

IMPACT OF CUSTOMER RELATIONSHIP MANAGEMENT AND SERVICE QUALITY TO CUSTOMER LOYALTY SHOWROOM "MUJUR MOBIL"

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Abstract : This study aims to examine and prove the effect of the implementation of Customer Relationship Management and service quality on customer loyalty at Showroom "Mujur Mobil". This study aims to determine customer factors in an effort to increase customer loyalty which is very useful, especially for business people in offering services. This study uses a quantitative approach with multiple linear regression analysis. The number of samples taken was 50 respondents and data collection was carried out by questionnaires to obtain data. The results of this study are customer relationship management (CRM) partially has a significant positive effect on customer loyalty, while service quality partially has a significant positive effect on customer loyalty, and simultaneously CRM and service quality have a positive impact on customer loyalty.

Keywords : *Customer Relationship Management, Service Quality, Customer Loyalty.*

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1. Introduction

Entering business competition, various ways are used by service providers so that the competition can be superior to other companies. One way to be superior is to improve relationships with customers, namely serving all customer needs so that they are fulfilled. One of the marketing topics that is hotly discussed at the moment is Customer Relationship Management (CRM). Apart from depending on product quality, you can also look at it in terms of service quality which encourages customers to buy products or use the solutions offered, does not mean that the products being marketed may not be of inferior quality, especially if the product offered has competitors that are more or less the same, different from the product. -products that are essentially unique, of high quality and have strong differentiation so that customers will have clear value even though there are similar products.

Service quality remains very important in dealing with customers who need a high level of excellence, high quality service which means being able to provide alignment to customer needs essentially, both upper middle class and even lower class customers need good and quality service, it's just that different levels, if one observes the essence of current competition is more about how companies are fully aware of who their target market is, how high the quality of the product is and what is equally important is how high the value it can give to customers and how it treats customers from heart to heart companies can find out more deeply about the extent to which they are utilizing CRM in their current business

ventures and how companies can improve the quality of their services so that customers feel more loyal. This problem is also very important in the "Mujur Mobil" Showroom service in Malang, CRM and service quality are expected to increase customer loyalty.

2. Literature Review

2.1. Customer Relationship Management

According to Kumar and Reinartz (2012: 38) Customer Relationship Management (CRM) when viewed from a business strategy perspective is a strategic process of selecting customers that the company considers to provide added value, in terms of service, as well as forms of interaction between the company and these customers. The ultimate goal of this process is to maximize the company's profits from these customers.

2.2. Service Quality

According to Philip Kotler in Manap (2018: 268) are tangible, empathy, responsiveness, reliability, assurance.

2.3. Customer Loyalty

According to Gremler and Brown, customer loyalty is someone who only does not repurchase goods and services, but also has a positive commitment and attitude towards a service company, for example by recommending others to buy.

Research Hypothesis

1. Allegedly Customer Relationship Management and service quality influence simultaneously on customer loyalty Showroom "Mujur Mobil".
2. Allegedly Customer Relationship Management partially influence customer loyalty Showroom "Mujur Mobil".
3. It is suspected that service quality has a partial effect on customer loyalty in the "Mujur Mobil" Showroom.

3. Research Method

3.1. Research Approach

This type of research is descriptive in nature with a quantitative approach because this method can both describe and interpret current conditions and to find out how the influence of the application of customer relationship management and service quality on customer loyalty at the "Mujur Mobil" Showroom service in Malang.

3.2. Population, Sample and Sampling Technique

Population and Sample

The population in this study were 100 consumers taken from the number of consumers in December 2022. And the number of samples taken using the Slovin formula so that the number of samples taken by researchers was 50 respondents.

Sampling Technique

This research uses non-probability sampling technique with incidental sampling method. According to Sugiyono (2015: 82), "it is said that simple incidental is a sampling technique based on chance, that is, anyone who accidentally/accidentally meets the researcher can be used as a sample, if in view of the person met it is suitable as a source of data".

