THE INFLUENCE OF RELATIONSHIP MARKETING TOWARD PURCHASE DECISION AND ITS IMPACT ON CUSTOMER SATISFACTION
(Survey on Customer of Informa Tunjungan Plaza Surabaya)

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ABSTRACT

This research has purposes (1) to examine the influence of relationship marketing on the purchase decision on customer satisfaction (2) to examine the influence of purchase decision on the customer satisfaction (3) to examine the influence of relationship marketing on customer satisfaction. This research was explanatory research with quantitative approach. A sample of 118 respondents who are customer of Informa. The sampling technique in this research used non-probability sampling by taking samples by purposive sampling. Data were collected by distributing questionnaires. The analysis used is descriptive analysis and path (path analysis). The path analysis showed that (1) relationship marketing has significant influence on purchase decision with path coefficient ($\beta$) was 0.424 and p-value with the number 0.00 (p<0.05); (2) purchase decision has significant influence on customer satisfaction with path coefficient ($\beta$) was 0.200 and p-value with the number 0.00 (p<0.05) (3) relationship marketing has significant influence on customer satisfaction with path coefficient ($\beta$) was 0.089 and p-value with the number 0.00 (p<0.05);

Keywords: Relationship Marketing, Purchase Decision, Customer Satisfaction
INTRODUCTION

The last few years, the world was filled with growing household equipment industry despite the particular furniture. Based on Himpunan Industry Mebel dan Kerajinan Indonesia the competition of countries which produce furniture, especially in ASEAN and China show the growing number of export value (www.financedetik.com).

The increasing number of furnishing companies can also be seen from an international-scale furniture exhibition. At the exhibition events as mention, buyers for export destination countries take advantage of opportunities to determine which products from which country they are going to buy. To get around the heat of competition for a shrinking niche market, product design and marketing strategies become very important to do. In order to win the competition, companies are required to form a proper marketing strategy. The proper marketing strategy could provide a positive experience to customers about the value of a product, brand or service from their company, so a good image of the company can be embedded in the minds of customers. Companies also need understand the wants and the needs of customers, by understanding customer behavior then the manufacturer can create a product in accordance with the wishes of customers and provide better satisfaction to customer.

Based on Jiradilok, T et al. (2014) customer satisfaction is very important that consumers are content with the products and service provided by the particular company as satisfied customers are likely to be loyal and make repetitive purchases which will increase profitability of that particular company. Customers who feel unsatisfied will tell their bad experiences to others, and then the attitude of the employees towards customers will also affect customer satisfaction which customer needs from time continue to be improved and changes. Customers who feel unsatisfied will tell their bad experiences to others.

Good customer satisfaction indicates good profit for company, so retain existing customers and attract new customers are important. Retain existing customers and attract new customers are engaged in relationship marketing. Good quality of relationship marketing will affect customer satisfaction in choosing or refusing, so the company would carry out variety of ways to retain its customers and attract new customers. Relationship marketing would make customers easier to remember the brand which being promoted and create the image as expected by the company.

Based on research conduct by Carrillat, F. A., Fernando J, and Jay P. M (2010), they assert that relationship quality of the marketing key is building a strong relationship on an ongoing basis. Relationship quality was significant predictor of buying intention and buying intention significantly predicted buying behavior. The impact of relationship marketing is to increase customer loyalty to the company. In the concept of marketing, customer loyalty becomes an important concern for managers in order to maintain the survival of customers. In a competitive environment, customer relationship becomes an important issue for decision making in order to realize competitive advantage. The concept of customer relationship is relatively difficult to implement in order to maintain and obtain customer loyalty in a competitive marketing environment (Wang et al., 2009).

In order to maintain high customer loyalty, decision-makers should pay more in effort to maintain good customer relationships. Reichheld, et al. (2000) expressed that relationship marketing can assist the organization in tabulating and identifying customer data so as to increase customer loyalty. Kotler (2012:6) assert that previous marketing activity just focus in narrow scope as the Exchange transaction then turned his focus on building relationships and value-based changes, known as relationship marketing.

Relationship and customer loyalty concepts are closely related. According to Kotler (2012: 29), relationship marketing approach began to be considered because it is one of the keys to achieve customer loyalty. Berry (Ndubisi,2007) states the goals company using relationship marketing strategy is to focus on retaining customers. Relationship marketing and customer retention are both focused for the long term, but different in the process relationship marketing is a series of processes that connect a company with its customers, while customer loyalty itself is a behavior that appears as a response to the state of the environment. Based on the discourse, it can be said that with the growing world of industry today, then the business should be keener to see opportunities that can be though as an opportunity to create customer satisfaction so that in the end anything that led to purchasing decisions.

