

THE EFFECT OF CUSTOMER SATISFACTION, SERVICE QUALITY, AND SERVICE ORIENTATION ON MARKETING STRATEGY AND CUSTOMER LOYALTY HOTEL SEGIRI SAMARINDA

MEGA AULIANDA^{1*}, SUDARMIATIN², AGUS HERMAWAN³ AND AGUNG WINARNO⁴

^{1,2,3,4} Doctoral Department of Management Business, Faculty of Economics, Malang University, Indonesia.

*Corresponding Author: mega.aulianda.2104139@students.um.ac.id

Abstract:

The study assesses the effectiveness of customer satisfaction, service quality, and service orientation on marketing strategy and customer loyalty hotel segiri samarinda. Realizing the rapid development of hotels in Samarinda City, hoteliers are increasingly required to recognize consumer behavior and then adjust the company's capabilities to consumer needs. In this study the analytical tool used to test. Hypothesis testing using the structural equation method (SEM) with the PLS (Partial Least Square) approach. The results showed that all the independent variables in this study had a positive and significant effect on marketing strategy and customer loyalty. Contribute ideas that can be used as consideration in determining the steps and strategies of Hotel Segiri Samarinda in the future in order to fix and improve the quality of its services.

Keywords: Customer Satisfaction; Service Quality; Service Orientation; Marketing Strategy; Customer Loyalty.

INTRODUCTION

In an era of increasingly stringent hospitality business, where more and more business people are directly involved in meeting customer needs and desires, which causes every company to place their orientation on service quality and customer loyalty as the main focus.

Service quality is described as a statement of attitude, the relationship that results from a comparison between expectations and performance. Service quality can be identified by comparing customer perceptions of the services they actually receive. Thus service quality can be defined as how far the difference between the reality and the expectations of customers for the services they receive. Customer loyalty to the quality of these services can be measured by whether or not the integrity of the customer is fulfilled, which can be seen from the attitude of customer behavior towards a product or service.

With good service quality within a company, it will create satisfaction for its customers. After consumers are satisfied with the product or service they receive, consumers will compare the services provided. If consumers are really satisfied, they will be loyal to the company and come back again and recommend others to stay at the same place.

The hospitality service industry is one form of the service industry that has a very strategic role and function along with the mobility of people from one place to another so that the existence of a hotel does not only function as a temporary residence or a stopover for people visiting or traveling long distances, but more than that, the hospitality industry is now a service

that provides recreational and entertainment needs as well as a place to carry out various business activities. Currently, the function of the hospitality service industry has been developed not only to function as a place to stay or lodging.

The development of hotel business competition in Samarinda City is an interesting phenomenon for us to observe, especially with the globalization in the service sector. Kotler (2005: 428), says: "Service is any action or performance offered by one party to another that is in principle intangible and does not cause a transfer of ownership. The production of services can be tied or not tied to a physical product. As the population increases from year to year, the demand for a product or service is high, making the tourism and hospitality sector a development that contributes quite a lot to the State's foreign exchange earnings and increasing Regional Original Income.

The impact of globalization has caused the service industry which consists of various industries such as hotels to develop rapidly, especially in the city of Samarinda. Samarinda City has a growing and promising business, one of which is in terms of the hospitality business. The rapid growth of the hotel business has resulted in a high level of competition between hotels, but for a number of hotel entrepreneurs, this condition is a big concern as long as the market share is still available.

Realizing the rapid development of hotels in Samarinda City, hoteliers are increasingly required to recognize consumer behavior and then adjust the company's capabilities to consumer needs. The added value offered by hoteliers is increasingly providing stability to prospective customers to transact or encouraging old customers to transact again. Satisfied customers will be loyal to the company, so they are not provoked by price fluctuations which can be lower at any time. The combination of low rates and quality services will be better for companies that are competing. However, when compared, customers will prefer wholehearted service to low-cost offers that are not matched by good service and are unable to maintain customer comfort and safety.

