
The Costumer Care Affects Costumer Retention Through Service Quality and Customer Satisfaction

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Abstract

This study aims to: 1) examine the effect of customer care on service quality at a four-star hotel in Makassar; 2) see the effect of customer care on customer satisfaction; 3) see the effect of customer care on customer retention; 4) see the effect of customer care on customer retention through service quality; 5) see the effect of customer care on customer retention through customer satisfaction; 6) Service quality affects customer satisfaction; 7) Service quality has an effect on customer retention; 8) Service quality has an effect on customer retention through customer satisfaction and 9) Customer satisfaction has an effect on customer retention.

Keywords: Customer care; service quality; customer satisfaction; customer retention.

1. Introduction

Today the hospitality business in maintaining its survival, the practice has undergone a paradigm shift, which is not only directed at creating transactions, but also trying to establish relationships with customers for a longer time by building customer retention.

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By increasing customer retention, it can increase the number of individual customers and business customers who come from several institutions, both government and private [1]. It is hoped that the increase in customer retention is not due to chance or the urgency of the customer in choosing or determining the product or service of the company, but based on the choice of service and the availability of the product or service as well as customer convenience. This is the company's step in increasing customer retention through a customer retention program that is built appropriately and involves all components within the company to realize the expected increase in customer retention. The target of improving the quality of its services includes all stakeholders, namely: government, community, employees, partners, and especially service users. This service improvement is also intended to anticipate the increasingly fierce competition in this field. Quality must start from customer needs and end at customer perception. This means that a good quality image does not come from the provider, but from the customer's point of view or perception. It is customers who consume and enjoy services, so they should judge the quality, benefits, and services they express with discontent and very satisfaction. Quality service is the key to satisfying customers, therefore service quality can be created by first identifying customer expectations about the services they need and want, then adjusting to the services that will be provided and provided by the hotel. Such as the attitude of hotel staff, hotel staff communication, and other supporting facilities. Thus, the services provided will be in accordance with the needs and desires of customers. However, it is not easy to achieve overall customer satisfaction. Because the customers we face today are different from those of a few decades ago [2]. Consumer satisfaction is the consumer's response to the evaluation of the perceived difference or disconfirmation between previous expectations and the actual perceived performance of the product after use. It can be said that consumer satisfaction or dissatisfaction is the difference between expectations and perceived performance. If the perceived service is as expected, then the perceived quality is good and satisfactory. So that the quality of service is perceived as an ideal quality and vice versa [3]. There are several dimensions in service quality, including reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding, and tangible. The appearance and capabilities of the company's physical facilities and infrastructure and the state of the surrounding environment are tangible evidence of the services provided by the service provider. This includes physical facilities (buildings, warehouses, interior design, and others), technology (equipment and equipment used), as well as the appearance of employees. In short, it can be interpreted as the appearance of physical facilities, equipment, personnel, and communication materials [4]. Consumers will feel satisfied if the place where they make purchases is attractive and comfortable.

2. Literature Review

This study examines the relationship between several constructs or latent variables based on a theoretical approach related to the understanding and concept of the research variables, namely: customer care, service quality, customer satisfaction, and customer retention at a 4-star hotel in the city of Makassar [5]. The theoretical constructions used in connection with this research study are main theory, intermediate theory, applied theory [6]. The theoretical basis in this study starts from a general theory consisting of organizational behavior theory. The theory is a scientific discipline that examines individual behavior in organizations based on two basic components, namely individuals and formal organizations. The individual is related to behavior, while the organization is the container for the behavior itself [7]. The scope of the study of organizational behavior

theory in this study is limited to the internal dimensions of an organization, covering aspects of organizational behavior, including organizational culture, human resource development, entrepreneurial character, and competitive advantage as organizational goals [8]. The intermediate theory in this study uses a marketing theory approach that examines the process of business activities based on a strategic plan that leads to the fulfillment of consumer needs and satisfaction by means of exchanges between two parties [9]. Customer care is a company's strategy in providing meaningful service to customers. Customer care can be different for each person depending on the condition of the customer at that time and the condition of the customer must always be understood by employees before interacting directly [10]. Customer care at its most basic means giving away something that the customer is not entitled to, but the company gives it as a gift. Not a few companies interpret care or customer care as an extra job outside the work that is the right of the customer. So it is not uncommon for companies to provide services such as reflexology for priority customers in banking, services to find helpers in banking, find airline tickets in banking, and others. Customers care principles that can help build the best service. First, for customers; the company's front line is a company representative. Customers usually don't know or don't see what's going on inside the company, so their opinion of the company is when they get their first impression of the company [11]. Second, related to customer satisfaction; Research shows that there is a strong relationship between employee job satisfaction and the quality of customer service provided by employees. This relates to the attitude of employees to provide good service and create a strong culture. Motivating employees to create a strong customer service culture usually doesn't happen unless the employees themselves feel valued by their company and are satisfied with their work [12]. Third, show customers that they are valued by the company represented by employees who interact directly with customers. Many organizations make the mistake of assuming that customers know this and don't need to be told explicitly [13]. Fourth, internal customer service is as important as external customer service. The internal customers are the employees themselves, meaning that the company must be able to provide access to employees to enjoy all the existing facilities, but of course with limitations in the form of clear rules of the game so that when employees interact with external customers it will be easier to explain all the advantages of the company [14]. Fifth, train staff in terms of providing outstanding customer service and maintaining their trust. Something to avoid is expecting people to do what we expect without making the effort to impart the knowledge and skills to do as expected [15]. Seriousness in creating a good customer service culture, the need to educate employees about the best service in accordance with company expectations.

