ANALYZING FACTORS INFLUENCING CONSUMERS' SWITCHING INTENTION

ROUDLOTUL JANNATI ROCHNADIA NOORVA YUDHITYA
Fakultas Ekonomi Universitas Sebelas Maret

Consumer switching intention is an interesting issue to be studied, because it can be used to explain the consumers' switching intention in actual manner and give insights for companies to maintain their relationship with customers. In this study, there are six independent variables proposed to have influence on switching intention, i.e. price fairness, reputation, service quality, perceived commitment, anger incident, and effective advertising competition. In this study, survey is data collection method that was chosen towards 235 respondents. Purposive sampling method is used to choose the sample; which is required to understand about the research problems. The result indicates that of all questionnaires were reconvened; there are 17 responses categorized as unusable. The remaining 218 usable questionnaires were analyzed with SPSS version 16. The findings have revealed that reputation, service quality, perceived commitment, and anger incident have an influence on consumers' switching intention. While, price fairness and an effective advertising competition shows no significance influence towards consumer intention to switch. In general, hopefully the results of this research provide a contribution to service marketers and practitioners to develop and implement services marketing strategies to decrease customer defection rates, and in turn, increase the firm's profits. Furthermore, this research provides useful information for future researchers who are interested in studying about switching intention in the beauty service provider industry.

Keywords: Switching intention, price fairness, reputation, service quality, perceived commitment, anger incident, effective advertising competition

INTRODUCTION

A previous study indicates that the share of the service industry in the economies is growing every year together with its growing importance among other industry branches. Experienced technological, social and economic developments both ensure the awareness and increase the expectations of consumers, and force these companies to make changes in order to adapt themselves to the developments. Due to the increasing competitive conditions, particularly those enterprises are choosing the way of increasing their service quality in order to survive (Kuruuzum, 2010). The same situation also happens for the beauty service provider, as one of service industry branches. The beauty service providers, which experienced rapid changes and developments after 1990 has entered into the race in providing better quality service by keeping customer satisfaction in first order. Because the offered products by the beauty service provider may have similar qualifications, the quality level of service offered becomes the main factor determining the customer's preference.

Consumer switching intention is an interesting issue to be studied, because it can be used to explain consumers' switching intention in actual

manner and gives insights for companies to maintain their relationship with customers. Previous studies about this study show differences on research model elaboration (Antón et.al, 2007; Clemes et.al, 2010; Kuruzuum et.al, 2010; Saeed et.al., 2011; Maiyaki et.al., 2011; Nikbin et.al., 2012). Unfortunately, previous studies indicated limited application and it impacted on the difficulty to apply on the different object and settings. This situation gives an opportunity for this research to redesign an alternative model which can explain the phenomenon according to the object and setting that will be observed.

Research model of this study is based on six variables. There are price fairness, reputation, service quality, perceived commitment, anger incident, and effective advertising competition as independent variables, and switching intention as the dependent variable. All variables is based on previous studies (Antón et.al., 2007; Clemes et.al., 2010; Kuruzuum et.al, 2010; Saeed et.al., 2011; Maiyaki et.al., 2011; Nikbin et.al., 2012) that is confirmed on Indonesian setting. Therefore, the constructed model is hoped have a high prediction capacity toward switching intention in Indonesia.

The general purpose of the current study is to construct a model that can explain consumers' intention to switch on beauty service provider. In particular, this work examines the impact of price fairness, firm's reputation, service quality, perceived commitment, anger incident, and effective advertising competition on consumers' switching intention in beauty salon.

The preceding studies indicated various model and each study has limited generalization (Antón et.al., 2007; Clemes et.al., 2010; Kuruzuum et.al, 2010; Saeed et.al., 2011; Maiyaki et.al., 2011; Nikbin et.al., 2012). Thus, to explain consumers' switching intention in Indonesia, specifically in Surakarta, it is needed a construction model which is suitable with the setting of research that is being observed.

Through these relations, it gives information about variables that affect on switching intention. It also gives insight for creating strategy to prevent the consumer switching intention. Based on the variables relation, it can be defined the research problems related to the variable proposition on the models.

THEORITICAL BACKGROUND AND HYPOTHESES

Consumer switching intention is one of the main concerns of service providers. Due to the negative effect of switching intentions on reduction in market share as well as bottom-line profitability, service organizations are becoming more and more concerned about those customers who chose to leave and take their patronage elsewhere. Thus, understanding why customers switch is important for firms to create a zero defection culture. (Nikbin et al, 2011).

1. Relationship between price and switching intention

Several studies show that price has an important impact on customers' switching decisions (Saeed et al., 2011; Clemes et al., 2007; Anton et al., 2007). Customers in general are price conscious in their purchasing behavior. Price is an important factor in choice situations as a consumer's choices typically relies heavily on the price of alternatives (Zhang, 2009). The role of price, as an attribute of performance, can have a direct effect on customer satisfaction and behavioral intentions.

