Abstract
Retail shopping establishments in the West have evolved through many different stages, in close association with Western lifestyles. The growth of supermarkets has been an important part of this trend, and in the 1960s, they were introduced in Indonesia. With their distinctive business environment, it is significant to study the success of the distribution technology transfer and how the Indonesian consumers have received the Western shopping approach. This study examines supermarket shoppers in Jakarta. The results provide an insight into the shopping patterns of Indonesian consumers and identify potential problems for international retailers. The results of this research are to gain an insight into Indonesian consumers and to identify the constraints that may be barriers for supermarket development in Indonesia. At present, only a very small fraction of the Indonesian population shop in supermarkets. The researcher decided to use the shoppers in Jakarta, the capital city and one of the top-tier Westernized cities in Indonesia, to derive probable indicators for the future and other developing cities in Indonesia.

Key statement
Supermarkets, Indonesia, Retailing, Consumer Behavior.
PREFACE

First of all, I would like to send my Alhamdulillah and gratitude to ALLAH SWT for the blessing and guidance during and upon the completion of this thesis with the best result and time. This thesis titled “The Characteristics of Supermarket Shoppers in Jakarta” is a replicated thesis done by Li-Wei Mai (Senior Lecturer) and Hui Zhao (MA, Marketing Management), both at Westminster Business School, University of Westminster, London, UK, in year 2004. This thesis was prepared and designed to fulfill the final requirements for a completion of undergraduate degree on Marketing Major, School of Marketing, Bina Nusantara International, Bina Nusantara University.

The thesis was prepared to analyze examines supermarket shoppers in Jakarta. The results provide an insight into the shopping patterns of Indonesian consumers and identify potential problems for international retailers. The results of this research are to gain an insight into Indonesian consumers and to identify the constraints that may be barriers for supermarket development in Indonesia.

The successfulness of this thesis is because of the help and support from the related parties. In this opportunity I will take my time to thank each of the close people that help and support me in doing this thesis. Therefore, it is very appropriate for me to show a lot of appreciation; I would like to thank the following people:

1. Mr. Nizam Jim Wiryawan, as my thesis supervisor, for his time, supports, passion, patience and helps me in preparing this thesis.

2. Ms. Nelly Nailatie Ma’arif, as the dean of marketing faculty of Bina Nusantara University for her support and guidance on my study years in Bina Nusantara University.

3. Mr. Pierre Wirawan, for his help, support, and advice in preparing this thesis.

4. Ms Tara Farina, as thesis coordinator, for her guidance in preparing this thesis.

5. Mr. Firdaus Alamsjah, the chief executive officer of the Joseph Wibowo Center.

6. Mr. Minaldi Louis, the program director of Binus International.
7. Mr. Dominique Razafindrambinina, as dean of student of Binus International, for his support.

8. My beloved parents, for their moral support, advice, love and endless prayers.

9. My brothers and all of my family, for their support.

10. To all my classmates and friends, especially Grace and Nico who always support and help me through the process of making this thesis writing.

11. My associate at PT.Rynet Cipta Teknologi, for their support.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover Page</td>
<td>i</td>
</tr>
<tr>
<td>Title Page</td>
<td>ii</td>
</tr>
<tr>
<td>Supervisor Approval</td>
<td>iii</td>
</tr>
<tr>
<td>Abstract</td>
<td>iv</td>
</tr>
<tr>
<td>Preface</td>
<td>v - vi</td>
</tr>
<tr>
<td>Table of Contents</td>
<td>vii - viii</td>
</tr>
<tr>
<td>List of Tables</td>
<td>ix</td>
</tr>
<tr>
<td>List of Figures</td>
<td>x</td>
</tr>
</tbody>
</table>

**CHAPTER I INTRODUCTION** ............................................................................. 1

1.1 Background ..................................................................................... 1

1.2 History .......................................................................................... 3

1.2.1 The Supermarket in Indonesia ................................................... 3 - 4

1.1.2 Hero Supermarket .......................................................................... 5

1.2.3 Sogo The Food Hall ........................................................................ 6

1.3 Scope .............................................................................................. 7

1.4 Aims and Benefits ........................................................................... 7 - 8

1.4.1 Aims ............................................................................................ 7

1.4.2 Benefits ...................................................................................... 8

1.5 Structure of the thesis .................................................................... 8 - 9

**CHAPTER II THEORETICAL FOUNDATION** .................................................. 10 - 21

**CHAPTER III RESEARCH METHODOLOGY** ................................................ 22 - 24

3.1 Stages on Research Method ............................................................ 22

3.2 Methodology for the Study .............................................................. 22

3.3 Systematic Sampling Method ............................................................ 23 - 24

**CHAPTER IV RESEARCH FINDINGS** ......................................................... 25 - 31

4.1 Research Preparation .................................................................... 25
4.2 Research findings ................................................................. 26
  4.2.1 Demographic Profile of the Supermarket Shoppers........... 25 - 26
  4.2.2 Shopping Frequency and Expenditure......................... 27 - 29
  4.2.3 Consumer Patronage Motives................................. 29 - 30

CHAPTER V CONCLUSION .............................................................. 31 - 34
  5.1 Conclusion................................................................. 31 - 32
  5.2 Managerial Implications.............................................. 32 - 33
  5.3 Future Research......................................................... 33 - 34

LIST OF REFERENCES .............................................................. 35 - 37

APPENDIX
  Survey of “The Characteristics of Supermarket Shoppers in Jakarta” A1
LIST OF TABLE

Table I Age ........................................................................................................ 26
Table II. Level of Income/ Month ................................................................ 26
Table III. Shopping Frequency ....................................................................... 27
Table IV. Spending Per Trip ........................................................................... 28
Table V. Transportation .................................................................................. 28
Table VI. Place To Shop .................................................................................. 28
Table VII. Other Needs Bought Outside Supermarket .................................. 29
Table VII. Consumers’ Patronage Motives .................................................... 30
Table IX. Patronage Motives vs Consumer Profile ........................................ 30
Table X. Shoppers’ demographics and characteristics ............................... A2
## LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>Early Development of Supermarket in Indonesia 1968 – 1997</td>
<td>3</td>
</tr>
<tr>
<td>Figure 2.1</td>
<td>A typical distribution channel</td>
<td>10</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>Ten Factors Consumers to Determine Service Quality</td>
<td>11</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>Ten Factors Consumers to Determine Service Quality</td>
<td>11</td>
</tr>
<tr>
<td>Figure 2.3</td>
<td>Buyer Decision Process</td>
<td>17</td>
</tr>
<tr>
<td>Figure 3.1</td>
<td>Stages of Research methods</td>
<td>22</td>
</tr>
</tbody>
</table>