THE INFLUENCE OF SERVICE QUALITY AND SWITCHING COST THROUGH CUSTOMER SATISFACTION AND SWITCHING BARRIERS TOWARDS SWITCHING INTENTION TO XIAOMI SMARTPHONE: A Study of Smartphone Users in Malang City

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Abstract
This research aims at examining the influence of Service Quality and Switching Cost as independent variables through Customer Satisfaction and Switching Barriers as mediating variables towards the Switching Intention to Xiaomi Smartphone as dependent variables. The population of this research is a non-Xiaomi smartphone users in Malang City using quantitative approach employing questionnaire to collect the data. There are 150 questionnaires distributed to every non-Xiaomi smartphone users in Malang City. The collected data were analyzed using quantitative methods with data type of uniform distribution. Purposive sampling were taken as the parameter of this research. The aforementioned variables were analyzed using the Path analysis with a Partial Least Square structural equation modeling based on the software named SmartPLS version 2.0. The results shows that the dependent variable which is the Switching Intention of smartphone users from non-Xiaomi smartphone users is influenced indirectly by Service Quality and Switching Cost as independent variables. The Switching Intention of non-Xiaomi smartphone users also influenced directly and indirectly by the Customer Satisfaction and Switching Barriers as the mediating variables.

Keywords: Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers, Switching Intention

INTRODUCTION
The recent advances in modern infrastructure, wireless technology, and devices have increased the internet adoption rate across society layers and countries. The availability of internet usage is the direct benefit of smartphones sales around the world. People with smartphones can easily access information, collaborate and participate in enhancing and spreading information easily. The age of internet is critical to improve quality of life, communicate and participate in social life like never before. As the use of smartphone increases, mobile phone companies are trying to market and deliver products by keeping consumers interested in buying their products annually. These companies compete through differentiation of products, marketing strategy by using famous brand ambassadors, unique features, and competitive pricing. As such, competition from these mobile phone companies is a clear advantage for Indonesian consumers in the city of Malang due to various options to choose adjusting the needs of an individual consumer in the city of Malang.

This is where Xiaomi, a 7 year-old startup Chinese company comes in. Xiaomi was established in 2010 and this private company performs a steady increase in domestic and international market by combining highly competitive price with high-end spesification strategy. Given its breakthroughs in the midst
of an increasingly sophisticated era, Xiaomi according to the website Detik (2016), Xiaomi succeeded in exploiting opportunities that exist in low-end markets, specifically in Asian regions in search of potential consumer.

With smartphone brand disparity, customers can switch brand at ease. A small differences in value and price can make large differences to customers. This is true in many Asian countries because in this region customer are quick to switch to another brand because of the availability and diversity of smartphone manufacturer. One of these countries is Indonesia. According to Ministry of Communication and Informatics of Indonesia, Indonesia is "the sleeping Asian digital technology giant" with 250 million population. Indonesian smartphone users are also growing rapidly. Digital marketing research institute Emarketer estimates that by 2018 the number of active smartphone users in Indonesia is more than 100 million people. With that amount, Indonesia will be the country with the fourth largest smartphone active users in the world after China, India, and America (Kominfo, 2016).

Model intention to switch from non-Xiaomi smartphone to Xiaomi smatphone within the smartphone users in the city of Malang was built by relying on variables contained within the relevant journals. In the resulting research questions and hypothesis model is further conducted experiments to determine the effectiveness of the variables contained in the path analysis of the model in explaining the intention to switch of a non-Xiaomi smartphone users, either the direct influences or the indirect influences. Based on these observations identified that the model is based on five variables as supported by the following journals.

In 2012, Prof. Dr. Muhammad Ehsan Malik, Muhammad Mudasar Ghafoor, and Hafiz Kashif Iqbal made a journal that determines the relationship between both service quality and brand image towards customer satisfaction. The research method that were used is Questionnaire Survey dan Anova Test. The result is both service quality and brand image have strong correlation with customer satisfaction.

In 2016, Jiwat Ram and Minglu Wu created a journal that determines the relationship of switching cost with customer loyalty and customer satisfaction. The research method that were used is the Structural Equation Modeling. The study highlights that building burden of switching cost to retain customers may not always help achieve success.

In 1990, Pieter J.A, Nagel Willem and Cilliers created a journal that determines the relationship of customer satisfaction towards the service quality. The research used a Confirmatory Factor Analysis, Gap-Analysis while measuring external service performance and internal service performance. The study highlight the importance of maintaining the customer satisfaction strategy through service quality was critical.

