

Evaluation of Service Quality on Customer Satisfaction at YZ Bookstore through the Customer Satisfaction Index, Importance Performance Analysis, and Potential Gain in Customer Value

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The YZ Bookstore is the first of its branches in South Sulawesi to be located outside a mall, adopting a stand-alone concept that tends to raise customer expectations. However, in the face of intense competition, especially from online bookstores offering greater convenience, the company must strengthen its commitment to service quality to meet these expectations. This study aims to identify, measure, and prioritize service quality attributes influencing customer satisfaction at YZ Bookstore, as well as to provide practical recommendations for service improvement. The analysis was conducted using the Customer Satisfaction Index (CSI), Importance Performance Analysis (IPA), and Potential Gain in Customer Value (PGCV) methods. The researchers distributed questionnaires and collected data from 163 respondents who had visited YZ Bookstore and were aged 18-59 years, representing the active customer group. Based on IPA mapping, the main improvement priorities are: providing a complete range of books and stationery (P3); staff being able to direct customers to the items they need (P4); staff being responsive to customer needs (P6); providing adequate and convenient parking facilities (P24); and providing information computers to help customers find items easily (P26). The PGCV analysis further suggests the following priority order for improvement: P26, P3, P4, P6, and P24. Based on these findings, the company is recommended to improve its Production Planning and Inventory Control (PPIC) system, conduct market research, and provide targeted employee training programs to enhance service quality and customer satisfaction.

1. Introduction

YZ Bookstore is the first branch of PT X located outside a mall with a standalone concept in the South Sulawesi region, focusing on the sale of various books and stationery. As a physical bookstore, it offers direct interaction between customers and staff, as well as a diverse selection of works that broaden horizons and inspire. However, physical bookstores face growing pressure from online channels: in the German book market, the number of brick-and-mortar bookstores fell by about 20 percent and their market share declined [12]. A bookseller in Australia likewise reported decreasing demand through retail outlets as Amazon grew [6], and a study of Gramedia Solo examined visitor decline attributed to online books [27]. Yet e-commerce is not a perfect substitute for physical stores [12], so they can remain relevant by giving customers reasons to visit. Service quality is therefore a critical differentiator, as it significantly affects customer satisfaction [11] and revisit intention [27]. Business processes under this model should thus prioritize superior and innovative services to enhance customer reputation and trust.

Service quality is the level of excellence expected by customers, and that level of excellence is controlled with the aim of meeting customer expectations. Thus, service quality represents a company's effort to meet and align with consumer expectations and needs [26]. According to Parasuraman et al. (1989), as cited in [28], there are five dimensions of service quality: responsiveness; assurance; tangibles; empathy; and reliability. Zeithaml et al. (2017), as cited in [13], state that these five main dimensions include: the ability to provide promised services on time and accurately (reliability); a willingness to assist customers and respond quickly to customer requests (responsiveness); employee knowledge and friendliness, as well as their ability to build trust and confidence in customers (assurance); providing individual attention to customers, understanding the problems they face, and acting in their best interests (empathy); and the appearance of the company's physical facilities, equipment, human resources, and communication materials (tangibles).

Customer satisfaction serves as a benchmark for every company in its operations. Customer satisfaction is a key indicator of a company's business success, measuring how positively customers perceive the company's future prospects. By prioritizing customer satisfaction, companies can strengthen their market presence. In other words, the customer satisfaction score functions as a benchmark for monitoring improvement over time [13]. According to Schnaars (1991), customer satisfaction fosters harmony between customers and the company, leading customers to become loyal to the company and recommend it to others (word of mouth), which in turn boosts the company's financial performance [19]. Service quality determines whether a store will have a loyal and satisfied customer base, but modern customers demand more than just high-quality products. They are increasingly aware of intangible services and want an enjoyable shopping experience in addition to efficient basic service. This poses a challenge for retailers, as differences in customer profiles make it difficult to identify exactly what constitutes a satisfying and enjoyable experience [17]. For a physical bookstore such as YZ Bookstore, this makes it necessary to measure which service attributes matter most to customers and how well they are currently performed.

