

SOCIAL RESPONSIBILITY AS COMPETITIVE ADVANTAGE IN GREEN BUSINESS

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SOCIAL RESPONSIBILITY AS COMPETITIVE ADVANTAGE IN GREEN BUSINESS



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SOCIAL RESPONSIBILITIES AS A COMPETITIVE ADVANTAGE IN GREEN BUSINESS

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FOREWORD

INSYMA has become a tradition of its own for the management department of Universitas Surabaya. For more than a decade this event has become a forum for academics and practitioners to share knowledge. Every year management department always brings the latest theme that becomes an important issue for the development of science.

This year, INSYMA raise the theme "***SOCIAL RESPONSIBILITIES AS A COMPETITIVE ADVANTAGE IN GREEN BUSINESS***". This theme interesting, considering that at this time all the business need to be more accountable to the public and the environment. Corporate social responsibility is not only an obligation, otherwise it would be a distinct competitive advantage for the company.

Hundreds of scientific papers are sent to a conference committee, and the results of a rigorous selection of more than 100 elected. This paper is derived from a variety of authors, both within and outside the country, academics and practitioners. All the articles are then presented at the symposium and documented in these proceedings.

We hope that these proceedings can contribute to the development of science and business practices. Hopefully you can enjoy and gain valuable lessons from this article collection. We look forward to your participation in next INSYMA.

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15th-16th March 2014

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**THE LINK BETWEEN *OFFLINE BRAND ATTRIBUTE* AND
CORPORATE BRAND IMAGE OF GRAMEDIA TUNJUNGAN
PLAZA BOOKSTORE IN SURABAYA**

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Abstract

The purpose of this paper is to look into the relationship between the Offline Brand Attribute (physical aspect, product related information, reliability and personal interaction) and Corporate Brand Image in Gramedia TP Bookstore, Surabaya.

This study aims to find out and analyze the effect of Offline Brand Attribute by Corporate Brand Image of Gramedia TP Bookstore in Surabaya. This study used Structural Equation Modeling (SEM) with LISREL software version 8.7, and also used survey method to collect data by directly asking respondents through questionnaires. Sample of this study consisted of two hundred (200) book shopper in Surabaya.

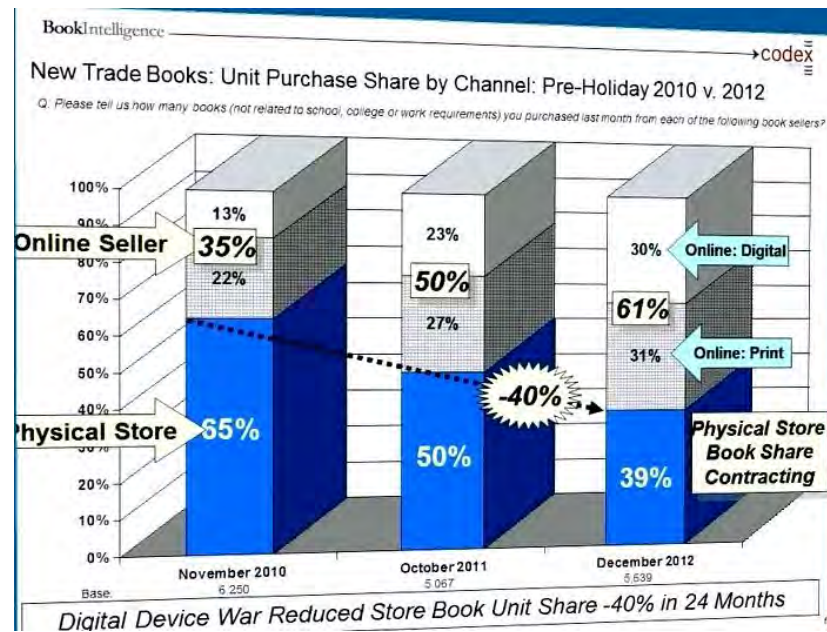
This study reveals that there is no effect between Physical Aspect and Corporate Brand Image of Gramedia TP Bookstore in Surabaya. While Product Related Information, Reliability and Personal Interaction have significant and positive effect by Corporate Brand Image of Gramedia TP Bookstore in Surabaya.

Keywords: Corporate Brand Image, Offline Brand Attribute

INTRODUCTION

The number of book readers in the world continues to increase over time. But unfortunately, the increase in the number of book readers it is not offset by the increase in book sales. In the midst of the rapid development of information and communication technology, the book industry began to decline significantly.

This phenomenon is not only happening in one country only, but also occurs in other countries. It can be seen from the collapse of some of the world's largest book store chains, such as Borders bookstore, Crown Books, David-Kidd Bookseller, B.Dalton Books, Encore Books, Kroch, Media Play, Oxford Bookstore, Barners and Noble, and many more .