Based on the external and internal environment of hospitality services, directly or indirectly, every hotel industry service manager is faced with the strengths and weaknesses of the hospitality industry itself and the opportunities and threats that come from customers, competitors and the business environment that blends in. hotel industry service management. The hospitality industry is a service industry that combines products and services, building design, strategic location, interior and exterior of hotel rooms and restaurants, the atmosphere created in hotel rooms, restaurants and food and beverages sold along with all facilities, services and locations are examples of products. Which is sold. While the services that are sold are the friendliness and skills of hotel staff or employees in serving consumers.

This proves that service quality is a very important aspect that must be considered by the company. Service quality is centered on meeting the needs and desires as well as the accuracy of delivery to balance consumer expectations. The services here are all kinds of forms provided by the hotel as long as the guest or consumer is at the hotel, including services provided by the receptionist, bell boy, room service, security, cleaning service and others.

Starting from the background above, the authors are interested in conducting research with the title of the influence of customer satisfaction, service quality, and service orientation on marketing strategies and customer loyalty of Hotel Segiri Samarinda.

METHODS

In this study the analytical tool used to test. Hypothesis testing using the structural equation method (SEM) with the PLS (Partial Least Square) approach. The PLS approach is a multivariate statistical technique that performs comparisons between multiple dependent variables and multiple independent variables. The PLS approach is a variant-based SEM statistical method designed to solve multiple regression when specific data problems occur, such as missing data (missing values) and small research sample sizes.

Analysis of the PLS SEM is carried out in three stages, namely:

1. Outer Model Analysis
2. Inner Model Analysis
3. Hypothesis Testing

In general, the explanatory research method is a method approach that uses PLS. This is because in this method there is a hypothesis testing. Testing the hypothesis can be seen from the value of t-statistics and probability values. For hypothesis testing using statistical values, for alpha 5% the t-statistic value used is 1.96. So the criteria for acceptance/rejection of the hypothesis are that H_a is accepted and H_0 is rejected when the t-statistic > 1.96 . To reject/accept the hypothesis using probability then H_a is accepted if the p value < 0.05 .

Dependent Variable

Customer loyalty is a choice made by consumers to reuse service products at Hotel Segiri Samarinda. Samarinda compared to other brands. Indicators to measure customer loyalty in research, include:

1. Do customers reuse the service products of Hotel Segiri Samarinda Samarinda (repeat purchases).
2. Willingness of customers to use other service product lines offered by Hotel Segiri Samarinda Samarinda (purchases across product and service lines).
3. Recommend service products to others (refers other)

Independent Variable

1. Customer Satisfaction (X1). Satisfaction is the level of feeling of service customers at the Segiri Hotel Samarinda Samarinda after comparing the perceived performance (or results) compared to their expectations. Indicators to measure customer satisfaction in research, include:

- a) Conformity of expectations is the suitability of customer expectations for the quality of services provided by Hotel Segiri Samarinda Samarinda.
 - b) Overall customer assessment of the services provided by Hotel Segiri Samarinda.
 - c) Customer assessment is a comprehensive assessment of the superiority of the service compared to other similar services. Quality of Service (X2). Service quality is an effort to fulfill consumer needs and desires provided by Hotel Segiri Samarinda Samarinda to balance consumer expectations. Indicators to measure service quality in this study include:
 - a. Physical evidence (tangibles). Namely the ability of a hotel to show its existence to external parties. The appearance and capabilities of the hotel's physical facilities and infrastructure and the state of the surrounding environment are tangible evidence of the services provided by the service provider, this includes physical facilities (buildings, warehouses, physical facilities, etc.), technology (equipment and equipment used), and appearance. His employee.
 - b. Guarantee and certainty (assurance). Every form of service requires certainty for the services provided. The form of certainty of a service is largely determined by the guarantee of the employee who provides the service, so that people who receive the service feel satisfied and believe that all forms of service affairs carried out will be completed and completed in accordance with the speed, accuracy, convenience, smoothness and quality of the services provided.
 - c. Empathy. Namely giving attention, sincerity, and individual or personal nature to customers by trying to understand customer desires, where a hotel is expected to have an understanding and knowledge of customers, understand customer needs specifically, and have a comfortable operating time for customers.
2. Service Orientation. Service orientation is conceptualized through two dimensions, namely, value service orientation and behavioral service orientation. In addition, service orientation within the company is further divided into two levels: management and employees. So that the service orientation of the company consists of four elements, namely (Gebauer et al, 2010): service orientation of management values, service orientation of employee values, service orientation of management behavior, and service orientation of employee behavior.