In order to understand how consumers make actual purchase decision, the marketers must identify who makes the buying decision and
investigate why the consumer make a purchase. According to Ndubisi (2006), relationship marketing is the introduction of each customer closer by creating two-way communication by managing a mutually beneficial relationship between customers and companies. Robbinette states that in order to build and develop relationship marketing, the company must pay attention to mutual benefits, commitment, communications. Some of the specific benefits of using relationship marketing include gaining profitability from loyal customers, great opportunities to sell new products to loyal customers, enabling word of mouth promotion, obtaining feedback information from a loyal customer.

The concept of marketing management evolves over time as changes in the factors which affect the development present of the business world. The development will update the marketing concept which able to break down the old marketing tradition that has been less effective. Relationship marketing strategy is one of the breakthrough developments of marketing science. With customer satisfaction orientation, customer trust, and customer commitment, it is hoped that this concept will be able to create interest and purchase decisions also provide long-term impact for company that implement them.

As the development concept of marketing, many companies began to implement a strategy in attracting customers, retain customers, and manage customers, such marketing concepts is relationship marketing Chan (2003:6). At first the concept of relationship marketing pioneered by companies in the United States. The same phenomenon also occurred in Indonesia, one by one company in Indonesia began to implement relationship marketing. As competition grows, furniture companies like Informa must determine the right marketing strategy. Facing the era of all-tech globalization is a major challenge for Informa to create and increase sales and maintain customer loyalty owned.

Informa is the pioneer furnishings retail in Indonesia, provide many quality products. The company has developed branches in various parts of Indonesia with strategic sales locations, including Living World, Alam Sutera, Royal Plaza, Tunjungan plaza and major malls in Indonesia. In carrying out its business Informa furnishings consists of several departments such as Living, Designer Collections, Dining, Kitchen, Commercial Tables and Chairs, Office, Kept Concept, Bedroom, Kids, Mattress, Beauty Commercial, Home Furniture, and Lighting. Informa also do import furnishings with famous brand from Belgium, Denmark, France, Germany, Italy and Asia. Informa is a company which implement relationship marketing and able to compete with Ikea, one of the biggest furnishing company in the world at present, and make Informa Interesting and worth to be conducted as the research object in this study. Researchers take the location of research in Informa Tunjungan Plaza Surabaya because it performs various marketing strategies both done offline and online.

LITERATURE REVIEW

Relationship Marketing

Relationship Marketing according to Kotler (2012:13) defined as: "Building long Relationship Marketing mutually satisfying relationships with key parties - customers, suppliers, distributors-in order to earn and retain their long Relationship Marketing preference and business".

Berry viewed relationship marketing as a strategy to attract, maintain and enhance customer relationships. Gummesson defined the term as a strategy in which the management of interactions, relationships and networks is a fundamental issue. The aim of relationship marketing According to Groonroos is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met (in Ndubisi 2007).

Ndubisi (2007) underlining the ‘underpinning’ of Relationship marketing that are:
1) Trust
2) Commitment
3) Communication
4) Conflict handling

Purchase Decision

A decision can be made only if there are several alternatives to choose from. If the alternative does not exist then the actions taken in the absence of such a choice cannot be said to be making decisions. According to Kotler and Armstrong (2008:181), consumers are make purchase decisions when buy the most preferred brand of various alternatives, but two factors could be between the intentions of purchase and purchasing decisions. The first factor is the attitude of others and the second factor is the situational factors. Therefore, preferences and purchase intentions don't always result the actual purchase. According to Jiradilok, et al. (2014) purchasing intention is the outcome of attitude which refers to
the customer’s willingness to buy from a particular retailer.

Based on Kotler and Armstrong (2008:181) first factor to make decision is the attitude of others and second factor is the situational factors. Therefore According to Thangasami and Patikar (2014) the items that can influence buying decision are:
1. Advertisement
2. Previous experience
3. Goodwill of manufactures
4. Reputation of the retailer
5. Retailers Recommendation
6. Friends and Family Recommendation

Customer Satisfaction

Oxford Advanced Learner’s Dictionary (in Tjiptono, 2000:195) described satisfaction as “the good feeling that you have when you achieved something or when something that you wanted to happen does happen”; "the act of fulfilling a need or desire”; and “an acceptable way of dealing with a complaint, a debt, an injury, etc.”

The concept of customer satisfaction based on Tjiptono (2000) can be described as, the motorbike is a product of the automotive company, its means transportation for personal use, required a condition that can satisfy the customers. Therefore, the required satisfaction condition to customer like the value where there are product value, service value, personnel image value, and price value (Customer satisfaction value).

Satisfaction is the level of one's feelings after comparing the perceived performance with their expectations. So the satisfaction level is a function of the difference between the perceived performances with expectations. If the performance is below expectations, then the customer will be disappointed. If performance in line with expectations, then the customer will be satisfied.

