

Analysis of Customer Bonding Implementation Strategy on Membership Loyalty of Parkson Centro Card at Centro Department Store the Plaza Semanggi

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Abstract

The purpose of this study was to determine the customer bonding carried out by the Centro Department Store at The Plaza Semanggi and determine customer loyalty and the effect of customer bonding on the commitment of Parkson Centro Card members. This research is correlational quantitative research. The population in this study are customers from the Centro Department Store at The Plaza Semanggi who are registered as members of the Parkson Centro Card for at least 1 year. The samples taken in this study were 100 peoples. The variables of this research are customer bonding and customer loyalty. The data collection method in this study uses a customer bonding scale and a customer loyalty scale. The method of data analysis in this study used regression analysis.

Keywords

customer bonding, customer loyalty, retail property, shopping center, marketing strategy



I. Introduction

Centro Department Store is a retail company in Indonesia. For the first time, present in the Indonesian retail market under the management of PT. Tozy Sentosa, precisely at The Plaza Semanggi Jakarta in November 2003. The Plaza Semanggi is the right choice because it is in the middle of a strategic and exclusive central business district. After that, Centro again opened new outlets in various big cities in Indonesia, namely Centro Discovery Shopping Mall Bali, Centro Margo City Depok, Centro Galaxy Mall Surabaya, Centro Solo Paragon Lifestyle Mall, Centro Bintaro Jaya Xchange, Centro Manado Town Square, Centro Resinda Park, Centro Gresik, Centro Pesona Square Depok.

Parkson Centro Card is a membership card from the Centro Department Store that benefits its members when shopping. This is one of the loyalty programs provided by Centro Department Store to its loyal customers. According to Hermawan Kartajaya (2007:97), customer loyalty is: "Ensuring competitive advantage, growth, profit, and company continuity in the long term, this can be done through good relationships between consumers and companies so that they can develop strong bonds. And loyalty. is stronger with customers; in the end, consumers become loyal. Many companies assume that the costs incurred to retain old customers are less than the costs incurred to attract new customers. This is reinforced by the fact, according to Kotler (2005:85), that "Cost attracting new customers can be more expensive than retaining existing customers." The facts mentioned above cause a shift in the view of entrepreneurs towards customers, from being oriented towards transactions that are pursued by strengthening brands and value factors to stimulating purchases to shifting to a view of building relationships with customers (SWA, January: 2005). This shift in orientation resulted in the company created a d financing program to keep customers coming back to buy more and stay loyal to the company. To increase customer

loyalty, marketers can do customer bonding. The increase in the value of the company's shares, the higher the company value, the higher it will be (Katharina, 2021). In the current economic development, manufacturing companies are required to be able to compete in the industrial world (Afiezan, 2020). An organization will continue to make efforts to keep maximizing their profits by satisfying and retaining their customers, for example by establishing a good communication with their customers.

According to Priansa in Nusrirwan (2020) "Implementation of communication activities to customers within the company is carried out formally, however, currently there are also companies that practice their communication activities to consumers in an informed manner so that they can explore in-depth information from customers". Regarding the background, this research considers the customer value as an important element for an industry, both in service and manufacture. Moreover, the maximum customer value can be made only if positive influence of marketing and individual environment association does exist (Kusumadewi, 2019). The development of business organizations depends on the quality of the products they produce. The better the product produced and useful, the more consumers will enjoy it, especially to meet their daily needs. The quality of products that are in great demand by consumers can be seen from several factors including packaging, price, quality, and benefits obtained by consumers (Romdonny, 2019). The existence of the company can grow and be sustainable and the company gets a positive image from the wider community (Saleh, 2019).

