BUILD CUSTOMER LOYALTY HU NEWSPAPER COMPASS

Ulung Sembiring
Universitas Tama Jagakarsa, Jakarta, Indonesia

ARTICLE INFORMATION
Received: 01 February 2020
Revised: 10 February 2020
Issued: 20 February 2020
(filled in by Editor)

Corresponding author: first author
E-mail: correspondent.author@gmail.com

DOI:10.31933/DIJMS

Abstract: Companies engaged in the industry of Newspapers in Jakarta faced the problems to maintain and increase customer loyalty. In strategic marketing, failure to maintain and increase customer loyalty greatly interfere with the performance of the company. This is reasonable because customer loyalty is an important component of corporate performance. If this happens then the company will have difficulties in maintaining and developing the internal resources and advantages. Companies that are not able to maintain and develop the internal resources and advantages are threatened with bankruptcy because it will have implications on revenue. The purpose of this study was to determine the customer relations HU Compass, Compass HU determine product attributes, relations determine the effect of customer and product attributes on customer value HU Compass, relations determine the effect of customer and product attributes on customer loyalty HU Compass. The method used is descriptive and survey method explanatory survey with a sample size of 70 customers HU Compass in South Jakarta as the unit of analysis.

Keywords: Relations Customer, Product Attributes, Customer Value, Customer Loyalty

INTRODUCTION
In the era of globalization, the degree of interdependence among nations is inevitable. The development of science, technology, and information which encourages the free trade world seemed to indefinitely, This will create a paradigm borderless world, the world that knows no territorial boundaries of nation and state sovereignty.

The impact of globalization itself has entered all aspects of society in the world, the consequences of climate map of economic power and the business world will be characterized by increasingly fierce competition that will cause new uncertainties that go
beyond the ability to anticipate any businessperson. Therefore every business person should strive to further improve the ability and toughness by mobilizing all the potential to win the competition.

Lovelock & Wright (2002: 7) states the services sector is a growing business sector as a result of globalization. This is partly characterized by the change in the sectoral contribution to national output as a result of a shift in the national labor force from agriculture to industry and then headed to the service sector. The service sector itself is considered as the highest stage in the process of economic development.

Nainggolan (2004) based on the research results stated that the most developed services sector today is the information services sector which is characterized by rapid development in technology and systems in information management. The rapid growth of information and technology services sector is also characterized by the power electronics (electronic forces) in communicating that starts with their website, blog, and others in creating a super-fast communication. Communication is now one of competitiveness for companies in obtaining information to develop and implement a strategy, because there is some information media, ie print media such as newspapers, electronic media such as television, radio, and internet.

The information has become one of the most important requirements for human life, especially in business and industry. One of the media as a source of information of the print media as mentioned above is a newspaper is a provider of information services product in the form of news or event promotion companies and others in addition to the electronic media. But the newspaper's print media, in terms of the publication there are different kinds of newspapers are daily newspapers, weekly and monthly.

The ability to provide and provide the information needed by the public is very important to have along with the development of science and technology are growing. Newspapers as information providers strive to meet the public demand for reliable information needs. Nowadays, competition among newspaper publishers happens quite tight, they present the newspaper with a different characteristic, to compete for potential customers to become loyal customers on the company's products.

Companies engaged in a Newspaper in Jakarta faced with the problem of maintaining and enhancing customer loyalty. In strategic marketing, failure to maintain and increase customer loyalty greatly interfere with the performance of the company. If this happens then the company will have difficulties in maintaining and developing the internal resources and advantages. Companies that are not able to maintain and develop the internal resources and advantages are threatened with bankruptcy because it will have implications on revenue.