In 2001, Colgate and Lang created a journal that determines the
relationship of switching barriers towards the consumer markets in the financial service industry. The research used a Confirmatory Factor Analysis. The results shows and highlights that the importance of each switching barriers from over 400 consumers in the financial service industry is crucial towards the consumer markets.

In 2011, Rodrigo C.M., Luis Fernando and Jorge Brantes conduct a research regarding the mobile user switching intention in telephone carriers or service provider as a comparative study between the Brazilian market and German markets. The aforementioned research used a Structural Equation Modeling and Confirmatory Factor Analysis. The results shows that the dissatisfied mobile users from the two different countries are more likely to switch to other carriers. This is the most important research that inspired the writer to conduct this research in order to gain result from the switching intention of non-Xiaomi smartphone users in Malang city.

From the aforementioned issues and previous studies, this research is conducted in order to examine whether Service Quality and Switching cost as the independent variables directly influences the Customer Satisfaction and Switching Barriers as the mediating variables towards the Switching Intention either directly or indirectly as the dependent variable to Xiaomi smartphone of non-Xiaomi smartphone users in the city of Malang which act as the population of this research. Thus this research entitled "The Influence Of Service Quality And Switching Cost Through Customer Satisfaction and Switching Barriers Towards Switching Intention to Xiaomi Smartphone: A Study Of Smartphone Users In Malang City".

LITERATURE REVIEW

Service Quality

According to Lewis and Booms (1983), service quality is measure of how well the service level delivered matches the consumer expectations. Delivering quality service means conforming to customer expectations on a consistent basis. According to Parasuraman, et al. (1985), service quality is influenced by expected service and perceived service. If services are received as expected, the service quality is satisfactory, but if the services received exceed their expectations, customers will be delighted and will perceive service quality as excellent and vice versa. The evaluation of service is generally accessed through the service quality procedure known as SERVQUAL, which contains five dimensions which is reliability, responsiveness, assurance, empathy and tangibles.

Switching Cost

According to Aydin, et al (2005) Switching cost is defined as the total cost involved in changing from one service provider to another. It serves as a deterrent to customers switching from one provider to the other. According to Dick and Basu, (1994) switching cost is considered to include cost in monetary terms as well as the time and psychological effort that would be required to deal with a new service provider, uncertainty involved in the process,
and the knowledge invested in understanding of products, services, or relationships.

Customer Satisfaction

According to Kotler and Keller (2009:9), satisfaction is a person’s feelings of pleasure or disappointment resulting from comparing a product perceive performance (or outcome) in relation to his or her expectation. According to Zeithaml, et al. (2009:105), customer satisfaction is influenced by specific products or service features, perception on service quality, and price. In addition, personal factors such as the customer’s mood or emotional state, and situational factors such as family member’s opinion will also influence satisfaction.

Dimensions of Customer Satisfaction
1. Customer Emotion
2. Product and Service features
3. Attribution for service success or failure

Switching Barriers

According to Berry and Parasuraman (1991), suggest that effective customer relationship-specific investment increase customers’ dependency because they raise the cost of switching to competitors. According to Voss et al, (1998) switching barrier is any barrier or obstacle that makes it difficult to change service provider. As the tolerance zone (defined later) framework is a relatively new approach to the literature (Zeithaml, 2000).

Weiss and Anderson (1992) divide switching barriers into setup and takedown costs, which customers have to bear when considering switching suppliers. Setup costs include search effort, emotional drain from establishing a new interpersonal relationship and the perceived risk that a new service provider might not perform equal to or better than the current supplier. Takedown costs, on the other hand, include relationship specific investments made by the customer that have no value outside the current relationship.

Switching Intention

According to Dharmmesta (1999) brand switching intention is the intention of consumer switching by consumers for some specific reasons or is also interpreted as the vulnerability of consumers to move to other brands. Consumer brand appraisal can arise from a variety of variables, such as consumer experience with previous products and consumer knowledge of the product. The consumer experience in using the product can bring commitment to the brand of the product.

Switching intention comes from the available diversity of other product offerings, or because of problems with purchased products. Switching Intention is defined as the preferred freedom of choice for a specific item (Menon da Khan, 1995).