Moderating Variable

Satisfaction is the level of feelings of service customers at the Segiri Hotel Samarinda Samarinda after comparing the perceived performance (or results) compared to their expectations. Indicators to measure customer satisfaction in research, include:

- a. Conformity of expectations is the suitability of customer expectations for the quality of services provided by Hotel Segiri Samarinda Samarinda.
- b. Overall customer assessment of the services provided by Hotel Segiri Samarinda.
- c. Customer assessment is a comprehensive assessment of the superiority of the service compared to other similar services.

RESULTS AND DISCUSSION

Outer model analysis is carried out to ensure that the measurement used is feasible to be used as a measurement (valid and reliable). Outer Analysis This model specifies the relationship between latent variables and their indicators. Or it can be said that the outer model defines how each indicator relates to its latent variable. Tests performed on the outer model:

1. Convergent Validity. The value of convergent validity is the value of the loading factor on the latent variable with its indicators. Expected value >0.7 .
2. Average Variance Extracted (AVE). Expected AVE value >0.5 .
3. Composite Reliability. Data that has composite reliability >0.7 has high reliability.
4. Cronbach Alpha. The reliability test was strengthened by Cronbach Alpha.
5. Expected value >0.7 for all constructs. Convergent Validity

The loading factor value of the parameters of each latent variable has a value above 0.7. It means all construct variables for all its parameters.

Table 1. Convergent Validity

| | Strategi Pemasaran (Y1) | Kualitas Layanan (X1) | Loyalitas (Y2) | Orientasi Layanan (X2) |
|-----|-------------------------|-----------------------|----------------|------------------------|
| X11 | | 0.924 | | |
| X12 | | 0.934 | | |
| X13 | | 0.848 | | |
| X21 | | | | 0.840 |
| X22 | | | | 0.954 |
| X23 | | | | 0.889 |
| Y11 | 0.955 | | | |
| Y12 | 0.939 | | | |
| Y13 | 0.895 | | | |
| Y21 | | | 0.760 | |
| Y22 | | | 0.872 | |
| Y23 | | | 0.883 | |

Apart from being seen from the loading factor value, convergent validity can also be seen from the Average Variance Extracted (AVE) value. In this study, the AVE value of each construct was above 0.5. Therefore, there is no problem of convergent validity in the model being tested.

Table 2. Composite Reliability

| | Cronbach's Alpha | ρ_A | Composite Reliability | Average Variance Extracted (AVE) |
|------------------------|------------------|----------|-----------------------|----------------------------------|
| Kepuasan (Y1) | 0.922 | 0.934 | 0.950 | 0.865 |
| Kualitas Layanan (X1) | 0.886 | 0.886 | 0.930 | 0.815 |
| Loyalitas (Y2) | 0.789 | 0.790 | 0.878 | 0.706 |
| Orientasi Layanan (X2) | 0.875 | 0.895 | 0.924 | 0.802 |

To test the hypothesis of this research, we will first determine the path coefficient formed from the research model that has been made. The complete path coefficient can be seen in the following PLS SEM output image:

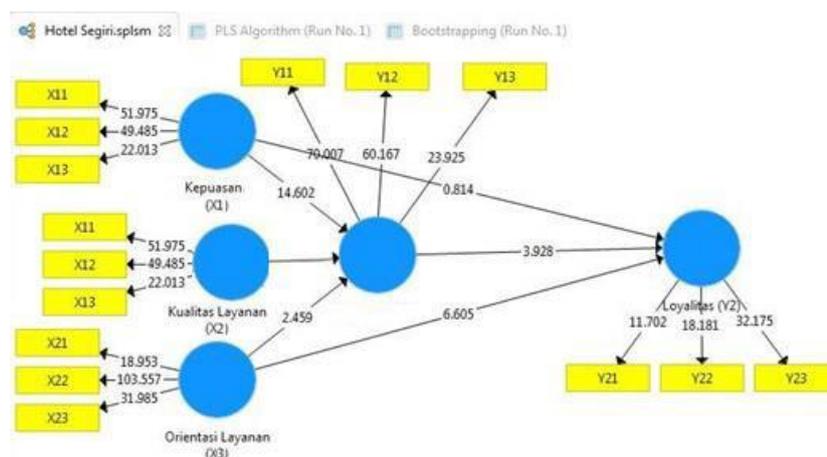


Figure 1. SEM PLS Model

From the results of the path modeled by SEM PLS above, the path coefficient value of each good relationship is from the relationship between Service Quality (X1) to Customer Satisfaction (Y1) which is 14,602, Service Orientation (X2) to Customer Satisfaction (Y1) is 2,459 as well as from the relationship of the Customer Satisfaction variable (Y1) to the Customer Loyalty variable (Y2), which is 3.928. And there are two paths from the Service Quality (X1) and Service Orientation (X2) variables to the Customer Loyalty variable (Y2) which are worth 0.814 and 6.605, respectively.

The three paths of the research model above will be tested statistically using the t test to test the hypothesis that has been made by the researcher. From the estimation results, it can be seen that the effect of Service Quality (X1) on Customer Satisfaction (Y1) has a path coefficient of 14.602 where the effect is significant ($t = 15.241$ with $p(0.000) < 0.05$). From

the estimation results, it can also be seen that the influence of the Service Orientation variable (X2) on Customer Satisfaction (Y1) has a path coefficient of 2.459 where the effect is also significant ($t = 2.544$ with $p(0.011) < 0.05$). However, with the estimation results of the effect of service quality (X1) on Customer Loyalty (Y2), it has a path coefficient of 0.814 where the effect is significant with a value ($t = 1.019$ and $p(0.023) > 0.05$). The estimation result of the influence of the Service Orientation variable (X2) on Customer Loyalty (Y2) has a path coefficient of 6.605 where the effect is also significant with a value ($t = 6.610$ and $p(0.000) < 0.05$). and the last one is the estimation of the effect of the variable Customer Satisfaction (Y1) on Customer Loyalty (Y2) which has a path coefficient of 3.928 and also has a significant effect on the value ($t = 4.005$ and $p(0.000) < 0.05$).

CONCLUSION

Service quality has a standardized path coefficient obtained at 0.814, indicating that service quality (X1) has a positive but not significant effect on customer loyalty (Y2). The p-value obtained is $0.023 > \alpha 0.05$, then H3 is accepted, which means that service quality is significant to affect customer loyalty. This is in accordance with research conducted by Govender (2015) in a study conducted which determined that in general there is a positive correlation between customer satisfaction and customer loyalty. Customer satisfaction is widely recognized as an indicator of customer loyalty in the hotel industry.

Service orientation has a standardized path coefficient obtained at 6.605, indicating that service orientation has a positive influence on customer loyalty (Y2). The p-value obtained is $0.000 < \alpha 0.05$, then H4 is accepted, which means that service orientation positively affects customer loyalty where their service orientation in meeting customer needs is good, so that the perception of service quality is good.

