

# **RESEARCH THESIS**

## **ANALYSIS OF THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY IN THE USE OF GOODS TRANSPORTATION SERVICES IN PT. INDIMATAM LINES MAKASSAR**

**INDI NURMATALIA TAJERIMIN**



**DEPARTMENT OF MANAGEMENT  
FACULTY OF ECONOMICS AND BUSINESS  
UNIVERSITY OF HASANUDDIN  
MAKASSAR  
2022**

# **RESEARCH THESIS**

## **ANALYSIS OF THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY IN THE USE OF GOODS TRANSPORTATION SERVICES IN PT. INDIMATAM LINES MAKASSAR**

as one of the requirements to obtain  
Bachelor of Economic Degree

Complied and submitted by

**INDI NURMATALIA TAJERIMIN  
A021181814**



to

**DEPARTMENT OF MANAGEMENT  
FACULTY OF ECONOMICS AND BUSINESS  
HASANUDDIN UNIVERSITY  
MAKASSAR  
2022**

# RESEARCH THESIS

## ANALYSIS OF THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY IN THE USE OF GOODS TRANSPORTATION SERVICES IN PT. INDIMATAM LINES MAKASSAR

Complied and submitted by

**INDI NURMATALIA TAJERIMIN**  
**A021181814**

has been examined and approved for thesis

Makassar, June 24<sup>th</sup> 2022

Supervisor I



Prof. Dr. Muh. Idrus Taba, S.E., M.Si.  
NIP. 196004031986091001

Supervisor II



Prof. Dr. Abdul Razak Munir, S.E., M.Si., M.Mktg., CMP  
NIP. 197412062000121001

Head of Management Department  
Faculty of Economics and Business  
Universitas Hasanuddin



Prof. Dr. Hj. Dian Anggraecce Sigit Parawansa, M.Si., Ph.D., CWM  
NIP 19620405 198702 2 001

# RESEARCH THESIS

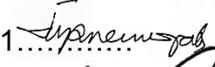
## ANALYSIS OF THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT ON CUSTOMER LOYALTY IN THE USE OF GOODS TRANSPORTATION SERVICES IN PT. INDIMATAM LINES MAKASSAR

Complied and submitted by

**INDI NURMATALIA TAJERIMIN**  
**A021181814**

has been defended in the thesis examination  
on **July 22<sup>nd</sup>, 2022** and  
has been declared to have met graduation requirements

Approved by,  
Supervisory Committee

No	Name	Position	Signature
1.	Prof. Dr. Muh. Idrus Taba, S.E., M.Si.	Chairman	1..... 
2.	Prof. Dr. Abdul Razak Munir, S.E., M.Si., M.Mktg., CMP	Secretary	2..... 
3.	Prof. Dr.Hj. Dian A. S. Parawansa, M.Si., Ph.D., CWM	Member	3..... 
4.	Andi Aswan, S.E., MBA., M.Phil., DBA, CWM	Member	4..... 

Head of Management Department  
Faculty of Economics and Business  
Universitas Hasanuddin



Prof. Dr.Hj. Dian Anggraecce Sigit Parawansa, M.Si., Ph.D., CWM  
NIP 19620405 198702 2 001

## STATEMENT OF AUTHENTICITY

I, the undersigned below,

Name : Indi Nurmatalia Tajerimin

NIM : A021181814

department : Management

here by truthfully declare that the thesis entitled,

**Analysis of the Effect of Customer Relationship Management  
on Customer Loyalty in The Use of Goods Transportation Services  
in PT. Indimatam Lines Makassar**

is my own research and to the best of my knowledge there is no other scientific works that has been submitted by others to obtain an academic degree in other universities or academic institutions, and there are no works or opinions that have been written or published by others except those cited in the text and mentioned in the bibliography.

If in the future it turns out that it can be proven that there are elements of plagiarism in this text, then I will receive sanctions for the act and proceed according to the applicable laws and regulations (Law No. 20 of 2003, article 25 paragraph 2 and article 70).

Makassar, July 21<sup>st</sup> ,2021

Who make the statement,



Indi Nurmatalia Tajerimin

## PREFACE

Assalamualaikum Wr. Wb

Gratitude belongs only to Almighty God, for all the graces and blessings that provide health and wisdom to the author that study can be completed properly in accordance with the planned time.

Thesis entitled “Analysis of The Effect of Customer Relationship Management on Customer Loyalty in the Use of Goods Transportation Services in PT. Indimatam Lines Makassar”, prepared to obtain a final examination of the Bachelor of Economic at the Faculty of Economics and Business in Hasanuddin University.

In writing the thesis, the author has received abundant support in the form of guidance, suggestions also physically and emotionally support. Therefore, in this occasion, the author would express the deepest gratitude to:

1. Prof. Dr. Abd. Rahman Kadir, SE., M.Si CIPM, as the Dean of Faculty Economic and Business.
2. Prof. Dra. Hj. Dian Anggraece Sigit Parawansa, M.Si, Ph.D as the Head of Management Department in Faculty Economic and Business.
3. Andi Aswan, SE., MBA., M.Phill., DBA, CWM, as the Secretary of Management Department in Faculty Economy and Business.
4. Prof. Dr. Muh. Idrus Taba, SE., M.Si as the Supervisor I
5. Prof. Dr. Abdul Razak Munir, SE., M.Si, M.Mktg., C.MP, as the Supervisor II
6. Prof. Dra. Hj. Dian Anggraece Sigit Parawansa, M.Si, Ph.D and Andi Aswan, SE., MBA., M.Phill., DBA, CWM, as the examiners who provide the test with their genuine questions on the thesis day.