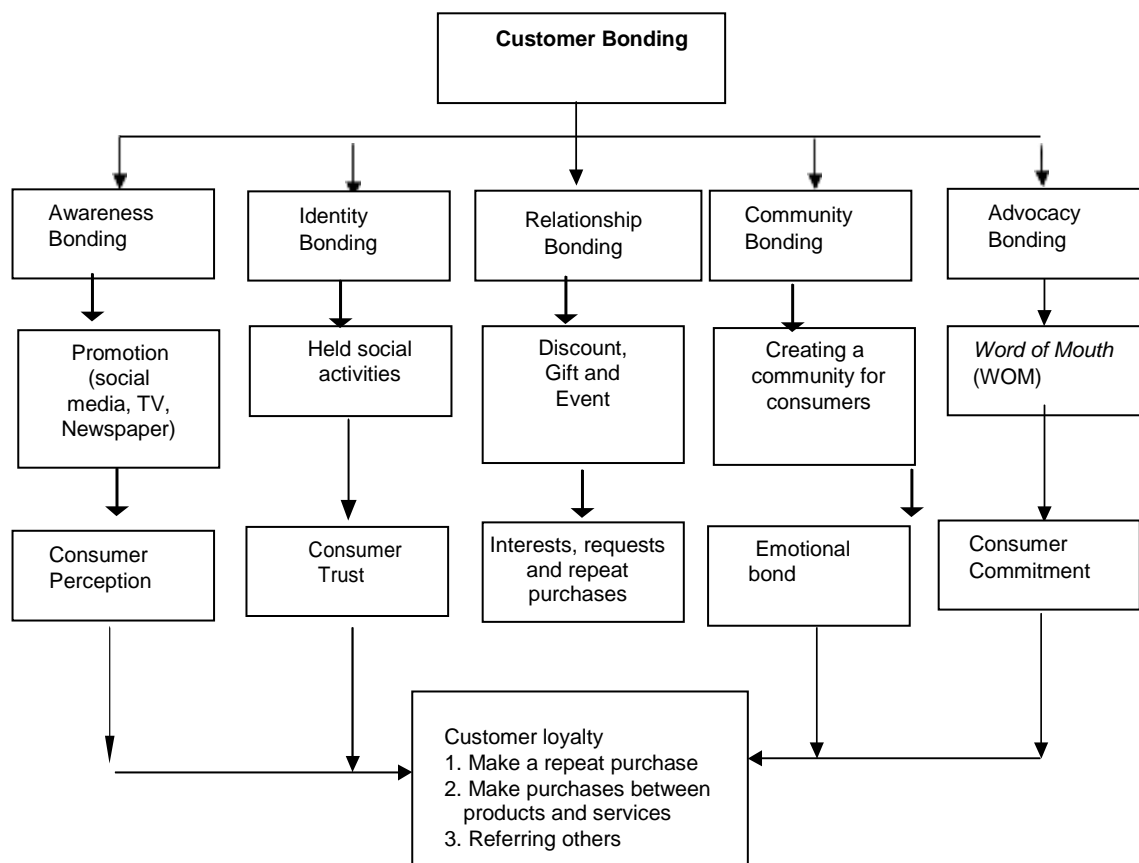


Figure 1. The Influence of Customer Bonding on Customer Loyalty

According to the above framework, the company applies Customer Bonding as a strategy to retain customers and foster customer loyalty. This strategy applies five aspects of the implementation of customer bonding, namely awareness bonding, identity bonding, relationship bonding, community bonding and advocacy bonding. The five customer bonding processes can create customer loyalty. Customer loyalty today is more due to the unique needs that differ from one customer to another. Customers want marketers to understand their preferences, lifestyle, and hobbies. To meet these increasingly complex needs, companies have no other choice but to collect as much information as possible about their customers and use it at the right time.

III. Research Methods

This research hypothesizes that there is an effect of customer bonding on customer loyalty. The stronger the customer bonding applied, the higher the customer loyalty formed, and vice versa, the weaker the customer bonding strategy applied, the lower the customer loyalty formed.

Respondents used in this study found 100 people. In this study, the data testing technique used the following methods:

- a) Normality Test.
- b) Linearity Test.
- c) Hypothesis Testing.

IV. Discussion

The Customer Bonding scale consists of five aspects, and this can be seen from the percentages in five elements, namely awareness bonding, relationship bonding and advocacy bonding, which get percentages ranging from high categories tend to be very high while aspects of identity bonding and community bonding are in high categories tend to be low.

Table 1. Average Customer Loyalty Viewed from Each Aspect

No	Aspek	Criteria	f	%
1.	<i>Awareness Bonding</i>	Strongly Low	0	0
		Low	2	2
		High	75	75
		Strongly High	23	23
2.	<i>Identity bonding</i>	Strongly Low	0	0
		Low	27	27
		High	73	73
		Strongly High	0	0
3.	<i>Relationship bonding</i>	Strongly Low	0	0
		Low	5	5
		High	70	70
		Strongly High	25	25
4.	<i>Community bonding</i>	Strongly Low	0	0
		Low	8	8
		High	77	77
		Strongly High	15	15

5.	<i>Advocacy bonding</i>	Strongly Low	0	0
		Low	9	9
		High	81	81
		Strongly High	10	10

Source: Primary data processed, 2016

4.1 Normality Test

Table 2. Kolmogorov-Smirnov Test. One-Sample Test Results

	Loyalitas	Customer Bonding
N	100	100
Normal Parameter ^{a,b}		
Mean	45.8000	122.1300
Std. Deviation	6.6409	9.2896
Most Extreme Absolute Differences Positive	.065	.092
Negative	.065	.056
Kolmogorov-Smirnov Z	-.063	-.092
Asymp. Sig. (2-tailed)	.650	.916
	.793	.371

Source: Primary data processed, 2016

The normality test results of variables using the One-Sample Kolmogorov-Smirnov Test showed that the data distribution was normally distributed. This could be seen from the customer bonding variable, which has a significance of 0.371 ($p > 0.05$), and the customer loyalty variable has a value of 0.793 ($p > 0.05$)—so based on the scores of the two variables, it can conclude that the two data distributed normally.

