Increasing Customer by Value Marketing Mix in Service-Based Business

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Abstract: Customers in the service industry expect to get quality and satisfying service. The purpose of this research is to see how the implementation of market strategy conducted in AutoBridal priority 5, service company in Bandung, Indonesia in terms of marketing mix and customer value. The research method in this research is descriptive method with the object of analysis 76 AutoBridal Bandung customers. The result exposes the conclusions that the AutoBridal Bandung customers found that marketing mix conducted is already in decent criteria as well as the customer value. Market strategy in terms of targeting implemented by AutoBridal Bandung is done by adjusting consumption patterns in the provision of products and services, services that prioritize customer satisfaction.

Key words: Market strategy, marketing mix, customer value, service-based business, satisfying, conducted

INTRODUCTION

Service business organizations with great attention to customer satisfaction focus much on the issue of how to hire and train skilled, knowledgeable and compelling service personnel (Nysveen *et al.*, 2015; Pradana and Danisa, 2017). Nevertheless the approach is no longer sufficient because by consumers who not only prioritize quality but also prioritize speed in service (Wardhana and Pradana, 2016). The larger the portion of time allocated for employees to work then make the waiting time of consumers to be reduced. Consumers are increasingly less likely to have tolerance to wait on the queue for long periods of time (Madiawati and Pradana, 2016).

Quality starts from the needs of consumers and ends on consumer perceptions (Pradana and Reventiary, 2016). It can be interpreted that good quality seen from consumer perception not from perception of company (Fadhillah *et al.*, 2015).

In the service industry, customers expect to get quality and satisfactory service (Barreira *et al.*, 2016). On the other hand, service providers also have quality standards in providing services. We take AutoBridal priority 5, a company located on Buahbatu Bandung, Indonesia as a service-based business to be investigated in this research. We are curious to see if customers have expectations of service quality that may be different from other service providers. This research will focus to investigate the market strategy, marketing mix and customer value of AutoBridal priority 5 Buahbatu Bandung.

Literature review: The goal in any business is to create value to customers for profit (Pradana and Danisa, 2016). The markets that have tight competition and the development of ease of information are faced with customers who have many choices therefore, the company can win only by positioning the delivery process to choose, deliver and communicate superior value.

Kotler (2017)'s customer value is "The difference between a prospective customer's assessment of all the benefits and costs of an offer against its alternatives". This means that service providers must determine the total value for customers and the total cost for customers offered by each competitor to know how their positions are (Madiawati and Pradana, 2016). Companies that are in a disadvantaged position "value" may try to "Increase the total customer value" or "Reduce the total value of customer costs", so, as to create a high value compared to the competitor's product (Hussien and Aziz, 2017).

To illustrate the framework used in this study as a reference for determining systematic steps aimed at making the first stage of discussion the basis for the next stage of discussion, it can be seen in Fig. 1.
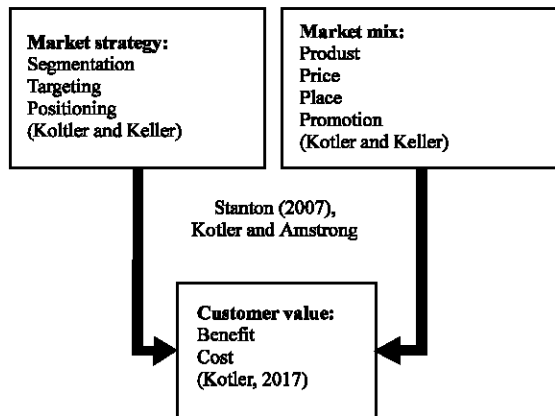
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Fig. 1: Research framework

Fig. 2: Continuum line of decision making criteria

Table 1: Test results instrument validity of market strategy

Items	r	Sig. t	Verdict
X1	0.750	0.000	Valid
X2	0.798	0.000	Valid
X3	0.761	0.000	Valid
X4	0.715	0.000	Valid
X5	0.742	0.000	Valid
X6	0.815	0.000	Valid
X7	0.592	0.000	Valid