H1. Price fairness has influence on consumers' switching intention in beauty service providers.

2. **Relationship between reputation and switching intention**

Reputation can enhance customer loyalty, especially in the service industry where quality cannot be evaluated accurately before purchase (Zhang, 2009). Nguyen & Leblanc (2001) conclude that reputation may be regarded as a critical strategic tool to predict the outcome of the service-production process, and as the most reliable indicator of the ability of a service firm to satisfy a customer's desires. Positive reputation is a strategic tool that can be used by firms to earn additional profits. A positive reputation positively influences customer evaluations, increases future profits, acts as a barrier to imitation, links to intention to purchases a service, and strengthens the competitive capability of firms (Zhang, 2009).

H2. Firm's Reputation has influence on consumers' switching intention in beauty service providers.

3. **Relationship between service quality and switching intention**

Parasuraman et al. (1988) identify five service quality dimensions for their service quality measurement model – SERVQUAL. The five service quality dimensions are: tangibles, reliability, responsiveness, assurance, and empathy. Clemes (2007) suggested that the perceived quality of a given service was the outcome of an evaluation process where consumers compared their expectations of the service with the service that they experienced in the service encounter. Service quality has become an increasing important factor for success and survival in the service industry. Many service provider have employed the quality of service as a sustainable competitive advantage because products that offered by most provider are almost identical and easily imitated.

H3. Service quality has influence on consumers' switching intention in beauty service providers.

4. **Relationship between perceived commitmen and switching intention**

A prior study by Saeed (2011) shows that the correlation results between perceived commitment and switching intention validate the notion that if company is not committed to them as a customer then customers start searching for other service providers. When consumers perceive added value in the firm's efforts to offer them special treatment to foster their loyalty, they will not switch suppliers. Indeed in some cases the firm's efforts to build customers' loyalty and keep them satisfied excludes any other type of relationship that the consumer might contemplate with any of the firm's competitors (Wathne et al., 2001; Dwyer et al., 1987), which makes the switching intention even more improbable. In contrast, another study maintain that low commitment on the part of the firm reflects its lack of interest in the consumers and will lead to disenchantment, dispelling any intention of loyalty(Antón, 2007).

H4. Perceived commitment has influence on consumers' switching intention in beauty service providers.

5. **Relationship between anger incident and switching intention intention in beauty service provider?**

Experience of an anger incident also affects switching intention in all situations, although there are no differences in some factors such as, function of involvement, switching costs or knowledge about alternatives. It confirmed the effect of this variable as a precipitator of relationship termination (Antón, 2007). Further result show that anger incident has impact on switching behavior. If the customer has a bad experience with the representative of the firm then it may result in future switching intentions of customers (Saeed, 2011). However, another research shows that anger incident has small impact on switching behavior. If the customer is loyal to the provider, even though they had a bad experience with the firm, it may not result in future switching intentions of customers.

H5. Anger incident has influence on consumers' switching intention in beauty service providers.

6. Relationship between an effective advertising competition and switching intention

Adverting plays an important role in attracting customers to the business in the beginning stage, and maintaining customer traffic levels during slow periods. Advertising can also improve utilization during slow periods as it may offer opportunities to educate customers about businesses' service characteristics and operation process which can increase productivity from existing technical capacity (Zhang, 2009). Advertising can strength the communication between organizations and customers, and effectively reduces consumers' perceived risks. Furthermore, advertising can affect customers' behavior because it can provide information to guide customers' purchasing decisions.

H6. An effective advertising competition has influence on consumers' switching intention in beauty service providers.

RESEARCH METHOD

Scope of Research

This research is categorized as applied research. It is purposed to give an insight to design the strategy for preventing consumer to switch service provider. Therefore, this research is expected to give an understanding about consumers' switching intention. The sample used in this study only drawn from beauty salon customer who stays in Surakarta. Besides, this study executed at one point of time. The result might different over few years related to technological and economic development.

Data Collection Method and Sample Method

The population in this study is beauty service user that located in Surakarta city, Central Java Province of Indonesia who has intention to switch beauty service provider. The sample was drawn from beauty salon customers in Surakarta to examine the factors influencing their provider switching intention. The primary data was collected through a survey questionnaire method. Survey method is primary data collection method that processed and obtained directly, using oral and written question. This method needs contact between researcher and respondent to get the required data. The data is collected by using purposive sampling method. This method used because the chosen sample need to

understand about the research problems. Thereby, there are some conditions required for the respondents.

1. Respondent is a consumer of a beauty salon in Surakarta
2. Respondent has intention to switch to another beauty salon
3. Respondent is a consumer of beauty salon which provide more than one kind of service

For this research, the questionnaire will be distributed to 235 respondent whose domicile in Surakarta

Operational Definition And Research Instrumental Measurement

Service switching is defined as the act of replacing and exchanging the current service provider with another that is available to the consumer in the market (Bansal, 1997). Relationship dissolution was measured in the decision-making stage, when consumers consider switching suppliers, the phase that called “intra-psychic”. The stage involves intentions, so we cannot be sure that the consumer will actually dissolve the relationship in the near future (Anton, 2007). This variable will be operationalized by three items that has been developed by writer. There are: (1) consumer consideration, (2) consumer intention, (3) consumer likeliness, (4) consumer possibility, (5) consumer commitment.

