



Analysis of E-CRM and e-Service Quality of Customer Loyalty at PT. Kidang Rangka Jakarta Mebel With Satisfaction as a Intervening Variable

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ABSTRACT

Research objectives to test the influence of E-CRM and e-service quality against customer loyalty with satisfaction as a intervening variable. The research object is the customer PT. Kidang Rangka Mebel Jakarta with a sample of 160 customers. Types of quantitative research by spreading questionnaires. The method of research path analysis with the analysis tool is SEM with the help of Amos version 20.0. It was found that e-CRM and e-service quality have positive and significant impact on customer satisfaction and loyalty of PT. Kidang Rangka Mebel Jakarta. Satisfaction positively and significantly influence the customer loyalty of PT. Kidang Rangka Mebel Jakarta. Contentment of partial mediation the influence of E-CRM and e-service quality to customer loyalty PT. Kidang Rangka Mebel Jakarta.

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1. Introduction

Nowadays, the furniture industry is still the primadona of certain areas in Indonesia as a land for a living. This is because the Indonesian furniture industry still has a shiny prestige in the world trade stage. In Indonesia, especially Jakarta has the centers of furniture industry whose uniqueness is difficult to emulate other regions, even other countries. This is a huge potential to continue to be developed, so that its contribution to the area's economy can be more significant. It is also an economic potential that should be encouraged to continue its growth so that from time to time it is able to contribute to local and national engineering.

Furniture companies with large numbers of customers must have a very good service system. Similarly, PT. Kidang Rangka Mebel Jakarta, considering it does not seem easy for the company to provide good service simultaneously for every customer who has differences of perception, desire, time and place With the company without a customer relationship Management that is effective. It is important to note that the relationship between the company and the customer will be maintained for the long term, as well as preventing customers from going to the competitor company.

PT. Kidang Rangka Mebel Jakarta is a company that is in the form of limited liability companies engaged in furniture in Jakarta. Where the main activities are to offer furniture products to customers, such as: chairs, tables, cabinets, beds and so forth. In an effort to minimize the dissatisfaction of customers, PT. Kidang Rangka Mebel Jakarta should look for strategies on how the company to be able to provide the best service for the customer by emphasizing the customer's wishes and satisfaction. By improving the quality of service by a hospitality company is a real way in winning the competition and maintaining the customer (Guzzo, 2010).

PT. Kidang Rangka Mebel Jakarta currently has implemented Electronic Customer Relationship Management (E-CRM) into the company's activities. This is done as a form of serving and establishing a better relationship to the customers of PT. Kidang Rangka Mebel Jakarta. PT. Kidang Rangka Mebel





Jakarta also does not forget to improve the quality of services provided through the use of the latest electronic equipment to satisfy the customers. The quality of service using such electronic equipment should be as expected by the customer so that the customer feels he is well aware. However, it is certainly not an easy thing for PT. Kidang Rangga Mebel Jakarta to win the competition of services in the middle of the competition in the business of furniture in Jakarta today. So that the party PT. Kidang Rangga Mebel Jakarta feels the need to gauge how E-CRM levels and quality of service using electronic equipment that has been applied satisfies its customers or not, and ultimately leads to loyalty The customers of PT. Kidang Rangga Mebel Jakarta itself.

On the basis of these researchers are interested in conducting research with the title "Analysis of E-CRM and E-Service Quality against Customer Loyalty at PT. Kidang Rangga Jakarta furniture with Satisfaction as a Intervening variable".

2. Theoretical Basis

2.1. E-CRM

E-CRM is an electronic development of CRM. According to Buttle (2006), Customer Relationship Management is an approach to management strategy in the effort to create, develop, and realize mutually beneficial relationships with customers in the long term, especially to customers Potential, in an effort to maximize the costumer value (customer value) and corporate profitability. According to Barnes (2003), the ultimate goal of marketing is achieving the highest level of customer satisfaction. In fact, lately a lot of attention is poured out on the "total" satisfaction, which is the implication to achieve customer satisfaction.