This research aims to:
1. Knowing what extent the influence of relations customer and product attributes on customer value HU Compass
2. Knowing what extent the influence of relations customer and product attributes on customer loyalty HU Compass
3. Knowing what extent the influence of customer value on customer loyalty HU Compass
LITERATURE REVIEW

Relationship marketing (relationship marketing) is irrelevant to the discussion in marketing. Given the disengagement and the interaction between consumers and producers is so high in most businesses. So that the marketing approach that is oriented transactions (transactional marketing) to target higher sales in the short term becomes less supportive of business practices. Relationship marketing emphasizes recruitment and maintenance (keeping) customers through an increase in the company's relationship with its customers.

So, in relational marketing, new customer withdrawals just the first step of the marketing process. Also, much cheaper to retain customers for the company, rather than finding new customers. This was confirmed by the results of research, it would cost five times to get a new customer than to retain an already a customer. This understanding provides an additional point of view:

1. There are changes in the company's perspective to see the relationship with the consumer. Emphases are moving from a focus on transactions into long-term relationships with customers (maintain and build relationships with customers).
2. The recognition that quality, customer service, and marketing activities need to be run simultaneously. Relationship marketing focuses on three elements guiding and ensuring the creation of potential synergistic combinations between these elements.

The main core of the relationship is trust. Some other opinions that say that "commitment" and "trust", is the central role of relationship marketing.

A view that emphasizes long-term strategy and the human side of the interaction of buyers and sellers. It focuses on the importance of relational ties to build commitment and trust with consumers.

And the company must always strive to offer new opportunities to create a more individualized relationship between the seller and the customer. The task of marketing personnel is no longer just bring products "out" / to the market, but lead customers "entered" into the company, to get feedback, as well as their wishes and needs to be known early. If the company does not have an attachment with customers then it will never have any customers.

Most theories more emphasis arts marketing to attract new customers than to retain existing. This means more emphasis on sales alone, rather than build a "relationship". And more priority than the Pre Selling and Selling consumer Caring about going on sale.

Companies must provide value to the products/services provided which contain an element of trust to consumers. For consumers who already feel confident that their emotions are touched and will cause consumers to commit to the company.

Consumer confidence the company should do in such a way that indicates to consumers that the company has value if used as a partner. We must prove by action that the relationship with the customer has to have meaning and be made well. Based on the above, there was indeed a relationship between customer engagement with the creation of value and a shift in values.

Business customers often want to have a partner whom she trusts (trusts) and watched. This will give a more personal relationship and in extreme situations is said to One-on-One personal contact.
Commitment Also considered as the main problem in relationship marketing. Commitment has implications that one or both parties will be loyal and show stability in connection with one another.

Consumers who are emotionally committed to the company is more important than the consumers who buy at random or even consumers who buy a lot.

The main aim of relationship marketing is to build and retain customers who are committed which will ultimately increase profitability organization. To achieve this goal the company should focus on acquiring, pull back and improve relationships with consumers.

Product, offering and brand. Related products with a value that is a set of benefits offered to consumers to satisfy their needs. Value and satisfaction. Correspondence between product performance to customer demands will shape consumer satisfaction is concerned. In this case, customer satisfaction involves the performance component products bought and the demands or expectations of the product. The level of customer satisfaction depends on the agreement between the two components. Satisfaction can also be assessed from the value consumers in the form of consumer benefits suitability of a product bought at a cost or sacrifice incurred to obtain the product. The perceived benefits of consumers in the form of functional benefits and emotional benefits. While the costs incurred in the form of money, energy, time and mental.

Product mix, as one element of the marketing mix, the overall product, and the item offered for sale. The product mix of a company has four important dimensions are: width (product lines), length (number of items of the product line), depth (the number of versions of each product offered) and consistency (consistency of the product to its target market, production, distribution and other). The fourth dimension of this product to behold in the preparation of product strategy.

In designing the attributes of the products offered, companies need to identify opportunities that match the consumer value distinctive capabilities-his. Consumer value consists of the benefits and costs of the purchase and use of a product. Management must determine where and how to offer superior customer value, using capability in a way that generates a value match. In this case, distinctive capabilities are used to increase the value by offering a unique product or a relatively low price or a combination of both. If the above conditions are met, the company can achieve better performance compared with the competitor.