7. All lectures who gave valuable knowledge during the authors education at Faculty of Economy and Business. And staff, especially Sir Tamsir, who had been so helpful in terms of administration.
8. To my Parents, Thank you for your kind support, prayers, advices, and a super extraordinary patience throughout the author's life.
9. To the writer's brothers and sisters, Indirawati Tajerimin, Andi Maddiolo, and Andi Ajeng Tajerimin, super glad for the uncountable prayers and supports to the author's journey.
10. To the Bangtan Boys, Kim Namjoon, Kim Seokjin, Min Yoongi, Jung Hoseok, Park Jimin, Kim Taehyung, and Jeon Jungkook, who had inspired and enthralled the author with their acts and wise words.
11. To Swiddy, thank you for bearing and witness the rough time of the writer's ups and downs to this day.
12. To Nawal and Cherry, Thank you for your advice and encouragement to the author.
13. To the International class 2k18, Thank you for giving your time and enthusiasm for the last 3 years, best wishes to all of you.
14. To all respondents who have given their time and information to assist the completion of this thesis.
15. To PT. Indimatam lines that have agreed to be the object of this research. Best wishes for this company.

## ABSTRACT

### **Analysis Of the Effect of Customer Relationship Management on Customer Loyalty in The Use of Goods Transportation Services in PT. Indimatam Lines Makassar**

Indi Nurmatalia Tajerimin  
Muh. Idrus Taba  
Abdul Razak Munir

This study aims to determine The Analysis of The Effect of Customer Relationship Management on Customer loyalty in The use of Goods Transportation Services in PT. Indimatam Lines Makassar. The data used in this study were obtained from various interviews and questionnaires (primary). The sampling method that were used is nonprobability sampling method. The number of samples used reached the amount up to 119 respondents. The method that were used is descriptive analysis method with IBM SPSS version 28 application. The results show that the commitment has a positive and significant effect on customer loyalty at PT. Indimatam Lines Makassar, Communication has a positive and significant effect on customer loyalty at PT. Indimatam Lines Makassar, and Service Quality have a positive and significant effect on customer loyalty at PT. Indimatam Lines Makassar.

**Keywords:** Dimensions of CRM, Customer Loyalty.

## TABLE OF CONTENTS

COVER PAGE .....	i
TITLE PAGE .....	ii
APROVED PAGE .....	iii
VALIDATION PAGE .....	iv
STATEMENT OF AUTHENTICITY .....	v
PREFACE.....	vi
ABSTRACT .....	viii
TABLE OF CONTENTS.....	ix
LIST OF CHART.....	xi
LIST OF FIGURES .....	xii
LIST OF TABLES .....	xiii
CHAPTER I INTRODUCTION .....	1
1.1 Background .....	1
1.2 Research Question .....	5
1.3 Research Purpose .....	5
1.4 Significant of the Research .....	6
1.5 Writing Systematics .....	6
1.6 Research Benefits .....	7
1.7 Scope of Research .....	7
CHAPTER II LITERATURE REVIEW.....	8
2.1 Theoritical Framework .....	8
2.1.1 Service Marketing .....	8
2.1.2 Marine Freight Forwarding Services (EMKL) .....	9
2.1.3 Customer Relationship Management .....	9
2.1.4 Factor that Affect Customer Relationship Management.....	11
2.1.5 Customer Loyalty .....	16
2.1.6 Factors that Affect Customer Loyalty.....	18
2.2 Previous Research .....	20
2.3 Research Framework .....	21
2.4 Research Hyphotesis.....	22
CHAPTER III RESEARCH METHODOLOGY .....	23
3.1 Research Design .....	23
3.2 Time and Place of Research.....	23
3.3 Population and Sample.....	23
3.1.1 Population .....	23
3.1.2 Sample.....	24
3.4 Data Types and Sources .....	25
3.4.1 Data Types.....	25
3.4.2 Sources.....	26
3.5 Data Collection Technique.....	26
3.6 Research Variables and Operational Definitions .....	27
3.6.1 Research Variables .....	27
3.6.2 Operational Definitions .....	28
3.7 Research Intrument .....	28
3.8 Validity Test and Reliability Test .....	29
3.8.1 Validity Test.....	29

3.8.2	Reliability Test.....	29
3.9	Data Analysis Technique .....	30
3.9.1	Descriptive Analysis .....	30
3.9.2	Classical Assumption Test .....	30
3.9.3	Multiple Linear Regression Analysis .....	31
3.9.4	Hypothesis Testing.....	31
3.9.5	Coefficient Of Determination Analysis .....	32
CHAPTER IV RESULTS AND ANALYSIS .....		33
4.1	General Description .....	33
4.1.1	Company Profile.....	33
4.1.2	Vision and Mission .....	33
4.1.3	Services Offered .....	34
4.1.4	Profile Respondent.....	39
4.2	Research Instruments.....	41
4.2.1	Description Variable .....	41
4.2.2	Validity and Realibility Test.....	44
4.2.3	Classic Assumption Test .....	47
4.2.4	Multiple Linear Regression Analysis .....	49
4.2.5	Hypothesis Test .....	49
4.2.6	Coefficient of Determination (R2) .....	51
4.2.7	Discussion.....	51
CHAPTER V CONCLUSION.....		53
5.1	Conclusion.....	53
5.2	Suggestion .....	54
BIBLIOGRAPHY .....		55
ATTACHMENT .....		59

## LIST OF CHART

Chart 1. 1 Number of Cement Distributor for Period 2020-2021.....	4
Chart 4. 1 Gender of the Respondent .....	39
Chart 4. 2 The Former Education of Respondent.....	40
Chart 4. 3 The Occcupation of the Respondent .....	40

