CUSTOMER RELATIONS AND CUSTOMER LOYALTY MIXUE ICE CREAM & TEA WEST JAKARTA AREA

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ABSTRACT

In the era of globalization and the competitive business environment, companies must deftly and accurately understand the competitive conditions in a dynamic and uncertain business environment. Every business venture must be competitive to attract and retain buyers. Mixue Ice Cream & Tea is a culinary business in the form of desserts, which in 2020 has more than 10,000 stores spread across Indonesia. By increasing the number of branches, Mixue Ice Cream & Tea is increasingly recognized by the public. In addition, Mixue Ice Cream & Tea provides menu choices ranging from ice cream menus to tea at affordable prices. This is an attraction for people to buy Mixue Ice Cream & Tea. To maintain public enthusiasm, Mixue Ice Cream & Tea must obtain loyal customers by carrying out one of the public relations functions, namely establishing good relations with customers (customer relations). This study aims to determine the effect of customer relations on customer loyalty. Using quantitative research methods, it was found that customer relations have an influence on customer loyalty. The research results only apply to Mixue Ice Cream & Tea, West Jakarta branch. If customer loyalty decreases, customer relations increase. Therefore, the company needs to increase customer relations activities to increase customer loyalty.

Keywords: Customer loyalty, customer relations, public relations

1. PREFACE

In the era of globalization and business competition environment, companies must deftly and accurately understand competitive conditions in a business environment that is very fast and not full of uncertainty. Therefore, every business must be competitive in attracting and keeping loyal buyers. Technology and industry development affects people's lives, especially in today's business world. In addition, many businesses are established by large and small companies, which can affect the tight competition among companies, especially with similar companies. In addition, many businesses are established by large and small companies, which can affect the tight competition between companies, especially with similar companies. One of them is Mixue Ice Cream & Tea, a culinary business that sells desserts in the form of ice cream and tea; Mixue Ice Cream & Tea had more than 10,000 stores in 2020.

Mixue's company is from China founded by Zhang Hongchao in 1997. According to CNBC Indonesia information, Mixue branches have been widely spread in several Asian regions: China, Vietnam, Malaysia, Singapore, and Indonesia. In its home country of China, Mixue Ice Cream & Tea has more than 10,000 stores as of 2020. Mixue Ice Cream expanded its market in Indonesia by opening branches across various parts of Indonesia. Quoted from kumparan.com one of them in Jakarta, until now the company has 53 branches in Jakarta with the most branches in West Jakarta, namely 19 stores spread in the region. (DetikFinance, 2022) (Hasibuan, 2022) (Febriana, 2022)

Customer Relations

Oesman (in Krissianty, 2019) customer relations is the process of activities to acquire, maintain, and create customer value so that customer loyalty develops. Maintaining good customer relations

requires actions or public relations communication programs through customer relations programs or building customer relationships. In this study, researchers used the theory of Customer Relationship Management. Customer relationship management (CRM) is one of the activities or programs of business entities in providing satisfaction to customers (Hakim &; Syofyan, 2018).

Through customer relationship management, it means that the company pays attention to its customers and makes them feel that they are an important part of the company. According to Bern H. Schmitt (in Fadila, 2016) customer relations is a customer relationship in which one customer and another customer is treated differently depending on their needs. According to Butlle, (deep Marilyn, 2016) customer relations activities have 3 activities, namely:

- a) Acquiring new customers (customer acquisition) Customer acquisition is a process to get new customers. This stage is the initial stage for a company to grow its business.
- b) Retaining existing customers (customer retention) customer retention or customer retention is a strategy that maintains or seeks to maintain long-term relationships with consumers.
- c) Developing customer value (customer developing) customer development is a value process or the process of links or links in retention.

There are several benefits to Customer Relationship Management, according to Amen Tunggal, that, is driving customer loyalty, reducing costs, improving operational efficiency, improving time to market, and increasing revenue.

Customer Loyalty

Customer loyalty is a person's behavior during repeat purchases and also builds long customer loyalty to the products and services the business provides (Rachman &; Oktavianti, 2021) entity. According to Tjipton, customer loyalty is customer loyalty to brands and suppliers, which is based on a very positive attitude in long-term purchases. According to Griffin, there are several characteristics of loyal customers, namely: (Siregar &; Hakim, 2017) (Gultom et al., 2020)

- a. Make regular recurring purchases.
- b. Buy interline products and services.
- c. Refer to others.
- d. Shows immunity to pull from competitors.

This research focuses on how the influence of customer relations with the dimensions of acquiring new customers (customer acquisition) customers, retaining existing customers (customer retention), and developing customer value (customer developing) on Customer Loyalty (Y). Variable Y uses the dimensions of regularly recurring purchases, buying between product lines and services, referring to others, and showing immunity to pull from competitors.

From these dimensions can be formulated hypotheses which are temporary conjectures as follows: Ho: There is no effect of customer relations on customer loyalty.

H1: There is an influence of customer relations on customer loyalty.