Keaveney (1995) in his research on switching intention in the service industry said that consumer ignorance and price are some of the many factors that can cause consumers to switch to other service providers when there is a new service provider more expensive.
According to Dharmestha (1999), brand switching intention is the intention of consumer switching by consumers for some specific reasons or is also interpreted as the vulnerability of consumers to move to other brands. Consumer brand appraisal can arise from a variety of variables, such as consumer experience with previous products and consumer knowledge of the product. The consumer experience in using the product can bring commitment to the brand of the product.

**Research Hypothesis**

**H1.** There is a direct influence of Service Quality that contributes to Customer Satisfaction.

**H2.** There is a direct influence of Switching Cost that contributes to Customer Satisfaction.

**H3.** There is a direct influence of Service Quality that contributes to Switching Barriers.

**H4.** There is a direct influence of Switching Cost that contributes to Switching Barriers.

**H5.** There is a direct influence of Customer Satisfaction that contributes to Switching Intention.

**H6.** There is a direct influence of Switching Barriers that contributes to Switching Intention.

**H7.** There is an indirect influence of Service Quality that contributes to Switching Intention through Customer Satisfaction.

**H8.** There is an indirect influence of Switching Cost that contributes to Switching Intention through Customer Satisfaction.

**H9.** There is an indirect effect of Service Quality that contributes to Switching Intention through Switching Barriers.

**H10.** There is an indirect effect of Switching Cost that contributes to Switching Intention through Switching Barriers.

The Hypothesis Model will be shown in Figure 1.

![Figure 1. Hypothesis Model](image-url)

**RESEARCH METHOD**

Based on the explanation related to the research problems and objectives which are previously mentioned, this research uses
quantitative approach. The type of this research is an explanatory research with survey technique. The population of this research is the non-Xiaomi smartphone users in Malang City that currently lives in Malang and already know how to use a smartphone. The population of this research is a non-Xiaomi smartphone users in Malang City using quantitative approach employing questionnaire to collect the data.

There are 150 questionnaires distributed to every non-Xiaomi smartphone users in Malang City. The collected data were analyzed using quantitative methods with data type of uniform distribution. Purposive sampling were taken as the parameter of this research. The aforementioned variables were analyzed using the Path analysis with Partial Least Square structural equation modeling based on the software named SmartPLS version 2.0.

RESEARCH RESULT

Figure 2. Measurement Evaluation (Outer Model)

Partial Least Square (PLS) Data Analysis

The data processing techniques used SEM method based on Partial Least Square (PLS). PLS Software in this study used software developed at the University of Hamburg Germany, named SMARTPLS version 2.0 M3. In the PLS there are two stages namely the first stage is the Outer Model Evaluation or Measurement model. The second stage is an evaluation of the Inner Model or the structural model. The measurement model consists of observable indicators. The structural model consists of unobservable latent constructs. In this test, writer's also estimated the path coefficients that identify the strength of the relationship between independent variables and dependent variables. The measurement model consists of the relationship between the observable variable items and the latent constructs as measured by the items.
There are three criteria in using data analysis techniques with SmartPLS to assess the outer model of Convergent Validity, Discriminant Validity and Composite Reliability. Convergent validity of the measurement model with reflexive indicator is judged by correlation between item score / component score estimated with Soft PLS. Individual reflexive sizes are said to be high if they correlate more than 0.70 with measured constructs. However, according to Chin, 1998 (in Ghozali, 2006) for a preliminary study of the development of measurement scale the loading values of 0.5 to 0.6 are considered sufficient. In this research will be used the load factor limit of 0.60.

**Convergent Validity**

Convergent validity aims to determine the validity of each relationship between indicators with latent variables. The convergent validity of the measurement model with the reflexive indicator is judged on the correlation between the component score and the construct score calculated by the PLS. Here is presented the results of outer loading for each of the indicators possessed by each exogenous and endogenous latent variables in the research models obtained from the SmartPLS as follow:

| Indicator | Original Sample (O) | Standard Deviation (STDEV) | T Statistics (|O/STERR|) |
|-----------|---------------------|---------------------------|-----------------|
| X1.1 ← X1 | 0.7578              | 0.0621                    | 12.2117         |
| X1.2 ← X1 | 0.7165              | 0.0673                    | 10.646          |
| X1.3 ← X1 | 0.79                | 0.0568                    | 13.9169         |
| X1.4 ← X1 | 0.823               | 0.0374                    | 21.9849         |
| X1.5 ← X1 | 0.7296              | 0.0647                    | 11.2718         |
| X2.1 ← X2 | 0.829               | 0.0403                    | 20.5776         |
| X2.2 ← X2 | 0.8513              | 0.034                     | 25.0732         |
| X2.3 ← X2 | 0.86                | 0.0334                    | 25.7407         |
| Y1.1 ← Y  | 0.8193              | 0.0516                    | 15.8672         |
| Y1.2 ← Y  | 0.5635              | 0.1072                    | 5.2553          |
| Y1.3 ← Y  | 0.8821              | 0.0282                    | 31.2666         |
| Y1.4 ← Y  | 0.8544              | 0.0343                    | 24.9175         |
| Z1.1 ← Z1 | 0.7571              | 0.0853                    | 8.8784          |
| Z1.2 ← Z1 | 0.8112              | 0.037                     | 21.9186         |
| Z1.3 ← Z1 | 0.8441              | 0.0393                    | 21.4869         |
| Z2.1 ← Z2 | 0.8906              | 0.0245                    | 36.3442         |
| Z2.2 ← Z2 | 0.8897              | 0.0238                    | 37.3359         |
| Z2.3 ← Z2 | 0.8043              | 0.0552                    | 14.5818         |

Table 1 shows the value of loading (Convergent Validity) from each indicator. Value loading factor above 0.7 is said to be ideal and valid. However the rule of thumbs interpretation of the loading factor value above 0.5 is also acceptable and valid as long as the value is not below 0.5. It can be seen that the factor loading values of indicator Service Quality (X1), Switching Cost (X2), Customer Satisfaction (Z1), Switching Barriers (Z2) and the Switching Intention.
The (Y) of respondents is bigger than 0.60. This indicates that these indicators are valid.

**Discriminant Validity**

After Convergent validity, subsequent evaluation is to see Discriminant Validity with cross loading, root square value of average variance extracted (AVE) and composite realiability. Discriminant Validity is to prove that latent constructs predict the size on their block is better than the size of the other block. Ghozali (2008) mentioned that Discriminant Validity of measurement model with reflexive indicator is assessed based on cross loading measurement with construct. Discriminant validity of the measurement model is assessed based on the measurement of cross loading by construct. If the construct correlation with the principal measurement of each indicator is greater than the size of the other construct, the latent construct predicts the indicator better than the other construct.

The model has good discriminant validity if each loading value of each indicator of a latent variable has the largest loading value with another loading value against other latent variables. Discriminant validity obtained from the test results are as follow:

| Table 2. Discriminant Validity Cross Loadings Value |
|---------------------|---------------------|---------------------|---------------------|---------------------|
|                      | X1      | X2      | Y        | Z1       | Z2       |
| X1.1                 | 0.7578  | 0.4793  | -0.5199  | 0.4409   | 0.5387   |
| X1.2                 | 0.7165  | 0.4053  | -0.535   | 0.4495   | 0.455    |
| X1.3                 | 0.79    | 0.554   | -0.5201  | 0.5624   | 0.4738   |
| X1.4                 | 0.823   | 0.5779  | -0.6194  | 0.5913   | 0.6186   |
| X1.5                 | 0.7296  | 0.6278  | -0.6043  | 0.6243   | 0.5709   |
| X2.1                 | 0.6234  | 0.829   | -0.5856  | 0.5959   | 0.5720   |
| X2.2                 | 0.5363  | 0.8513  | -0.5739  | 0.6519   | 0.5588   |
| X2.3                 | 0.6229  | 0.86    | -0.6145  | 0.6136   | 0.6562   |
| Y1.1                 | -0.5624 | -0.5517 | 0.8193   | -0.5119  | -0.5901  |
| Y1.2                 | -0.3454 | -0.2865 | 0.5635   | -0.3096  | -0.2729  |
| Y1.3                 | -0.6755 | -0.5982 | 0.8821   | -0.5952  | -0.65    |
| Y1.4                 | -0.6742 | -0.6458 | 0.8544   | -0.5913  | -0.6179  |
| Z1.1                 | 0.5094  | 0.5409  | -0.4472  | 0.7571   | 0.4702   |
| Z1.2                 | 0.6171  | 0.5796  | -0.5467  | 0.8112   | 0.5968   |
| Z1.3                 | 0.5765  | 0.6439  | -0.5771  | 0.8441   | 0.5258   |
| Z2.1                 | 0.6173  | 0.6611  | -0.6092  | 0.5727   | 0.8906   |
| Z2.2                 | 0.6556  | 0.6987  | -0.6343  | 0.6442   | 0.8897   |
| Z2.3                 | 0.5346  | 0.4352  | -0.5773  | 0.4823   | 0.8043   |

Table 2 shows the Cross Loading Value of all indicators that make up each of the variables in this research (the value in bold) has met the requirements of discriminant validity because it has the largest outer loading value for the variables which is formed and not on other the variables. Thus all indicators in each variable in this research have met the discriminant validity.