The urgency of this study lies in the need for physical bookstores to compete on what online channels cannot fully replace. Because online stores are only imperfect substitutes for physical ones [12], physical bookstores remain viable when they offer an immersive in-store experience that combines convenience and interest [14], and when their service translates into customer satisfaction and revisit intention, as shown for service quality, store atmosphere, and brand experience at Gramedia Solo [27] and for service quality in retail [14]. Previous studies have measured satisfaction and service priorities using CSI, applied to salesperson service in convenience stores [23] and, combined with IPA, to auto repair services [22], coffee products [18], higher-education services [32], and an online bookstore [15]; IPA has been applied to metro service attributes [1] and may yield different priorities depending on the approach used [31]; and the PGCV index has been combined with IPA quadrants to rank improvement priorities in hospital services [3]. However, bookstore studies remain concentrated on online bookstores [10], [15], and research specifically focused on physical bookstores, particularly in the Makassar area, including YZ Bookstore, remains very limited, while the local context and visitor characteristics in Makassar may differ from other regions. Consequently, an approach is needed that measures not only the overall level of customer satisfaction but also which service attributes matter most to customers and how well they are currently performed, so that limited resources can be directed to the improvements that matter most. Without evidence on which service attributes matter most and where performance falls short, improvement efforts at YZ Bookstore risk being misdirected, so this study provides evidence-based priorities using CSI, IPA, and PGCV.

This study employed three complementary methods: the Customer Satisfaction Index (CSI), Importance-Performance Analysis (IPA), and Potential Gain in Customer Value (PGCV). Together, these methods make it possible to assess customer satisfaction, determine the level of customer satisfaction, and identify priorities for improvements and enhancements in service quality. This study aims to identify, measure, and prioritize service quality attributes that influence customer satisfaction levels at YZ Bookstore using the CSI, IPA, and PGCV methods, and to generate practical recommendations for improving service quality so that the store can better meet customer needs.

2. Method

The type of research conducted by the researcher is a quantitative descriptive study that involves formulating research questions to interpret social phenomena through statistical analysis in order to identify customer needs at this bookstore, with the aim of designing service innovations and allocating resources appropriately. The research location is YZ Bookstore, located in the city of Makassar, South Sulawesi. Data collection was conducted through convenience sampling using an online questionnaire (Google Form) distributed via social media, which collected a sample of 163 respondents. This technique was chosen because a list of YZ Bookstore visitors (a sampling frame) was not available and online distribution was efficient in time and cost [20]. The data sources for this study consist of primary and secondary data. Primary data came from questionnaires completed by visitors to the YZ bookstore, while secondary data came from various existing references relevant to the compilation and processing of the questionnaire results in this study. The methods employed were the Customer Satisfaction Index (CSI), Importance-Performance Analysis (IPA), and Potential Gain in Customer Value (PGCV). The software used in this study was Google Form, IBM SPSS and Microsoft Excel.

2.1 Data Collection Techniques

The researcher distributed questionnaires to visitors of YZ Bookstore aged 18–59 (the active age group) as the subjects of this study. The rationale for using the criterion of having visited YZ Bookstore is that customer satisfaction is derived from user perception following a comparison between the performance or outcomes they receive and their expectations [13]. Additionally, the active age group was selected because respondents ideally aged 18 to 59 have good control over financial decisions and purchasing power [30].

Before conducting the research, the researcher first determines the sample size to be used before analyzing the data. The sample size was calculated using Cochran's formula. Cochran's formula is used because the population size is large and not yet known with certainty. The Cochran's formula used by the researcher to determine the sample size is as follows [21]:

$$n = \frac{Z^2 P(1-P)}{d^2} \quad (1)$$

The sample size required by the researcher, n ; the confidence level, Z^2 ; the estimated success rate in the population, P ; and the margin of error, d^2 . Based on the above equation, the researcher determines the sample size within the following range:

$$n = \frac{(1.96)^2 \times 0.5 \times (1 - 0.5)}{(0.08)^2}$$

$$n = 150,0625 \approx 151$$

At a 95% confidence level, the study typically uses a range of 4% to 8% [7]. Furthermore, the reason for using a proportion (P) of 0.5 is that there were no prior estimates of success in this study, and this assumption is the most conservative because it yields the largest required sample size [16].

2.2 Research Procedures or Stages

The conceptual framework outlines the relationships between the variables under study and helps the authors organize the paper in a structured and manageable way, as shown in Figure 1. Based on Figure 1, this study began with the identification of service attributes through references from relevant journals and books on previous research; the researcher then distributed the questionnaire to visitors at YZ Bookstore aged 18–59 (the active age group). The study begins by determining customer perceptions in evaluating service quality to identify variable dimensions based on various aspects important to customers, which will then be developed into a questionnaire. Subsequently, the collected data will be analyzed using the CSI method to determine the level of customer satisfaction at YZ Bookstore in Makassar. Additionally, the questionnaire data will be analyzed using the IPA method to compare the performance levels and importance of each variable dimension regarding customer satisfaction, thereby determining the ranking of each existing attribute. Subsequently, the results from the previous methods will identify various attributes requiring improvement, and the priority for addressing these improvements will be determined using the PGCV method. Finally, the researcher proposes recommendations based on the attributes requiring improvement.

