7%) used other hypermarkets.

In terms of spending per visit to a hypermarket, 7 respondents (2.9%) spent less than 10,000 KRW, 80 (33.6%) spent between 10,000 and 50,000 KRW, 81 (34.0%) spent between 50,000 and 100,000 KRW, 60 (25.2%) spent between 100,000 and 200,000 KRW, and 10 (4.2%) spent over 200,000 KRW.

Finally, by occupation, 124 respondents (52.1%) were university students, 25 (10.5%) were housewives, 76 (31.9%) were office workers, and 13 (5.5%) were self-employed.

#### 4.2. Reliability and Validity of Measurement Items

The validity of the measurement model was tested using the final dataset (n=238). The evaluation of the measurement model included assessments of reliability and validity, specifically focusing on convergent validity and discriminant validity. Reliability was assessed using Cronbach's  $\alpha$  coefficient, a widely used metric in social science research, with a threshold of 0.7 or higher considered acceptable  $\lceil 19 \rceil$ . This analysis confirmed the internal consistency of the items.

Additionally, confirmatory factor analysis (CFA) was conducted using AMOS, and factor loadings were examined to verify convergent validity. Factor loadings exceeding  $\pm 0.4$  are generally considered significant, and the factor loadings in this study surpassed this criterion [20].

Discriminant validity was tested using the average variance extracted (AVE) method proposed by Fornell and Larcker [21] and Pearson correlation analysis. Discriminant validity is considered established when the square root of the AVE for each construct is greater than the correlation coefficients between that construct and others [20].

Table 2 presents the results of reliability and validity testing for the variables in this study. The Cronbach's α values ranged from 0.8 to 0.967, exceeding the recommended threshold of 0.7, thereby confirming the reliability of the measurement items [19]. The results of the convergent validity analysis showed that factor loadings exceeded the threshold, indicating no issues with the validity of the items. Discriminant validity was also confirmed through the AVE values. <Table 3> demonstrates that the square root of the AVE for each factor was greater than the correlation coefficients between the constructs, satisfying the criteria for discriminant validity. These results statistically confirm that the survey items used in this study possess both reliability and validity.

 Table 2.

 Reliability and validity of measurement items.

Variables			Measurement Errors	Cronbach's α	C.R	AVE	
	Rel1	0.946	0.061				
Reliability	Rel2	0.930	0.084	0.954	0.971	0.917	
	Rel3	0.926	0.093	<b>=</b> 			
Responsiveness	Res1	0.596	0.403		0.865		
	Res2	0.805	0.310	0.800		0.687	
	Res3	0.901	0.115				
	Ass1	0.618	0.433		0.888	0.732	
Assurance	Ass2	0.953	0.062	0.836			
	Ass3	0.841	0.236				
Empathy	Emp1	0.933	0.077				
	Emp2	0.918	0.093	0.882	0.923	0.801	
	Emp3	0.733	0.390				
Tangibles	Tan1	0.768	0.236				
	Tan2	0.791	0.184	0.826	0.893	0.735	
	Tan3	0.796	0.248				
Functional Value	Fun1	0.839	0.176				
	Fun2	0.841	0.207	0.880	0.918	0.789	
	Fun3	0.849	0.186				
Emotional Value	Emo1	0.908	0.129				
	Emo2	0.935	0.093	0.947	0.961	0.890	
	Emo3	0.930	0.094	1			
Customer Loyalty	Cus1	0.902	0.102				
	Cus2	0.992	0.010	0.967	0.983	0.951	
	Cus3	0.974	0.029	1			
Repurchase Intention	Rep1	0.854	0.201				
	Rep2	0.883	0.195	0.923	0.937	0.831	
	Rep3	0.942	0.090				

**Table 3.** Correlations among Constructs.

Factor	Correlations								
	1	2	3	4	5	6	7	8	9
Reliability	0.958								
Responsiveness	0.439**	0.829							
Assurance	0.609**	0.469**	0.856						
Empathy	0.605**	0.620**	0.652**	0.895					
Tangibles	0.222**	0.507**	0.331**	0.418**	0.857				
Functional Value	0.636**	0.512**	0.645**	0.717**	0.260**	0.888			
Emotional Value	0.847**	0.524**	0.601**	0.671**	0.355**	0.646**	0.943		
Customer Loyalty	0.855**	0.425**	0.577**	0.579**	0.215**	0.612**	0.729**	0.975	
Repurchase Intention	0.658**	0.497**	0.500**	0.537**	0.201**	0.634**	0.735**	0.614**	0.912
Average	4.024	4.181	3.973	4.071	4.283	4.010	3.926	4.132	3.786
Std. Dev.	0.752	0.711	0.742	0.741	0.658	0.729	0.812	0.730	0.839

Note: \*\* p<0.01 number at the diagonal line is average variance extracted (AVE).