According to Turban, et al (2006), establishing relationships with customers is one of the business activities that has been done by various companies from generation to generation. Even before the existence of computers, the company has been able to establish a good relationship with its customers. However in the mid-1990, CRM has been enriched by a variety of technological information. The technology implementation in CRM is a response to the changes that exist in the world. The term e-CRM began to be used in the mid-1990 when customers started using Web browsers, Internet, and other electronic touch points (email, PDA, call centers).

In this research E-CRM is measured by indicators: Web, email, SMS, social media, and telephone.

2.2. E-Service Quality

E-Service Quality is an electronic-based service that is used to facilitate the shopping, purchase and delivery of products and services effectively and efficiently (Zeithaml et al., 2002:363). E-Service Quality is one of the models of Service Quality. E-Service Quality can be interpreted as the quality of the electronic media Services (Lasyakka, 2015:2). According to (Zhang & Prybutok, 2005) Customer satisfaction of a company can be determined from the quality of service provided by the company. Service providers must provide quality services because they are a source of competitive advantage. According to Parasuraman et al. (2005:7) has revealed a conceptual model to understand and improve the quality of services or electronic services (e-SQ or E-SERVQUAL) as well as identifying seven dimensions (efficiency, Fulfillment, System Availability, Privacy, responsiveness, compensation, and contacts) that make up the "core online service" scale and the "Recovery online service" scale.

In this research, e-service quality is measured using efficiency indicators, fulfillment, system availability, privacy, responsiveness, compensation, and contact.

2.3. Satisfaction

Nowadays the attention to satisfaction and dissatisfaction of customers has been increasingly greater, because basically the purpose of a company is to create a sense of satisfaction to the customers. The higher the level of customer satisfaction, it will bring a bigger profit for the company, because the customer will make a repurchase to the company product. However, if the customer's perceived satisfaction rate is small, then there is a possibility that the customer will move to the competitor product.

According to Oliver quoted by Barnes (2003) Customer satisfaction is the customer's response to the fulfillment of his needs. This means that the evaluation of a special form of goods and services provides a level of comfort related to the fulfillment of needs exceeding customer expectations. Customers are the ones whose decisions affect the company's wealth. They may be a complex group and consist of various layers but should be known and served to ensure the welfare of the company. Furthermore, according to & Freddy's Rangkuti (2006) Customer satisfaction is a customer's response to a discrepancy between the





previous level of interest and the actual performance it felt after usage. Some service management literature states that consumer satisfaction affects consumer loyalty and brings to pass profits or profits (Zeithaml and Bitner; 2000; and Lovelock, 2001). These researchers discuss between satisfaction and loyalty. Thus, building consumer loyalty is one of the biggest challenges for the service industry (Bowen and Chen, 2001). According to Tjiptono (2014:308), the concept of customer satisfaction, service quality, and customer value is intertwined.

In this research the consumer satisfaction is measured by product quality, performance (results received), customer expectations, perception and price.

2.4. Customer Loyalty

Customer loyalty has a role in a company. Maintaining a customer means improving financial performance and maintaining the company's survival. This is the main reason for a company to attract and retain customers. The effort to acquire loyal customers cannot be done at once but through several stages, from finding potential customers to acquiring coworkers.

Loyalty is an ancient term traditionally used to represent loyalty and enthusiastic devotion to the country, ideals, and individual. Loyalty is a customer's decision to voluntarily continue to subscribe to a specific company for a long period of time (Lovelock and Wright, 2007). Buttle (2006) explains that CRM can improve business performance by grabbing satisfaction and gaining customer loyalty.

In this research customer loyalty is measured using the dimensions recommendation, refuse, repeat purchase.