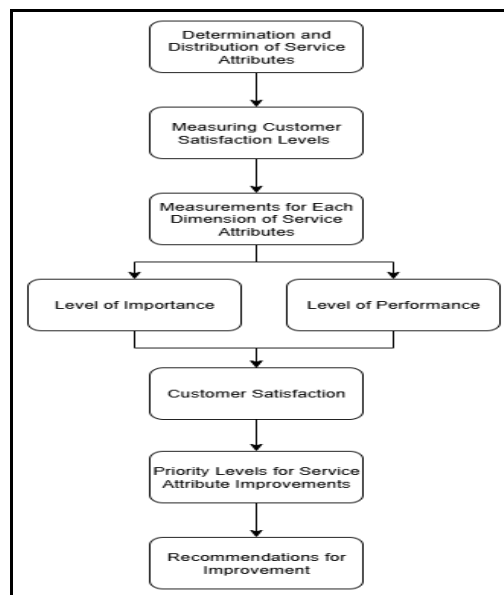


Fig. 1. Research framework

In the survey, respondents were asked to rate the importance and performance of these attributes. A 5-point scale was used to rate these attributes, ranging from 1—not at all important, very poor (performance)—to 5—very important, excellent performance [31].

2.3 Data Analysis Techniques

Before analyzing the collected data, the researcher first conducted two tests: a validity test and a reliability test. These two tests were conducted to evaluate whether each question in the questionnaire could be used as a research instrument to generate valid and consistent data. Based on this data, the researcher then analyzed it using three methods: the Customer Satisfaction Index (CSI), Importance-Performance Analysis (IPA), and Potential Gain in Customer Value (PGCV). These methods are generally techniques for measuring importance and performance attributes that are useful for developing effective marketing programs, in which companies must take into account what matters to consumers [22].

The first method used in the study was the Customer Satisfaction Index (CSI). Bhote in [32] states that the CSI is a method used to determine the extent of customer satisfaction based on the performance and importance of each measured service attribute. Companies and organizations utilize the customer satisfaction index because it provides a clear picture of user satisfaction levels, enabling them to redesign and improve their services on a regular basis. Swanson and Kelley (2001), as cited in [13], state that one of the main advantages of the CSI model is its ability to systematically monitor customer satisfaction over time, thereby enabling companies to identify areas where performance is suboptimal and refine their marketing and product strategies. The CSI calculation can be performed using the formula [18]:

$$CSI = \frac{\sum WSi}{HS} \times 100 \% \quad (2)$$

The total weight score $\sum WSi$ and the number of Likert scales used by the researcher in the HS questionnaire. Based on this equation, the resulting value will reflect the level of customer satisfaction, as shown in Table I [23]:

The second method used in this study is the Importance-Performance Analysis (IPA). Martilla and James (1977) view satisfaction as a function of two components: the degree to which a product or service is important to the customer and the company's performance in providing that service or product [5]. IPA was first proposed in 1977 by Martilla and James (1977) as a decision-making technique for marketing planning. IPA is the primary analytical method used by policymakers and presents a four-quadrant diagram that indicates the direction of managerial action based on performance scores and the level of importance assigned to each attribute [1].

Table 1. Interpretation of CSI Scores

CSI Scores	Description
0-34 %	Unsatisfactory
35-50 %	Less than satisfactory
51-65 %	Quite satisfactory
66-80 %	Satisfactory
81-100 %	Very satisfactory

Importance and performance are represented on a Cartesian diagram, where an axis represents the level of importance of the chosen attributes and the other axis indicates the performance of the product or service regarding those attributes. The graphical representation of the IPA is known as the Importance-Performance Matrix. This matrix is split into four quadrants (2×2). Each quadrant offers different marketing strategies and recommendations for those attributes. The four quadrants in the IPA have the following characteristics [31].

- Concentrate here – high importance, low performance: these attributes require immediate attention for improvement and are key weaknesses.
- Keep up with the good work – high importance, high performance: attributes placed here indicate opportunities to achieve or maintain a competitive advantage and are key strengths.
- Low priority – low importance, low performance: these attributes are minor weaknesses and do not require additional effort.
- Possible overkill – low importance, high performance: these attributes indicate that business resources allocated to them are excessive and should be redirected elsewhere.

