

Analysis of The Effectiveness of Information Communication Technology and The Service Marketing Mix to Customer Loyalty Indihome

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ABSTRACT

Customer loyalty is a very important thing for one business. Maintaining it becomes a priority for long-term gain. There are many things every company can do in order to retain its customers. Providing information communication technology that suits the customer's wishes and executing the right service marketing mix strategy can be done to retain customers. The purpose of this research is to find out the influence of information communication technology and the service marketing mix on customer loyalty. The population of this study is Telkomsel customers who use indihome devices for more than two years in Medan. Data collection techniques using online questioners are tested for validity and reliability. Data analysis techniques use multiple liner regression, classical assumption tests and hypothesis tests. The results showed that partially information communication technology has a significant effect on customer loyalty, partially the service marketing mix has a significant effect on customer loyalty and simultaneously information communication technology and service marketing mix has a significant effect on indihome customer loyalty.

Keywords: Communication Information Technology, Customer Loyalty, Physical Evidence, Price, Product, Promotion

JEL Classification: M3, M31, M30

INTRODUCTION

Global conditions require individuals to always need communication information. Updated information is the most necessary information to run a business and even daily activities. The need for information with qualified information technology becomes the need to be able to know the conditions that are happening anywhere, for that an internet network is needed that can connect it. Technology devices with fast internet network quality are the most needed products today, Consumers are trying to assess which networks provide the most advantages to be used as needed.

A profitable internet network is certainly the most sought after product to continue to use. This option is certainly very profitable for the company. The company's ability to provide solutions to consumer needs will provide high loyalty to products on an ongoing basis. Loyalty is a condition where consumers will not choose other products when they have found a product that suits their needs. It's hard to influence a loyal consumer to move.

Maintaining customers means expecting our consumers to keep using the products produced continuously, thus creating loyalty from consumers. This can happen when the consumer has been satisfied with the product he uses, this will make it to continue to use the products we produce. Loyalty is a condition where the customer will always use the product produced by a company where he has put trust in the product or brand of the product so that the consumer will buy not one but two, three types of the same brand. Loyalty can occur by many factors provided by companies through products including information communication technology, product quality, through a combination of service marketing mix that provides consumer satisfaction.

Information communication technology is a much needed part of individuals. Every business activity requires information technology, communication information technology in using it must be supported by a strong internet network, so that the devices of information technology can function. The reliability of wifi quality is a priority that must be prioritized. For that the company needs to provide a market of products with premium quality so that the internet network can continue to work in running the technology. For that, the service marketing mix becomes a combination of strategies that need to be done continuously in order to provide maximum results for the creation of customer loyalty to the services offered.

Telkomsel is one of the multinational companies that produce Indihome. Indihome internet network that is widely used by the public, especially in the global era and undergoing a pandemic period. The need for indihome becomes a priority, the problem that occurs with consumers is a network that sometimes goes up and down, especially when the weather is cloudy, rain especially accompanied by thunder, even though the amount of pay is not reduced when the network is difficult to access. The company must be able to provide solutions that convince customers not to move to another product.

LITERATURE REVIEW

Loyalty is a key recipe for a company's long-term survival. Loyalty also shows the success of the relationship between the company and the consumer (Torres-Moraga, Vásquez-Parraga, & Zamora-González, 2008) in (Muna et al., 2021). Loyalty is desired by every company to consumers who have felt the products offered to the market. Consumers who feel satisfied are expected to continue to use the product as a form of loyalty. Caruana (2002) states that customer loyalty is part of repeating purchases to customers (Pradana, 2018). The loyal customers is one of a very important company asset.(Daulay & Rany, 2018)

Consumer loyalty is the loyalty of the consumer presented in consistent purchase of a product or service all the time and there is an attitude. It's good to recommend others to buy the product. Loyalty It is the degree to which a consumer exhibits purchasing behavior, repeated from a service provider, having a desposition or tendency of attitude positive towards the service provider, and only consider using this service provider at the time of the need to use this service (Gramer and Brown, 2006). Temporary Oliver (Taylor, Steven. A., Celuch, Kevin, 2004) Describe loyalty as a high commitment to buying back a products or services that are preferred in the future, in addition to the influence of the situation and Marketers' efforts to change behavior. (Zulkarnaini & Fatmasari, 2021).

Loyalty is a form of behavior that is manifested by a person in carrying out ongoing purchases related to products or services". Loyalty is described by repeated and continuous buying behavior. Indicators to measure customer loyalty according to Griffin (2005) include first, customers say positive things about the service company. Second, giving advice to colleagues regarding the use of the services of the company concerned. Third, most likely customers will use the company's services again. Fourth, rarely make the switch to other service delivery services. Fifth, the service company is the first choice chosen by the customer. Sixth, believe that the company is the best service company (Fakhrana, 2020)

Technology is becoming an inseable necessity for every organization. This need requires that every institution must have information technology that becomes a centralized service for every individual who needs it. Information technology becomes the mainstay of an organization for the centrality of all data and information for the continuous implementation of organizational activities. Information technology and today's communication is experiencing a very rapid and dynamic development so that experts call it a symptom of revolution. Even if progress It's still on its way, but it's predictable. There have been many changes in various areas of life that are clearly visible, especially in the field of communication. The changes that occurred, mainly due to various the ability and potential of human communication technology can meet the needs their communication is almost borderless. Missing the use of Information and Communication Technology in all fields will result in lagging and poverty in the information sector as well as the economy (Harahap, 2017). (Berry, 1995) has argued, technology should be the servant and not the master. Indeed, technology elevates the competitive advantage of a service organisation only if it can support the employees and enhance their capacity to offer superior service to the customer.