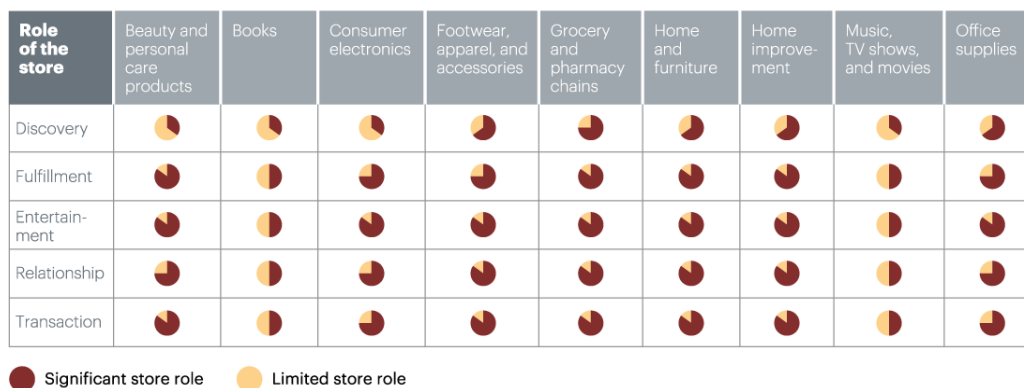
Source: <http://store.digitalbookworld.com/challenges-to-book-discovery-digital-download-u7529>, diunduh pada 5 November 2013

Figure 1
Comparison of Online and Offline Book Sales in 2 Years
(US and UK Consumer, 2010-2012)

Figure 1 above describes the decline of offline book store sales in the United States and Europe. In 2010, sales generated from offline bookstores still shows a very good number (65 %). Then in 2011 decreased and comparable with online. Recently in 2012 the number has become less than online sales. Offline bookstore only able to achieve 39 %, while 61 % were achieved by online sales. From this fact, it can be proven that the presence of offline bookstore has become more difficult. The sales make a drastic decrease (40 %) in just 24 months (2 years).

It is inevitable that the internet access in developed countries like U.S. and Europe has grown rapidly. The number of online bookstore increase and its price is cheaper than conventional bookstores. Selection of books offered on internet is also more diverse than regular bookstores. The purchase method is not complicated too. Access to the book become more easier, practical and fast over the internet. Electronic books also easy to carry anywhere, such as in HP, tablet or laptop.

Figure 5

Importance of store role by product category

Source: A.T. Kearney Future of Stores study, 2013

Source: <http://apparel.edgl.com/news/Study--Shoppers-Value-the-Store-in-Omnichannel-Retail88956>, diunduh pada 5 November 2013

Figure 2
The Importance of Physical Presence Shop by Product Category
(U.S. Consumer, 2010-2012)

In figure 2, we can see the importance of a physical store in the book industry (books). Compared to other retail networks such as supermarket, pharmacy or furniture, the physical aspect of bookstore gets the lowest ratings. According to the consumer, bookstores role such as fulfillment, entertainment, relationships, and the transaction is currently considered (limited store role). For the majority of consumers, such things like that can also be done via internet. On the internet, readers not only can see the reference, but also can read the recommendations, make comments, dealing with community books, comparing prices, and make transactions quickly.

In Indonesia, a number of bookstores are already collapse. A few years ago, Karisma and Trimedia bookstores shut off all their stores. GABTI (Association of Indonesian Bookstore) took his pity with bookstores condition in Indonesia. GABTI chairman, Firdaus Oemar said the data revealed that 5 years ago, there were 5.000 registered bookstores, but only 2.000 stores that still survive until now (source : Indonesian Retail Magazine, September 2013 issue).

It is inevitable that the digital era has led offline bookstores to the collapse. More and more consumers are spending their money to buy some book via online. According to Sammy Pangerapan, chairman of Indonesian Internet Service Providers Association (APJII), there are currently 62.9 million active internet users in Indonesia. Meanwhile, in 2013, the predictive value of online shopping transactions in Indonesia will reach U.S. \$ 478 million. This nominal grew 79.7 % from the year 2012. The number of internet users who use online transactions also

increased 3.6 million people (source: Marketeer Magazine, September 2013 issue).

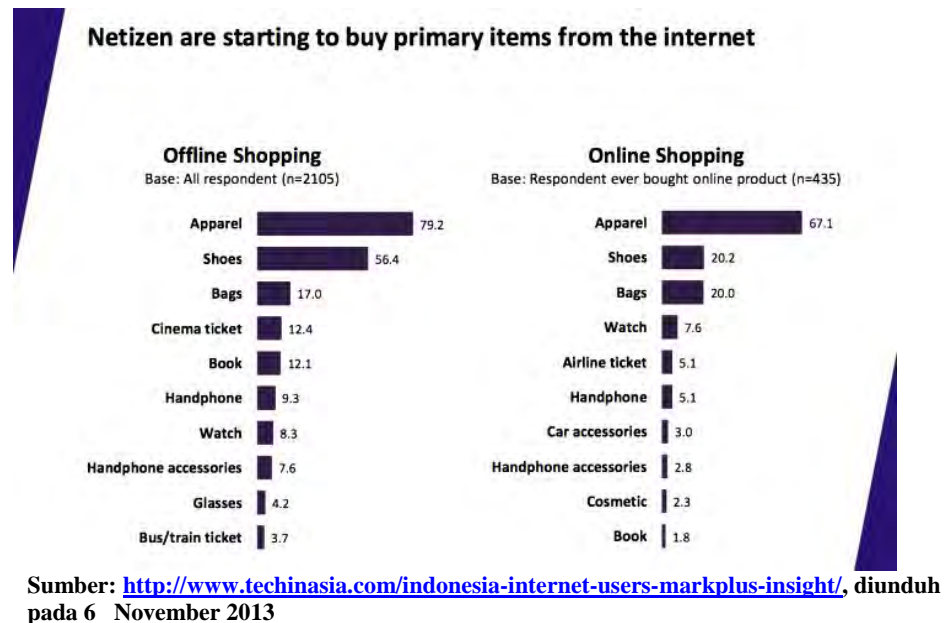


Figure 3
Comparison Frequently Purchased Product via Online

Figure 3 shows that Indonesian consumers are now starting to love shopping goods via internet, such as clothes, shoes, bags, tickets, mobile phone, and book. It can be seen that 1.8% of respondents have begun to switch to an online bookstore. While 12.1% of respondents said that they still remain in the offline bookstore. Online book sales in Indonesia is still small compared to America or Europe. However, in estimated 3 years, the demand for online books could surpass printed books.