Finally, the method used by the researchers is Potential Gain in Customer Value (PGCV). PGCV is conducted to identify each service quality attribute that requires improvement and is prioritized in meeting customer needs. The priority in meeting service quality for each attribute is determined by the PGCV score obtained. Attributes with the highest PGCV scores are the top priority for improvement, followed by those with the lowest PGCV scores. The PGCV index, in which UDCV is the ultimate desired customer value and ACV is the actual customer value, can be calculated using the following equation [3]:

$$\text{PGCV} = \text{UDCV} - \text{ACV} \quad (3)$$

3. Results and Discussion

The dimensions used by the researcher in developing the questionnaire consist of five dimensions, namely responsiveness; assurance; tangibles; empathy; and reliability, or RATER for short. Many organizations use this concept as a reference in implementing service improvement to address various gaps in the services staff provide in meeting customer service demands [8]. Table 2 below presents the questionnaire attribute indicators based on a literature review from various sources.

Table 2. Service Attributes on the Questionnaire

Dimensions	Code	Service Attributes
Reliability	P1	The staff treats every customer equally [13]
	P2	Staff provide services tailored to customer needs [28]
	P3	YZ Bookstore offers a complete selection of books and stationery [15]
	P4	Staff can help customers find the items they need [10]
	P5	The staff's work results in satisfactory service for customers [13]
Responsiveness	P6	The staff is quick to respond to every customer need [10]
	P7	Staff can convey any information clearly and in a way that customers can easily understand [13]
	P8	Staff is always ready to assist when customers need them [10]
	P9	Staff respond appropriately to every complaint received from customers [15]
	P10	Staff are quick to resolve the issues customers face [31]
Assurance	P11	The staff are well-versed in responding to any customer inquiries [15]
	P12	The staff ensures that transactions are carried out smoothly and accurately [13]
	P13	The staff are friendly and courteous when serving every customer [23]
	P14	The staff demonstrate honesty and can be trusted by customers [28]
	P15	Customers feel safe from various risks while at the YZ bookstore [15]
Empathy	P16	Staff act in the best interests of customers [15]
	P17	The staff strive to understand the issues customers are facing [10]

Dimensions	Code	Service Attributes
Tangibles	P18	The staff pays special attention to the various needs of customers [22]
	P19	Staff understand customer needs and provide appropriate service [3]
	P20	The staff demonstrates a commitment to resolving the issues customers face [13]
	P21	The well-maintained and clean physical facilities of the YZ bookstore [10]
	P22	The attractive interior design of YZ Bookstore that appeals to customers [15]
	P23	The staff look professional and are neatly dressed [10]
	P24	YZ Bookstore offers ample parking, making it convenient for customers [24]
	P25	YZ Bookstore's strategic and easily accessible location [31]
	P26	YZ Bookstore provides information computers that make it easy for customers to find the items they need [4]

3.1 Presentation of Research Results

3.1.1 Test of Classical Assumptions

Based on Table 2, the researcher designed and distributed the questionnaire. Through the distribution of the questionnaire, the researcher collected data from 163 respondents. Based on the collected data, two classical assumption tests were conducted: validity and reliability tests.

The researcher conducted a validity test to determine whether the data collected using the research instrument was valid. Data are valid if the calculated r-value is larger than the r-value in the table [5]. Based on the sample size of 163 respondents and a significance level of 5%, the table r value used in the test was 0.154. The following is the validity test for the importance and performance assessment using SPSS software, as shown in Table 3 below.

Table 3. Validity Test of the Importance and Performance Assessment

Dimensions	Code	R-Value		R-Table
		Importance	Performance	
Reliability	P1	0.713	0.745	0.154
	P2	0.686	0.745	0.154
	P3	0.697	0.744	0.154
	P4	0.707	0.724	0.154
	P5	0.745	0.771	0.154
Responsiveness	P6	0.783	0.761	0.154
	P7	0.757	0.827	0.154
	P8	0.79	0.752	0.154
	P9	0.80	0.776	0.154
	P10	0.769	0.739	0.154
Assurance	P11	0.654	0.798	0.154
	P12	0.679	0.738	0.154
	P13	0.759	0.759	0.154
	P14	0.802	0.79	0.154
	P15	0.797	0.759	0.154
Empathy	P16	0.672	0.795	0.154
	P17	0.770	0.76	0.154
	P18	0.766	0.826	0.154
	P19	0.800	0.797	0.154
	P20	0.810	0.768	0.154
Tangibles	P21	0.800	0.741	0.154
	P22	0.731	0.768	0.154
	P23	0.75	0.798	0.154
	P24	0.704	0.766	0.154
	P25	0.664	0.629	0.154
	P26	0.741	0.740	0.154

The table shows that each indicator has an r-value that exceeds the critical r-table; therefore, all indicators are considered valid. Next, the researcher conducted a reliability test to determine the consistency of measurement results when the instrument is administered repeatedly. In reliability testing, studies typically

use a Cronbach's Alpha range of 0.7–0.8. Therefore, the researcher set a minimum threshold of 0.7 [33]. Reliability tests were conducted on each dimension in this study, as shown in Table 4 below.