Information technology is defined as a technology that combines computers with high-speed communication lines, which carry data, sound, and video (Abdul Kadir & Terra CH, 2003). This definition shows that in information technology there are basically two main components, namely computer technology and communication technology. Computer technology is technology related to computers including computer-related equipment. Communication technology is a technology that deals with long-distance communication devices, such as telephony, feximil, and television. But even so, technology does not oversize the role of humans in providing services to customers. According to the research (Jian et al., 2021), the majority of consumers knew McDonald's from social media. It shows that the power of the internet and social media are more easily to let people get to know new things faster.

Marketing is a tool for a company to be able to reach the market of the resulting product. Without marketing a product however good the product will not reach consumers (Daulay & Manaf, 2017). Marketing mix is a combination of variables or activities that are at the core of a marketing system, variables that can be controlled by marketing to influence the reaction of buyers or consumers (Assauri, 2017). The marketing mix is often used for

products in the form of goods consisting of products, prices, places and promotions. For service products used the addition of a combination of service marketing mix with people, processes and physical evidence products.

The service marketing mix becomes important for companies or businesses engaged specifically in the field of service marketing. Marketing mix is an important part to face competitive competition. In a competitive situation, a firm has to prioritize marketing mix elements. This does not mean concentrating only on a few elements and ignoring the others (Cengiz & Yayla, 2007). Prioritizing emphasizes the need to recognize the fact that some elements may be important than others at a given point in time (Kumar, 2002). The service marketing mix means using a marketing strategy by combining 7 P's in getting the market at once to attract it to become product customers. The use of a combination of effective service marketing mix will provide optimal results for the company to gain profits and loyal customers. Products are often said to be anything that can be offered by the manufacturer to consumers or the market to be consumed in order to meet their needs by giving some money. According to (Tjiptono, 2012) a product is everything that a manufacturer can offer to be noticed, requested, sought, purchased, used or consumed by the market as a fulfillment of the needs or desires of the market concerned.) Price is the amount of money required, billed or exchanged to obtain a number of benefits from having or using the product specified by the marketer and a particular product or combination of goods and services. (Daulay et al., 2021)

Price is the value given to a product that is ready for market, which includes all the elements contained and follow the product. So the more facilities provided to obtain a product, the higher the value that will be set against a product. Furthermore, promotion becomes one of the determining factors for the success of a marketing program. No matter how quality a product is if the consumer does not know it and has never heard of it so it is not sure that the product will be useful to them, then consumers will never buy it let alone use it. Promotional strategies are carried out to solve problems planning, implementing and controlling persuasive communication with the market and consumers who are expected to become customers. For a place or sometimes it is said to be a distribution. Place or distribution is a business activity that aims to make the product or service offered more easily affordable by consumers, and can be available to the right target market. Then people are all actors who play a role in service providers so that they can influence customer perceptions. The elements of people are company employees, consumers and other consumers in the service environment. In relation to service marketing, people who function as service providers greatly affect the quality of services provided. People in services are people who are directly involved in explaining all the company's service processes and are factors that play an important role for all organizations in terms of delivering products or services to consumers.

Place or distribution variables are business activities that aim to make the products or services offered more affordable to consumers, and can be available at the right target market. Then people are all actors who play a role in the service provider so that it can affect customer perception. Elements of people are company employees, consumers and other consumers in the service environment. In relation to service marketing, the person who serves as the service provider greatly influences the quality of services provided, decisions regarding this person mean related to selection, training, motivation and human resource management. Physical Evidence is the environment in which services are delivered and where service providers with consumers interact. Along with all other components that support the realization or communication of services. Elements of Physical Evidence termasuk seluruh aspek fasilitas fisik dari organisasi jasa yang terdiri dari atribut eksterior dan interior serta hal berwujud lainnya. Elements of Physical

Evidence include all aspects of the physical facilities of a service organization consisting of exterior and interior attributes as well as other tangible things.

RESEARCH METHOD

Research falls into the category of causal research using quantitative approaches. Causal research is research that wants to see if a variable that acts as a free variable affects other variables becomes bound (Juliandi et al., 2013). This research approach is to use an associative approach that explains the existence of relationships or the influence of free variables on bound variables. Sampling techniques using quota sampling. A sample of 124 respondents to Indihome package customers over the past 2 years. Data analysis techniques using multiple linear regression, classical assumption test and hypothesis test.