# 4.3. Validation of Measurement Model Fit

After verifying the reliability and validity of the measurement model, goodness-of-fit (GOF) testing was conducted using AMOS to assess the suitability of the collected data for the research model. The

Edelweiss Applied Science and Technology

ISSN: 2576-8484

Vol. 9, No. 3: 2919-2929, 2025 DOI: 10.55214/25768484.v9i3.5888

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initial goodness-of-fit evaluation was performed on 27 measurement items. Commonly used thresholds from prior studies were applied as criteria: GFI (Goodness-of-Fit Index)  $\geq$  0.9, NFI (Normed Fit Index)  $\geq$  0.9, RMR (Root Mean Square Residual)  $\leq$  0.05, CFI (Comparative Fit Index)  $\geq$  0.9, and p-value  $\geq$  0.05.

The results of the goodness-of-fit analysis were as follows:  $\chi^2 = 681.617$  (DF = 288), p = 0.000, CMIN/DF = 2.367, RMR = 0.036, NFI = 0.902, CFI = 0.941, GFI = 0.836, AGFI = 0.784, TLI = 0.927, and IFI (Delta2) = 0.941. Most indices met the recommended thresholds, confirming that the research model had an acceptable level of fit.

These results indicate that the data collected for this study align well with the research model, demonstrating that the model's goodness-of-fit requirements for validation were met [20].

## 4.4. Results of Hypothesis Testing

After completing the validation of the measurement model using a total of 238 data points, Structural Equation Modeling (SEM) was conducted using AMOS to verify the relationships between the variables presented in the research model. Two main results were obtained from the structural equation analysis.

First, regarding the fit of the structural model, the fit indices for the research model were  $\chi^2$  = 779.271 (DF = 300), p = 0.000, CMIN/DF = 2.598, RMR = 0.04, NFI = 0.888, CFI = 0.928, GFI = 0.813, AGFI = 0.764, TLI = 0.915, and IFI (Delta2) = 0.928. Based on the fit indices (CFI, TLI, RMR) recommended by Collier [20] the overall fit of the research model was confirmed to be acceptable.

This suggests that the research model aligns well with the collected data and is suitable for verifying the relationships between the variables set in the study.

The hypothesis testing results indicate several key findings regarding the impact of hypermarket service quality on consumer value and subsequent outcomes in customer loyalty and repurchase intention

Firstly, within hypermarket service quality, reliability was found to have a positive influence on functional value in consumer value, with a path coefficient ( $\beta$ ) of 0.215, thereby supporting Hypothesis 1-1. Similarly, the service quality attributes of responsiveness, assurance, and empathy also positively influenced functional value, with coefficients of  $\beta$ =0.166,  $\beta$ =0.22, and  $\beta$ =0.43, respectively, confirming Hypotheses 1-2, 1-3, and 1-4. However, tangibles had a negative effect on functional value ( $\beta$ =-0.141), supporting Hypothesis 1-5 by suggesting that certain physical aspects of hypermarket environments may detract from consumers' perceived functional value.

Secondly, reliability within service quality also had a strong positive impact on emotional value in consumer value, with a path coefficient of  $\beta$ =0.854, supporting Hypothesis 2-1. However, responsiveness and assurance did not significantly affect emotional value, with coefficients of  $\beta$ =0.078 and  $\beta$ =-0.051, leading to the rejection of Hypotheses 2-2 and 2-3. In contrast, empathy and tangibles positively impacted emotional value with coefficients of  $\beta$ =0.147 and  $\beta$ =0.119, respectively, thereby supporting Hypotheses 2-4 and 2-5.

The study also found that functional value within consumer value had a positive effect on customer loyalty, with  $\beta$ =0.172, thereby supporting Hypothesis 3-1. Additionally, emotional value significantly enhanced customer loyalty, showing a positive path coefficient of  $\beta$ =0.615, which supports Hypothesis 3-2.

Finally, in terms of repurchase intention, functional value had a positive influence with a coefficient of  $\beta$ =0.342, confirming Hypothesis 4-1. Similarly, emotional value positively affected repurchase intention, with a coefficient of  $\beta$ =0.606, thus supporting Hypothesis 4-2.

Overall, these results indicate that both functional and emotional values derived from service quality play critical roles in enhancing customer loyalty and repurchase intentions, with certain aspects of service quality showing varying degrees of influence on each value type. These insights underscore the importance of focusing on specific service quality elements to build customer loyalty and encourage

repeat purchases in the hypermarket context.