The conclusion that can be derived from the above definitions is that basically the customer satisfaction includes the difference between expectations with the results of perceived performance. Customer satisfaction is the basis for the realization of loyal customers or. Satisfaction is the feeling of pleasure or disappointment of someone who comes from the comparison between his impression of the performance (result) of a product and its expectations. (Kotler and Keller, 2012:10).

According to Perreault & McCharty (2002:638) attempts to measure customer satisfaction is difficult because it depends on the level of aspirations and expectations. Customers who are in the lower class will expect more of an economy when they see the upper-class society. In addition to the level of aspiration is also likely to come up with a major success and declining due to fail.

Supporting factors are also important as satisfaction, that are awareness factor of officers in the public service, the rules that became foundation of the service, organization factors which are the tools and systems that running mechanism of activities of the service, factor income that can meet the minimum necessities of life. Theoretically, the presence of consumer satisfaction it can provide some benefits, including the relationship between companies and consumers become harmonious, provide a good basis for the purchase and the creation of customer loyalty, establish a recommendation by word of mouth which is advantageous for companies (Tjiptono, 2000:24).

Hypothesis

Hypothesis model

H1: There is influence between Relationship Marketing toward Purchase Decision.
H2: There is influence between Purchase Decision toward Customer Satisfaction
H3: There is influence between Relationship Marketing toward Customer Satisfaction

RESEARCH METHOD

This research uses explanatory research with quantitative approach. The location of this research at Informa store at Tunjungan Plaza Surabaya. The population in this study is customer of Informa Tunjungan Plaza. The population in this study are:
1. Customer who make purchase at least two times at Informa.
2. Customer who have member card of Informa.
3. Have some age ranging from 18-50 years old. Because at those ages is an adults and they can take their own decision.

The number of samples of this research is determined through Machin and Campbell’s formula. Based on the consideration that when the lowest estimated value of \( r \) will be obtained through this research is \( r = 0.35 \); \( \alpha = 0.05 \) on testing two-way and \( \beta = 0.05 \) then obtained the minimum \( n \) = 118 samples, so the sample in this study a number of 118 people customer Informa at Tunjungan Plaza.

RESEARCH RESULTS AND DISCUSSION

Table 1 Result of path analysis influence \( X \) to \( Y_1 \)

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Path Coefficient</th>
<th>t count</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>( X )</td>
<td>( Y_1 )</td>
<td>0.424</td>
<td>11.616</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( R = 0.733 \)

\( R \) square = 0.538

Adjusted \( R \) square = 0.534

Source: SPSS Output

Table 2 Result of path analysis influence \( X \) to \( Y_2 \)

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Path Coefficient</th>
<th>t count</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>( X )</td>
<td>( Y_2 )</td>
<td>0.089</td>
<td>4.444</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( R = 0.733 \)

\( R \) square = 0.538

Adjusted \( R \) square = 0.534

Source: SPSS Output

Table 3 Result of path analysis influence \( Y_1 \) to \( Y_2 \)

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Path Coefficient</th>
<th>t count</th>
<th>Prob</th>
</tr>
</thead>
<tbody>
<tr>
<td>( Y_1 )</td>
<td>( Y_2 )</td>
<td>0.200</td>
<td>5.802</td>
<td>0.000</td>
</tr>
</tbody>
</table>

\( R = 0.733 \)

\( R \) square = 0.538

Adjusted \( R \) square = 0.534

Source: SPSS Output

Indirect effect (IE) = \( \rho_X Y_1 \times \rho Y_1 Y_2 \)

= 0.424 \times 0.200

= 0.085

Total effect (TE) = Direct effect + Indirect effect

= \( \rho_X Y_2 \) + (\( \rho_X Y_1 Y_2 \))

= 0.089 + 0.0.85

= 0.174

Based on calculation above total effect the influence of Relationship Marketing on Purchase Decision and its Impact on Customer Satisfaction is 0.174. It’s known that direct influence of Relationship Marketing on Customer Satisfaction bigger than indirect influence 0.089>0.085. Can be concluded on this research Relationship Marketing have very important role on the Customer Satisfaction although supported by Purchase Decision.

\[ C_1 = 1 - R_1^2 \]

\[ = 1 - 0.534 = 0.466 \]

\[ C_2 = 1 - R_2^2 \]

\[ = 1 - 0.632 = 0.368 \]

Equation:

\[ Y_1 = 0.424 + 0.466 \]

\[ Y_2 = 0.200 + 0.089 + 0.368 \]

1. Result of hypothesis Testing

a. The Influence of Relationship marketing on Purchase Decision

Based on results of hypothesis testing Relationship Marketing has direct and significant influence to Purchase Decision. The influences indicate the value of the path coefficient (\( \beta \)) accounted 0.424 with p-value with the number 0.000 (p<0.05) Thus Relationship Marketing has a direct influence significantly on the Purchase Decision variable accepted. The existence of Relationship Marketing will increase the Purchase Decision. Which means consumers informa will be more interested in making a purchase when Relationship Marketing programs continue to develop. Because the purpose of Relationship Marketing are creating mutual beneficial of Informa and customer so program that build its relationship can make the customer make repurchase in the future. The program that Informa build are set as follow: 1) Set the customer expectation in the early with proper information, 2) Become the customer trusted advisor, 3) Make personal relationship to build trust.