2.5. Conceptual Framework

Based on the foundation description theory then the conceptual framework in this study can be described as follows:

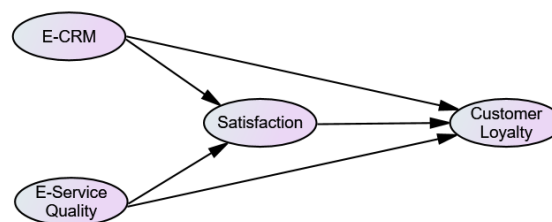


Figure 1. Conceptual framework

2.6. Hypothesis

Research from Marshellina and Prabowo (2013) found that Electronic Customer Relationship Management and e-service quality turned out to be not effective in providing a positive influence for customer loyalty directly, but had to go through First customer satisfaction as a intervening variable. The research of Lai et al (2009) reveals the relationship between E-CRM and customer satisfaction by determining the presence of the E-CRM feature on the website. Akbar, et al (2010) found that service quality has a positive influence on customer loyalty and customer satisfaction is a variable which is the mediation of the relationship between service quality and customer loyalty.

Based on previous research, hypotheses in this study may be described as follows:

- 1) H1: E-CRM has positive and significant effect on the customer satisfaction of PT. Kidang Rangka Mebel Jakarta.
- 2) H2: E-Service quality positively and significantly influence the customer satisfaction of PT. Kidang Rangka Mebel Jakarta.
- 3) H3: E-CRM has a positive and significant effect on the customer loyalty of PT. Kidang Rangka Mebel Jakarta.
- 4) H4: E-Service quality effect is positive and significant towards customer loyalty of PT. Kidang Rangka Mebel Jakarta.
- 5) H5: Satisfaction positively and significantly influential towards customer loyalty PT. Kidang Rangka Mebel Jakarta.
- 6) H6: E-CRM has positive and significant effect on the loyalty mediated customer satisfaction of PT. Kidang Rangka Mebel Jakarta.
- 7) H7: E-Service quality positively and significantly impact loyalty that mediated customer satisfaction of PT. Kidang Rangka Mebel Jakarta.





3. Research Methodology

The object in this study is all customers of PT. Kidang Rangka Mebel Jakarta numbering 5400 customers in the year 2019. Samples were obtained from 5-10 from the number of indicators ($23 \times 7 = 161$). Plus 9 samples in case of outlier data. So the samples became 170 customers. Sampling techniques with non probability sampling techniques with purposive sampling, with only customer criteria that have been at least 2 (two) shopping furniture at PT. Kidang Rangka Mebel Jakarta that can be used as a sample. Data collection techniques use questionnaires with a Likert scale (5-1). The data analysis technique used is Path analysis. To See the mediating effect with Sobel's Repeat test decision researchers test with the preacher's Tool.

4. Research Results And Discussion

4.1. Research result

Model conformance tests are done through flowcharts in full model equations. Full model test is done in two stages namely full model before modification and full model after modification. A full model before the modified test was performed to find out how far the initial model was formed in meeting the Goodness Of Fit (GOF) criteria before the model was modified. The following will be presented full model images before modified:

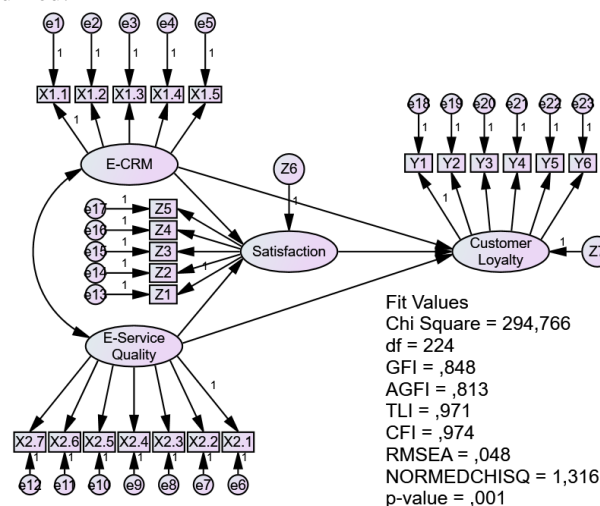


Figure 2. Full Research models Before Modified

Based on Figure 2, the value of Goodness of Fit (GOF) has not been met, such as the GFI value ($0.848 < 0.90$), the AGFI value ($0.813 < 0.90$) and the insignificant p-value value of 0.001. Because Figure 2 has not yet been able to explain the research model appropriately and well, so it needs modification. The following will be presented full model image after modified:



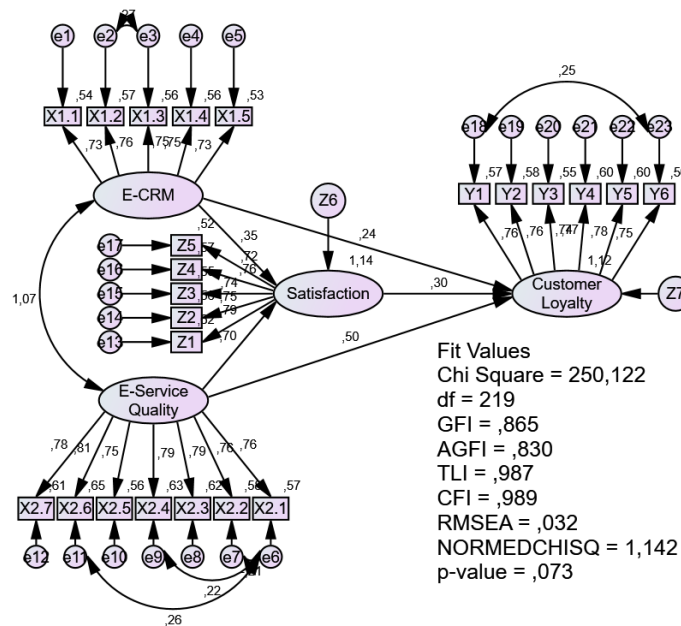


Figure 3. Full Model Research After Modification

Based on Figure 3 the entire construct has fulfilled the criteria of GOF. Like the Chi-square, TLI, CFI, RMSEA, CMIN/DF values that have fulfilled the required criteria and a P-value value of 0.073 which indicates that the model formed has been very significant. Except the values of GFI and AGFI are still marginal but are approaching well.

4.2. Discussion

The receipt of the hypothesis is seen from the value of C.R. greater than 2.58 and a value of P smaller than 0.05. To see how large the effect of independent variables against dependent variables will be shown in the following table 2:

Table 1.
The Effect of Dependent Variable on Independent Variable

Influence between variables		Std. Estimate	Estimate	S.E.	C.R.	P
Satisfaction	<--- E-ServiceQuality	,698	,793	,110	7,243	***
Satisfaction	<--- E-CRM	,353	,406	,090	4,493	***
CustomerLoyalty	<--- E-CRM	,236	,243	,064	3,782	***
CustomerLoyalty	<--- Satisfaction	,299	,268	,050	5,401	***
CustomerLoyalty	<--- E-ServiceQuality	,496	,505	,087	5,837	***

According to table 1 will be elaborated in detail to be able to clearly answer the hypothesis of this research as follows:

a. The effect of E-CRM on Satisfaction

E-CRM has a positive and significant effect on Satisfaction with the value of standardized regression weight estimate of 0.353 (35.3%), a critical ratio of 4.493 and a probability value of 0.0001. This proves that E-CRM has positive and significant effect on customer Satisfaction of PT. Kidang Rangga Mebel Jakarta.

b. The effect of E-ServiceQuality on Satisfaction

E-Service Quality has a positive and significant impact on Satisfaction with the value of standardized regression weight estimate of 0.698 (69.8%), a critical ratio of 7.243 and a probability value of 0.0001. This proves that E-Service Quality influence positive and significant to customer Satisfaction PT. Kidang Rangga Mebel Jakarta.