3.3. Information and sources of Information

Data Type

This Type of Research data uses quantitative data, as data obtained from questionnaires related to the question posed in the research.

Data Source

1. Primary data are data sources that directly provide data to data collectors. Primary data in this study were obtained from respondents' answers through interviews and questionnaires.
2. Secondary data is a data source that does not directly provide data for data collection. Secondary data sources are obtained from literature studies, namely data collection techniques that are carried out by reading books and journals related to the issues discussed.

3.4. Data Analysis Technique

Data analysis is the interpretation of research to answer research question. Research using multiple linear regression analysis. Regression analysis is to determine the effect (relationship) of the independent variable on the dependent variable. Multiple linear regression analysis is used to determine the effect of the independent variable (X), namely customer Relationship Management (X1) and service quality (X2) on the dependent variable (Y), namely Customer loyalty.

4. Result and Discussion

4.1. Result

The results of multiple linear regression testing in this study can be seen in the following table:

Table 1.

Coefficients ^a									
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	.434	.135		3.224	.002			
	Customer Relationship Management (X1)	.386	.056	.438	6.866	.000	.894	.574	.237
	Service Quality (X2)	.227	.045	.268	5.078	.000	.810	.460	.175
a. Dependent Variable: Customer Loyalty (Y)									

From table 1 it can be seen that the resulting regression equation is as follows:

$$Y = a + b_1.X_1 + b_2.X_2 + e$$

$$Y = 0,434 + 0,386X_1 + 0,227X_2$$

The test results of the Coefficients, can be concluded as follows:

1. The value of the dependent variable (Y) Customer Loyalty can be seen from its constant value of 0.434, with a note that if the independent variable consists of the independent variables X1(Customer Relationship Management), X2 (Service Quality), has a constant (fixed) value, then the value obtained Customer Loyalty of 0.434 units.

2. b_1 value of 0.386

Shows that if the value of Service Quality remains constant, while Customer Relationship Management (X1) increases by 1%, it will increase (Y) Customer Loyalty by 0.386 units. The coefficient is positive, meaning that there is a positive relationship between (X1) and Customer Loyalty. The more the value of Customer Relationship Management (X1) increases, the more Customer Loyalty (Y) increases.

3. b_2 Value of 0,277

Shows if the value of Customer Relationship Management remains constant while (X2) Service Quality increases by 1%, it will increase Customer Loyalty (Y) by 0.277 units. The coefficient is positive, meaning that there is a positive relationship between Service Quality (X2) and Customer Loyalty. The more the value of Service Quality (X2) increases, the more Customer Loyalty (Y) increases.

Determination Coefficient Test (R^2)

Testing the coefficient of determination (R^2) is used to measure the proportion or percentage of the model's ability to explain the dependent variable. The coefficient of determination ranges from zero to one ($0 \leq R^2 \leq 1$). If R^2 gets bigger (close to one), then it can be said that the influence of the independent variable (X) is large on the dependent variable (Y). This means that the model used is stronger to explain the effect of the independent variable on the dependent variable and vice versa.

Table 2
Determination Coefficient Test (R^2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.576 ^a	.332	.303	1,197

Based on the data in Table 2, it can be seen that the coefficient of determination (R^2) is 0.332. In other words, this shows that the large percentage of customer loyalty that can be explained by variations in the independent variables, namely customer relationship management and service quality, is 33.2%.

While the remaining 66.8% is explained by other factors or variables that are not included in the regression model of this study.

This test is conducted to see whether all the independent variables included in the model have a joint effect on the dependent variable. Table 3 below is the F test:

Table 3
F Test

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33,431	2	16,715	11,658	.000 ^a
	Residual	67,389	47	1,434		
	Total	100,82	49			

Based on the F test from table 3 above, the Fcount value is 11.658 with a significance value = 0.000 which is less than $\alpha = 0.05$. Fcount value (11.658) > F table (3.19), then H_0 is rejected and H_1 is accepted, this means that customer relationship management and service quality together affect customer loyalty at the "Mujur Mobil" Showroom.