**Composite Reliability, Average Variance Extracted (AVE) and Cronbach Alpha**
The measurement model is evaluated with the square root of average variance extracted, which is by comparing the AVE root value and the correlation between constructs. If the AVE root value is higher than the correlation value between the constructs, then good discriminant validity is achieved. In addition, AVE values which is greater than 0.5 are strongly recommended.

<table>
<thead>
<tr>
<th>Construct</th>
<th>AVE</th>
<th>Composite Reliability</th>
<th>Cronbachs Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>0.5843</td>
<td>0.8751</td>
<td>0.8221</td>
</tr>
<tr>
<td>X2</td>
<td>0.7172</td>
<td>0.8838</td>
<td>0.8028</td>
</tr>
<tr>
<td>Z1</td>
<td>0.6479</td>
<td>0.8464</td>
<td>0.7282</td>
</tr>
<tr>
<td>Z2</td>
<td>0.7439</td>
<td>0.8968</td>
<td>0.8275</td>
</tr>
<tr>
<td>Y</td>
<td>0.6243</td>
<td>0.8662</td>
<td>0.7958</td>
</tr>
</tbody>
</table>

The AVE values for the five constructs on Table 3 above are greater than 0.5 so it can be concluded that the model measurement evaluation has a good discriminant validity. In addition to the construct validity test, construct reliability test is also measured by the criteria test composite reliability and cronbach alpha from the indicator block that measured the construct. The construct is declared reliable if the composite reliability and cronbach alpha value is greater than 0.70. So it can be concluded that the construct has good reliability.

**Structural Evaluation (Inner Model)**

Inner model or structural model testing is done to see the relationship between construct significance value and R-square of the research model. The structural model is evaluated by using R-square for the t test dependent construct as well as the significance of the structural path parameter coefficients.

**Figure 3. Structural Evaluation (Inner Model)**

<table>
<thead>
<tr>
<th>Number</th>
<th>Variable</th>
<th>R Square Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Z1</td>
<td>0.6103</td>
</tr>
<tr>
<td>2</td>
<td>Z2</td>
<td>0.5807</td>
</tr>
</tbody>
</table>
Test on the structural model were done by looking at the R-square value which is a Goodness-Fit test model. In principle, this research uses 3 variables that were influenced by other variables which are Customer Satisfaction (Z1) variable that were influenced by Service Quality (X1) and Switching Cost (X2) variables. The Switching Barriers (Z2) variable that were influenced by Service Quality (X1) and Switching Cost (X2) variables. Similarly, the Switching Intention (Y) variable were influenced by Customer Satisfaction (Z1) and Switching Barriers (Z2) variables.

Table 4 point number One shows the R-square value for Customer Satisfaction variable (Z1) that was influenced by Service Quality (X1) variable and Switching Cost (X2) variable is valued at 0.6103. The value of R-square shows that 61.031% of Customer Satisfaction variable (Z1) can be influenced by Service Quality (X1) and Switching Cost (X2) variables, while the remaining 38.97% were influenced by other variable outside of the research subject.

Table 4 point number Two shows the R-square value for Switching Barriers (Z2) that was influenced by Service Quality (X1) variable and Switching Cost (X2) variable is valued at 0.5807. The value of R-square shows that 58.07% of Switching Barriers (Z2) can be influenced by Service Quality (X1) and Switching Cost (X2) variables, while the remaining 41.93% was influenced by other variable outside of the research subject.

Table 4 point number Three shows the R-square value for Switching Intention (Y) that was influenced by Customer Satisfaction (Z1) variable and Switching Barriers (Z2) variable is valued at 0.5589. The value of R-square shows that 55.89% of Switching Intention (Y) can be influenced by Customer Satisfaction (Z1) and Switching Barriers (Z2) variables, while the remaining 41.11% was influenced by other variable outside of the research subject.

Predictive Relevance ($Q^2$)

According Jaya and Sumertajaya (2008) Goodness of Fit Model is measured using R-square latent variable dependent with the same interpretation with regression. Q-Square predictive relevance for the structural model is used to measured how well the conservation value is generated by the model and its parameter estimation.