4.2 Linearity Test

Table 3. ANOVA Test Results

	Loyalitas * Customer Bonding				
	Between Groups			Within Groups	Total
	Combined	Linearity	Deviation from Linearity		
Sum of Squares	2324,103	1,285E3	1038,893	2041,897	4,366E3
df	35	1	34	64	99
Mean Square	66,403	1,285E3	30,556	31,905	
F	2,081	40,283	,958		
Sig.	,005	,000	,545		

Source: Primary data processed, 2016

Linearity analysis is used for forecasting purposes between the dependent variable (dependent) and the independent variable (independent) so that it will be known the pattern of the relationship between the two variables, whether it has a unidirectional and linear relationship pattern or opposite direction but linear or at all between the two variables it is not linear but follow a quadratic form. The linearity test in the Anova test column obtained F count is 40.283 with a significance level of 0.000 ($p < 0.05$), it means that the customer bonding variable has a linear relationship with the customer loyalty variable.

4.3 Hypothesis Test

Table 4. Pearson Correlation Test Results

	Customer Bonding	Loyalitas Pelanggan
Customer Bonding Pearson Correlation	1.000	.432**
Sig. (2-tailed)	-	.000
N	100	100
Loyalitas Pelanggan Pearson Correlation	.432**	1.000
Sig. (2-tailed)	.000	-
N	100	100

Source: Primary data processed, 2016

The Pearson correlation test between Customer Bonding and customer loyalty of Parkson Centro Card members obtained a correlation coefficient or r-value of 0.432 with a probability of 0.000 with a significance level of 95% where $p < 0.01$. This means that there is a significant relationship between customer bonding and customer loyalty of Parkson Centro Card members. The positive correlation coefficient value shows a straight relationship, where the relationship that occurs is a positive relationship.

Furthermore, to find out the test results of the influence of customer bonding on customer loyalty of Parkson Centro Card members, see the following table.

Table 5. Results of Analysis of the Effect of Customer Bonding on Customer Loyalty

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1285.210	1	1285.210	40.883	.000a
Residual	3080.790	98	31.437		
Total	4366.000	99			

Source: Primary data processed, 2016

Based on the table above, it is known that the calculated F is 40,883 with a significance level of 0.000. Because the probability (0.000) is smaller than 0.05 ($0.000 < 0.05$), the regression model can be used to predict customer loyalty of Parkson Centro Card members. This shows that there is an effect of customer bonding on customer loyalty of Parkson Centro Card members, so the proposed working hypothesis is accepted.

Table 6. Unstandardized Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1.569	7.430		-.211	.833
Customer Bonding	.388	.061	.543	6.394	.000

Source: Primary data processed, 2016

In the Unstandardized Coefficient (B) column, a regression equation is obtained with the formula $Y = a + bX$, so that the relationship between customer bonding and customer loyalty can be expressed in a math model:

$$Y = -1,569 + 0,388X.$$

Exp:

Y = Customer loyalty variable

X = Customer bonding variable

a = Constant of -1.569 states that if the coefficient of variable X is considered 0, then the value of variable Y is -1.569.

b = Regression coefficient of 0.388, which means that for every addition (because of the + sign) the coefficient of customer bonding variable is 1, there will be an additional value of customer loyalty of 0.388.

The model shows that every time there is an increase in customer bonding, it will be followed by an increase in customer loyalty by 0.388. In addition, the coefficient table shows that the column significance sig. is 0.000 ($p < 0.05$), then H_a is accepted or the regression coefficient is significant, meaning that the level of customer bonding really has a significant effect on customer loyalty of Parkson Centro Card members. To find out the magnitude of the influence of customer bonding on customer loyalty of Parkson Centro Card members can be seen in the following table:

Table 7. Results of Analysis of the Effect of Customer Bonding on Loyalty

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.543 ^a	.294	.287	5.60684

Source: Primary data processed, 2016

Based on the table above, it is known that the regression value between the customer bonding and customer loyalty variables (R) is 0.543, while the determinant coefficient (R Square) is 0.294. These results indicate that 29.4% of customer loyalty of Parkson Centro Card members at Centro Department Store The Plaza Semangi is influenced by customer bonding. The remaining 70.6% is influenced by other factors that have not been revealed in this study.

V. Conclusion

The results of research on customer loyalty of Parkson Centro Card members indicate that most respondents have an opinion about Customer Bonding at the Centro Department Store the Plaza Semanggi in the high category, which is 94%. And the results of customer loyalty research for Parkson Centro Card members show that most of the respondents have a high level of customer loyalty at the Centro Department Store the Plaza Semanggi, which is 49%.

Many competitors use a membership card reward strategy to bind their customers, so it is possible that consumers or customers who are Parkson Centro Card members also become club members of other companies. Although it provides many advantages and privileges of being a club member of a company, the customer bonding strategy at Centro Department Store, The Plaza Semanggi, has a weakness in terms of location which is not easily accessible

by all members of the Parkson Centro Card where Centro Department Store does not have many retail outlets in Indonesia.

Based on the results of the study, it shows that most of the consumers or customers of Parkson Centro Card members have a high level of loyalty in the category.

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