From the data above, it can be concluded that the growth of online started to become a serious threat to offline retailers. In order to bring consumers to buy at offline store, then the entrepreneur or marketer needs to think about the right marketing strategy. Often companies do not realize that brand can be a powerful strategy to win the hearts of consumers.

Corporate Branding is an implementation of the company name as a product brand, which the company name is used as guarantor of the quality of a product or service offered by the company (Balmer, 2003). The name of this company can create perception which can be an asset in the company describes the ability to create a quality product or service and innovative for customers. One company that uses corporate branding strategy is Kompas Gramedia.

As a national media company in Indonesia, Gramedia has many subsidiaries, such as Gramedia Pustaka Utama, Kepustakaan Populer Gramedia, Penerbit Buku Kompas, Ilmu Bhuana Populer, Elex Media Komputindo (*book publishing*), Kompas dan Kontan (*newspaper*), Kompas.com (*e-news*), Gramedia Jakarta Site (*printing*), Kompas Gramedia TV&Radio (*multimedia*) and many more. If you notice, all of these business units has a name containing “Gramedia” elements. By doing so, even ordinary people can tell right away that the business unit is supervised directly by Kompas Gramedia.

Neither the Gramedia Bookstore. Bookstore which is founded by Petrus Canisius Ojong and Jakob Oetama on February 2, 1970, has grown rapidly in the shade of Kompas Gramedia. However, over time, Gramedia Bookstore realize that Indonesian consumer behavior began to leave the printed book and switch to electronic books. Printable version has begun undesirable, because the price of paper is more expensive from year to year. As a result, lower middle class people would rather download it for free rather than buying books in bookstores. Besides, the selection of books available on the internet are also much more numerous and varied than conventional bookstores.

To increase the number of visits consumers so they can comeback to the bookstore and prevent migration to the digital version, the Kompas Gramedia along with Gramedia Bookstore creating a new concept, namely shopping experience that can not be found when consumers shop via online. Retail Business Group Gramedia Bookstore, Priyo Utomo said that the strategy implemented since 2008 has proven quite powerful. It can be seen from the increase number of visitors in Gramedia Bookstore from year to year. Gramedia outlets are also increasing rapidly. Currently, Gramedia Bookstore already has 103 outlets spread across 48 cities in Indonesia. Even the stores are currently located in Malaysia (source: Indonesian Retail Magazine, September 2013 issue) .

Gramedia Bookstore also stated that they will continue presenting physical store, this is because the internet connection is still not distributed mainly in rural areas and small towns in Indonesia. In 2013, Gramedia Bookstore again won the Top Brand Award for the category of retail book stores. The assessment was conducted by the research institute in collaboration with MARS and SWA magazine through surveys in 7 big cities in Indonesia, from March to May 2013.

Table 1
Top Brand Award 2013

Nama Toko	TOM	TOM Brand	Brand Share	Customer Satisfaction	Gain Index	Brand Value 2013	Brand Value 2012	Brand Value 2011
Gramedia	59,2	60,7	73,5	99,2	48,8	75,0	74,0	80,5
Gunung Agung	6,9	10,2	6,5	91,3	50,9	29,7	32,4	42,5
Togamas	1,8	2,5	1,4	100,0	21,7	28,8	27,9	41,2
Agung	1,6	1,7	4,2	100,0	19,8	26,9	28,1	42,0

Source: Majalah SWA, edisi 12-25 September 2013

One reason for the selection of objects in this study is due to Gramedia bookstore is a bookstore that is best known by the general public. This is evident from the value of the Top Of Mind and Brand Value 3 which far surpasses other contenders in the category of retail book stores. Gramedia brand which is well known to facilitate researchers when digging information from respondents related to the brand (Corporate Brand and Offline Brand Attribute).

CONCEPTUAL THEORY

Corporate Brand Image

Manager at the corporate level in a multi -business enterprise which consisted of variety different businesses (Strategic Business Units) must be able to coordinate all the activities of several sub-businesses and also perform strategic decision making related to the sub business. An important strategic decision are made to build and maintain a positive and strong brand in the consumer's eyes (Sadler, 2003 in Masume Hosseinzadeh, 2011), which can create a good image for the company. One form of the strategic decision is Corporate Branding Strategy.

According to Balmer (2003), Corporate Branding is an implementation of the company name as a product brand, which the company name is used as guarantee of the quality of product or service offered by a company. This is very advantageous because the company can promote multiple products at once under the parent brand name. If the public already liked the products of these companies, it's likely the public will also look for other products with the same brand as those sold by the company. This strategy is typically used by companies that are well known.

Sometimes, the name of a company is more trusted by consumers than the brand of the product itself. Name of the company can create its own perception that later became the company's assets in describing the ability for creating a quality product for consumers. Companies that have a good reputation can encourage sales of other products which released by the company.