Price is an attribute that must be given up or sacrificed to obtain certain kinds of products or services (Zeithaml, 1998). Price is a perceived value that will purchase a definite quantity, weight, or other measure of a service. The items were built for this current study taken from the results obtained by Clemes et al. (2007) and Anton et al. (2007). The indicators are: (1) Price reasonability, (2) Price fairness, and (3) Price plausibility, (4) Price worthy

Reputation has been described as a social identity, and an important and intangible resource that can markedly contribute to a firm’s performance and survival (Hall, 1993; Rao, 1994; Yoon et al., 1993). Reputation is perceived image that known and seen by consumers as a part of the beauty service provider. The indicators for this variable are: (1) firm reputation, (2) firm quality, (3) qualification, (4) expertise, (5) firm image. These indicators had been developed by writer.

Service quality was defined as the perceived differences between customer’s expectations of services provider’s performance and their evaluation of the services they received (Parasuraman et al., 1988, Grönroos, 1998). The indicators for this variable are break down into five dimensions of service quality, i.e. tangibility, reliability, responsiveness, assurance, and empathy. The items for tangibility are: (1) waiting room condition, (2) tools and equipments, (3) modernity, (4) cleanliness. The items for reliability are: (5) reliable, (6) faithfulness, (7) competence, (8) inappropriate. Then, indicators for responsiveness are: (9) staff handling, (10) effectiveness, (11) efficiency, (12) assistance. There are four items for assurance, i.e.: (13) credibility, (14) expert service, (15) safety, (16) professionalism. And for empathy, there are four indicators: (17) attention, (18) compassion, (19) understanding, (20) rudeness. The items had been developed by writer.

Perceived commitment is the scale for the firm’s commitment as perceived by the consumer to maintain long-term relationship (Anton, 2007). A

results from study that has been done by Saeed (2011) shows that between perceived commitment and switching intention validate the notion that if company is not committed to them as a customer then customers start searching for other providers. The indicators used in the study had been developed by writer. There are: (1) Relationship maintenance, (2) Products information, (3) Provider's commitment, (4) Benefit for customer, (5) Flexibility.

Anger incident is a moment when a customer dissatisfied or disappointed with the service they experienced in the beauty salon that had upset them and caused them to lose confidence in the firm (Clemes, 2010). This variable use indicator that developed by writer i.e.: (1) Incident occurred, (2) Consumer's complain, (3) Consumer displeasure, (4) Disappointed consumer.

An effective advertising competition is a rivalry activity undertaken to increase sales or enhance the image of a service, firm or business, and the primary purpose of advertising is to inform the potential customer of the characteristics of products or services (Zhang, 2009). The indicators used are developed by writer. There are: (1) Advertising attractiveness, (2) Advertising affects, (3) promotion influence, (4) promotion activities.

Statistical Method

The questionnaire will be given validity test and reliability test. And multiple regression analysis provided on SPSS (Statistical Package for the Social Science) version 16 for windows is used to test the conceptual model and the 6 hypotheses. Statistical test will be begun with validity and reliability test for obtained data from survey that has done before. The purpose is to give guarantee that the data obtained previously is qualified for tested by any statistical method. Thus, the result can represent the phenomenon being examined.

After that, the data will be tested using multiple regression analysis. Multiple regression analysis is used to measure the influence of independent variables (X) towards dependent variable (Y), where independent variables consist of more than two variables. This test use SPSS program version 16. The data will also be pass through t-test, f-test, and coefficient determination test provided in regression analysis.

FINDINGS AND DISCUSSIONS

Descriptive Analysis

In this study, survey is data collection method that was chose towards 235 respondents. In this survey, researcher is provided by face-to-face interview that was guided by questionnaire, which was arranged before. The technique was done by reconvene the questionnaires after it completely fulfilled by respondents. The result indicates that from 235 questionnaires were collected, there are 17 responses that were categorized as unusable. The remaining 218 usable questionnaires were analyzed with SPSS version 16.

Based on the demographic character, it can be explained that respondents in this study were dominated by women with 1.81 as number of gender mean. From age range, the respondents were dominated by range of 23 – 27 years old consumers. This is explained by mean score for age is 2.20.

The result also identifies that mean score of educational level is 3.94, which is means that most of the respondent is between senior high school graduate and diploma degree graduated. Descriptive analyses for respondents' occupation shows mean score as much as 5.04. It means that most of respondents for this study are in the range between college students an entrepreneur. The result for income rate per month shows mean score at the number 2.42. So, it can be assumed that majority of the respondents have income about IDR 2 million up to below IDR 3 million.