2. RESEARCH METHOD

The method used by researchers in the research approach is quantitative methods. According to Sugiyono (in quantitative methods are Imron, 2019) The research data is in the form of numbers and analysis using statistics. A sampling of 100 respondents with specific criteria who are customers of the West Jakarta area Data collection using Likert scale questionnaires as an instrument with the aim of obtaining information from respondents representing specific populations. This study has independent variables, namely .Customer Relations and the dependent variable is customer loyalty.

Table 1

Variable	Dimension	Indicators	Scale	
(X) Customer Relations (MARILYN, 2016)	Acquiring new customers	 Providing the best service to customers. Provide convenience to customers. 	 ✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale 	
	Retaining exiting customer.	 Fostering good relationships with customers. Speed in providing service. 	✓ Very Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	
	Develomping customer.	 Consistent in providing satisfaction to customers. Understand customer needs well. 	✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	
(Y) Customer loyalty (Gultom et al., 2020)	Make regular recurring purchases.	 Customers buy back the same product. Customers add products in one purchase. 	✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	
	Buy anatalini products and services.	Buy the whole product	✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral= ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	
	Refer to others.	Customers recommend products to others.	✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	
	Demonstrate immunity to pull from competitors	d. Customers are not affected by competitors' persuasion	✓ Totally Agree=5 ✓ Agree=4 ✓ Neutral=3 ✓ Disagree=2 ✓ Strongly disagree=1 Likert scale	

3. RESULT AND DISCUSSION

Table 2

Customer Relations Validity Test (X)

Variable	Items	R Calculate	R table	Conclusion
Customer Relations (X)	Statement 1	0.441	0.1966	Valid
	Statement 2	0.407	0.1966	Valid
	Statement 3	0.733	0.1966	Valid
	Statement 4	0.776	0.1966	Valid
	Statement 5	0.697	0.1966	Valid
	Statement 6	0.706	0.1966	Valid
	Statement 7	0.595	0.1966	Valid
	Statement 8	0.689	0.1966	Valid
	Statement 9	0.754	0.1966	Valid
	Statement 10	0.679	0.1966	Valid
	Statement 11	0.634	0.1966	Valid
	Statement 12	0.297	0.1966	Valid

Table 3

Customer Loyalty Validity Test (Y)

Variable	Item	R Calculate	R table	Conclusion
Customer Loyalty (And)	Statement 1	0.584	0.1966	Valid
	Statement 2	0.576	0.1966	Valid
	Statement 3	0.677	0.1966	Valid
	Statement 4	0.704	0.1966	Valid
	Statement 5	0.753	0.1966	Valid
	Statement 6	0.632	0.1966	Valid
	Statement 7	0.655	0.1966	Valid
	Statement 8	0.834	0.1966	Valid
	Statement 9	0.809	0.1966	Valid
	Statement 10	0.737	0.1966	Valid

Reliability Test

The results of the reliability test show that the statement of variable X, namely customer relations, has a value of 0.870 is above 0.60, so it can be concluded that r alpha > r table which means that the questionnaire for the variable customer relations (X) is reliable. The reliability test results of variable Y, namely customer loyalty, have a value of 0.880 above 0.60. From the results obtained by the reliability test, the statement items in the questionnaire regarding customer loyalty are said to be reliable.

Normality Test

Based on the results of the normality test obtained, the significance value is 0.974, which means that the value is greater than the specified level, which is 0.05. Therefore, the data used in this study were normally distributed. Thus, the data obtained are suitable for use in this study.

Simple Linear Regression Analysis Test

The following results are obtained from a simple linear regression analysis test:

- a) α = a constant of -1.249, which means that the consistent value of the variable (Y) of Customer Loyalty is -1.249.
- b) The Customer Relations variable is 1.017, it proves that every 1% addition to the value of Customer Relations Loyalty value will increase by 1.017. It can be interpreted that the regression coefficient is positive, so that the direction of influence of variability X is positive.

Test – T (Partial Significant)

The results of the T-test obtained get the following results:

- a) A significant value of 0.000 can be concluded that variable (X), namely Customer Relations, has an influence on variable (Y), namely Customer Loyalty.
- b) Based on the value of t: it is known that the value of t is calculated as much as 22.39 > t table 1.985 so that it can be concluded that the variable (X), namely Customer Relations (X) has an influence on the variable (X), namely customer loyalty. Formula and Description:

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T table = T (A/2; N-K-1)
= t (0,025; 100-1-1)
= t (0,025; 98)
= 1,985
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Correlation Coefficient Test (R)

Based on the results of the correlation test (R), an R value of 0.915, an R square (R²) of 0.837 and an adjusted R square (R²) of 0.835 were obtained. This means that customer relations has an influence of 83.7% on customer loyalty, while the remaining 16.3% (100% - 83.7%).

4. CONCLUSIONS AND RECOMMENDATIONS

This study aims to determine whether there is an influence of customer relations variables on customer loyalty of Mixue Ice Cream &; Tea West Jakarta Area. Respondents in this study are consumers who know and buy Mixue Ice Cream & Tea products in West Jakarta. Based on the results of testing on research that has been tested with quantitative methods, the results of the research were obtained that customer relations has an influence on customer loyalty of Mixue Ice Cream &; Tea in West Jakarta. If Mixue Ice Cream &; Tea's customer loyalty decreases, customer relations increase.

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