## LIST OF FIGURES

Figure 4. 1 KM. Indira .....	34
Figure 4. 2 KM. Lindiawati .....	34
Figure 4. 3 KM. Ajeng VI.....	35
Figure 4. 4 KM. Petta Tungke 05 .....	35
Figure 4. 5 KM. Indimatam V .....	35
Figure 4. 6 KM. Indimatam.....	36
Figure 4. 7 LCT. Petta Tungke 01 .....	36
Figure 4. 8 LCT.Petta Tungke 03.....	36
Figure 4. 9 LCT. Nurmatalia.....	37
Figure 4. 10 SPOB Indi Mutiara Papua .....	37
Figure 4. 11 Ship Maintenance .....	37
Figure 4. 12 The Process of Loading Goods (Cement) .....	38
Figure 4. 13 The Process of Unloading Goods (Cement).....	38
Figure 4. 14 Normality Test Result by Histogram .....	47
Figure 4. 15 Normality Test Result by P-Plot .....	48

## LIST OF TABLE

Table 2. 1 List of Prior Research.....	20
Table 3. 1 The Number of Customer.....	24
Table 3. 2 Operational Definitions.....	28
Table 4. 1 Variable Description of Commitment (X1) .....	41
Table 4. 2 Variable Description of Communication (X2).....	42
Table 4. 3 Variable Description of Service Quality (X3).....	43
Table 4. 4 Variable Description of Customer Loyalty (Y).....	43
Table 4. 5 Validity and Realibility Test Result (X1).....	45
Table 4. 6 Validity and Realibility Test Result (X2).....	45
Table 4. 7 Validity and Realibility Test Result (X3).....	46
Table 4. 8 Validity and Realibility Test Result (Y).....	46
Table 4. 9 Kolmogorov-Smirnov Test Result.....	48
Table 4. 10 T-Test Result .....	50
Table 4. 11 F-Test Result .....	50
Table 4. 12 Test Result of Coefficient of Determination (R2).....	51

# CHAPTER I

## INTRODUCTION

### 1.1 Background

With the progress and development of the service industry today, more and more services are emerging, such as: education, entertainment, financial services, transportation, health, telecommunications, delivery of goods, beauty clinics, etc. With the variety of service businesses, it will lead to competition and increasingly varied consumer behavior. Progress in the world of the transportation business has also experienced development, this is because with the help of transportation, consumers can carry out life activities more easily. Transportation itself is defined as a system of transporting or moving goods and/or people from the initial place to the destination within a certain distance and mode used. Transportation is now not limited to the service of moving people or goods, but also includes aspects of human life such as security, defense, economy, social culture, politics, all of which require a mode of transportation. So, transportation services are business fields that provide transportation services or transfer of goods and/or people with certain distances and modes used.

Vasiliu (2012) in his research discussed that broadly customer relationship management strategies include marketing, operations, sales, customer service, human resources, finance and information technology and implementing CRM as strategic concept is a necessity as in recent times our economy is “Customer centric” where the success of any company is based on customer relationship, the authority provided by any company to the customer to decide and also the personal experience of the customer with the company. Thus Customer Relationship Management (CRM) as a strategy aims to satisfy and build long term relationship with clients/customers.

According to Morlok (1978), transportation is defined as the activity of moving or transporting something from one place to another. Furthermore, according to Bowersox (1981), transportation is the movement of goods or passengers from one place to another, where the product is moved to where it is needed. And in general, transportation is an activity of moving something (goods and/or goods) from one place to another, either with or without facilities.

Papacostas (1987), transportation is defined as a system consisting of certain facilities along with flows and control systems that allow people or goods to move from one place to another efficiently at any time to support human activities. Transportation services are further divided into several types, namely land transportation services, sea transportation services, and air transportation services. Sea transportation service itself is a transportation service that offers public transportation services in the sea area, such as ships, boats, ferry boats.

Customer loyalty can be the main foundation of consumer loyalty in the long term. The loyalty of these consumers brings many advantages to a business. Considering the number of business competitors today, what entrepreneurs need is to protect and care for their consumers. The willingness of consumers to make purchases several times at the same place is not easy to achieve. So entrepreneurs need to understand it. One strategy that can be done in realizing customer loyalty is by using Customer Relationship Management (CRM). The increasing number of new shipping freight forwarders (EMKL) makes the old EMKL companies try to retain old customers by implementing Customer Relationship Management (CRM). Retaining customers is much cheaper than finding new customers, according to research it costs five times as much to get one new customer than to keep one person who is already a customer (Ratnasari, 2011:9). Customer relationship management (CRM) is an innovative technology that seeks to increase customer satisfaction, loyalty and profitability by acquiring, developing,

and maintaining effective customer relationships and interactions with stakeholders.

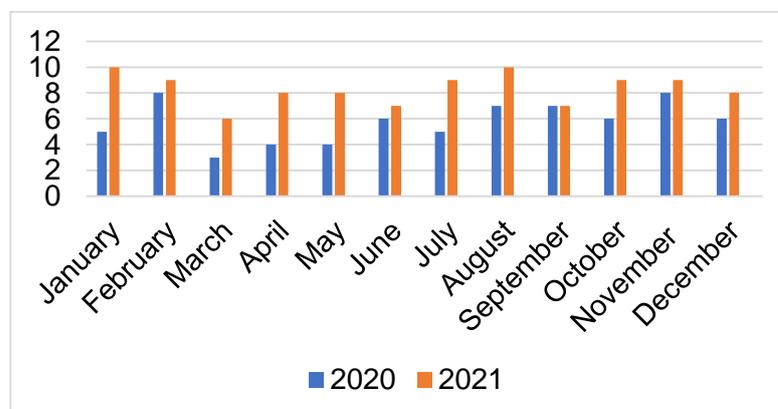
According to Kotler and Keller (2009:148) Customer Relationship Management (CRM) is the process of carefully managing detailed information about individual customers and all customer "touch points" to maximize customer loyalty. Commitment is one of the important factors in CRM, which in this case includes the emotional bond of commitment between the company and the customer to both maintain good relations between the company and the customer. Commitment is more focused on the promises the company makes to its customers. Another important factor is communication, which in CRM means that companies and customers can convey or communicate the wishes of each party and can then be responded to properly in accordance with the expectations of the company and customers.