RESULTS

Table 1. Multiple Linear Regression Equations

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.859	1.898		.977	.331
Communication information technology	.205	.095	.175	2.215	.027
service marketing mix	.732	.083	.699	8.931	.000

Multiple linear regression equations are as follows:

$$Y = 1,859 + 0.205 + 0.732$$

Based on the regression equation analyzed the effect of product quality and distribution on shopping satisfaction, namely:

1,859 indicates that if the information communication technology variables and service marketing mix are worth zero then customer loyalty is worth 1,859.

0.205 indicates that if information communication technology variables are improved then customer loyalty will increase by 20.5%.

0.732 indicates that if the service marketing mix variable is increased then customer loyalty will increase by 73.2%.

From the results of the research in the table above obtained the value of communication information technology to customer loyalty based on the test t obtained 2,215 thitung > ttabel 1,979 and Sig 0.027 < α 0.05. thus H_0 rejected, it can be concluded that communication information technology affects customer loyalty. Furthermore from the results of research for service marketing mix variables obtained test value t of 8,931 thitung > 1,979 and Sig 0,000 < α 0.05. thus. H_0 was rejected. It can be concluded that the service marketing mix has an influence on customer loyalty (Haris, 2021).

Table 2. Simultaneous test

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	3140.337	2	1570.168	143.868	.000 ^b

Residual	1320.591	121	10.914		
Total	4460.927	123			

a. Dependent Variable: customer loyalty

b. Predictors: (Constant), Communication information technology, service marketing mix

Based on the results of the F test above obtained a value of 143,868 Fhitung > F tabel 3.07 with Sig. 0,000 < α 0.05, thus H0 is rejected, resulting in simultaneous and significant conclusions of information communication technology variables and service marketing mix that affect indihome customer loyalty in Medan.

Table 3. Koefisien Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.839 ^a	.704	.699	3.30363

a. Predictors: (Constant), Communication information technology, service marketing mix

Furthermore, the R Square value shows the contribution of information communication technology variables and service marketing mix to customer loyalty of 0.704 or 70.4% contribution. While Adjusted R Square of 0.699 or 69.9% is able to be given dependent variables and 29.6% is influenced by other independent variables.

DISCUSSION

Partial test results showed that information communication technology significantly affects customer loyalty. Information communication technology is becoming a product that is needed today. Almost every activity requires technological equipment. Especially in the era of pandemic information technology needs play an important role. When the product needed becomes a product and meets the needs of customers, customers become loyal to use the resulting product. Technology has traditionally been viewed as the key to productivity in manufacturing industries. However, in recent years, technology has been a primary catalyst that has helped service firms to innovate their service offers and add value to what they offer their internal and external customers. (Lee et al., 2003).

Furthermore, partially the service marketing mix affects customer loyalty. A quality product is certainly a product that is expected to be used. Products that are quality but have an affordable price with appropriate quality and provide benefits are certainly products that the market needs. Consumers who get products that have good quality with good benefits certainly make loyal consumers to continue to use the product. A good brand will be a prioritized product for customers to continue to use. The results of this study are in accordance with the results of the study.

(Othman et al., 2021), The result indicated that the marketing mix has a significant positive effect on customer loyalty through customer satisfaction both directly and indirectly. According to (Radiman et al., 2020) research results, that the marketing mix positive and significant impact on student loyalty. Simultaneously information communication technology and the service marketing mix significantly affect customer loyalty. Technology plays a role in activities that are very important for some people and the technology needed has a qualified hysteria for a variety of jobs, so technology in the form of internet networks must have the best advantage over competitors, the service

marketing mix becomes a measure to see if a product has an edge in its class. It is argued that satisfaction and service quality are prerequisite for customer loyalty. Highly satisfied customers or even delighted customers are more likely to become loyal to the firm. Customer loyalty in service industries has received attention in both marketing and management theory and practice. Not only does customer loyalty acts as a barrier to customer switching behaviour but also acts as a development of a sustainable competitive edge. (Ejisu & Poku, 2014). Internal marketing has a significant positive effect on service quality. This indicates that better internal marketing will be able to improve service quality (Rihayana et al., 2021)

CONCLUSION

The implication of this research is that many research results are related to customer loyalty. That customer loyalty is an important thing to be maintained by every business. Customer loyalty has been well done by the Indihome company in Medan. This research provides important implications for the theory of information technology and service marketing mix. The results of the study support previous studies. The results of the research hypotheses can be concluded 1) Partially show communication information technology has a significant effect on customer loyalty. 2) Furthermore, partially the service marketing mix has an effect on customer loyalty. 3) Simultaneously, information communication technology and service marketing mix have a significant effect on customer loyalty.

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DECLARATION OF CONFLICTING INTERESTS

The statements of interest in this research are: 1) The systematics of writing this paper is in accordance with the template provided by the committee; 2) This research has differences with other articles; 3) This research does not have an element of provocation.

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