Table 2: Test results instrument validity of marketing mix

Items	r	Sig. t	Verdict
Y1	0.742	0.000	Valid
Y2	0.738	0.000	Valid
Y3	0.773	0.000	Valid
Y4	0.617	0.000	Valid
Y5	0.643	0.000	Valid
Y6	0.548	0.000	Valid
Y7	0.587	0.000	Valid
Y8	0.691	0.000	Valid
Y9	0.639	0.000	Valid
Y10	0.706	0.000	Valid
Y11	0.572	0.000	Valid
Y12	0.714	0.000	Valid
Y13	0.663	0.000	Valid
Y14	0.748	0.000	Valid
Y15	0.783	0.000	Valid
Y16	0.652	0.000	Valid
Y17	0.726	0.000	Valid
Y18	0.772	0.000	Valid
Y19	0.717	0.000	Valid
Y20	0.827	0.000	Valid
Y21	0.699	0.000	Valid
Y22	0.541	0.000	Valid
Y23	0.831	0.000	Valid
Y24	0.814	0.000	Valid
Y25	0.780	0.000	Valid
Y26	0.677	0.000	Valid

Table 3: Test results instrument customer value

Items	r	Sig. t	Verdict
Z1	0.799	0.000	Valid
Z2	0.804	0.000	Valid
Z3	0.830	0.000	Valid
Z4	0.789	0.000	Valid

Output SPSS Ver. 22, 2016

MATERIALS AND METHODS

The research method used in conducting this research is descriptive study with a total of 79 respondents. After obtaining answers from the results of the questionnaire, we then compared with the expected results and multiplied 100%. This is in accordance with the opinion of Malhotra *et al.* (2013) and Wardhana and Pradana (2016) as follows:

$$\frac{\hat{A}\ \text{questionnaire results}}{\hat{A}\ \text{expected responses}} \times 100\%$$

From the above calculation results, the criteria for decision making by using the percentage as proposed by Fadillah *et al.* (2015) seen in this continuum (Fig. 2). Test results instrument validity variable market strategy. Table 1 shown the results of the validity test to determine the quality of data based on items of variable statement market strategy (X).

Result of validity test to know data quality based on item of variable statement of market strategy (X) based on Sig. t-value which is smaller than 0.05 can be declared as entirely valid, so that, data obtained from questionnaire instrument market strategy (X) variable can be processed and analyzed further.

Instrument validity test results variable marketing mix. Table 2 shown the results of the validity test to determine the quality of data based on the items of the marketing mix variables (Y).

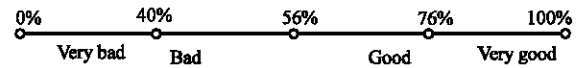The validity test results to know the quality of data based on the items of the marketing mix variables (Y) based on the Sig. t-value which is smaller than a = 0.05 can be stated entirely valid, so that, the data obtained from questionnaire instrument of marketing mix (Y) variables can be processed and analyzed further.

Instrument validity test results of customer value variable. The following results show the validity test to determine the quality of data based on the items statement customer value variable (Z) (Table 3).

Result of validity test to know data quality based on item of customer value variable value (Z) variable based on Sig. t-value which is smaller than a = 0.05 can be stated entirely valid, so, the data obtained from questionnaire instrument of customer value variable (Z) can be processed and analyzed further.

Next, reliability test is done to see the level of consistency of a variable. A reliable gauge if Cronbach's alpha coefficient is equal to or greater than 0.70. The reliability test conducted on the research data from the questionnaire instrument found the Cronbach's alpha coefficient of more than 0.70 as shown in the following Table 4.

Reliability test results for each item statements of questionnaire instruments with Statistical Product and Service Solutions (SPSS) Software tools, obtained reliability test results for each research variable which is used indicates that every research variable used has fulfilled the reliable category with Cronbach alpha coefficient value for each research variable above the limit value of 0.700. This provides information that respondent's answers to the questionnaires used show consistency, so that, the results of score score answers questionnaire for each research variable can be used and analyzed further.

RESULTS AND DISCUSSION

Based on the respondent's answers to the questionnaire statements about market strategy conducted AutoBridal Bandung consisting of 3 dimensions of segmentation, targeting and positioning can be known value of respondents based on the indicators that are further described as follows.

AutoBridal market strategy Bandung in dimension segmentation, consisting of measurement indicator interesting impression on AutoBridal, visually adjusted to customer status and merging services according to customer requirement. Results of distribution of respondents respondents AutoBridal Bandung to the statement relating to the segmentation dimension on market strategy variables amounting to 79 samples is presented in Table 5-7.

Based on this table shows that score of market strategy on dimension positioning that is equal to total 931 with score percentage equal to 78.6%. The lowest scores are shown on the merger indicator of the service in accordance with the needs of the customer with a score of 295 (74.7%). To know the criteria of market strategy on segmentation dimension based on not good, not good, good and good by using 3 indicators, used in drawing in the form of continuum line as in Fig. 3.