A further explanation of CRM by Kotler in Lupiyoadi (2013:228) that an important factor in implementing CRM is the quality of service that can be seen from the achievement of customer satisfaction. The quality of service of a company is an advantage that the company provides to customers to meet the needs and desires of these customers. The application of CRM in EMKL companies plays an important role in increasing company profitability. Customers will be more profitable when customers are satisfied with the services provided by the company and end up with loyalty. Another benefit of implementing CRM in terms of the company is that it can create consumer groups that can be used as targets for testing new product services, thereby minimizing the risk in the event of failure of the new product service test. Berry (1983, p. 26) states that attracting new customers is only the first stage in the marketing process, further strengthening relationships, transforming them into loyal ones, and treating them as clients is a further marketing process.

In addition, Oliver (1999, p. 40) also emphasized that companies should not stop at customer satisfaction, but more importantly how to create loyal customers (customer loyalty). There are many reasons for adopting CRM where competition for customers is intense. From a purely economic point of view, firms learned that it is less costly to retain a customer than to find a new one. According to Hassan et al. (2015) it takes an average of 8 to 10 physical calls in person to sell a new customer in industrial sales, but it takes 2 to 3 calls to sell an existing customer. In addition, it is 5 to 10 times more expensive to acquire a new customer than obtain repeat business from an existing customer. The above shows the relationship between Customer Relationship Management and Customer Loyalty.

One of the EMKL in Makassar is PT. Indimatam Lines. This company is engaged in marine transportation services. The company has grown over the last 12 years to distribute building materials and basic necessities in eastern Indonesia. PT. Indimatam Lines has 10 fleets including 6 cargoes with a capacity of 1200-2700 tons, 3 LCTs with a capacity of 150-360 tons, and 1 SPOB with a capacity of 150 tons. This aims to expand the availability, ease of access and also the affordability of cement for the community, especially in Timika City, Papua. The following is the number of customers of PT. Indimatam Lines Makassar:

**Chart 1. 1 Number of Cement Distributor for Period 2020-2021**



Source: PT. Indimatam Lines Makassar, 2022

Based on preliminary research conducted, the problems that occur in PT. Indimatam Lines is a cement distributor who complained that the cement was damaged/wet. This can affect the level of loyalty of the customer itself. However, PT. Indimatam Lines is able to acquire and retain customers in every month. With this situation, the approach used is personal to maintain long-term relationships with customers so that they can make customers feel satisfied and can indirectly make customers loyal.

With regard to the above, the authors are interested in conducting research based on three factors of customer relationship management consisting of commitment, communication, and service quality (Sorce & Kotler in Lupiyoadi) with the title "**Analysis of the Effect of Customer Relationship Management on Customer Loyalty in the Use of Goods Transportation Services at PT. Indimatam Lines**".

## **1.2 Research Question**

1. Does commitment affect customer loyalty at PT. Indimatam Lines ?
2. Does communication affect customer loyalty at PT. Indimatam Lines ?
3. Does Service Quality affect customer loyalty at PT. Indimatam Lines ?

## **1.3 Research Purpose**

1. To analysis to what extend the commitment affects customer loyalty at PT. Indimatam Lines.
2. To analysis to what extend the communication affects customer loyalty at PT. Indimatam Lines.
3. To analysis to what extend the service quality affects customer loyalty at PT. Indimatam Lines.

#### **1.4 Significant of the Research**

1. For the author, this research is expected to be a medium to implement the knowledge that has been taught during lectures. In addition, this research is expected to increase the knowledge and experience of the author in compiling scientific papers.
2. For readers, this research is expected to increase knowledge about the influence of customer relationship management on customer loyalty. Also, as a reference for people who will do research in the future.
3. For business people, this research is expected to provide useful insights to maximize and improve their marketing strategies.

#### **1.5 Writing Systematics**

The writing of this proposal is divided into five chapters. The explanation of each chapter can be explained as follows:

1. Chapter I – Introduction: This chapter describes the background of the problem, research questions, research objectives, research significance, and writing systematics.
2. Chapter II – Literature Review: This chapter describes several theories regarding the variables studied, as well as a list of previous studies related to the topic chosen by the researcher and the conceptual framework of the research before the hypothesis is concluded.
3. Chapter III – Research Methodology: This chapter describes the methodology used by research to obtain and process data and discusses the types of research carried out in the paper along with variables, data types and sources, population and samples, data collection methods, and analysis techniques data.
4. Chapter IV – Results and Discussion: This chapter contains an overview of the research object, respondent's identity, reliability and validity testing,

moderating regression analysis, research instrument testing, hypothesis testing, and discussion.

5. Chapter V – Conclusions and Suggestions: This chapter contains conclusions from the results of research discussions and suggestions for

## **1.6 Research Benefits**

### **1. Theoretically**

The author hopes that this research can serve as a means of developing knowledge that is theoretically learned during the lecture period. The author also hopes that this research can broaden the horizons and knowledge about customer relationship management, customer loyalty, and also the correlation between the two.