Dimensions to measure the variables of Corporate Brand Image is commonly referred to as the Corporate Character Scale, which Davies (2004) in Davies et.al (2004) stated that a company may have a certain character or personality that reflects the culture and reputation. This approach assumes that the firm may have a personality like a human, and just like personal reputation, the reputation of the company can be described using personality adjectives.

Davies (2004) in Davies et.al (2004) explains that its characteristics will be described by using word or sentence that commonly used to describe the nature and character of man . Respondents are usually asked to imagine if the "brand as like human beings", and given general instructions until an image were formed in the minds of respondents which related to product or organization asked.

Then, respondents were asked to rate the personality of the company with imagined the company as if a human (such as assessing their own friends). Based on Davies et.al (2003) research, the dimensions and items of this scale can reflect the whole nature of the human personality and to represent in a simple sentence translated when respondents were asked to describe a corporate brand.

Table 2
Corporate Brand Image Dimension

Dimensions	Facet	Item
Agreeableness	Warmth Empathy Integrity	Friendly, pleasant, open, straightforward Concerned, reassuring, supportive, agreeable Honest, sincere, trustworthy, socially responsible
Enterprise	Modernity Adventure Boldness	Cool, trendy, young Imaginative, up-to-date, exciting, innovative Extrovert, daring
Competence	Conscientiousness Drive Technocracy	Reliable, secure, hard-working Ambitious, achievement-oriented, leading Technical, corporate
Chic	Elegance Prestige Snobbery	Charming, stylish, elegant Prestigious, exclusive, refined Snobby, elitist
Ruthlessness	Egotism Dominance	Arrogant, aggressive, selfish Inward-looking, authoritarian, controlling
Informality	None	Casual, simple, easy-going
Machismo	None	Masculine, tough, rugged

Source: Davies et al. (2003)

Offline Brand Attribute

According to Berry (1986) in Rui Vinhas, Sharifah (2008), Offline Brand Attributes are attributes used to measure service quality in the retail business (Retail Service Quality), especially for shops that are offline, where consumers must come to the place if they want to make a purchase. There are 4 kinds of brand attributes that can be identified in offline store measurement according to the experts, namely: Physical Aspect, Reliability, Personal Interaction and Related Product Information.

Table 3
Physical Aspect Dimension

Table I A summary of how physical aspects are conceptualised and operationalised in relation to offline CBI

Conceptualisation	(Items/indicators) 8 items	Generated from:
Convenience	"The layout at this store make it easy for customers to find what they need" "The layout at this store make it easy for customers to move around" "Interior design at this store is attractive"	Parasuraman <i>et al.</i> (1991); Dabholkar <i>et al.</i> (1996)
Appearance	"Materials associated with the store's service are visually appealing" "This store has clean, attractive and convenient public facilities (e.g. seats are available and comfortable for reading books)"	Westbrook (1981); Wakefield and Blodgett (1999) Parasuraman <i>et al.</i> (1991); Dabholkar <i>et al.</i> (1996)
Store atmosphere	"This store has a warm and pleasant atmosphere"	Lindquist (1974; Berry (1969)
Negatively worded:		
Appearance	"The store does not look appealing to me"	
Convenience	"I can never find the book I want at this store"	Srinivasan <i>et al.</i> (2002)

Source : Rui Vinhas *and* Sharifah (2008)

Table 4
Product Related Information Dimension

Table II A summary of how product-related information is conceptualised and operationalised in relation to offline CBI

Conceptualisation	(Items/indicators) 4 items	Generated from:
Product depth/quantity selection	"The books are well-stocked at this store" "There is a wide range of book selection at this store" "This store has an assortment of books"	Westbrook (1981)
Negatively worded:	"The choice of books at this store is limited"	Srinivasan <i>et al.</i> (2002)

Source : Rui Vinhas *and* Sharifah (2008)

Table 5
Reliability Dimension

Table III A summary of how reliability is conceptualised and operationalised in relation to offline CBI

Conceptualisation	(Items/indicators) 8 items	Generated from:
Promises	"When this store promises to do something by a certain time, it will do so" "The store provides its services at the time it promises to do so"	Parasuraman <i>et al.</i> (1991); Dabholkar <i>et al.</i> (1996)
Problem solving	"The store willingly handles return and exchange" "When you encounter a problem, this store shows a sincere interest in solving it"	
Doing it right	"The store has book available when the customers want them" "The store performs the service right the first time" "The store insists on error-free sales transactions and records"	
Negatively worded:	"It is not easy to return a book at this store"	

Source : Rui Vinhas *and* Sharifah (2008)

Table 6
Personal Interaction Dimension

Table IV A summary of how personal interaction is conceptualised and operationalised in relation to online CBI

Conceptualisation	(Items/indicators) 9 items	Generated from:
Inspiring confidence	"Employees of this store have the knowledge to answer customer questions" "The behaviour of employees in this store instil confidence in customers" "Customers feel safe in their transactions with this store"	Parasuraman <i>et al.</i> (1991); Dabholkar <i>et al.</i> (1996)
Courteousness, helpfulness	"Employees of this store tell customers exactly when the service will be performed" "Employees in this store are never too busy to respond to customers requests promptly" "Employees in this store are consistently courteous with customers" "The employees of this store give individual attention to customers"	
Negatively worded items:	"It takes a long time to shop at this store" "Employees of this store are not always willing to help customers"	Srinivasan <i>et al.</i> (2002) Parasuraman <i>et al.</i> (1991)

Source : Rui Vinhas *and* Sharifah (2008)

A. The Link Between *Physical Aspect and Corporate Brand Image*

Physical Aspect is the physical aspect of retail that includes a variety of equipment or facilities that are tangibles and affect the quality of services which provided to customers. Previous research has shown that the physical aspect of a store (includes components such as comfort, appearance and atmosphere of the store) is very important in explaining aspects of service quality in the retail business (Dabholkar, et al, 1996 in Rui Vinhas, Sharifah, 2008).