Validity and Reliability Test

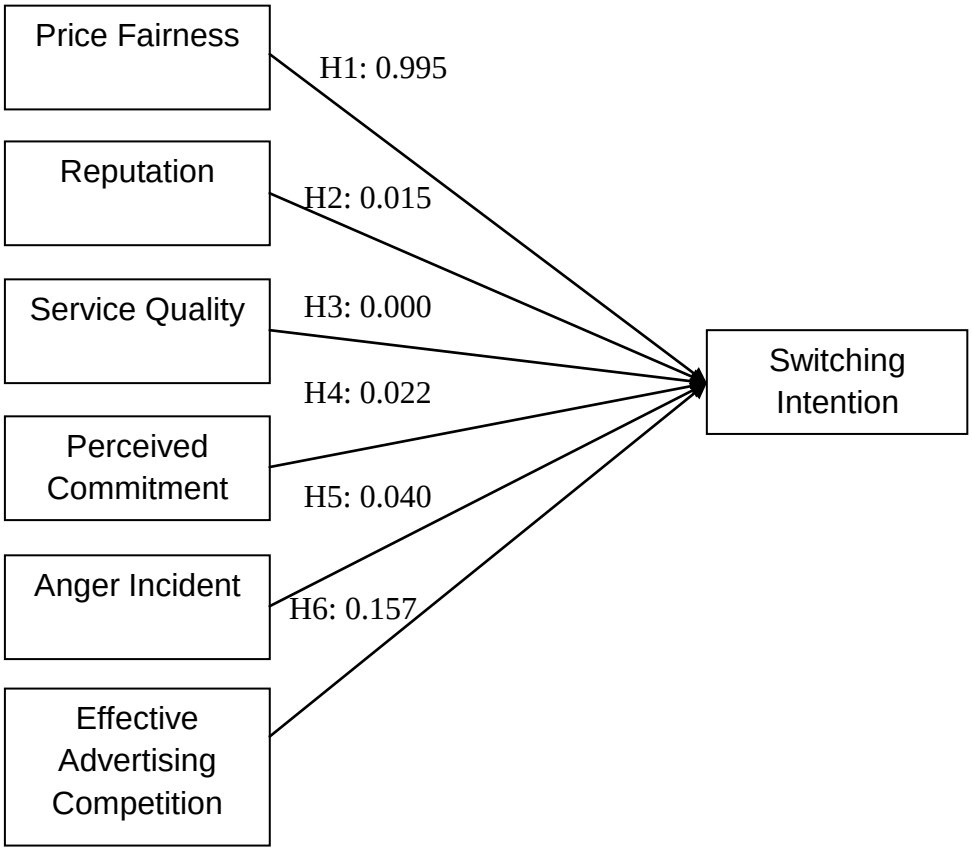
There are 47 items that has been tested in validity test. The result of validity test shows some items that were not valid beacuse they were not perfectly extracted. Some item either showed no factor loading score, have negative factor loading score, or have their factor loading score outside the group. Therefore, trial and error process, which is conducted by eliminating questionnaire item which has factor loading less than 0.5, was necessary in order to make the questionnaire valid. Switching Intention 1, Switching Intention 3, Price Fairness 3, Reputation 5, Service Quality 8 and Service Quality 19 were eliminated because their factor loading were less than 0.5. After six items were deleted, the result shows that the items of the questionnaire is valid and perfectly extracted after pass through the trial and error proccess.

Reliability test applied in this research is by using Cronbach Alpha coefficient. The data were analyzed by using SPSS version 16. Hence, through these test procedures can provide assurance that the data is fit to be analyzed with another statistical method (Ghozali, 2006). Table IV.4 showed the output of the reliability test by using Cronbach Alpha. The result showed that alpha point of research instrument every item were greater than .60, thus it could be concluded that the entire instrument of questionnaire was reliable. Cronbach's Alpha of switching intention (0.705) and anger incident (0.773) were above .60 and categorized as moderate reliability. And Cronbach's Alpha of price fairness (0.864), reputation (0.814), service quality (0.953), perceived commitment (0.895), and effective advertising competition (0.847) were also above .60 and categorized as high reliability. Hence, the result indicated that all variables have Cronbach Alpha coefficient higher than .60, therefore all the variable measurements from questionnaire were reliable. Then all items from each variable were good to apply as measurement tools.

Hypotheses Analysis

A variable said to be influential toward Switching Intention (SI) if it valued < 0.05. Based on the result, it can be seen that Price Fairness (PF) and Effective Advertising Competition (EAC) don't significantly influences Switching Intention (SI) because, the significance score is higher than 0.05. While the rest variables, Reputation (R), Service Quality (SQ), Perceived Commitment (PC), and Anger Incident (AI) have significant influence toward Switching Intention. Moreover, those variables have positive influence toward the dependent variable.