### **2. Practically**

For the author, this research is expected to be a useful tool in implementing the author's knowledge of customer relationship management and its impact on customer loyalty. As for the company, the results of this study are expected to be a reference material in improvising the company's services and performance so that it can bring benefits to PT. Indimatam Lines

## **1.7 Scope of Research**

This study discusses and analyzes how the relationship between customer management and customer loyalty. The object of this research is PT. Indimatam Lines Makassar and the research location is at the office of PT. Indimatam Lines. The limits in the research entitled " Analysis of the Effect of Customer Relationship Management on Customer Loyalty in the Use of Goods Transportation Services at PT. Indimatam Lines " are:

1. Research respondents are customers of PT. Indimatam Lines.
2. The source of research information is the leadership of PT. Indimatam Lines.

## **CHAPTER II**

### **LITERATURE REVIEW**

#### **2.1 Theoretical Framework**

##### **2.1.1 Service Marketing**

###### **2.1.1.1 Marketing Definition**

Marketing is giving satisfaction to consumers for profit (Kotler and Armstrong, 2004:5). Another opinion about marketing put forward by the American Marketing Association in Kotler and Keller (2009: 6) marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and managing customer relationships in ways that benefit the organization and its shareholders.

###### **2.1.1.2 Definition of Service**

A service is an economic activity offered by one party to another. Often activities are carried out within a certain period of time (time-based), in the form of an activity (performances) that will bring the desired results to the recipient, object, or other assets that are the responsibility of the buyer (Lovelock, 2011:16). ).

###### **2.1.1.3 Definition of Service Marketing**

According to Shoell and Gultinan in Tjiptono (2008:133) there are several factors that cause the service sector to develop as it is today, including: (a) an increasing influence in the service sector, (b) the products produced and needed are increasingly complex, (c) there is an increase in the complexity of life, (d) technological change is accelerating, (e) life expectancy is increasing, (f) increasing attention to ecology and resource scarcity, (g) the percentage of women entering the workforce is getting bigger, (h) ) more relaxing time.

## **2.1.2 Marine Freight Forwarding Services (EMKL)**

### **2.1.2.1 Definition of EMKL**

Ship Loading Expedition (EMKL) is a business entity that aims to provide services/management of all activities needed for the delivery, transportation, and receipt of goods using multimodal transportation either by land, sea, and air (Suyono, 2007: 251 ).

### **2.1.2.2 EMKL Activities**

EMKL activities are all activities of managing documents and cargo to be transported by ship or managing documents and cargo originating from ships (Suyono, 2007: 252).

### **2.1.3 Customer Relationship Management**

According to Kotler and Keller in Iriandini, et al (2015) customer relationship management is the process of carefully managing detailed information about individual customers and all customer "touch points" to maximize customer loyalty. According to Brown in Tjiptono (2014) customer relationship management is not just a concept or project. However, customer relationship management is a business strategy that aims to understand, anticipate, and manage the needs of an organization's customers, both current and potential customers. Customer relationship management is the dynamics of strategic, process, organizational, and technical changes carried out by customers, which is the collection of information between companies and customers.

According to Lombard and Plessis in Iriandini, et al (2015:4) stated that the collection of customer information can be done when there is a direct conversation or question and answer, focusing on certain customer groups and observing or finding out about purchases made by customers.

According to Tjiptono in Febrianiingtyas, et al (2014:4) to realize effective organizational communication, five basic skills are needed, namely listening (listening), giving and receiving feedback (feedback skills), showing assertiveness (assertiveness), handling conflict (resolving conflict). , as well as solving problems (problem solving). These five skills are needed to realize ideal communication between companies and customers so as to make it easier to carry out customer relationship management.

According to Chatranon, et.al (2000) in Montana and Noor (2010), the advantages of CRM for business are as follows:

1. More practical marketing efforts: this will be achieved because consumers Better defined. Marketing efforts will interact directly with consumer expectations and desires.
2. Simpler interaction with consumers: business contact point personnel At least have access to a database that allows them to better understand each customer, both in terms of history with changes and their importance.
3. Future benefits of a sustainable relationship: company Get loyal customers. The customer has a transparent picture of the product and the repairs needed to be able to see the status of the order. Each of them communicates with identical messages in every touchpoint, be it customer service, sales force, and technical support. Having the ability to focus and serve customers in a way that will really keep them coming back. This is often the end of the notion of long-term profit for the company.
4. Knowledge sharing: consumer data is stored as knowledge domain In a very large database within the company, and not limited to just 1-business unit.

5. Cost savings: the relationship between front office and back office applications Allows consumers to save a lot of money on everything. The process is automated and reduces paper-based systems. In addition, the full service cycle (service cycle) is accelerated.
6. More practical and efficient sales force: salespeople have The right tools to help them spend time more efficiently throughout the sales process, in terms of pricing and configuration, and sales methodologies. They will spend more time with consumers and sell more products.

#### **2.1.4 Factor That Affect Customer Relationship Management**

##### **2.1.4.1 Commitment**

Commitment is another important determinant of marketing relationship strength and useful construct for measuring customer loyalty likelihood and predicting future purchase frequency (Kyratsis et al., 2010; Hashem, 2012; Gilboa et al., 2019). It explains the extent that person intends to keep a valuable relationship, and it is similar to trust in studying customers' loyalty. In marketing literature, commitment is a strong, stable and continuous tendency in order to keep and preserve a valuable relationship (Emami, Lajevardi, & Fakharmanesh, 2013; Khan, 2013; Nella & Christou, 2000, 2014). Marketing scholars have documented that relationships can be built upon multiple forms of commitment. Social bonding can be a contributing factor of a potential emersion of trust and commitment, although the impact of social bonding might differ depending on the customer segment commitment is a desire to maintain a valued relationship, and can be based on many facets (Mårtensson & Neij , 2013). Commitment in marketing refers to an orientation that specific intentions and behaviors characterize with the purpose of realizing value for both parties over the long term (Taleghani et al., 2011).