Table 4. Reliability Test for the Importance and Performance Assessment

Dimension	Cronbach Alpha		Parameter
	Importance	Performance	
Reliability	0.911	0.875	0.7
Responsiveness	0.893	0.888	0.7
Assurance	0.859	0.902	0.7
Empathy	0.913	0.923	0.7
Tangibles	0.892	0.890	0.7

Each dimension shows a Cronbach's alpha value greater than 0.7, indicating that each dimension is reliable.

3.1.2 Customer Satisfaction Index

The CSI method is used to calculate customer satisfaction levels based on performance scores and importance scores. The average scores reported by respondents, along with the weight factors (WF) and weight scores (WS) for each attribute, are presented in Table 5.

Table 5. Average Importance and Performance Scores and Customer Satisfaction Index Calculation Results

Dimension	Code	Average		CSI Calculation	
		Performance	Importance	Weight Factor (WF)	Weight Score (WS)
Reliability	P1	4.221	4.454	0.039	0.163
	P2	4.270	4.521	0.039	0.167
	P3	4.025	4.442	0.037	0.148
	P4	4.141	4.552	0.038	0.157
	P5	4.215	4.479	0.039	0.163
Responsiveness	P6	4.172	4.479	0.038	0.159
	P7	4.239	4.442	0.039	0.165
	P8	4.233	4.405	0.039	0.164
	P9	4.196	4.344	0.038	0.161
	P10	4.055	4.325	0.037	0.151
Assurance	P11	4.172	4.313	0.038	0.159
	P12	4.258	4.515	0.039	0.166
	P13	4.301	4.546	0.039	0.169
	P14	4.325	4.534	0.040	0.171
	P15	4.288	4.436	0.039	0.168
Empathy	P16	4.141	4.294	0.038	0.157
	P17	4.110	4.307	0.038	0.155
	P18	4.117	4.166	0.038	0.155
	P19	4.221	4.423	0.039	0.163
	P20	4.190	4.282	0.038	0.161
Tangibles	P21	4.258	4.534	0.039	0.166
	P22	4.147	4.337	0.038	0.157
	P23	4.356	4.436	0.040	0.174
	P24	4.184	4.454	0.038	0.160
	P25	4.423	4.448	0.040	0.179
	P26	3.982	4.448	0.036	0.145
Total					4.204

The CSI calculation includes weight factors and weight scores. Based on the previous table showing the total weight scores, then the CSI calculation to determine the satisfaction level is as follows.

$$CSI = \frac{4.204}{5} \times 100\% = 84.08\%$$

Based on these calculations, the researchers found that the customer satisfaction rate for YZ Bookstore was 84.08%. Thus, the customer satisfaction rate for YZ Bookstore can be categorized as “very satisfactory”.

3.1.3 Importance Performance Analysis

The IPA was conducted to map the levels of importance and performance for each service attribute based on customer perceptions. The results of this analysis are presented in the form of a Cartesian diagram consisting of four quadrants, with the axis intercepts set at the average importance score (4.420) and the average performance score (4.202) of the 26 attributes. The purpose of this is to identify which attributes need to be maintained, improved, or prioritized for enhancement [10] [31]. The IPA visualization for each indicator in this study is shown in Figure 2 below:

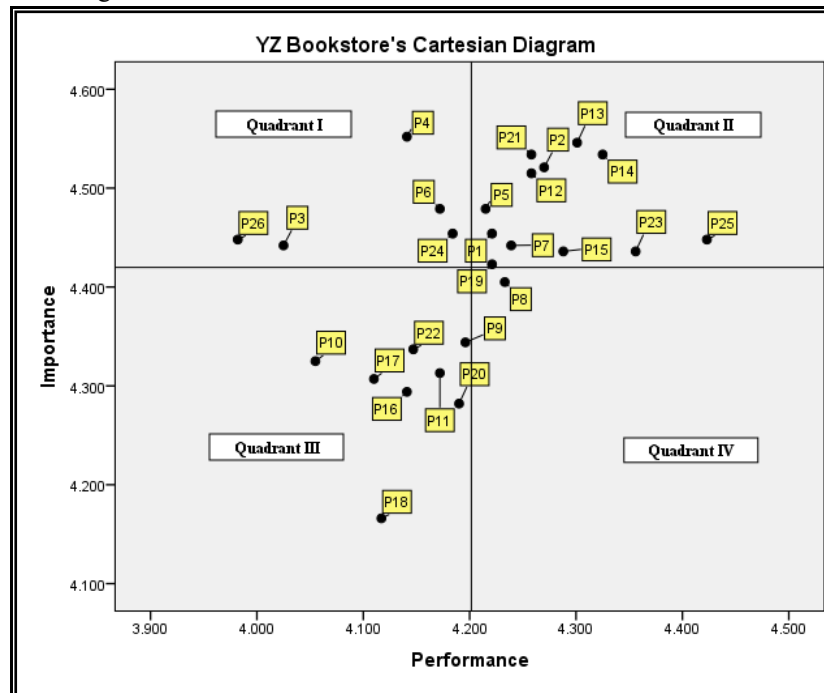


Fig. 2. YZ Bookstore's cartesian diagram

Figure 2 shows the distribution of priorities for each statement in the questionnaire regarding customer satisfaction with YZ Bookstore's services. The distribution of indicators across each quadrant of the YZ Bookstore service analysis is presented in Table 6.

As shown in Figure 2 and Table 6, Quadrant I (Concentrate Here) contains five attributes (P3, P4, P6, P24, and P26) whose importance is above the average of 4.420 but whose performance is below the average of 4.202, so they are the top priority for improvement. Quadrant II (Keep Up the Good Work) contains twelve attributes, mostly reliability and assurance attributes, clean facilities, professional appearance, and location, which are the store's main strengths and should be maintained. Quadrant III (Low Priority) contains eight attributes, most of them related to empathy and complaint handling, which are minor weaknesses that should be monitored, while Quadrant IV (Possible Overkill) contains only P8, whose resources should be kept at the current level and, where possible, redirected to Quadrant I attributes.

Table 6. Quadrant Distribution of Service Attributes

Quadrant	Code	Service Attribute
I	P3	YZ Bookstore offers a complete selection of books and stationery
	P4	Staff can help customers find the items they need
	P6	The staff is quick to respond to every customer need
	P24	YZ Bookstore offers ample parking, making it convenient for customers
	P26	YZ Bookstore provides information computers that make it easy for customers to find the items they need
II	P1	The staff treats every customer equally
	P2	Staff provide services tailored to customer needs
	P5	The staff's work results in satisfactory service for customers

Quadrant	Code	Service Attribute
	P7	Staff can convey any information clearly and in a way that customers can easily understand
	P12	The staff ensures that transactions are carried out smoothly and accurately
	P13	The staff are friendly and courteous when serving every customer
	P14	The staff demonstrate honesty and can be trusted by customers
	P15	Customers feel safe from various risks while at the YZ bookstore
	P19	Staff understand customer needs and provide appropriate service
	P21	The well-maintained and clean physical facilities of the YZ bookstore
	P23	The staff look professional and are neatly dressed
	P25	YZ Bookstore's strategic and easily accessible location
III	P9	Staff respond appropriately to every complaint received from customers
	P10	Staff are quick to resolve the issues customers face
	P11	The staff are well-versed in responding to any customer inquiries
	P16	Staff act in the best interests of customers
	P17	The staff strive to understand the issues customers are facing
	P18	The staff pays special attention to the various needs of customers
	P20	The staff demonstrates a commitment to resolving the issues customers face
	P22	The attractive interior design of YZ Bookstore that appeals to customers
IV	P8	Staff is always ready to assist when customers need them

3.1.4 Potential Gain in Customer Value

PGCV proposes a strategic approach by prioritizing improvements based on attributes with the highest PGCV scores as the top priority, followed by those with the lowest PGCV scores. After identifying Quadrant I using the IPA method, the PGCV method ranks improvement priorities based on the attributes within that quadrant. Service attributes in Quadrant I indicate high importance but low performance based on respondents' perceptions. Therefore, each service attribute in that quadrant requires special attention so that YZ Bookstore can address them as soon as possible. Table 7 below presents the PGCV improvement priority levels for Quadrant I based on the IPA visualization results on the Cartesian diagram.

Table 7. Priority Levels for Improvements through PGCV

Code	ACV	UDCV	PGCV	Rank
P26	17.710	19.674	1.965	1
P3	17.876	19.647	1.771	2
P4	18.851	20.136	1.285	3
P6	18.683	19.810	1.127	4
P24	18.636	19.701	1.066	5

Table 7 shows that P26 has the highest PGCV (1.965) and ranks first, followed by P3 (1.771), P4 (1.285), P6 (1.127), and P24 (1.066). The larger gaps of P26 and P3 indicate the widest shortfall between actual and desired customer value, so improvements should start with the information computers and the completeness of the book and stationery selection.