3. Research Methodology

This type of research is included in survey research, which aims to reveal the facts of a phenomenon by using a questionnaire as a primary data collector which is carried out, evaluated, and draws conclusions related to hoteliers in Makassar. The research design is grouped into descriptive research which aims to describe the characteristics of the proposed variables relating to phenomena that occur factually based on the perception of tourism business actors with a research focus, namely customer care (X1), service quality (X2), customer satisfaction (X1) programs. Y) and customer retention (Z) at four-star hotels in Makassar. Furthermore, to answer the research hypothesis, an explanatory research approach is used to test the relationship between variables. This research was conducted in Makassar City with the unit of analysis of companies engaged in the tourism industry, namely four-star hotels in Makassar which consist of the Foxlite Royal Bay Makassar Hotel,

Harper Perintis Makassar, Swissbel Hotel Makassar, and Claro Hotel Makassar. Therefore, the number of units of analysis is relatively small, so this study uses the population or takes the entire population as the object of research. The locus of this research was chosen with the following considerations: a) Four-star hotels in Makassar are quite contributing to the economic cycle, especially in Makassar, this is because there are many parties involved in the hotel business; b) Four-star hotels in Makassar city contribute to local revenue which can help drive the wheels of government the economy in Makassar: c) Tourism business development is closely related to service quality, customer satisfaction, and customer repurchase.

4. Result

The year 2020 was a dark year for hospitality throughout the world, including Indonesia, this was due to restrictions on the movement of people around the world due to Covid-19. The role of tourism, especially hospitality in the world economy, is decreasing, despite adapting all activities in hotels by following health protocols. However, due to social restrictions, the hotel business has not moved significantly, in Makassar the hospitality business during this pandemic is the same as experienced by other regions. The survey results obtained answers based on the perceptions of 180 guest respondents who had stayed at four-star hotels in Makassar. Description of respondents based on gender is characterized by male guests with a total of.

Table 1: Characteristics of respondents

Gender	Total	Percentage
Male	75	42.0%
Female	105	58.0%
Total	180	100.0

A person's age can affect the level of maturity in attitude and behavior. Meanwhile, a person's level of education can influence the mindset in taking action and making decisions, as illustrated in table 2 below:

Table 2: Characteristics of respondents based on age level and education level.

Education	20-30 years old		31-40 years old		41-50 years old		51-60 years old	
	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	Percentage	
High school	3	6%	3	5%	0	0%	0	0%
Scholar	33	66%	28	47%	29	56%	12	67%
Master	13	26%	28	47%	16	31%	4	22%
Doctoral	1	2%	1	2%	7	13%	2	11%
Total	50	100%	60	100%	52	100%	18	100%

Descriptive analysis of respondents' answers regarding the X1 variable, namely Customer care, is based on the

results of respondents' answers to the actual statements and facts contained in the distributed questionnaires. Respondents' responses to the Customer care variable can be seen in the following table:

Table 3: Respondents' responses to customer care variables (X1)

No	Response	Answer										Score
	Respondent	Stongly disagree		Disagree		Neither agree nor disagree		Agree		Strongly argee		
	Indicator	f	%	f	%	f	%	f	%	f	%	
1	X1.1	26	13	37	18.5	34	17	46	23	57	28.5	671
2	X1.2	31	15.5	37	18.5	38	19	45	22.5	49	24.5	644
3	X1.3	30	15	38	19	35	17.5	47	23.5	50	25	649
4	X1.4	29	14.5	34	17	37	18.5	43	21.5	57	28.5	665
5	X1.5	27	13.5	38	19	36	18	43	21.5	56	28	663
6	X1.6	26	13	36	18	39	19.5	44	22	55	27.5	666
7	X1.7	27	13.5	37	18.5	35	17.5	43	21.5	58	29	668
8	X1.8	26	13	40	20	32	16	46	23	56	28	666
9	X1.9	31	15.5	39	19.5	37	18.5	35	17.5	58	29	650
Average												660.2

Source: Primary data, processed in 2021.