Organizational commitment is defined as a condition in which an employee sided with an organization (Robbins, 1996). Sidharta and Margaretha (2011, p. 131) explain that organizational commitment is a kind of agreement between individuals in it that is binding and leads to the overall goals of the organization. Organizational commitment includes 3 components, one of which is affective commitment. Affective commitment relates to the emotional, identification, and involvement of employees in an organization. Employees with high affectiveness still join the organization because of the desire to remain a member of the organization (Allen and Meyer, 1994).

- a. Emotional, Affective commitment states that the organization will make employees have a strong belief to follow all the values of the organization, and strive to realize the goals of the organization as a top priority.
- b. Identification, affective commitment arises because of need, and views that commitment occurs because of dependence on activities that have been carried out in the organization in the past and this cannot be abandoned because it will be detrimental.
- c. Employee involvement in the organization

Commitment is needed by an organization in carrying out customer relationship management because commitment will make the implementation of customer relationship management more considered and sustainable. According to Lincoln (1989) and Neale, et al (1990) as quoted by Darmawan (2013) organizational commitment can be measured by three indicators, namely:

1. Willingness of employees, willingness of employees is an effort of good intentions of employees to take the initiative in pursuing their field of work.

2. Employee loyalty, Employee loyalty is a form of employee loyalty in order to show their identity in an effort to help develop the organization where employees work.
3. Employee pride, Employee pride is a form of totality of work or maximum performance in an effort to show that the results of their work have reached good or optimal quality.

#### **2.1.4.2 Communication**

Communication is one of the fundamental characteristics of an ongoing relationship. Good communication reflects a good relationship. Communication related to customer relationship management is the collection of information between the company and the customer. In interpersonal communication, conflict occurs when an individual perceives incompatibility between his or her personal goals, needs, or desires and those of the other party. A good conflict resolution with a good communication will result in relationship quality positively. Conflict handling is an important relationship builder. However, it is difficult to service industries to achieve zero service failure (Jumaev & Hanaysha, 2012). Curtis et al., translated by Wirasasmita (1992:7) describes that the communication channel (transmission/channel) is the medium through which messages are conveyed. Usually, more than one medium is used. When a person communicates in his environment, he usually combines vocal displays (through the auditory canal) and sight (through the visual tract). Touch (touch channel), smell (olfactory tract), and feeling (nerve channel) are also used as message channels in communication.

Interpersonal communication carried out by organizations or company employees requires human resources who have skills/competence in communicating, especially interpersonal communication. Interpersonal communication can make an interaction smooth because the information conveyed

to someone can be responded well and effectively for the recipient of the message. Communicating can be face-to-face, messages are channeled interpersonally, such as dialogue that is carried out with one or two people intensely known as interpersonal communication. The existence of various fields of work in competing makes the company internally want to provide the best for customers or consumers, especially with the problem of providing service excellent. Employees must be able to create good interactions with customers, namely through communication, because with communication in accordance with the directions given by the company, it can improve a positive company image.

According to Lombard and Plessis in Iriandini, et al (2015:4) stated that the collection of customer information can be done when there is a direct conversation or question and answer, focusing on certain customer groups and observing or finding out about purchases made by customers. According to Suranto AW (2010: 105), there are several indicators of effective communication, including:

1. Comprehension, Understanding is the ability to understand the message carefully as intended by the communicator.
2. Pleasure, If the communication process is not only successful in conveying information, it can also take place in a pleasant atmosphere for both parties. Actually, the purpose of communication is not just a message transaction, but it is also intended to interact with each other in a pleasant way to foster human relationships.
3. Influence on attitudes, Communication is said to affect attitudes, if a communicant after receiving a message then his attitude changes according to the meaning of the message. The act of influencing others is a part of everyday life in the office. In various situations we try to influence the attitudes of others and try to get others to be positive in the way we want them to be.

4. Improved relationships, Highly effective communication processes inadvertently increase levels of interpersonal relationships. In offices, communication often occurs not conveying information or influencing attitudes, but sometimes there is an intention to build a good relationship.
5. Action, Both parties communicating take action in accordance with the message communicated.

#### **2.1.4.3 Service Quality**

Service quality is one of the important elements in implementing customer relationship management. Service quality is one of the weapons in winning the hearts of customers so that with effective and efficient service quality, it will certainly make customers satisfied and make it easier to establish close relationships between organizations and customers. To improve the quality of service, the company must measure it so that the company knows what its customers want. To measure service quality there are 5 indicators, namely:

1. Tangibles, namely the appearance of physical facilities, equipment, employees, and communication materials.
2. Reliability, namely the ability to carry out the services presented in a convincing and accurate manner.
3. Responsiveness, namely the willingness to help customers and provide services quickly.
4. Assurance, namely the knowledge and courtesy of employees and their ability to convey trust and confidence.
5. Empathy, namely the willingness to give deep and special attention to each customer

### **2.1.5 Customer Loyalty**

Customer loyalty is the tendency of customers to buy a product or use the services provided by a company with a high level of consistency. The value of customer loyalty is that it doubts impacts the company's continual existence and future progress. Customer loyalty can be illustrated as the customer's commitment to a company, or the customer's desire to keep an enduring relationship with the vendor. The most important goal of customer relationship marketing is to obtain and keep customers. Based on previous studies, all marketing activities intend to create customer loyalty. Customer loyalty is an intention to keep a valued relationship. Managers and marketers should highly pay attention to customer loyalty as an important factor that has to be developed to develop the company's profitability (Sigala & Christou, 2006; Halimi et al 2011; Gretzel et al., 2012; Pirnar et al. 2019 ).