Baker (2002) in Rui Vinhas, Sharifah (2008) found that store environment (interior store design, layout, music, scents, employee friendliness and ease of movement in the store) significantly influence consumers perception of the item price, quality products and quality service employees. In addition, Russell and Pratt (1980) in Rui Vinhas, Sharifah (2008) explained that physical environment in store is designed as good as possible to affect the mood of consumers.

Ailwadi and Keller (2003) in Rui Vinhas, Sharifah (2008) explain that the fun atmosphere which presented in a shop is not only to encourage consumers to re- visit, re-purchase, or stay longer, but also provide a unique image in the store, which can automatically establish differentiation from its competitors.

H1 : Physical Aspect has a significant and positive effect on Corporate Brand Image.

B. The Link Between *Product Related Information and Corporate Brand Image*

Related Product Information can be seen from the depth and variety of the selection of a product. Baker (1994) in Rui Vinhas, Sharifah (2008) concluded that the quality of the products affect the store image. Baker (1994) saying that the main attraction of a retail store does not lie only in the quality, style or design of the product, but based on the quantity, depth, and diversity of choice in bookstores (Westbrook, 1981 in Rui Vinhas, Sharifah, 2008).

Hanson (1980) in Rui Vinhas, Sharifah (2008) showed that the product mix (a combination of merchandise) can provide a strong wider choice and variety to consumers. This can increase the ability of the store to meet the needs and desires of consumers. Keller (2003) in Rui Vinhas , Sharifah (2008) further argues that consumers prefer stores with a diverse selection of products. With that, consumers do not have to go all the way to another store to get a product that is not sold in the store before.

It becomes very important for the store, because when the store is unable to provide a wide selection of products/variety, then it is tantamount to inviting consumers to visit a competitor's store. In addition to the role of employees and store atmosphere, product diversity to be one of the three important attributes that determine aspects of store image (Berry, 1969).

H2 : Product Related Information has a significant and positive effect on Corporate Brand Image.

C. The Link Between *Reliability* and *Corporate Brand Image*

Reliability is the consistency of retailers in providing services to the customer, which is closely linked to the promises that given to the customer. According to Dabholkar, et al (1996) in Rui Vinhas, Sharifah (2008), the reliability includes components like promises to offer a store (provide service in a right time as promised), problem solving (willing to handle product returns and resolve problems faced by each individual consumers), and do the right thing (keeping the availability of goods when consumers need and also avoid transaction errors).

Westbrook (1981), Mazursky and Jacoby (1985) in Rui Vinhas, Sharifah (2008) emphasized the importance of ease of return or exchange of defective goods. Both of these are considered important for the retail consumer. Although the dimensions of Reliability is considered closely related to the dimensions of Personal Interaction and both also represent the quality of service in a retail setting (because it involves the interaction between customers and employees), but the dimensions of Reliability specifically related to aspects of problem solving (Dabholkar, 1996 in Rui Vinhas, Sharifah 2008).

Previous studies also combine these factors, the dimensions of Reliability for Personal Interaction (as service quality dimension). Nevertheless, these findings demonstrate both elements of the Personal Interaction and Reliability are equally important to the retail store image (Berry, 1969), service quality (Lindquist, 1974; Kunkel and Berry, 1968; Mazursky and Jacoby, 1985; Zimmer and Golden, 1988) or store brand evaluation (Semeijin, 2004) in Rui, Vinhas (2008).

H3 : Reliability has a significant and positive effect on Corporate Brand Image.

D. The Link Between *Personal Interaction* and *Corporate Brand Image*

Personal Interaction is the company's ability to establish a harmonious relationship with the customer, and this relationship can be directed to satisfy the customer. King (1991) and deChernatony (1999) in Rui Vinhas, Sharifah (2008) explains that the role of the store employees are very important in building a brand image and ensure that the brand communication between companies and consumers can work very well. Employees strengthen company's brand value through daily interaction with consumers.

Quality of service in a store will give a strong impact or influence to the consumer's buying behavior (Shycon, 1992 in Rui Vinhas, Sharifah, 2008). Semeijin (2004) in Rui Vinhas, Sharifah (2008) found that there is a direct influence on the quality of service in a store (which includes knowledge, courtesy, willingness of employees to find solutions, and alacrity in helping customers) with consumer ratings of the store brand.

For example, Bitner (1990) in Rui Vinhas, Sharifah (2008) discovered the fact, that when a logical explanation given by the employees of the store to the consumer in the event of service failure, then this is the most powerful way to reduce consumer dissatisfaction, and then create that dissatisfaction to be the most memorable and satisfying experience (Bitner, 1990). Thang and Tan (2003) in Rui Vinhas, Sharifah (2008) also found that consumers increasingly impressed with the quality service of the store, the higher the consumer preferences towards the store. Service quality not only become a store superior, but also can be a differentiator from its competitors.