c. The effect of E-CRM on Loyalty

E-CRM has a positive and significant impact on consumer loyalty with a standardized regression weight estimate value of 0.236 (23.6%), a critical ratio of 3.782 and a probability value of 0.0001. This proves that E-CRM has a positive and significant effect on the customer loyalty of PT. Kidang Rangka Furniture

d. The effect of E-Service Quality on Loyalty

E-Service Quality has a positive and significant impact on consumer loyalty with the value of standardized regression weight estimate of 0.496 (49.6%), a critical ratio of 5.837 and a probability value of 0.0001. This proves that E-Service Quality positively and significantly influence the customer loyalty of PT. Kidang Rangka Mebel Jakarta.

e. The effect of Satisfaction on Loyalty

Satisfaction has positive and significant impact on consumer loyalty with standardized regression weight estimate value of 0.299 (29.9%), critical ratio value of 5.401 and probability value of 0.0001. This proves that the satisfaction positively and significantly affect the customer loyalty of PT. Kidang Rangka Mebel Jakarta.

f. Satisfaction mediate The effect of E-CRM on Loyalty

To determine whether Satisfaction is on the effect of E-CRM on Loyalty, it can be seen in the results of the following Sobel test test Image:

Input:		Test statistic:	Std. Error:	p-value:
a	0.353	Sobel test: 3.27970717	0.03218184	0.00103915
b	0.299	Aroian test: 3.24810651	0.03249493	0.00116176
s _a	0.090	Goodman test: 3.31224848	0.03186566	0.00092549
s _b	0.050	Reset all	Calculate	

Fig. 4. Sobel test Results I

Based on the calculation results found significance of the line-a (0.0001), line-b (0.0001), line-c (0.0001), and Line-c' (0.001). Then it can be concluded that the satisfaction of partial mediation E-CRM influence on customer loyalty PT. Kidang Rangka Mebel Jakarta. This means that satisfaction can affect directly or indirectly to increase customer loyalty PT. Kidang Rangka Mebel Jakarta.

g. Satisfaction mediate The effect of E-Service Quality on Loyalty

To determine whether Satisfaction is on the effect of E-Service Quality on Loyalty, it can be seen in the results of the following Sobel test test Image:

Input:		Test statistic:	Std. Error:	p-value:
a	0.698	Sobel test: 4.3519626	0.04795583	0.00001349
b	0.299	Aroian test: 4.32362006	0.0482702	0.00001535
s _a	0.110	Goodman test: 4.38086994	0.0476394	0.00001182
s _b	0.050	Reset all	Calculate	

Fig. 5. Sobel test Results II

Based on the calculation results found significance of the line-a (0.0001), line-B (0.0001), line-C (0.0001), and Line-C' (0.00001). Then it can be concluded that the satisfaction of partial mediation of the influence of E-Service Quality to Customer loyalty PT. Kidang Rangka Mebel Jakarta. This means that satisfaction can affect directly or indirectly to increase customer loyalty PT. Kidang Rangka Mebel Jakarta.

5. Conclusion

Conclusions obtained from the results of the study: 1) E-CRM has positive and significant effect on customer Satisfaction of PT. Kidang Rangka Mebel Jakarta. 2) E-Service Quality positively and significantly affect customer Satisfaction of PT. Kidang Rangka Mebel Jakarta. 3) E-CRM has a positive and significant effect on the customer loyalty of PT. Kidang Rangka Mebel Jakarta. 4) E-Service Quality positively and significantly influence the customer loyalty of PT. Kidang Rangka Mebel Jakarta. 5)





Satisfaction positively and significantly impact on customer loyalty PT. Kidang Rangka Mebel Jakarta. 6) Satisfaction of partial mediation of E-CRM influence on customer loyalty of PT. Kidang Rangka Mebel Jakarta. 7) Satisfaction of partial mediation the influence of E-Service Quality to Customer loyalty PT. Kidang Rangka Mebel Jakarta.

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