Research Framework



For further result from each relationship will be shown in the following table.

Table 1
Regression Analysis Result

Regression Analysis Result						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.346	.539		2.498	.013
	PF	.000	.051	.000	.006	.995
	R	.133	.054	.165	2.458	.015
	SQ	.246	.068	.315	3.611	.000
	PC	.138	.060	.177	2.306	.022
	AI	.143	.069	.145	2.070	.040
	EAC	.080	.056	.099	1.422	.157

Notes: Dependent Variable: SI (Switching Intention)
Independent Variable: PF (Price Fairness), R (Reputation), SQ (Service Quality),
PC (Perceived Commitment), AI (Anger Incidents), EAC (Effective Advertising Competition)

Discussion

1. Relationship between switching intention and price fairness

The test result indicated there was no significant relationship between switching intention and price fairness (B = 0.000, Sig. = 0.995). It means that price fairness is not a variable that is considered important to influencing consumer switching intention. This phenomenon can be happened because of the possibility of low variety of beauty salon price. Besides, the range of the price for each service in different salon might not be differs too much. Furthermore, it also found that price fairness has positive relationship with consumer switching intention, even though it was not significant. The positive value means that the unfairness price might lead consumers' to switch another beauty provider.

Based on the explanation above, this finding does not provide support for Hypothesis 1, which explains that price fairness has influence on consumer switching intention. Therefore, this requires further study to enhance external validity of hypothesized concept. This finding gives an insight to prudence in designing a stimulus that connects price fairness and consumer switching behavior because if marketers are too focused on this variable, the effect is not very considered by the customer. Furthermore, this is contrast with some previous study that explained how price is an important factors that influence customer's intention to switch provider (Antón et al., 2007; Saeed et al., 2011), but the finding shows similarity with a previous research by Clemes et al. (2007) which describe that price does not have impact on consumers' switching intention.

2. Relationship between switching intention and reputation

The test result indicated a significant and positive relationship between reputation and switching intention (B = .133, Sig. = .015). This explains that the worse reputation of the beauty salon, the more likely consumer has switching intention. The result confirms that a salon with a bad reputation is more likely to cause customers to switch beauty salons. The lower salon reputation, besides decreasing customer commitment may also enhance the number of customer who switches to other salon. It describes the importance of reputation as a switching antecedent.

Hence, the findings of this research support the hypothesis 2 that describes a significant relationship between reputation and switching intention. Furthermore, this finding shows that reputation has positive influence towards switching intention. Theoretically, this research also provides support for the previous research that there is a positive and significant relationship between an unfavorable bank reputation and customers' switching banks (Clemes et.al, 2010; Gerrad and Cunningham, 2004).

3. Relationship between switching intention and service quality

The result indicated a significant and positive relationship between service quality and switching intention (B = .246, Sig. = .000). This explain that the higher deficient service quality, the higher switching intention. This phenomenon can be happened because service quality plays an important role in supporting business development as service quality has impact on consumer switching behavior. The findings also confirm that a higher level

of service quality is important as poor service quality influences customer to switch salons.

Therefore, the findings of this research support the hypothesis 3 that describes that service quality has influence towards switching intention. Moreover, the variable positively influences switching intention. Theoretically, this research provides support for the previous research that a low level of quality in the service influences and delivered positively affects consumer intention to exit the relationship (Antón et.al., 2007).

4. **Relationship between switching intention and perceived commitment**

The test result indicated a significant and positive relationship between perceived commitment and switching intention (B = .138, Sig. = .022). It means that the higher level of low perceived commitment, the higher switching intention. This phenomenon can be happened because a low perceived commitment undermine consumers'' trust in the provider, and to a certain extent motivates their desire to switch. This correlation result between perceived commitment and switching intention validate the notion that if company is not committed to consumer as a costumers then customers start searching for another beauty service provider. This reason made a positive relationship between perceived commitment and switching intention.

Hence, the findings of this research support the hypothesis 4 that describes a significant relationship between perceived commitment and switching intention. Besides, perceived commitment shows a positive affect to switching intention. Theoretically, this research provides support for the previous research that a low perceived commitment of the firm has influence and positively associated with switching intention (Saeed et.al., 2011).

5. **Relationship between switching intention and anger incident**

The test result indicated a significant and positive relationship between anger incident and switching intention (B = .143, Sig. = .040). It explains that the higher anger incident occurred, the higher switching intention. This phenomenon can be happened because when the customer has a bad experience with the beauty salon then it may result in future switching intention of customers. The experience of an anger incident also affects switching intention in many situation even without considering of switching cost or knowledge about alternatives. This reason made a positive relationship between anger incident and switching intention.

Hence, the findings of this research support the hypothesis 5 that describes that anger incident significantly influences switching intention. In addition, this variable is found to have positive effect on switching intention. Theoretically, this research provides support for the previous research that consumers' experience of an anger incident positively affects their intention to exit the relationship as proposed by Antón, 2007 and Saeed et.al., 2011.