Good companies not only rely on how to attract new customers as much - much but then did not maintain and retain customers they have gained well. Besides attracting consumers as much - many companies should pay attention to consumers to stay afloat and make repeat purchases (Retained customer) using a shift in values.

Often companies do not care about the consumer then obtained so that consumers are equally harmful to relocate to the other competitors (at-risk customers). If the consumer is not saved then the consumer would really - lost and then buy another product (lost customers).

In case consumers are not buying any more (lost customers), the company must take steps - appropriate steps with the correct strategy to win back these consumers through the creation of value. If consumers are missing / not buy more can be saved by successful then it
could be a customer again. Conversely, if not then it really would be the end of the relationship with the consumer (retire relationship), and eventually will have an impact on the company's sales and profits.

**Research Hypothesis**

2. Customer relationship and product attribute the effect on customer loyalty.
3. Customer value effect on customer loyalty.

**METHODOLOGY**

The purpose of this research is the study of verification and descriptive. Descriptive research is research that aims to obtain a description of the characteristics of variables. The nature of verification research wanted to test the truth of a hypothesis that is carried out through data collection in the field.

Given the nature of this research is descriptive and verification conducted through field data collection, the research method used is the method descriptive survey and explanatory survey method. Type the investigation is causality because it will be tested the causal relationship between independent variables and the dependent. The unit of analysis in this study is the individual because of only customers HU Compass in the South Jakarta area as respondents. The time horizon in this study was cross-sectional because the information from the majority of the population (the sample of respondents) was collected directly at the scene empirically, to know the opinion of the majority population of the object being studied.

Sources of data obtained by researchers using the following techniques interview, as direct communication techniques to obtain the necessary data and addressed to the party leaders or their representatives. The questionnaire, listing the statements made in the form of simple closed method questions given to respondents (customers) HU Compass in South Jakarta, to obtain data related to the thesis.

**FINDINGS AND DISCUSSION**

**Customer Relationship influence customer and product attributes to the Customer Value HU Compass.**

To reveal the influence of a variable or set of variables to another variable, we can use Path Analysis (Path Analysis) which has been developed, Sewall Wright. In this path analysis the influence of a variable to another variable, either directly or indirectly, can be known. Before taking a decision regarding the influence of a variable to another variable, the first hypothesis test, testing both in whole or individually.

To determine whether the variables are known namely Customer relationship (X1) (the X1, in this case, is Customer relationships of HU Compass) and attributes of products (X2) simultaneously affect the Customer Value HU Compass in South Jakarta (Y), carried out using path analysis (path analysis) and the software used was SPSS release 17.

The steps taken is to calculate the correlation between variables, to obtain as the table 1 below.
Table 1. Matrix Correlation Between Variables

<table>
<thead>
<tr>
<th></th>
<th>X1</th>
<th>X2</th>
</tr>
</thead>
<tbody>
<tr>
<td>X1</td>
<td>1.000</td>
<td>0.492</td>
</tr>
<tr>
<td>X2</td>
<td>0.492</td>
<td>1.000</td>
</tr>
</tbody>
</table>

Based on the table 1 above is a correlation matrix between variables that show the relationship among independent variables. Proportion to the path diagram is two independent variables (X) having a relationship between variables, and each independent variable (X), and the relationship correlation of variables outside the (X) residues of the dependent variable (Y) and (Z).

Based on the framework of the theory that there is a positive influence between Customer relationship and product attributes to the Customer Value HU Compass in South Jakarta will test the overall hypothesis that the following forms:

1) Simultaneous Hypothesis Testing

To determine whether the independent variable, namely Customer relationship (X1) and product attributes (X2) simultaneously affect the Customer Value HU Compass in South Jakarta (Y) in table 2.