AutoBridal market strategy Bandung in targeting dimension, consist of measurement indicator: taste with consumption pattern, priority of customer satisfaction and compatibility of location with target market. The

Table 4: Reliability test

Variables	n items	Cronbach alpha	Verdict
Market strategy	7	0.860	Reliable
Marketing mix	26	0.959	Reliable
Customer value	4	0.807	Reliable

Table 5: Frequency distribution of respondents customer response AutoBridal Bandung to the market strategy statement in segmentation

Questionaire	Indicator segmentation	Weight					Score	Percentage	Verdict
		1	2	3	4	5			
X1	Good impression on AutoBridal	1	3	8	48	19	318	80.5	Good
X2	Visually conformed with customer social status	1	3	4	56	15	318	80.5	Good
X3	Conformed with customer's needs	1	7	13	49	9	295	74.7	Very good
Total							931	78.6	Good

Table 6: Frequency distribution of respondents customer response AutoBridal Bandung to the market strategy statement in targeting

Code	Indicator segmentation	Weight					Score	Percentage	Verdict
		1	2	3	4	5			
X4	Conformity with pattern of customer	0	1	5	61	12	321	81.3	Good
X5	Put customer's satisfaction as priority	0	5	2	57	15	319	80.8	Good
X6	Suitability of location with target market	0	10	12	46	11	295	74.7	Good
Total							935	78.9	Good

Table 7: Frequency distribution of respondents customer response AutoBridal Bandung to the market strategy statement in positioning

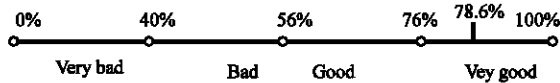| Questionaire	Indicator segmentation	Weight					Score	Percentage	Verdict
		1	2	3	4	5			
X7	Product spesification	0	3	8	62	6	308	78.0	Good
Total							308	78.0	Good

Fig. 3: From of continuum line

results of the distribution of respondents AutoBridal Bandung to the statement relating to the targeting dimension on market strategy variables totaling 79 samples is presented in Table 6.

Based on this table shows that score of market strategy on targeting dimension that is equal to total 935 with score percentage equal to 78.9%. The lowest score is shown in the indicator of the suitability of the location with the target market with a score of 295 (74.7%). To know the criteria of market strategy on targeting dimension based on not good, not good, good and good by using 3 indicators used in drawing in the form of continuum line as follows.

AutoBridal Bandung market strategy in positioning dimension, consist of measurement indicator: taste with consumption pattern, priority of customer satisfaction and compatibility of location with target market. Results of distribution of respondents respondents AutoBridal Bandung to the statement relating to dimension positioning on market strategy variables amounting to 79 samples is presented in Table 7. Based on this table shows that the score of market strategy in dimension positioning that amounted to a total of 308 with a percentage score of 78.0%.

CONCLUSION

The results of research are discussed based on the results of collecting, processing and data analysis is done by referring to the descriptive statistical analysis approach using data collection tool in the form of questionnaire instrument. The results of research related to the role of market strategy and marketing mix in increasing customer value AutoBridal priority 5 Buahbatu Bandung.

Referring to the objective of the study of the implementation of market strategy conducted in AutoBridal priority 5 Buahbatu Bandung based on the depiction in the form of continuum line obtained a presentation of suitability of 74.0% which is included in the criteria is quite good. This shows that AutoBridal Bandung implements a good market strategy in creating value for its customers. Market strategy conducted by AutoBridal Bandung refers to segmentation, targeting and positioning.

The market strategy in terms of segmentation is implemented by AutoBridal Bandung through the use of the AutoBridal name that gives the impression of interest to its customers, visually placing AutoBridal's suitability with its customer status and the merging process of services that suits all of its customer's needs. The result of the description of market strategy on the segmentation aspect shows the highest score on the X11 indicator and the lowest on X12. The lowest implementation of segmentation in X12 market strategy is possible because the fulfillment of every market need is not easy to do by AutoBridal because of the diverse demands of AutoBridal customer needs as proposed also by Sohail and Shanmugham (2017), Wijaksana and Pradana (2017).

IMPLEMENTATIONS

Market strategy in terms of targeting implemented by AutoBridal Bandung is done by adjusting consumption patterns in the provision of products and services, services that prioritize customer satisfaction and choose the location of services that match the target market potensia. The result of the description of the market strategy on the targeting aspect shows the highest score on the X21 indicator and the lowest on X22. The lowest application of targeting on X22 market strategy is possible because the fulfillment of every market requirement is not easy to do by AutoBridal due to the diverse demands of AutoBridal customer needs.

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