According to Berry relationship marketing is defined strategy to attract, maintain and enhance customer relationships. The aim of relationship marketing according to Gro¨nroos is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met (in Ndubisi 2007). Definition of purchase decision is an activity of individuals who directly involved in obtaining and use of goods on offer.
This finding support Canelere and pelsmacker research (2010) was based on empirical study on Belgian apparel retailing industry which explained relationship marketing quality was significant predictor of buying intention, and buying intention significantly predictor buying behavior. A better relationship marketing quality led to stronger purchase intention for customer with weaker relations with the retailer.

b. The Influence of Relationship Marketing on Customer Satisfaction

Based on the results of hypothesis testing relationship marketing has direct and significant influence to customer satisfaction. The influences indicate the value of the path coefficient ($\beta$) accounted 0.089 with p-value with the number 0.000 ($p<0.05$) Thus Relationship Marketing has a direct influence significantly on the customer satisfaction variable accepted. The existence of Relationship Marketing will increase the customer satisfaction of Informa. Which mean Relationship program conduct by Informa make customer more satisfied. From this research Informa Relationship Marketing activity have direct influence to build Customer Satisfaction, the core value is from relationship between company and its customers.

According to Wilkie (Tjiptono, 2000) customer satisfaction is an emotional response to the evaluation of the consumption experience of a product or service. Customer satisfaction is the most important factor in business activities. Satisfied customer desire and needs can affected positive impact for the company. Relationship marketing program conducted by Informa consisting build trust, commitment, communication and conflict handling are led customer more satisfied.

This finding support Ndubisi (2006) researched Relationship Marketing in banking industry the under pinning Relationship marketing Commitment, trust, communication and conflict handling have significant influence related to one another. Study conducted by Simbolon (2016) research about Relationship Marketing in Indonesia retail industry stated that four variables of relationship marketing Trust, commitment, communication and conflict handling have significant influence on satisfaction and loyalty.

c. The Influence of Purchase Decision on Customer Satisfaction

Based on the results of hypothesis testing Purchase Decision has direct and significant influence to Customer Satisfaction. The influences indicate the value of the path coefficient ($\beta$) accounted 0.200 with p-value with the number 0.000 ($p<0.05$) Thus purchase decision has a direct influence significantly on the customer satisfaction of informa. Which mean factors and experience customer make a purchase in informa can lead to Customer Satisfaction. Purchase Decision in this research are to investigate factors customer make a purchase that lead him to be satisfied customer with core value the experience of previous transaction and relationship between customer and Informa. This finding support Jiradilok, et al. (2014) study about e-commerce in thailand stated experience in purchasing has significant influence on customer satisfaction. Study conducted by Thangasamy and Patikar (2014) research about also revealed that factors buying behavior and purchase decision can lead marketer to make customer satisfied.

CONCLUSION & RECOMMENDTION

Conclusions
1. Relationship marketing has significant direct effect to purchase decision on Informa Tunjungan Plaza Surabaya. The influences indicate the value of the path coefficient ($\beta$) accounted 0.424 with p-value with the number 0.000 ($p<0.05$).
2. Purchase decision has significant direct effect to customer satisfaction Informa Tunjungan Plaza Surabaya. The influences indicate the value of the path coefficient ($\beta$) accounted 0.200 with p-value with the number 0.000 ($p<0.05$)
3. Relationship marketing has significant direct effect to customer satisfaction Informa Tunjungan Plaza Surabaya. The influences indicate the value of the path coefficient ($\beta$) accounted 0.089 with p-value with the number 0.000 ($p<0.05$)

Recommendations
1. Informa should pay more attention to the needs and desires of consumers and always maintain a positive Relationship Marketing. Strategies that can be used by Informa develop relationship marketing as follows: first, increasing the quality of training to the employee of Informa regarding sells the product, understand and appreciate the customer. Second, Attract and maintain customers with great a great website, a blog,
social media, online shopping with consistent high-quality experience.

2. Informa should be able to maintain and improve indicators of relationship marketing and purchase decision. Because relationship marketing has significant influence on customer satisfaction through purchase decision.

3. For further research, objects that have been studied in this research may be used more for relationship marketing. Another limitation in this study is using small scale of respondents to customers Informa Tunjungan Plaza surabaya. For future research, may add a wider scale of respondents and not only in Surabaya but also in many other areas that can produce maximum results.

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