H4 : Personal Interaction has a significant and positive effect on Corporate Brand Image .

Research Model

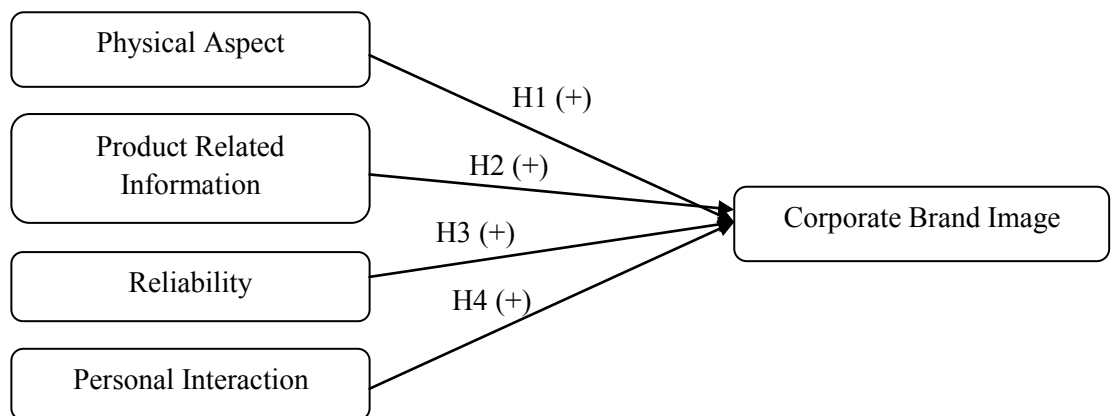


Figure 4
Research Model The Link Between *Physical Aspect, Product Related Information, Reliability, Personal Interaction* and *Corporate Brand Image*

RESEARCH METHOD

This study is an applied research because it provides a solution to a particular problem and the theory is already assumed to be true. Type of research is causal, because it aims to determine whether there is influence between Offline Brand Attribute to Corporate Brand Image of Gramedia Bookstore TP Surabaya. The data collection method in this study is quantitative with pull out early.

The techniques used to collecting data is survey, which means collecting data by directly asking respondents through questionnaires. Aras in this study is intervals with scale of 1-5, and an alternative answer prepared based numerical scale. When the value close to 1 it means that they do not agree with the given statement, while getting closer to the number 5 means they more agreed with the given statement.

The target population in this study were respondents who had purchase at Gramedia bookstore TP in Surabaya. Predetermined characteristics of the population is respondents who buy books at the Gramedia Bookstore TP at least 3 times in the last 3 months. Respondents must live in Surabaya and at least high school education, with consideration to understand the questions and fill out the questionnaire well so it can be expected to obtain valid data. The sampling technique used in this study is a non probability sampling. While the sampling method used convenience sampling.

Processing data in this study using Structural Equation Modeling (SEM). According to Ferdinand (2002), the sample size depends on the number of estimated indicators. The comparison is 5 times of the amount of each indicator. In this study, the number of observed variables are 78 indicators. So in this study, the formula used is $78 \times 5 = 390$ respondents. However, here the researchers simply take 200 samples, because the size have met the Maximum Likelihood estimation (100-200 samples). To test the hypothesis, researchers used $\alpha = 5\%$ for the questionnaire and distributed questionnaire directly by the researchers themselves. This hypothesis is accepted if the t value ≥ 1.96 .

RESULT AND DISCUSSION

Based on the results of statistical research and testing that has been done, the conclusion that can be derived from the four hypotheses that have been developed, there are three proven hypotheses and only one unproven hypothesis.

1. There is no effect between variables *Physical Aspect* of the *Corporate Brand Image* Gramedia TP bookstore in Surabaya.
2. There is a positive effect between variables *Product Related Information* of the *Corporate Brand Image* Gramedia TP bookstore in Surabaya.
3. There is a positive effect between variables *Reliability* of the *Corporate Brand Image* Gramedia TP bookstore in Surabaya.
4. There is a positive effect between variables *Personal Interaction* of the *Corporate Brand Image* Gramedia TP bookstore in Surabaya.

In this study there are three proven hypotheses (H_2 , H_3 and H_4) and there is one hypothesis that has an error type 2, is hypothesis 1 (H_1).