Table 2. Testing Simultaneous

<table>
<thead>
<tr>
<th>Alternative hypothesis</th>
<th>Fhitung</th>
<th>Sig.Level (5%)</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>(X1, X2) simultaneously affect the Y</td>
<td>25.498</td>
<td>&lt;0.05</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Source: results of calculations by SPSS

Based on table 2, the results of these calculations, it turns out F value 25.498 with Sig Level 0.000 less than 0.05, so that the H0 hypothesis is accepted or rejected. Means testing of individuals with hypotheses can continue to do that: Hypothesis Testing Individually

Testing individually performed when testing simultaneously reject the null hypothesis means that at least one path coefficients are not equal to zero. This test is used to determine or test the influence of each independent variable individually whether significant or not. Because the overall test results in a significant test, the subsequent analysis is done by testing the individual (partial test).

With the results of calculations can be seen through the existing table 3 below:

Table 3. Testing the hypothesis X1 and X2 on Y

<table>
<thead>
<tr>
<th>coefficient Line</th>
<th>Value</th>
<th>Sig. Level</th>
<th>Compare 0.05</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pyx1</td>
<td>0.638</td>
<td>0.000</td>
<td>&lt;0.05</td>
<td>Ho rejected there are significant influence Customer relationship on Customer Value.</td>
</tr>
<tr>
<td>Pyx2</td>
<td>0.238</td>
<td>0.000</td>
<td>&lt;0.05</td>
<td>Ho rejected There is the influence of product attributes on the Customer Value.</td>
</tr>
</tbody>
</table>

Source: the calculation results
Based on table 3, the calculation of the variable path coefficient value (X1), (X2) to (Y), which is obtained by using the program as released SPSS 17 for windows, thus in accordance with the rules of the decision, that in order to have a product attribute sig. level <0.05 area H0 is rejected, 3 accepted hypothesis means that a significant path coefficients, as well as to Customer relationships have sig. level <0.05 area Ho rejected. The concept can be explained that all aspects of Customer and Product attribute Relationship together positive effect on Customer Value HU Compass in South Jakarta, as well as partial, but customer relations dominant influence HU Customer Value Compass rather than product attributes.

Next will be tested significance (significance) coefficient of correlation between the variables X1, X2 with the following hypotheses in table 4:

<table>
<thead>
<tr>
<th>Correlation coefficient</th>
<th>Sig.Level</th>
<th>Compare 0:05</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>rx1x2</td>
<td>0.492</td>
<td>&lt;0:05</td>
<td>Ho Rejected</td>
</tr>
</tbody>
</table>

Source: SPSS output results

From the results of testing the correlation between the variables X1 and X2 are direct relationships between variables Customer relationships with product attributes, complete diagram of the causal relationship variables X1, X2 on Y are as follows table 3 above.

Based on table 3 above test results it turns out that the customer relations factor is a dominant element that affects the Customer Value, while the product attributes have a significant effect on the value.

Results of testing the hypothesis above, it turns out simultaneously or partially strengthen the research results presented by Kenna (1998: 132) that correlations customer has two important elements, namely trust and commitment, as well as relations customers will create trust (trust) and commitment (commitment) customer, so that eventually will awaken Customer Value. Likewise, in this study relations, customers improve Customer Value. While Lovelock & Wright (2002: 67) states that the right product attributes will increase customer value.

Another factor of 56.8%, which affects customer value, in addition to product attributes and customer relations, as proposed by Zikmund (2003: 867), that Customer Value is influenced by several factors, such as quality of service, trust, and communication. Because it is expected to be further investigated.

As the above analysis, to reveal the influence of a variable or set of variables to another variable, can use Path Analysis (Path Analysis) which has been developed, Sewall Wright. In this path analysis the influence of a variable to another variable, either directly or indirectly, can be known. Before taking a decision regarding the influence of a variable to another variable, the first hypothesis test, testing both in whole or individually.

To determine whether the variables are known namely Customer relationship (X1) and attributes of products (X2) simultaneously affect the customer loyalty (Z), is done by using path analysis (path analysis) and the software used was SPSS release 17.