3.2 Analysis of Findings

The researchers developed a questionnaire consisting of five dimensions known as RATER (responsiveness, assurance, tangibles, empathy, and reliability). These five dimensions encompass 26 service attributes used in the study. RATER was used in the development of service quality attributes because this concept is widely used by organizations in service delivery and serves as an effective model for evaluating and implementing improvements to enhance customer satisfaction through the fulfillment of customer needs.

The level of customer satisfaction with YZ bookstore services, as measured by the CSI method, yielded a score of 84.08%, which falls into the "very satisfactory" category. This score was derived from assessments of each service quality dimension.

The subsequent data analysis was conducted using the IPA method, which divides each service attribute into four quadrants. Quadrant I is the top priority, comprising service attributes that are highly important but perform poorly from the customer's perspective. In this study, Quadrant I consists of YZ Bookstore offers a complete selection of books and stationery (P3), staff can help customers find the items they need (P4), the staff is quick to respond to every customer need (P6), YZ Bookstore offers ample parking, making it convenient for customers (P24), and YZ Bookstore provides information computers that make it easy for customers to find the items they

need (P26). Quadrant II consists of service attributes that are important and perform well from the customer's perspective. Quadrant II in this study consists of the staff treats every customer equally (P1), staff provide services tailored to customer needs (P2), the staff's work results in satisfactory service for customers (P5), staff can convey any information clearly and in a way that customers can easily understand (P7), staff ensures that transactions are carried out smoothly and accurately (P12), staff are friendly and courteous when serving every customer (P13), staff demonstrate honesty and can be trusted by customers (P14), customers feel safe from various risks while at the YZ bookstore (P15), staff understand customer needs and provide appropriate service (P19), the well-maintained and clean physical facilities of the YZ bookstore (P21), staff look professional and are neatly dressed (P23), and YZ Bookstore's strategic and easily accessible location (P25). Next, Quadrant III consists of service attributes with low importance and low performance, as perceived by the respondents. Quadrant III in this study consists of staff respond appropriately to every complaint received from customers (P9), staff are well-versed in responding to any customer inquiries (P11), staff act in the best interest of customers (P16), staff strive to understand the issues customers are facing (P17), staff pay special attention to various customer needs (P18), staff demonstrates a commitment to resolving the issues customers face (P20), and the attractive interior design of the YZ bookstore that appeals to customers (P22). Finally, Quadrant IV includes service attributes with a low level of importance but demonstrate a high level of performance from the customer's perspective. Quadrant IV in this study consists of staff is always ready to assist when customers need them (P8). This method provides an overview of service attributes that should be prioritized for improvement based on their impact on customer satisfaction.

Based on the discussion above, Quadrant I is the top priority requiring service improvements. Next, the service attributes in Quadrant I are ranked using the PGCV to determine the order of priority for improvements, from the highest to the lowest PGCV index value. The attribute with the highest PGCV score is the company's top priority for improvement; the resulting priority order is P26, P3, P4, P6, and P24. These rankings help the company determine the appropriate strategy by identifying and enhancing service attributes to meet customer needs.

Based on the IPA and PGCV results, the researchers propose improvements for the priority service attributes. These proposals can serve as a reference for YZ Bookstore management to enhance customer satisfaction and develop future strategies, as outlined in Table 8 below.

Table 8. Recommendations for Improvement

Code	Statement	Proposed Improvements
P26	YZ Bookstore provides information computers that make it easy for customers to find the items they need	- Developing a regular maintenance schedule to ensure that the computer system operates smoothly and without technical issues - Ensuring that physical inventory matches the data in the software through routine inventory counts. - Optimizing every component of the system to ensure it runs quickly and provides a user-friendly interface for customers.
P3	YZ Bookstore offers a complete selection of books and stationery	- Strengthening the company's PPIC system to meet market demand - Conducting market research to identify products that are relevant and appealing to customers so they can be stocked in the store
P4	Staff can help customers find the items they need	- Regularly conducting product knowledge training so that staff can understand the products and increase sales. - Using an information computer to ensure product availability
P6	The staff is quick to respond to every customer need	- Communication training to help staff develop a responsive and prompt attitude when customers need assistance - Recognizing employees who demonstrate a commitment to service
P24	YZ Bookstore offers ample parking, making it convenient for customers	- Providing parking attendants responsible for monitoring and organizing vehicles - Expanding the parking area to accommodate future parking needs

3.3 Implications of the Results

Based on the research that has been conducted, the implications of the results obtained in this study are as follows:

- YZ Bookstore in Makassar may use the results of this study as a reference for determining which service attributes should be prioritized to enhance customer satisfaction, following the IPA and PGCV ranking (P26, P3, P4, P6, and P24) [3] [22]. The store may also tailor its product offerings to the current curriculum and provide supporting facilities, such as a lounge area and regular scheduled activities for all age groups, which can contribute to an immersive in-store experience [14].