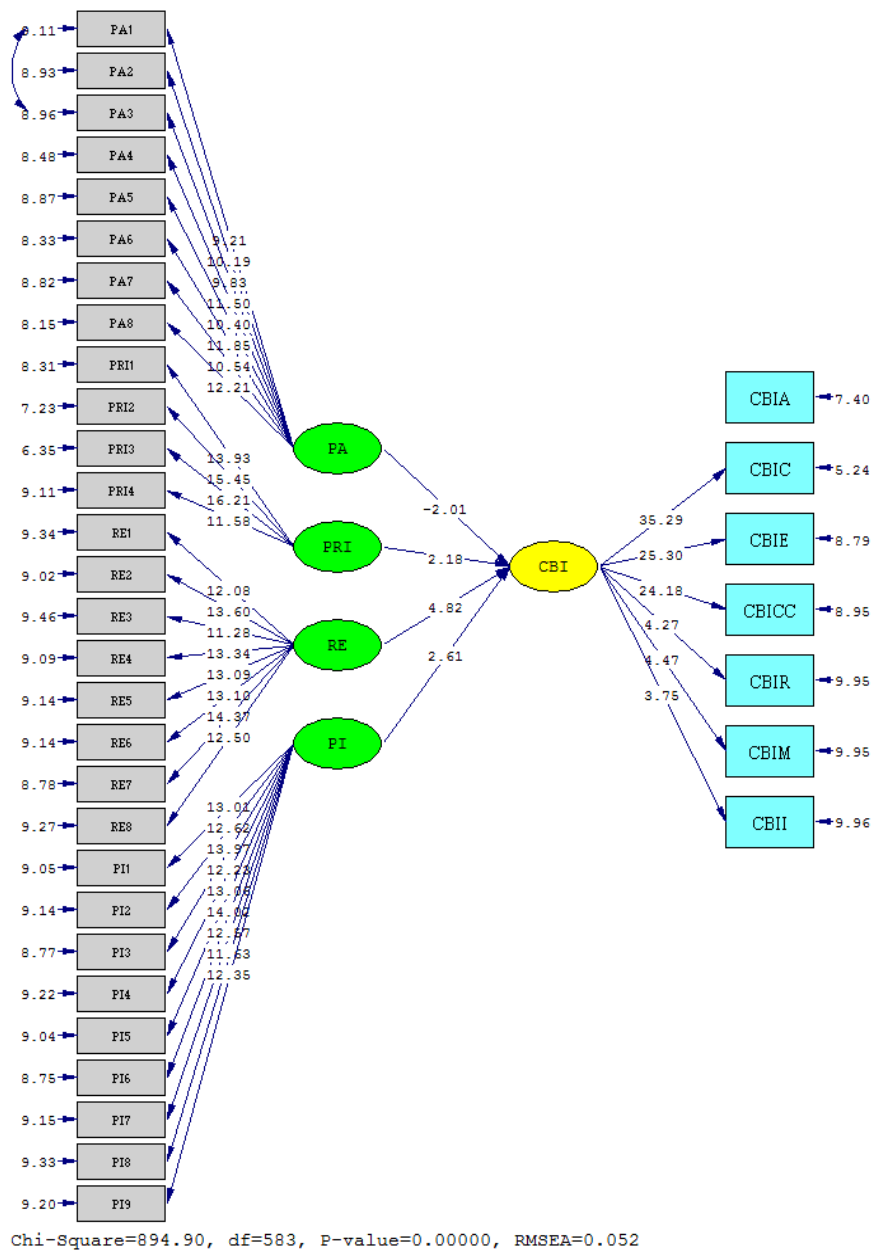


Figure 5
T-Value of Structural Model (Modified)
 Source: Lisrel 8.70

Table 7
Structural Model Compatibility Test Result

No	Uji Kecocokan	Kriteria Kecocokan	Hasil	Keterangan
1	Statistik Chi-Square	Diharapkan kecil, $p \geq 0,05$	Chi-square = 894,90 $p = 0,00000$	<i>Not fit</i>
2	RMSEA	$RMSEA \leq 0,08$	0,052	<i>Good fit</i>
3	GFI	$GFI \geq 0,90$	0,80	<i>Marginal Fit</i>
4	AGFI	$AGFI \geq 0,90$	0,77	<i>Not fit</i>
5	CMIN/DF	$CMIN/DF \leq 2$	1,53	<i>Good fit</i>
6	TLI/NNFI	$TLI \geq 0,90$	0,98	<i>Good fit</i>
7	CFI	$CFI \geq 0,95$	0,98	<i>Good fit</i>

Source: Lisrel 8.70, processed.

The argument can given as a result of error type 2 is as follows: In reality in Surabaya, although the interior design, public facilities, and structuring in the bookstore is also considered to be important, but these things are not a major concern for consumers in Surabaya. From the results of the written interview about how important physical aspect to the book store today, it is known that the interior design of the store does not necessarily guarantee the increase in the level of sales. There are several reasons why the proposed respondents associated the physical aspect is no less important to the bookstore today.

Firstly, this is because the goods that sold are books. Surabaya consumer has a perception that buying book on a regular bookstore is much more favorable than in the classy bookstore like Gramedia. The price could be far less expensive while the same quality obtained. Here is the example of regular bookstore which is given by the researchers: Manyar bookstore, Petra Togamas, Uranus, and Togamas Discount bookstore.

Although the physical aspects of that four stores is still far from Gramedia, but with more competitive pricing (discounts every day) it can attract many visitors to come their store rather than to Gramedia. Giving cheaper prices will certainly add interest to visitors to the Gramedia bookstore, especially college students.

Secondly, it is also due to the development of internet technology, so consumers do not have to go all the way just to buy a book. Simply order the book via internet, and then within only 7 days, the book will come into the hands of consumers. In addition, the price of books purchased through online also much cheaper than in a physical bookstore.

Third, the arrangement of interior design which includes the shelf is not so important anymore. Related arrangement of shelves that facilitate the search for the book, the majority of respondents stated that when it comes to the bookstore, they will go directly to the clerk and asked where is the book's location. So the role of the shelves' arrangement has little impact for consumers.

Fourth, this is due to consumers' views of Surabaya who considered that the importance of a bookstore is complete collection, cheap prices and employee's service, not the interior design or the physical aspects of the store. Good physical aspects only become a supported aspect, but not the main aspect for a bookstore.