The steps taken is to calculate the correlation between variables, to obtain as the table below.
Based on table 5, above table is a correlation matrix between variables that show the relationship among independent variables. Proportion to the path diagram is two independent variables (X) having a relationship between variables, and each independent variable (X), as well as the relationships of the variables outside correlations (X) residues of the dependent variable (Z).

Based on the framework of the theory that there is a positive influence between Customer relationship and product attributes on Customer Loyalty Compass in South Jakarta, will test the overall hypothesis that the following forms:

1) Simultaneous Hypothesis Testing

To determine whether the independent variable, namely Customer relationship (X1) and product attributes (X2) simultaneously influence HU Customer Loyalty Compass in South Jakarta (Z).

<table>
<thead>
<tr>
<th>Alternative hypothesis</th>
<th>Fhitung</th>
<th>Sig.Level (5%)</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>(X1, X2) simultaneously affect the Z</td>
<td>27 886</td>
<td>0.000 &lt; 0.05</td>
<td>Significant</td>
</tr>
</tbody>
</table>

*Source: results of calculations by SPSS*

Based on table 6, the results of these calculations, it turns out F value 27.886 with Sig Level 0.000 less than 0.05, so that the H0 hypothesis 4 is accepted or rejected. Means testing of individuals with hypotheses can continue to do that:

2) Testing Hypothesis Individually

Testing individually performed when testing simultaneously reject the null hypothesis means that at least one path coefficients are not equal to zero. This test is used to determine or test the influence of each independent variable individually whether significant or not. Because the overall test results in a significant test, the subsequent analysis is done by testing the individual (partial test).

<table>
<thead>
<tr>
<th>coefficient Line</th>
<th>Value</th>
<th>Sig.Level</th>
<th>Compare 0.05</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pzx1</td>
<td>0226</td>
<td>0.033</td>
<td>&lt;0.05</td>
<td>Ho rejected there are significant Customer Relationship on Customer Loyalty</td>
</tr>
<tr>
<td>Pzx2</td>
<td>0.534</td>
<td>0.000</td>
<td>&lt;0.05</td>
<td>Ho rejected There is the influence of product attributes on the Customer Loyalty</td>
</tr>
</tbody>
</table>

*Source: the calculation results*

Based on table 7, the calculation of the variable path coefficient value (X1), (X2) to (Z), which is obtained by using the program as release SPSS 17 for windows, thus in accordance with the rules of the decision, that in order to have a product attribute sig.level...
<0.05 area H0 is rejected it means a significant path coefficients, as well as to Customer relationships have sig.level <0.05 area Ho rejected. The concept can be explained that all aspects of Customer and Product attribute Relationship together a positive effect on Customer Loyalty HU Compass in South Jakarta, as well as partial, but the dominant product attributes affect Customer Loyalty Compass HU than relations customers.

From the results of testing the correlation between the variables X1 and X2 are direct relationships between variables Customer relationships with product attributes, complete diagram of the causal relationship variables X1, X2 to Z are as follows table 7 above.

Based on table 7 above test results turned out that factor is a product attribute is the dominant element affects the Customer Loyalty, while relations customer has a significant impact on customer loyalty even though the effect is relatively small.

Results of testing the hypothesis above, it turns out simultaneously or partially strengthens the research results presented by Griffin (2003: 25) that customer loyalty will increase if product performance perceived by the customer according to his expectations. While Lovelock & Wright (2002: 67) states that the right product attributes will increase the Value and Customer Loyalty.

Another factor of 54.6%, which affects customer loyalty, in addition to product attributes and customer relations, as proposed by Heskett (1997: 39), that the Customer Loyalty is influenced by several factors, among others, customer satisfaction and value of services. Because it is expected to be further investigated.

The Effect of Customer Value on Customer Loyalty

To reveal the influence of a variable or set of variables to other variables that can be used Pearson correlation analysis has been developed, Sewall Wright. Before deciding the influence of a variable to another variable, the first hypothesis test.