6. **Relationship between switching intention and effective advertising competition**

The test result showed that there was no significant relationship between effective advertising competition and switching intention (B = .080, Sig. = .157). This explains that an effective advertising competition is not a

variable that is considered important to influencing the consumer attitudes. This phenomenon can be happened because the consumers might not consider an effective advertising competition as a factor that influencing their switching intention. The possibility that advertising competition does not provide salon customers enough knowledge of alternatives might also be the reason why this factor could not contribute to customer switching intention. Furthermore, it also found that an effective advertising competition has positive relationship with consumer switching intention, even though it was not significant.

This relationship does not provide support for Hypothesis 1, which explains that an effective advertising competition has influence towards consumer switching intention. Therefore, this requires further study to enhance external validity of hypothesized concept. This finding gives an insight to prudence in designing a stimulus that connects an effective advertising and consumer switching behavior because if marketers are too focused on this variable, the effect is not very considered by the customer. In addition, this result is different with the previous research that states that an effective advertising competition has significant influence toward consumers' intention to switch provider (Clemes et al., 2007; Zhang, 2009).

CONCLUSION AND IMPLICATION

Conclusion

In summary, consumer switching intention in beauty service provider plays an important role in service marketing concept. This study was conducted with purpose to measuring factors that could affect consumer switching intention. In this study reputation, service quality, perceived commitment, and anger incident are the most significant factors influencing consumer intention to switch. While, price fairness and effective advertising competition were found to have no significant influence on co

In the relationship between consumer switching intention and the influencing factors in this study i.e. price fairness, reputation, service quality, perceived commitment, anger incident, and effective advertising competition, it is found a possibility that there are other factors that might be influence consumer switching intention significantly. Those factors are not significant beause, the range of the price for each service in different beauty salon might not be differs too much, and advertising competition for beauty salons in Surakarta are not too strict, so the consumers might not consider an effective advertising competition as a factor that influencing their switching intention.

Implication

This research is expected to provide theoretical, practical, and future research implications. Through these three aspects, it is expected to provide an understanding about scientific responsibilities in the effort to develop theories according to the field of research which are the responsibility of researchers. Moreover, the implications of this research are also expected to provide insight about the efforts that should be done related to the research problem.

1. Theoretical Implication

This research is expected to improve understanding of the academics associated with the concept of switching intention. It is based on the divergences and the uniqueness in this research that gives a different perspective than previous studies (See Antón et.al., 2007; Clemes et.al., 2010; Kuruzuum et.al, 2010; Saeed et.al., 2011; Maiyaki et.al., 2011; Nikbin et.al., 2012). The divergences and the uniqueness can be known from the observations variables that being developed on the research model and adjusted to research setting in Indonesia, especially in Surakarta. Furthermore, this research is also expected to be discussed further, and then it can be developed and tested in different research settings.

2. *Practical Implication*

   Based on the result from this research, it is expected to provide an understanding of the marketers associated with the concept of switching intention in beauty service provider. Understanding the switching intention can provide a larger perspective on the marketers, which can be used to design stimulus that it is possible to decrease the intention to switch to another beauty service provider. This needs to be prudent because designing stimulus that are redundant may affects on the ineffectiveness of the marketing strategy developed. This research provides analysis of the motives encouraging consumers to terminate their relationship that may serve as guidelines for service provider that intend to avoid customer defection. Provider should strive to build a good reputation, provide the services well, commit to their consumers, and prevent their customers from experiencing negative incidents with the firm. Furthermore, although price has low impact on switching intention, the provider can add more value to price that the customer has payed. The provider can also make more efforts on advertising to draw attention from the customer.

3. *Methodological Implication*

   This research was conducted with a structured method. Research method which includes measurement tools and statistical testing has that has been tested through rigid procedure. Therefore, the source and the truth can be traced scientifically. This is expected to give understanding for researcher to utilize it as consideration in designing research method that will be used to examine the model to study.

4. *Future Research Implication*

   This research was conducted with a structured method. Research methods include statistical testing and measurement equipment has been tested through a rigid procedure. This is expected to give an understanding to another researcher to use it as a consideration in designing the research methods for further study.

   This research object is focused on beauty services, that impact on limitation of the model generalization. This condition gives an opportunity for further research, especially in developing the model on wider context. In addition, future research should be careful in looking on research object characteristics. It is important because this research has a limited application. Hence, it needed continuing explanation, especially on developing the measurement in another setting.

Limitation

The current research has some limitations, and the recognition of these should help refine future research efforts. This research object is focused on beauty service, especially the phenomenon in Surakarta beauty salon. Therefore to apply this research into different setting, it is needed to be wise in monitoring product characteristics inherent in the objects used in the research. It is necessary in order to avoid bias in the analysis that could impact on fault in understanding the implications of the research.