In the PLS model, the overall fit of goodness of fit is derived from the value of $Q^2$ (predictive relevance), whereby the higher $Q^2$ value, the model can be said to be more suitable with the data. Quantity $Q^2$ has a value with the range 0 < $Q^2$ < 1, if it is closer to 1 means the model is getting better. This is equal to the total coefficient of determination in the path analysis. From Table 4.4.2.1 above we can calculate the value of $Q^2$ using the equation of Predictive Relevance $Q^2$ as follows:

$$Q^2 = 1 - (1 - R^2) \times (1 - R^2)$$

Explanation:

$Q^2$ : Value of Predictive Relevance

$R_1^2$ : Value of R-Square of Customer Satisfaction (Z1) = 0.6103

$R_2^2$ : Value of R-Square of Switching Barriers (Z2) = 0.5807

$R_3^2$ : Value of R-Square of Switching Intention (Y) = 0.5589
Equation Result:
Value of $Q^2 = 1 - (1 - R^2)(1 - R^2)(1 - R^2)$

Value of $Q^2 = 1 - (1 - 0.6103) \times (1 - 0.5807) \times (1 - 0.5589) = 0.9279$

From the calculation above, the resulted value of $Q^2$ is 0.9279, which means that the analysis of variant that can be explained by the structural model is valued at 92.79%, while the remaining percentage which is 7.21% were explained by other factors outside the modelling equation. Based on these results, the structural model in this study can be said to have an appropriate goodness of fit.

Hypothesis Test Result

The significance of the estimated parameters provides a useful information on the relationship between research variables. The statistical test in PLS with each hypothesized relationship are performed using a simulation. In this case the bootstrap method is performed on the sample. Testing with a bootstrap method is intended to minimize the occuring problem of research data abnormalities. The test results with bootstrapping method from PLS analysis are as follows:

Table 5. Path Coefficient (Mean, STDEV, T-Values)

| Variable Correlation | Original Sample (O) | Standard Deviation (STDEV) | T Statistics (|O/STERR|) |
|----------------------|---------------------|----------------------------|-----------------|
| X1 -> Z1             | 0.3804              | 0.0704                     | 5.4046          |
| X2 -> Z1             | 0.4096              | 0.0964                     | 4.2488          |
| X1 -> Z2             | 0.4658              | 0.0716                     | 6.5046          |
| X2 -> Z2             | 0.4166              | 0.0848                     | 4.9121          |
| Z1 -> Y              | -0.3358             | 0.0711                     | 4.7234          |
| Z2 -> Y              | -0.4818             | 0.0709                     | 6.7983          |

Based on the Table 5 above the obtained result of the structural equation is described as follows and it is followed by the explanation of hypothesis concerning the correlation or relationship between variables:

$Z1 = 0.3804 \times X_1 + 0.4096 \times X_2$

$Z2 = 0.4658 \times X_1 + 0.4166 \times X_2$

$Y = -0.3358 \times Z_1 - 0.4818 \times Z_2$

H1. Service Quality has significant influence to Customer Satisfaction (X1 -> Z1).

The result of the first hypothesis test shows that the correlation between Service Quality (X1) and Customer Satisfaction (Z1) variables shows the coefficient value of 0.3804 with t value of 5.4046. The obtained t value is greater than the t table (1,960). This result means that Service Quality variable has a positive and significant influence on Customer Satisfaction variable, which is in line with the first hypothesis where the Service Quality has a direct influence on Customer Satisfaction.
$H_2$. Switching Cost has significant influence to Customer Satisfaction (X2 -> Z1).

The results of the second hypothesis test shows that the correlation between Switching Cost (X2) with Customer Satisfaction (Z1) variables shows the value of the coefficient of the path of 0.4096 with t value of 4.2488 t. The obtained t value is greater than t table (1,960). This result means that the Switching Cost variable has a positive and significant influence on Customer Satisfaction which means according to the fourth hypothesis where the Switching Cost has significant influence on Switching Barriers.

$H_3$. Service Quality has significant influence on Switching Barriers (X1 -> Z2).

The result of the third hypothesis test shows that the correlation of Service Quality (X1) variable with Switching Barriers (Z2) shows the coefficient value of 0.4658 with t value of 6.5046. The obtained t value is greater than t table (1,960). This result means that Service Quality has a positive and significant influence on Switching Barriers which is in line with the third hypothesis where Service Quality has significant influence on Switching Barriers.