To determine whether smoking is a variable Customer Value (Y) effect on Customer Loyalty (Z), carried out using the Pearson correlation analysis and software used was SPSS release 17. The steps for calculating the Pearson correlation is as follows table 8.

**Table 8. Testing the hypothesis Y to Z**

<table>
<thead>
<tr>
<th></th>
<th>Pearson Correlation Coefficient</th>
<th>t</th>
<th>Sig.</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pyz</td>
<td>0.492</td>
<td>-4660</td>
<td>0.000</td>
<td>Ho rejected</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>There is the influence of the Customer Value Customer Loyalty</td>
</tr>
</tbody>
</table>

*Source: the calculation results*

From the table 8 above test is complete causal relationship diagram Y to Z. From table 8 of the relationship between variables with parameter values of the above structure, the influence of the variable cause to a variable, then the influence of the Customer Loyalty is:

**Table 9. Effect of variable Y to Z and Influence Outside the variable Y**

<table>
<thead>
<tr>
<th>Interpretation Path Analysis</th>
<th>Influence</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of Y to Z</td>
<td>0.492</td>
<td>24.2</td>
</tr>
</tbody>
</table>
Another influence Excluding Y

<table>
<thead>
<tr>
<th>Amount</th>
<th>0871</th>
<th>75.8</th>
</tr>
</thead>
</table>

Source: Statistics Processing SPSS

From the table above it can be seen that the influence of Customer Value on Customer Loyalty by 24.2%, and the other influence by 75.8%, the effect is significant, Hypothesis 5 is accepted, means the better the value of customers led to increase customer loyalty to the HU Compass, like a stated Fournier, Susan; Susan Dobscha and David Glen Mick (1998: 112) explains that to gain customer loyalty the company should do in such a way that indicates to consumers that the company has a high customer value. Likewise, Kasper (1999: 32) argues that for business services, customers often want to have a partner whom she trusts (trusts) and watched. This will give a more personal relationship and in extreme situations is said to One-on-One personal contact.

CONCLUSION AND SUGGESTION

1. Customer relationship and product attributes affect the value of customers, but when viewed in partial turns customer relations dominant influence customer value. Results of the analysis showed that relations customer has two important elements, namely trust, and commitment, as well as customer relations will create confidence (trust) and commitment (commitment) of the customer so that eventually will awaken Customer Value. Likewise, the right product attributes will increase customer value.

2. Customer relationship and product attributes affect customer loyalty, but when viewed in partial turns dominant product attributes influencing customer loyalty. The results of the above analyses show that customer loyalty will increase if product performance perceived by the customer according to his expectations. The right product attributes will increase the Value and Customer Loyalty.

3. Customer value effect on customer loyalty. To gain customer loyalty the company should do in such a way that indicates to consumers that the company has high customer value. For business services, customers often want to have a partner whom she trusts (trusts) and watched. This will give a more personal relationship and in extreme situations is said to One-on-One personal contact.

REFERENCE


Christopher L. & Jochen Wirtz (2002), Services Marketing In Asia, Prentice-Hall.


Devrye, Catherine (1994), Good Service is Good Business; 7 Simple Strategies for Success, Prentice-Hall.


Hapson, Barrie & Mike Scally (1991), 12 Steps to Success Through Service, lifeskill Communication.

Harun al-Rashid (1999), Technique and Preparation Sample Withdrawal Scale, Bandung: Graduate, ubuntu.


Kotler, Philip & Hermawan Kartajaya (2000), Repositioning Asia: From the burble to Sustainable Economy, Singapore: John Wiley & Son (Asia) Pte.Ltd.

Kotler, Philip; Hermawan Kertajaya; Hooi Den Huan & Sandra Liu(2003), Rethinking Marketing; Sustainable Marketing Enterprise in Asia, Singapore: Prentice Hall Inc.

Kotler, Philip and Kevin Lane Keller (2009), Marketing Management, 12e. New York: Prentice Hall Inc.