In contrast to international bookstores consumers whom prioritize the physical aspect while shopping, consumers in Surabaya more concerned with price than the physical aspects of the store. In London, every bookstore must have mini cafe or a place to sit and relax while reading the book. In addition, there are only a few books that has been covered, so customers are free to read a book with as much as they like, if interested with the contents of the book, the purchase will be occurred. From here, it can be seen that international consumers spend more time to shop in the bookstore more than consumers in Indonesia, that's why the physical aspect is important to make customers comfortable in the store.

In Indonesia, all books are sealed, if consumer open the book's cover, they have to buy that book. That's why the purchase time in Indonesia bookstores is much shorter than in Europe or USA. Buyers only need to look and search for the desired book. After that, they will go straight to the cashier, and then go home. From the arguments above, it is known that the physical aspect is not very important for bookstore consumer in Indonesia. From here, researcher know the cause of error which occurred despite significant effect on the Physical Aspect of Corporate Brand Image Gramedia bookstore TP. The third aspect of the others proved influential on Corporate Brand Image in Gramedia TP Bookstore.

RECCOMENDATION

Recommendation for Gramedia TP Bookstore Manager

- a. Based on these results, it can be explained that the mean values for PA4 (service-related equipment at the Gramedia bookstore TP has appeal visually) scored the lowest compared to the other 7 items. That is, the TP Gramedia bookstore management should give more visual appeal on related equipment sales in TP Gramedia bookstore, such as the placement of CDs, bags, stationery, books and other non product sold at Gramedia bookstore TP so that more visitors interested to see the product and make a purchase.
- b. Based on these results, it can be explained that the mean values for PRI1 (complete books available in bookstores Gramedia TP) and PRI44 (selection of books at the Gramedia bookstore unlimited TP) scored the lowest compared to the other 2 items. That is, the Gramedia Bookstore management enterprise must pay more attention to the availability of books in place. Although overall Gramedia bookstore include complete, but often visitors are still difficulties in finding desired books. From the results of the questionnaire regarding the most common problems experienced by visitors while shopping at the Gramedia Bookstore TP, seen that often there is a discrepancy between the data on the computer with bookshelves.

Management should be able to put a special officer to update the availability of books and help people find books available. Then management should also add to the completeness of the book at the Gramedia bookstore, especially for college books, school books, and books imported. Please note that the sale of the books currently being imported good. It can be seen from the increasing number of imported bookstores like Kinokuniya standing in Indonesia , Periplus and Books and Beyond (Times).

- c. Based on these results, it can be explained that the mean values for RE3 (TP Gramedia bookstore willing to handle onsite book) gets the value of the lowest compared to the other 7 items. That is, the TP Gramedia bookstore management should provide onsite service books are flawed, and more to easily exchange the book. Please note that some respondents were also customers Gramedia bookstore to get a book that claimed to have a disability, whether it is defective at the seal, cover or on the contents. For the Gramedia bookstore management should be greater control over the production process of the book from the publisher, so as to reduce the possibility of product defects. Then for the sealing process and distribution of the product should also be careful to cover or seal is not broken when the book into the hands of consumers.
- d. Based on these results, it can be explained that the mean values for PI4 (Employees at Gramedia bookstore TP tells you the benefits of a product to the right) and PI5 (Employees at Gramedia bookstore TP is never too busy to be able to respond quickly to your request) gets the value 7 the lowest compared to other items. That is, the Gramedia bookstore management should more often provide training to employees related to product knowledge and also more rigorous in monitoring the performance of all employees while serving visitors there, because there is still a Gramedia bookstore employees are less vigilant TP or friendly when asked for assistance by shoppers.
- e. Based on this research, it is known that the variable does not affect the Physical Aspect of Corporate Brand Image. One reason, among others, the price given by the Gramedia Book Store TP is more expensive than the price offered by other bookstores. Therefore, Gramedia bookstore TP should more often provide discounts or promo appealing to consumers. Gramedia bookstore TP can also use the strategy as practiced by such Togamas discount bookstore, where all the books get a discount every day that a book so much cheaper prices. Giving discounts especially on books that are often in demand, such as comics, novels, textbooks, cook books and business magazines.
- f. Based on this research, aspect of Reliability get the highest score compared to the other three aspects. This suggests that the most influential aspect of the Reliability of Corporate Brand Image Gramedia bookstore TP. Therefore, Gramedia bookstore TP should further improve the reliability of service delivery, for example: when customers receive a defective book,

should be exchanged with a good book, instead of giving a discounted price as a form of apology. So if a customer has a problem, then the section supervisor can help find the best solutions for customers, and there should be a special section on duty to handle any customer issues (if there are customers who complain about the damaged cover can be recovered).

Recommendation for Further Research

This study also has some limitations and flaws in it. Limitations and weaknesses in this study may open up opportunities for further research in the future.

- a. This study was only conducted in one mall in Surabaya. Future studies may be expanded again, ex. by discussing Gramedia bookstore in Surabaya, or conduct similar studies in the other city / country so that the results can be compared with the results of this study.
- b. Until now, research of Offline Brand Attribute confined to any bookstore. Therefore, for further research it can be tried in other retail stores, like fashion store or gadgets that are also offline so we can compare with the results of this study.
- c. At the time of the distribution of questionnaires to the respondents, a detailed explanation is required and easily understood by the respondents, as most sentences can become confusing statements in the questionnaire (especially sentence statement on Corporate Brand Image). Moreover, when the distribute the questionnaires, researcher should give a reward to the respondent because the statements in this questionnaire is quite a lot.

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