#### 5. Conclusion

This study aimed to provide strategic insights for hypermarkets to secure a competitive edge by analyzing the impact of service quality on consumer value, customer loyalty, and repurchase intention in a rapidly changing retail environment. The findings indicate that service quality elements in hypermarkets significantly influence consumer value, which, in turn, acts as an important mediating variable positively affecting customer loyalty and repurchase intention.

Firstly, the service quality elements of reliability, responsiveness, assurance, and empathy positively influenced functional value, with path coefficients of  $\beta$ =0.215,  $\beta$ =0.166,  $\beta$ =0.22, and  $\beta$ =0.43, respectively, supporting Hypotheses 1-1, 1-2, 1-3, and 1-4. This suggests that when hypermarket service quality provides consumers with a practical and efficient shopping experience, functional value is enhanced. However, tangibles had a negative effect on functional value ( $\beta$ =-0.141), supporting Hypothesis 1-5, indicating that the physical environment of hypermarkets does not always correlate positively with functional value. This finding may reflect that consumers' expectations for tangible elements in service can vary.

Secondly, regarding the effect of service quality on emotional value, reliability ( $\beta$ =0.854), empathy ( $\beta$ =0.147), and tangibles ( $\beta$ =0.119) positively influenced emotional value, supporting Hypotheses 2-1, 2-4, and 2-5. Notably, reliability had the greatest influence on emotional value, indicating that when a hypermarket provides consumers with a sense of trust, emotional satisfaction is maximized. On the other hand, responsiveness ( $\beta$ =0.078) and assurance ( $\beta$ =-0.051) did not significantly affect emotional value, leading to the rejection of Hypotheses 2-2 and 2-3. This implies that trust, empathy, and the physical environment are more critical in driving emotional satisfaction than immediate responses or professionalism alone.

Thirdly, in examining the relationship between consumer value and customer loyalty, both functional value ( $\beta$ =0.172) and emotional value ( $\beta$ =0.615) had positive effects, supporting Hypotheses 3-1 and 3-2. Emotional value had a stronger influence than functional value, underscoring that satisfaction on an emotional level is a powerful factor in encouraging continuous use of the hypermarket. This highlights the need for hypermarkets to improve services that enhance the emotional experience of customers.

Lastly, regarding the influence of consumer value on repurchase intention, both functional value ( $\beta$ =0.342) and emotional value ( $\beta$ =0.606) significantly affected repurchase intention, supporting Hypotheses 4-1 and 4-2. Emotional value showed a greater impact than functional value, indicating that the emotional satisfaction consumers experience at a hypermarket is a major factor strengthening their repurchase intentions.

These findings suggest that for hypermarkets to enhance customer loyalty and repurchase intention, they must go beyond product offerings and price competitiveness to provide differentiated service quality that strengthens consumers' emotional value. Specifically, service quality elements that drive emotional satisfaction, such as reliability, empathy, and a positive physical environment, are essential for offering a unique experience that differentiates hypermarkets from online shopping options.

Therefore, hypermarkets should focus on strategies that enhance customers' trust and emotional experience during store visits, ultimately increasing loyalty and encouraging repurchase intentions.

# 5.1. Limitations and Suggestions for Future Research

This study has several limitations that future research should address. Firstly, the data for this study were collected from hypermarkets in a specific region, limiting the generalizability of the findings. Perceptions of hypermarket service quality may vary based on regional characteristics, cultural factors, and consumer income levels. Expanding the study to include diverse regions and consumer groups would increase the generalizability of the findings and support the development of service strategies

that account for regional differences.

Secondly, as a cross-sectional study, this research cannot capture changes over time in the impact of service quality on customer loyalty and repurchase intention. Since consumer perceptions and behaviors are likely to change over time, future studies should consider a longitudinal approach to observe how customer behavior evolves and how the relationship between service quality and consumer value changes over time.

Thirdly, this study relied on self-reported survey data, which may be subject to subjective judgment or social desirability bias. Since emotional value is a highly subjective element, there may be discrepancies between consumers' actual experiences and their responses. Future research could improve data objectivity by incorporating various data collection methods, such as observation, interviews, or in-depth case studies.

Lastly, while this study focused on the relationships between service quality, consumer value, customer loyalty, and repurchase intention, it did not fully account for external variables that may influence these relationships, such as competitors' marketing activities, economic factors, and brand image. Controlling for such external variables in future studies could provide a more precise understanding of the impact of service quality on consumer behavior.

Addressing these limitations in future research could help develop more specific strategies for hypermarkets and other retail businesses to enhance customer loyalty and drive sustained repurchase intentions.

# **Funding:**

This Research was supported by the Korea Nazarene University Research Grants, 2025.

# **Transparency:**

The author confirms that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

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