Partial Test (t test)

This test was conducted to determine how far the influence of an independent variable partially (individually) on the dependent variable. The following is the output of the t test

Table 4.
 Partial Test (t Test)

Coefficients^a		
Model	t	Sig.
(Constant)	3,224	.002
Customer Relationship Management	6,866	.000
Service Quality	5.078	.000

The results from Table 4 are as follows:

1. The variable Customer Relationship Management (X1) has a value of Sig. t count (0.000) <0.05 then Ho is rejected and Hi is accepted. So it can be concluded that the variable Customer Relationship Management (X1) partially influences customer loyalty.
2. The Service Quality variable (X2) has a value of Sig. t count (0.000) <0.05 then Ho is rejected and Hi is accepted. So it can be concluded that the variable Service Quality partially affects customer loyalty.

4.2. Discussion

The influence of customer relationship management and service quality simultaneously on customer loyalty.

The effect of customer relationship management and service quality simultaneously influences customer loyalty. The results of this study are in line with the results of research (Ardiyanti, 2019; Harmiyanto, 2017; Saputri et al., 2020).

The Influence of Customer Relationship Management on Customer Loyalty

Based on the research results, it is known that Customer Relationship Management has a significant effect on Customer Loyalty. This means that Customer Relationship Management has a significant influence in increasing customer loyalty. The results of the study are in line with the results of research (Dirnaeni et al., 2021; Febriyan et al., 2014; Firdani et al., 2015; Ita et al., 2017; Lestari & Suwitho, 2018; Manik, 2021; Rachmawati & mebis, 2017 ; Setyaningrum et al., 2018)

Effect of service quality on Customer Loyalty

Based on the research results it is known that service quality has a significant positive effect on customer loyalty. This means that service quality has an effect on increasing customer loyalty. The findings of this study are in line with research results (Bakhtiar, 2019; Pratama et al., 2019; Ramenusa, 2013; Sanjaya & Prasatyo, 2016; Sasongko, 2014; Subawa & Sulistyawati, 2020; Sugiharto & Wijaya, 2020)

5. Conclusions and Suggestion

5.1. Conclusions

Based on the results of data analysis that has been carried out by researchers at the "Fortunate Car" Showroom service in Malang are as follows:

Based on the results of the analysis it can be concluded as follows:

1. It is known that the regression formula is $Y = 0.434 + 0.386X_1 + 0.227X_2$. From this formula it is known that the value of the constant is positive, meaning that it shows the positive influence of the independent variables, namely customer relationship management (X_1) and service quality (X_2). The formula shows that all the coefficients are positive, which means that there is a positive relationship between the independent variable and the dependent variable.
2. The R Square coefficient of 0.332 means that the customer loyalty variable can be influenced by the customer relationship management variable and the service quality of 33.2%. While the remaining 66.8% can be influenced by other variables not examined by this study.
3. Simultaneous testing shows that the independent variable customer relationship management (X_1) and service quality (X_2) together influence customer loyalty. This is indicated by F Count of 11.658.
4. From testing the research variables partially, it shows that the independent variables, customer relationship management and service quality have an effect on the dependent variable, namely customer loyalty.

5.2. Suggestion

Based on the results of the analysis, discussion, and research conclusions, the suggestions from researchers that can be given are as follows:

1. For the "Mujur Mobil" Showroom in Malang, researchers recommend implementing better customer relationship management than competitors by applying the application of customer relationship management to customers at the "Mujur Mobil" Showroom service in Malang in order to increase customer loyalty.
2. Suggestions that can be given for the "Lucky Car" Showroom service in Malang, in terms of service quality, must be maintained to provide the best quality service so that customers will remain loyal.
3. For future researchers, it may be necessary to add other variables such as price, product quality, location, and promotion and others, because the coefficient of determination (R^2) is 0.332. In other words, this shows that the percentage of customer loyalty that can be explained by the variation of the independent variables, namely customer relationship management and service quality, is 33.2%, which is still relatively low.

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