- b. This study extends the combined use of CSI, IPA, and PGCV, previously applied in an online bookstore [15] and a hospital [3], to a physical bookstore, and reinforces service quality as a basis of customer satisfaction [8].
- c. Management and PT X gain an evidence-based priority list for service improvement, staff gain clearer training needs, and customers benefit from better service, which is related to customer loyalty [5] [19] and revisit intention [27].
- d. Future researchers may explore various new dimensions or variables relevant to service development, such as customer loyalty [5] [19] [26], price [5], product quality [15], and online channels [10] as variables. Different approaches, such as Quality Function Deployment (QFD) which translates customer needs and expectations into technical terms that companies can implement—can also be applied, as demonstrated in a study that combined service quality analysis with QFD to identify priority corrective actions [29].

3.4 Limitations of the Study

The scope of the study serves to facilitate the structuring of the issue under discussion so that it remains focused and leads to a conclusion regarding the topic at hand. Therefore, the authors

has limited the scope of the study as follows:

- a. Data were collected from 163 respondents at a single store using convenience sampling. Non-probability sampling relies on subjective selection and may not be representative of the entire population. Therefore, these findings apply only to YZ Bookstore in Makassar and should not be statistically generalized to other branches. Future research could use a larger sample, involve multiple branches, or employ a probability-based sampling method.
- b. The questionnaire was distributed online via Google Forms through social media, so participation was limited to respondents who are active online, which could potentially introduce self-selection bias. Future research could combine online and in-store distribution.
- c. Satisfaction was measured solely through service quality (26 attributes across five RATER dimensions), while other determinants of satisfaction, such as price and product quality, were not examined [15]. Future research could expand the instrument to include these variables.
- d. CSI, IPA, and PGCV rely on respondents' importance and performance ratings at a single point in time, attribute importance may shift under changing conditions [1], and direct measures of importance have been reported to have disadvantages [9]. Future studies may complement this approach with the Kano model [17] or structural equation modeling [2], and collect data repeatedly over time.
- e. Environmental and contextual factors. The findings reflect the local context of Makassar and the standalone store concept, and may differ in malls, other regions, or other bookstore formats, as context-specific studies of physical bookstores suggest [27]. Comparative studies across locations and store formats would help test the consistency of these findings.

4. Conclusion

The questionnaire developed by the researcher consists of five dimensions known as RATER (responsiveness, assurance, tangibles, empathy, and reliability). RATER was used to develop the service quality attributes because this concept is widely adopted by organizations in service delivery and serves as an effective model for evaluating and implementing improvements to enhance customer satisfaction by meeting customer needs. These five dimensions encompass 26 service attributes used in the study.

The level of customer satisfaction with YZ Bookstore's services, as calculated using the Customer Satisfaction Index (CSI), was 84.08%. This score is based on assessments of service quality dimensions. Although this falls into the "very satisfactory" category, the score is below the maximum, indicating room for further improvement in meeting customer needs.

Based on the Importance Performance Analysis (IPA) results, the researcher identified 5 out of 26 attributes as top priorities. These five attributes are of significant importance but exhibit low performance based on customer perceptions. These five attributes are P3, P4, P6, P24, and P26.

Based on the IPA analysis result, the researcher processed these five attributes using Potential Gain in Customer Value (PGCV) to determine the priority levels for service attribute improvements. The rankings are based on the PGCV index values from highest to lowest in order: P26, P3, P4, P6, and P24.

Based on the above analysis, the researcher proposes the following improvements: performing regular maintenance and optimizing the information computer system, conducting routine inventory checks, enhancing the PPIC system, conducting regular market research, providing training in communication and product knowledge, utilizing computer information systems, recognizing employees who demonstrate a commitment to service, providing parking attendants, and expanding the parking area.

Declarations

Author contribution. AH: Conceptualization, Methodology, Validation, Data Analysis, Software, Investigation, Writing – Original Draft; AD: Supervision, Validation, Data Analysis, Funding Acquisition, Resources, Writing – Review & Editing. All authors read and approved the final manuscript.

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