$H_4$. Switching Cost has significant influence on Switching Barriers (X2 -> Z2).

The result of the fourth hypothesis test shows that the correlation of Switching Cost (X2) variable with Switching Barriers (Z2) variable shows the path coefficient value of 0.4166 with t value 4.9121. The obtained t value is greater than t table (1,960). This result means that the Switching Cost variable has a positive and significant influence on Switching Barriers variable which means according to the fourth hypothesis where the Switching Cost has significant influence on Switching Barriers.

$H_5$. Customer Satisfaction has significant influence on Switching Intention (Z1 -> Y).

The result of the fifth hypothesis test shows the correlation of Customer Satisfaction (Z1) variable with Switching Intention (Y) variable shows the coefficient value of -0.3358 with a t value of 4.7234. The obtained t value is greater than t table (1,960). This result means that Customer Satisfaction has negative and significant influence to Switching Intention which is in line with the fifth hypothesis where Customer Satisfaction has negative and significant influence on Switching Intention.

$H_6$. Switching Barriers has significant influence on Switching Intention (Z2 -> Y).

The result of the sixth hypothesis test shows that the correlation of Switching Barriers (Z2) variable with Switching Intention (Y) variable shows the coefficient value of -0.4818 with a t value of 6.7983. The obtained t value is greater than t table (1,960). This result means that Switching Barriers have a negative and significant influence on Switching Intention which means according to the sixth hypothesis where Switching Barriers have a negative and significant influence on Switching Intention.

Indirect Influence
In order to know the significance of the indirect influence of the independent variables upon the dependent variable which is Switching Intention (Y) through Customer Satisfaction (Z1) variable and Switching Barriers (Z2) variable, it can be performed by using Sobel calculation that can be seen on Table 6 as follows.

**Table 6. Indirect Influence on Variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Direct Coefficient</th>
<th>Standard Error</th>
<th>Indirect Coefficient</th>
<th>se Gab</th>
<th>t Count</th>
<th>p-Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1, Z1, Y</td>
<td>0.3804</td>
<td>-0.3358</td>
<td>-0.1277</td>
<td>0.0363</td>
<td>-3.5220</td>
<td>0.001</td>
</tr>
<tr>
<td>X2, Z1, Y</td>
<td>0.4096</td>
<td>-0.3358</td>
<td>-0.1375</td>
<td>0.0441</td>
<td>-3.1204</td>
<td>0.002</td>
</tr>
<tr>
<td>X1, Z2, Y</td>
<td>0.4658</td>
<td>-0.4818</td>
<td>-0.2244</td>
<td>0.0480</td>
<td>-4.6730</td>
<td>0.000</td>
</tr>
<tr>
<td>X2, Z2, Y</td>
<td>0.4166</td>
<td>-0.4818</td>
<td>-0.2007</td>
<td>0.0508</td>
<td>-3.9533</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Based on the Table 6 above, the obtained results of the indirect influence between variables through other variables is explained as follows:

**H7.** The influence of Service Quality (X1) on Switching Intention (Y) through Customer Satisfaction (Z1).

The results of testing the seventh hypothesis shows that the relationship between Service Quality (X1) variable and Switching Intention (Y) variable through Customer Satisfaction (Z1) shows indirect coefficient value of -0.1277 with a t value of 3.5220. The obtained t value is greater than t table (1.960). This result means that Customer Satisfaction has a significant influence in bridging Service Quality to Switching Intention. This means Hypothesis 7 is accepted.

**H8.** The influence of Switching Cost (Z2) on Switching Intention (Y) through Customer Satisfaction (Z1).

The results of testing the eighth hypothesis shows that the relationship between Switching Cost (Z2) and Switching Intention (Y) variables through Customer Satisfaction (Z1) variable shows the indirect coefficient value of -0.1375 with a t value of 3.1204. The obtained t value is greater than t table (1.960). This result means that Customer Satisfaction has a significant influence in bridging Switching Cost to Switching Intention. This means Hypothesis 8 is accepted.

**H9.** The influence of Service Quality (X1) on Switching Intention (Y) through Switching Barriers (Z2).

The results of testing the ninth hypothesis shows that the relationship between Service Quality (X1) on Switching Intention (Y) variables through Switching Barriers (Z2) shows the obtained value of indirect path coefficient of -0.2244 with obtained t value of 4.673. The obtained t value is greater than t table (1.960). This result means that Switching Barriers have a significant influence in bridging Service Quality to Switching Intention. This means Hypothesis 9 is accepted.