Relationship marketing is considered as the road that leads to achieve and create loyalty, because loyalty cannot be achieved unless there are good relations with customers. Since relationship marketing is an activity of important marketing activities that cannot be disregarded, since each institution needs to build a solid base of loyal customers.

According to Hawkins and Coney (in Handoyo, 2004) loyalty or brand loyalty is a behavioral response that tends to be expressed in one or more alternative brands of certain similar types and is a psychological process.

Customer loyalty according to Dick & Basu (in Fandi, 2000) is defined as a customer's commitment to a brand and supplier, based on a very positive attitude and is reflected in consistent repeat purchases.

According to Oliver (in Sangadji and Sopiah, 2013) states that customer loyalty is a customer's commitment to persist deeply to re-subscribe or repurchase

selected products or services consistently in the future, even though the influence of the situation and marketing efforts have the potential to cause changes in behavior. Meanwhile, according to Morais (in Sangadji and Sopiah, 2013) says that customer loyalty is a customer's commitment to a store brand, or supplier, based on a very positive attitude and is reflected in consistent repeat purchases.

Parasuraman (in Sangadji and Sopiah, 2013) defines customer loyalty in the context of service marketing as a response that is closely related to a pledge or promise to uphold the commitment that underlies the continuity of the relationship, and is usually reflected in continuous purchases from the same service provider on the basis of dedication and constraint. Keeping customers happy and loyal is a challenge for companies and the best way to stay ahead of the competition.

Hasan (2014) said that customer loyalty is people who buy regularly and repeatedly, they continuously and repeatedly come to the same place to satisfy their desires by having a product or getting a service and paying for the product. Consumers who are considered loyal will subscribe or make repeat purchases within a certain period of time. Loyal customers are very meaningful to business entities because the cost of getting new customers is more expensive than retaining old customers (Peter and Olson, 2006). Loyalty can be measured based on:

1. The choice order method, also known as the repeat purchase pattern, is widely used in research using other consumer daily agenda panels, and most recently, supermarket scanner data.
2. Proportion of purchases, In contrast to the order of selection, this method examines the proportion of total purchases in a particular product group. The data analyzed comes from a consumer panel

3. Preference (preference), this method measures loyalty by using a statement of psychological commitment or preference. In this sense, loyalty is perceived as a "positive attitude" towards a particular product, often described in terms of intention to purchase.
4. Commitment, Commitment focuses more on the emotional or feeling component. Commitment occurs from the buying relationship which is the result of ego involvement with the brand category. Ego involvement occurs when a product is strongly related to the important values, needs, and self-concept of consumers (Mardalis, 2005). Consumer loyalty indicators are:
  - 1) Repeat Purchase, namely loyalty to product purchases
  - 2) Retention, is resistance to negative influences regarding the company
  - 3) Referrals, which refers to the total presence of the company (Kotler and Keller, 2012).

Based on the above understanding, consumer loyalty should not only pay attention to consumer habits in making repeat purchases but also must pay attention to other habits that always accompany repeat purchases from a consumer. Customer loyalty is a form of consumer confidence in the product so that consumers do not have the desire to use other products other than the products used so far.

#### **2.1.6 Factors That Affect Customer Loyalty**

In building and increasing customer loyalty, companies must pay attention to the factors that influence it. According to Robinette, the factors that influence customer loyalty are caring, trust, protection (length of patronage), and accumulative satisfaction (Overall satisfaction). The first factor is caring, the company must be able to see and overcome all the needs, expectations, and

problems faced by customers. With that attention, customers will become satisfied with the company and make repeat transactions with the company, and in the end they will become loyal customers. The more the company shows its attention, the greater the customer loyalty will appear. The second factor, namely trust, trust arises from a long process until both parties trust each other. If trust has been established between the customer and the company, then efforts to foster it will become easier, the relationship between the company and the customer is reflected in the level of trust of the customers. If the level of customer trust is high, the company's relationship with customers will be stronger.

One way that companies can do in fostering relationships with customers is that all types of products produced by the company must have quality or perfection as they should or as promised, so that customers do not feel cheated, which this can result in customers switching to competing products. The third factor, namely protection (length of patronage), the company must be able to provide protection to its customers, either in the form of product quality, service, complaints or after-sales service. Thus, customers are not worried about the company in conducting transactions and dealing with the company, because customers feel the company provides the protection they need. And the fourth factor, namely cumulative satisfaction (overall satisfaction), accumulative satisfaction is an overall assessment based on the total purchase and consumption of goods and services. services for a certain period. Accumulative satisfaction is determined by various components such as satisfaction with employee attitudes, and satisfaction with the company itself. Therefore, the company must be able to provide satisfaction to customers in conducting all transactions with the company, so in this case the company must pay attention to and improve the function and usability of all the facilities and resources they have so that customers can use them anytime and anywhere.