Description of the answer variable quality service (Y1) and score calculation descriptive analysis of respondents' answers regarding the Y1 variable, namely quality service, is based on the results of respondents' answers to actual statements and facts contained in the distributed questionnaires. Respondents' responses to the quality service variable can be seen in the following table:

Table 4: Respondents' response to service quality variable (Y1)

No	Response	Answer										Score
	Respondent	Stongly disagree		Disagree		Neither agree nor disagree		Agree		Strongly argee		
	Indicator	f	%	f	%	f	%	f	%	f	%	
1	Y1.1	21	10.5	25	12.50	44	22	46	23	64	32	707
2	Y1.2	25	12.5	24	12.00	36	18	47	23.5	68	34	709
3	Y1.3	29	14.5	21	10.50	44	22	44	22	62	31	689
4	Y1.4	23	11.5	27	13.50	43	21.5	48	24	59	29.5	693
5	Y1.5	25	12.5	25	12.50	39	19.5	45	22.5	66	33	702
6	Y1.6	26	13	26	13.00	40	20	45	22.5	63	31.5	693
7	Y1.7	21	10.5	21	10.50	45	22.5	48	24	65	32.5	715
8	Y1.8	26	13	24	12.00	42	21	43	21.5	65	32.5	697
9	Y1.9	24	12	23	11.50	41	20.5	47	23.5	65	32.5	706
Average												701.2

Source: Primary data, processed in 2021.

Description of Answers for customer satisfaction variables (Y2) and score calculations. Descriptive analysis of respondents' answers regarding the Y2 variable, namely customer satisfaction, is based on the results of respondents' answers to the actual statements and facts contained in the distributed questionnaires. Respondents' responses to the customer satisfaction variable can be seen in the following table:

Table 5: Respondents' responses to customer satisfaction variables (Y2)

No	Response	Answer										Score
	Respondent	Stongly disagree		Disagree		Neither agree nor disagree		Agree		Strongly argee		
	Indicator	f	%	f	%	f	%	f	%	f	%	
1	Y2.1	20	10	27	13.50	48	24	45	22.5	60	30	698
2	Y2.2	20	10	22	11.00	47	23.5	47	23.5	64	32	713
3	Y2.3	21	10.5	27	13.50	53	26.5	40	20	59	29.5	689
4	Y2.4	18	9	24	12.00	53	26.5	41	20.5	64	32	709
5	Y2.5	16	8	25	12.50	49	24.5	44	22	66	33	719
6	Y2.6	21	10.5	21	10.50	56	28	39	19.5	63	31.5	702
7	Y2.7	19	9.5	26	13.00	45	22.5	45	22.5	65	32.5	711
8	Y2.8	23	11.5	22	11.00	50	25	42	21	63	31.5	700
9	Y2.9	20	10	28	14.00	46	23	41	20.5	65	32.5	703
Average												704.9

Source: Primary data, processed in 2021.

Respondents' responses to the customer retention variable can be seen in the following table:

Table 6: Respondents' responses to the customer retention variable (Z1)

No	Response	Answer										Score
	Respondent	Stongly disagree		Disagree		Neither agree nor disagree		Agree		Strongly argee		
	Indicator	f	%	f	%	f	%	f	%	f	%	
1	Z1.1	24	12	36	18.00	49	24.5	36	18	55	27.5	662
2	Z1.2	29	14.5	37	18.50	45	22.5	33	16.5	56	28	650
3	Z1.3	30	15	38	19.00	26	13	54	27	52	26	660
4	Z1.4	31	15.5	36	18.00	34	17	45	22.5	54	27	655
5	Z1.5	32	16	31	15.50	36	18	50	25	51	25.5	657
6	Z1.6	28	14	37	18.50	32	16	48	24	55	27.5	665
7	Z1.7	27	13.5	39	19.50	38	19	40	20	56	28	659
8	Z1.8	26	13	29	14.50	36	18	53	26.5	56	28	684
9	Z1.9	25	12.5	36	18.00	42	21	43	21.5	54	27	665
Average												661.9

Source: Primary data, processed in 2021

The description of the answer to the customer retention variable (Z1) and the calculation of descriptive analysis scores from the respondents' answers regarding the variable (Z1), namely customer retention, are based on the results of the respondent's answers to the statements and actual facts contained in the distributed questionnaires.

5. Discussion

Based on the results of hypothesis testing conducted by researchers, the relationships that occur between each construct in this study proved significant at the 95% confidence level with a t-value > 1.96 . The relationship between service care and service quality (H1) has a positive influence and has a significant relationship with t-value 6.27 (95% confidence level), the relationship between customer care and customer statistics (H2) has a positive and significant relationship with t-value 3.08 (95% confidence level), as well as the relationship between customer care and customer retention (H3) which is proven to have a positive effect and has a t-value of 6.93 with a 95% confidence level. In this case, it can be seen that the direct effect that has the largest t-value is the influence of customer care on customer retention (H3), this indicates that almost all respondents stated that good customer service (customer care) can increase hotel profits and make customers continue to use the services provided. Customer opinion about customer service affects consumer opinion and consumer engagement so that customers will use the service more often. Proof that hypothesis H1 and hypothesis H2 state that customer care has a positive effect on service quality and customer care also has a positive effect on customer satisfaction. Customers will be responsive if customer needs are served quickly and customer satisfaction will increase if customer service is served well and the quality of service increases.

6. Conclusion

Support for the relationship between customer care, service quality, customer satisfaction, and customer retention. Good customer service will increase customer retention even though it is mediated by the relationship between service quality and customer satisfaction. By improving customer service, strategic benefits can be obtained to increase customer satisfaction, service quality, and customer retention.

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