**H10.** The influence of Switching Cost (Z2) on Switching Intention (Y) through Switching Barriers (Z2).

The results of testing the tenth hypothesis shows that the relationship between Switching Cost (Z2) and Switching Intention (Y) variables through Switching Barriers (Z2) shows the obtained value of indirect path coefficient of -0.2007 with obtained t value of 3.9533. The obtained t value is greater than t table (1.960). This result means that Switching Barriers have a significant influence in bridging Switching Cost to Switching Intention. This means Hypothesis 10 is accepted.
The results of the tenth hypothesis test show that the influence of Switching Cost variable with Switching Intention (Y) through Switching Barriers (Z2) shows the value of indirect path coefficient of -0.2007 with t value of 3.9533. The value is greater than t table (1.960). This result means that Switching Barriers have a significant influence in bridging the Switching Cost to Switching Intention. This means Hypothesis 10 is accepted.

CONCLUSION & SUGGESTION

Based on the findings from the researcher, the roles of Service Quality, Switching Intention, Customer Satisfaction, Switching Barriers have a direct and indirect influence upon smartphone users on respondents Switching Intention. Xiaomi’s pricing strategy and their minimalist marketing campaign through social media and word of mouth has succeed to get people in Malang interested upon switching to this brand. The Service Quality of various smartphone brands certainly have its own flaws, based on the researchers’ findings through 5 dimension of Service Quality most respondent does not respond positively to an average customer services, build quality, reliability and empathy that other the brands has provided where otherwise it needed such attention. As such Service Quality plays an important roles among other variable which impacted upon the Switching Intention either directly or indirectly through Customer Satisfaction and Switching Barriers.

For Switching Cost the majority of respondents clearly are willing to sacrifice their current smartphone usability in order to switch to Xiaomi smartphone, given their aggressive low pricing strategy. As for the Customer Satisfaction, the researcher found out that respondents satisfaction towards the usability of their current smartphone is not guaranteed, even if they are using such high profile branded smartphone such as Samsung or Apple. Their demand and expectation towards the Customer Satisfaction of their current smartphone plays an important roles, if such criteria is fulfilled they are not willing to switch to Xiaomi but if it is unfulfilled, then the Switching Intention of the smartphone users is increasing and there is a higher probability to switch to Xiaomi’s smartphone. For Switching Barriers which is resides in respondents mind set, such as loyalty, the confidence from purchased decision and the operating system security of currently used smartphone brand is affecting the Switching Intention directly whether it is negative or positive. This result is similar to the previous research conducted by Brantes, et al, (2011), through confirmatory factor analysis on their journals. Therefore, the outcome to switch to Xiaomi’s smartphone is positive.

Research Implication

The result and discussion of this research above provides some theoretical and practical implication to the Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers towards Switching Intention to Xiaomi Smartphone (a
research on Smartphone Users in Malang).

**Theoretical Implication**

The result of this research provide benefits in the field of science that Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers have positive influence towards Switching Intention. This result is aligned with previous research theories which explained each Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers have positive influences toward Switching Intention which in this research the object are the society of Malang who have already known on how to use smartphone or currently using smartphone besides Xiaomi.

**Suggestions**

Based on the result of this research, Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers have positive influence to Switching Intention upon switching to Xiaomi’s Smartphone in the society of Malang city. Xiaomi’s software developers and hardware engineers are necessary to enhance the value and relationships between Service Quality, Switching Cost, Customer Satisfaction, Switching Barriers towards Switching Intention that the current smartphone users that use other various brands to switch and use Xiaomi’s smartphone. This can be achieved through improvising their aftersales service, build quality, the security and stability of their own MIUI custom android operating system and adding more valuable features in the softwares, and increasing the bulk of their marketing campaign through social media which is more efficient in order to attract more customer to switch.

**Further research**

For further research, researchers suggested to examine other variables in addition to the variables that have been in use in this study. Especially in choosing dependent variables, Switching Intention is not the only variable that can be used in researching consumer interest to switch to another brand. Variable such as Switching Behavior are also interesting to investigate further, because Indonesian consumers in choosing a smartphone have a different behaviors, as such future researcher can use Xiaomi brand or other popular chinese smartphone brands that are popular in Indonesia, such as Huawei, Zte, Oppo and other various chinese brands. Researcher suggest chinese smartphone brands as an object of the future research, because of the low-price and high spesification value that the chinese brands todays has to offer.

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