## 2.2 Previous Research

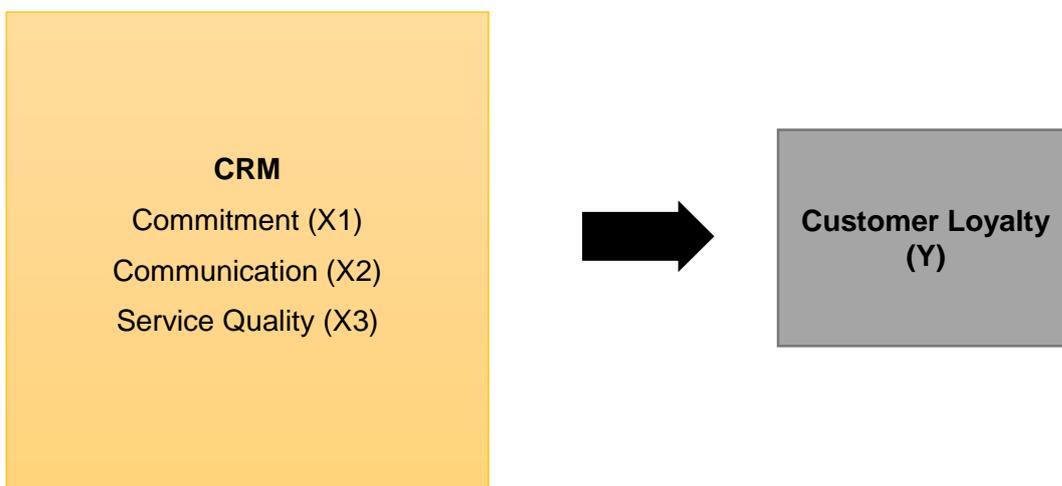
**Table 2. 1 List of Prior Research**

No	Author	Title	Variables	Result
1	Pradana, Fredi (2018)	The Effect of Customer Relationship Management, Service Quality, and Experience Quality on Customer Loyalty with Customer Satisfaction as an Intervening Variable for Customers of Pt Fac Sekuritas Indonesia in Yogyakarta.	<ul style="list-style-type: none"> <li>a. Customer Relationship Management (X1)</li> <li>b. Service Quality (X2)</li> <li>c. Quality of Experience (X3)</li> <li>d. Customer Satisfaction (X4)</li> <li>e. Customer Loyalty (Y)</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Relationship Management Has No Influence And Significant To Customer Satisfaction.</li> <li>• Service Quality Has No Influence And Not Significant To Customer Satisfaction.</li> <li>• The Quality Of Experience Gives A Positive And Significant Influence On Customer Satisfaction.</li> <li>• Customer Satisfaction Has No Influence And Not Significant To Customer Loyalty.</li> <li>• Customer Relationship Management Has No Influence And Not Significant To Customer Loyalty..</li> </ul>
2	Sentosa, Billy & Sahetapy, Laura Wilma (2019)	Analysis of the Influence of Customer Relationship Management on Customer Satisfaction and Customer Loyalty (Study at Cafe Damgo Makassar)	<ul style="list-style-type: none"> <li>a. Customer relationship management (X1)</li> <li>b. Customer satisfaction (X2)</li> <li>c. Customer loyalty (Y)</li> </ul>	<ul style="list-style-type: none"> <li>• Customer Relationship Management Has Significant Influence on Customer Satisfaction at Cafe Damgo Makassar.</li> <li>• The results of the analysis also conclude that customer relationship management has a significant effect on customer loyalty at the Damgo cafe, Makassar.</li> <li>• Customer Satisfaction Has Significant Influence on Customer Loyalty at Cafe Damgo Makassar.</li> </ul>
3	Maylina, Deti & Mulazid, Ade Sofyan (2018)	Analysis of the Effect of Service Quality, Customer Relationship Management and the Advantages of Savings Products on Customer Loyalty at BRI Syariah Bank	<ul style="list-style-type: none"> <li>a. Service Quality (X1)</li> <li>b. Customer Relationship Management (X2)</li> <li>c. Advantages of Savings Products (X3)</li> <li>d. Loyalty (Y)</li> </ul>	Variable service quality, customer relationship management, product excellence have a significant effect on customer loyalty at the Abdul Muis branch of BRI Syariah bank.
4	Al Hakim, Arif	Analysis of the Effect of Customer Relationship	<ul style="list-style-type: none"> <li>a. Customer relationship</li> </ul>	Customer Relationship Management on Customer Loyalty has a positive and

	Hanifuddin (2020)	Management (CRM) on Customer Satisfaction and Loyalty (Study of Go-Pay Digital Wallet Users)	<ul style="list-style-type: none"> <li>management (X1)</li> <li>b. Customer Satisfaction (X2)</li> <li>c. Customer Loyalty (Y)</li> </ul>	significant impact on Customer Loyalty through Customer Satisfaction.
5	Wiwoho, Ivanda Aldino (2017)	The Effect of Customer Relationship Management (CRM) on Consumer Satisfaction and Consumer Loyalty (Prudential Life Insurance)	<ul style="list-style-type: none"> <li>a. CRM( X1)</li> <li>b. Customer Satisfaction (Z1)</li> <li>c. Customer Loyalty (Y1)</li> </ul>	Consumer satisfaction mediates the influence of customer relationship management on consumer loyalty.
6	Desiana, Nur Istiqamah & Akbar, Muhammad (2018)	Customer Relationship Management Service Center Astra Motor Makassar in Fostering Customer Satisfaction and Loyalty	<ul style="list-style-type: none"> <li>a. X: Customer relationship management</li> <li>b. Y1: Customer satisfaction and</li> <li>c. Y2: Customer loyalty</li> </ul>	Customer relationship management Service Center Astra Motor Makassar has not been maximized in growing customer satisfaction and loyalty

### 2.3 Research Framework

**Figure 2. 1 Conceptual Framework**



## 2.4 Research Hypothesis

The hypothesis is a temporary answer to the research problem formulation, where the research problem formulation has been stated in the form of a question sentence. Then the hypothesis is as follows:

H1 : Commitment have positive and significant effect on customer loyalty at PT. Indimatam Lines Makassar.

H2 : Communication have positive and significant effect on customer loyalty at PT. Indimatam Lines Makassar.

H3 : Service quality have positive effect and significant on customer loyalty at PT. Indimatam Lines Makassar.