Customer satisfaction has a standardized coefficient obtained at 3.928, indicating that customer satisfaction (Y1) has a positive influence on customer loyalty (Y2). The p-value obtained is $0.000 < \alpha 0.05$, then H5 is accepted, which means that customer satisfaction positively affects customer loyalty where customers feel comfortable with the services of Hotel Segiri Samarinda so that they become loyal to come back often. This is in line with the results of previous research conducted by Akhtar (2011) which stated that in the field of marketing, the results of customer satisfaction are closely related to customer loyalty. The effect of satisfaction on loyalty can be concluded that although satisfaction has an impact on loyalty, this relationship is moderated by individual factors and the level of company factors. Among these, level of consumer factors, convenience motivation and purchase measures were found to accentuate the impact of satisfaction on loyalty. With respect to firm factor levels, both trust and perceived value, as developed by firm were found to significantly accentuate the impact of satisfaction on loyalty.

References

- Abraham, C. 2016. Service Orientation of Service Employees – Toward a Conceptual Framework of a Key Relationship Marketing Construct. *International Journal of Business and Economics*.
- Amaya. 2015. pengaruh kualitas pelayanan terhadap kepuasan dan loyalitas tamu hotel (studi tentang persepsi tamu hotel mahkota plengkung). *Jurnal Bisnis Universitas Dipenogoro*.
- Andreas, w. 2016. Pengaruh dukungan top manajemen, budaya layanan, dan orientasi pelayanan dalam kualitas layanan terhadap kepuasan pelanggan dan loyalitas pelanggan. *Jurnal Bisnis Universitas Dipenogoro*.
- Badaruddin, M. Ramzi. 2010. Journal Customer Loyalty and the Impacts of Service Quality: The Case of Five Star Hotels in Jordan. *International Journal of Human and Social Sciences in Jordan*.
- Campiranon. 2017. The Influence of service quality gaps on customer loyalty: A case study of midscale Bangkok hotels. *International Journal of Business and Economics* 2017.
- Edward. 2015. Impact of Service Orientation on Frontline Employee Service Performance and Consumer Response. *International Journal of Business and Economics Princeton University*.
- Hasan. 2011. Pengaruh Orientasi Layanan Terhadap loyalitas Pelanggan Sturbuck Graha Indah Jakarta.
- Huriyyati. 2012. Pengaruh Kuaitas Jasa Terhadap loyalitas Pelanggan Mc Donald Pekan Baru.
- Indah Wati. 2016. pengaruh kualitas pelayanan terhadap kepuasan pelanggan di hotel dana solo. *Jurnal Ekonomi dan Bisnis UGM*.
- Kamran. 2015. Impact of Customer Orientation and Sales Orientation on Sales' Performance in International Market of Bilehsavar County. *Journal of Economics Summer*.
- Keller. 2010. *Principle of Management*. McGraw Hill
- Kotler, Philip. 2012. *Marketing Insight from A to Z: 80 Konsep yang Harus Dipahami Oleh Setiap Manajer*. Dialih bahasakan oleh: Anies Lastiati. Jakarta: Erlangga.
- Lupiyoadi, Hamdani. 2012. *Manajemen infrastruktur jasa*. Gramedia: Jakarta.
- Muhammad Ridwan, 2014. Pengaruh Kualitas Pelayanan dan Kepercayaan Terhadap loyalitas Peanggan Dengan Kepuasan Pelanggan Sebagai Variabe Intervening. *Jurnal Ekonomi Universitas Padjajaran*.
- Parawansa, 2012. *Service Management Mewujudkan Layanan Prima*. Bandung: CV

- Alfabeta. Parasuraman, Zeithmal (2009). SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*.
- Sefi Normayanti, 2015. Pengaruh kualitas pelayanan terhadap kepuasan pelanggan, citra perusahaan dan loyalitas pelanggan. Jurnal tidak dipublikasikan.
 - Sunyoto. 2013. *Manajemen Organisasi dan Jasa*. Afabeta: Jakarta.
 - Squanterr. 2013. The influence of service oriented behavior on quality service. *Journal of Economics Summer*.
 - Tansu B. 2013. *Perilaku dan layanan Produk*. Diktat Kuliah Manajemen Pemasaran: UGM Tjiptono, Fandy. 2013. *Service Management Mewujudkan Layanan Prima*. Bandung: CV Alfabeta.