Although there are limitations in this study that cause to the inability of the model to be generalized to all setting, but with a structured testing procedure is expected to not reduce the degree of confidence in the accuracy of predictive models that are expected.

REFERENCES

Aaker, D. A. 1996. *Managing Brand Equity.* New York: The Free Press

Allen, N.J. and J. P. Meyer. 1990. "*The measurement of antecedents of affective, continuous and normative commitment to the organization", in: Journal of Occupational Psychology*. Vol. 63: 1-18

Alexandris, K., N. Dimitriadis, and D. Markata. 2002. "*Can perceptions of service quality predict behaviour intentions? An exploratory study in the hotel sector in Greece", in: Managing Service Quality*. Vol. 12, No. 4: 224-232.

Antón C., C. Camaero, and M. Carrero. 2007. *"Analyzing Firms' Failures as Determinants of Consumer Switching Intentions: The effect of moderating factors", in: European Journal of Marketing*. Vol. 41, No. 1/2: 135-158

Bansal, H.S., Irving, P.G. and Taylor, S.F. 2004. *"A Three-Component Model of Customer Commitment to Service Providers" in: Journal of the Academy of Marketing Science.* Vol. 32, No. 3: 234-250

Bitner, M. J. and A. R. Hubbert. 1994. "*Encounter Satisfaction Versus Overall Satisfaction Versus Quality"*, in Rust, R. and R. L. Oliver, Service Quality: New Directions in Theory and Practice. London: Sage Publications

Bougie, R., R. Pieters, and M. Zeelenberg. 2003. *"Angry customers don't come back, they get back: the experience and behavioral implications of anger and dissatisfaction in services", in: Journal of the Academy of Marketing Science*. Vol. 31 No. 4: 377-393

Brady, M. K., and J. J. Cronin. 2001. *"Some new thoughts on conceptualizing perceived service quality: A hierarchical approach", in: Journal of Marketing*. Vol. 65, No. 3: 34-49.

Cengiz, E., H. Ayyildiz, and B. Er. 2007. *"Effects of image and adverting efficiency on customer loyalty and antecedents of loyalty: Turkish banks sample", in: Banks and Bank Systems*. Vol. 2, No. 1: 56-80.

Clemes, M. D., C. Gan, and L. Y. Zheng. 2007. *"Customer Switching Behavior in the New Zealand Banking Industry" in: Banks and Bank System*. Vol. 2, No. 4: 50-65

Clemes, M. D., C. Gan, and D. Zhang. 2010. *"Customer Switching Behavior in the Chinese Banking Industry" in: International Journal of Bank Marketing.* Vol. 28, No. 7: 519-546

Clugston, M. 2000. *"The Mediating Effects of Multidimensional Commitment on Job Satisfaction and Intent to Leave" in: Journal of Organizational Behaviour*. Vol. 21, No. 4: 477-486

Dagger, T. S., J. C. Sweeney, and L. W. Johnson. 2007. *"A hierarchical model of health service quality", in: Journal of Service Research*. Vol. 10, No. 12: 123-142

Dube, L. and Shoemaker, S. 2000. *"Brand Switching and Loyalty for Services" in Swartz, T.A. and Dawn, I. (Ed.), Handbook of Services Marketing and Management*. CA, Sage: 381-400

Dwyer, R., Schurr, P. and Oh, S. 1987. *"Developing buyer-seller relationships", in: Journal of Marketing*. Vol. 51, April: 11-27

Engel, J., R.Blackwell, and P. W. Miniard. 1995. *Consumer Behavior*. Chicago: The Dryden Press.

Ferdinand, A. 2002. *Structural Equation Modelling Dalam Penelitian Manajemen.* 2nd Edition. Seri Pustaka Kunci 03/BP UNDIP

Ghozali, I. 2006. *Aplikasi Analisis Multivariate dengan Program SPSS.* Semarang: Badan Penerbit Univeritas Diponegoro

Grace, D., and O'Cass, A. 2001. *"Attributions of Service Switching: A Study of Consumers' and Providers' Perceptions of Child-Care Service Delivery", in: Journal of Services Marketing*. Vol. 15, No. 4: 300-321

Grönroos, C. 1998. *"Marketing Services: The Case of A Missing Product", in: Journal of Business and Industrial Marketing*. Vol. 13, Issue. 4/5: 322-338

Hair, J. F., W. C. Black, B. J. Babin, R. E. Anderson, and R. L. Thatham. 2006. *Multivariate Data Analysis* (6th ed.). Upper Saddle River. New Jersey: Prentice Hall

Hall, R. 1993. *"A framework linking intangible resources and capabilities to sustainable advantage", in: Strategic Management Journal.*Vol. 14, No. 8: 607-618

Javalgi, R.G., Armaco, R.L. and Hoseini, J.C. 1989. *"Using the analytical hierarchy process for bank management: analysis of consumer selection decisions",in: Journal of Business Research*. Vol. 19: 33-49

Kuruuzum, A. and C. D. Koksal. 2010. *"The Impact Of Service Quality on Behavioral Intention In Hospitality Industry" in: International Journal of Business and Management Studies*. Vol. 2, No. 1: 9-15

Maiyaki, A. A. and S. S. M. Mokhtar. 2011. *"Determinants of Customer Behavioural Intention in Nigerian Retail Banks" in: Interdisciplinary Journal of Research in Business.* Vol. 1, Issue. 10: 42-48

Malhotra, N. K. 1993. *Marketing Research , An Applied Orientation*. New Jersey: L. Prentice Hall

Ndubisi, N. O. and Ling, T. Y. 2005. *"Complaint Behavior of Malaysian Consumers" in: Management Research News*. Vol 29, No. 1/2: 65-76

Newby, L. and T. Ward. 2009. *Sustainable Management and Marketing: A re-evaluation of customer switching behaviour in service industries.* Anzmac

Nguyen, N. and Leblanc, G. 2001. "*Corporate image and corporate reputation in customers' retention decisions in services" in: Journal of Retailing and Consumer Servcies*, 8(4), 227-36

Nikbin, D., I. Ismail, and M. Marimuthu. 2011. *Perceived Justice in Service Recovery and Switching Intention: Evidence from Malaysian Mobile Telecommuniication Industry.*

Parasuraman, A., V. A. Zeithaml, and L. Berry. 1988. *"SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality", in: Journal of Retailing*. Vol. 64:12-40

Ranaweera, C. and Prabhu, J. 2003. *"On the Relative Importance of Customer Satisfaction and Trust as Determinants of Customer Retention and Positive Word of Mouth" in: Journal of Targeting, Measurement and analysis for Marketing*. Vol. 12, No. 1: 82-89

Rao, H. 1994. "*The social construction of reputation: Certification contests legitimation, and the survival of organizations in the automobile industry", in: Strategic Management Journal.* Vol. 15: 29-44.

Roos, I., B. Edvardsson, and A. Gustafsson. 2004. "*Customer switching patterns in competitive and noncompetitive service industries" in: Journal of Service Research*. Vol. 6, No. 3: 256-271

Roseman, I. J., C. M. S. Wiest, and T. S. Swartz. 1994. *"Phenomenology, behaviors, and goals differentiate discrete emotions",in: Journal of Personality and Social Psychology*. Vol. 67: 206-11.

Saeed, A., N. Hussain, and A. Riaz. 2011. "*Factors Affecting Consumers' switching Intention", in: European Journal of Social Science*. Vol. 19, No. 1: 54-61

Scharioth, J. and Hurber, M. 2002. *Achieving excellence in stakeholder management* .New York: Springer.

Sekaran, U. 2003. *Research methods for business: A skill building approach*. John Wiley and Sons Inc.

Sekaran, U. 2006. R*esearch Methods For Business: Metodologi Penelitian Untuk Bisnis*. Salemba Empat, Jakarta

Varki S. and M. Colgate. 2001. *"The Role of Price Perception in an Integrated Model of Behavioral Intentions" in: Journal of Service Research.* Vol. 3, No. 3: 232-240

Wang, Y.G., Lo, H.P. and Hui, Y.V. 2003. *"The Antecedents of Service Quality and Product Reputation: Evidence from the Banking Industry in China" in: Managing Service Quality*. Vol. 13, No. 1: 72-83

Wathne, K., Biong, H. and Heide, J.B. 2001. *"Choice of supplier in embedded markets: relationship and marketing program effects", in: Journal of Marketing.* Vol. 65, April: 54-66.

Yoon, E., H. J. Guffey, and V. Kijewski. 1993. *"The effects of information and company reputation on intentions to buy a business service", in: Journal of Business Research.* Vol. 27: 215-28

Yue, H. and Tom, G. 1995. *"How the Chinese select their banks", in: Journal of Retail Banking.* Vol. 16, No. 4: 36-9

Zeithaml, V.A., L. Berry, and A. Parasuraman. 1996. *"The behavioural consequences of service quality", in: Journal of Marketing*. Vol. 60, No. 2: 31-46

Zengyan, C., Y. Yinping, and J. Lim. 2009. *Cyber Migration: An Empirical Investigation on Factor that Affect Users Switch Intention in Social Networking Sites.* Hawaii International Conference on System Science

Zhang, D. 2009. *Consumer Switching Behavior in the Chinese retail Banking Industry*. Lincoln University: Canterbury

http://en.wikipedia.org/wiki/Beauty_salon, accessed on January 27th, 2012, at 14.54

http://salonindonesia.blogspot.com/p/salon-di-indonesia.html, accessed on January 27th, 2012, at 15.43

http://spadaysandbreaks.com/, accessed on January 27th, 2012, at 15.50

http://www.expat.or.id/info/beautysalons/, accessed on January 27th, 2012, at 15.40

http://www.businessdictionary.com/, accessed on February 28th 2012, at 19:27