

Influence Of Service Quality And Prices Towards Customer Loyalty Of Cahaya Garden Pharmacy In Batam

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ABSTRACT

Customer loyalty is required in the business world, special in pharmaceutical companies such as pharmacies. The purpose of this study was to choose the impact of the quality and price of the service on patient loyalty at the park's lighting pharmacy. The analysis solution used in this study is a multiplex analysis method. This survey is a quantitative survey using survey methods. This survey is intended for customers who have visited several times. The sampling solution uses targeted sampling by a total of 162 respondents. The data investigation solution used to answer the hypotheses is the multiple regression analysis method. The results of the survey explained that the quality of service variables had a positive and significant impact on customer loyalty. This is clear from the important quality of service values, and the calculated t value is more important than the table value t. Price variables have a significant positive impact on customer loyalty. This is important and is evident from the value t being more important than the value of table t. Based on this study, the Cahaya Garden pharmacy can improve the quality of services and monitor prices, so it must maintain stability and competitiveness and retain its customers.

Keywords: service quality, price, customer loyalty.

INTRODUCTION

Background

Currently, business in the pharmaceutical industry is booming, and various pharmaceutical companies are competing with each other to win the hearts and trust of consumers. Nowadays, it is very easy to get health information from the internet in all developed areas, just fix the symptoms so you can get information quickly. You will find the medicine you need. However, sometimes this method is not appropriate because lay people do not have an understanding of how to use the drug correctly, so it may be necessary to consult a pharmacist or visit a pharmacy / pharmacist at the nearest hospital. This direct request for advice in the world of health care is called self-medication, or in the business world, it is called service, this is done according to the guidelines of the Indonesian Ministry of Health: In 1993, the first self-medication was an attempt by a pharmacist to treat symptoms without consulting a doctor. The better the quality of customer service, the more information you

need to easily find the right medicine for their ailment, and to be able to solve problems.(1)

As in other aspects of business, such as in the pharmaceutical industry, customer loyalty is required for the company's future sustainability. Reliability is very important in the ever-growing competition in the pharmaceutical industry, which makes entrepreneurs willing to serve their customers and compete with their competitors, so that these businesses can keep their customers happy, they must pay attention to how to grow.(2) Company loyalty is the behavior of people who attract a product or service brand, including future brand icons, customer support, or the ability to add a good icon to a product, or service.

Cahaya Garden Pharmacy has a number of factors that can cause a decrease in customers, including an operating system that often takes too long to wait for patients and is still related to drug costs. Customer service by a company is one of the things that can cause damage or profit to the company. The higher the quality of the product or service, the more pleasing the

consumer. This can be beneficial for the company as it increases customer satisfaction. Conversely, if they are not satisfied, customers can switch to other products or services (Sukmawati, 2011). Due to close competition, companies increase the size of customers approved by the existing market, a large number of drugs with different prices and advantages are provided to competitors. Therefore, it is difficult for companies to use competitors' market space. In this situation, the price quoted is the pharmaceutical price of the medicine.(3) Price This is the most visible element of integration. Marketing services are more flexible, prices can fluctuate (Wijaya, 2012: 106). For the pharmaceutical business to become more competitive. In this situation, the high cost of medicines at Cahaya Garden pharmacy will reduce patient commitment.(4)

This research is based on previous research (Winarno & Givan, 2018) with positive and significant results in determining customer loyalty in terms of product quality and price.(5) Also agreeing with research (Erica & Rasyid, 2018), it was found that service quality and the use of information technology have a significant positive impact in the direction of customer satisfaction.(6) The contribution of this research to previous work is similar to customer loyalty. Customer loyalty is the reason why customer loyalty is fulfilled when customers feel their needs are met, or if they trust a particular brand or company associated with long-term repurchase expectations. Loyalty also includes three indicators: repeat purchase (Loyalty for product purchases), retention (Reject negative impact on the company), referrals (See the company's overall presence).

Literature Review

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3. METHOD

3.1 Research Location

This investigation was carried out at Cahaya Garden Pharmacy in the Taman Cahaya Shopping Complex. 2-3 Benkong, Batam, Riau Islands. This research was conducted from April to September 2018.

3.2 Population and Research Sample

The population is all respondents studied and their descriptions can be used to draw conclusions. The clients of Cahaya Garden Pharmacy, where the population involved in this study were, were available several times.

3.3 Data Collection Techniques and Tools

Pattern for presenting data used in research statements or questions about quality, costs and customer loyalty of services by distributing questionnaires to customers who come to Cahaya Garden Pharmacy. Identifying the sample using the research sampling technique was 162 respondents.

3.4 Research Results

Explain what was used in the investigators' study of statistical analysis of the influence of price and quality on customer demand (independent variable). This is a description of the objective (dependent variable)(Sanusi, 2011:116). Then get the data and the data obtained in this research look for solutions to find the truth. At the end of the data collection stage, it is customary to check the validity of the questionnaire, and the data for this research requires correct and reliable answers to possible questions.

According to (Sugiyono, 2014: 121) suitability is a test for the accuracy of data that can be used in research and the accuracy of the data between what is being investigated and what happened. Based on (Sugiyono, 2014:121) Internal compliance and reliability tests. Reliability tests prove respondents' answers in the questionnaire. When the Cronbach's Alpha Reliability Coefficient Number exceeds 0.6, the experimental instruments are provided reliably (Wibowo, 2012: 53). This information is used to validate the baseline. The results of the data were obtained in questionnaire format. Use it as a guide to answer questions that affect service prices and customer loyalty, and a collection of questions for customers of Cahaya Garden Pharmacy in Batam.

The examination uses a validity test to compare the freedom bond number of each variable that received. The calculation results for the variable $r_{X1.1}$ are 0.558, $r_{X1.2}$ is 0.490, $r_{X1.3}$ is 0.608, $r_{X1.4}$ is a calculated r of 0.891, variable Additionally, you can list all the items in the notification as real variables because the r -count exceeds the table number r (0.3610). Investigating the reliability of experience for the service quality variable 0.659, the price variable 0.642, all customer loyalty variables 0.646 have a Kronbach's alpha value above 0.6 therefore, this

research was declared successful. It is said that this research method is reliable due to the importance of the Cronbach Kolmogorov Alpha test carried out, therefore, the reviewer can decide when the data is distributed along the

diagonal line. Apart from paying attention to whether the residual distribution is normal or not. These tests are shown in the following table:

Tabel 1. Kolmogorov-Smirnov Normalcy Test Index

		<i>Unstandardized Residual</i>
<i>N</i>		324
<i>Normal Parameters^{a,b}</i>	<i>Mean</i>	0.000000
	<i>Std. Deviation</i>	1.09088559
<i>Most Extreme Differences</i>	<i>Absolute</i>	0.057
	<i>Positive</i>	0.057
	<i>Negative</i>	-0.040
<i>Kolmogorov-Smirnov Z</i>		1.021
<i>Asymp. Sig. (2-tailed)</i>		0.248

Primary Data result, 2019

The values appear in the table above Symp. Sig. (2 tailed) which is 0.248 interests above (0.05), in other words, the residual variable can be distributed.

Heteroscedasticity Test Results

The heteroscedasticity test is carried out to determine whether there is a variance in residual differences from one observation time range to another. The way to check the presence of heterocytosis is to look at it with scattered images, if the marks are up and down in the thigh area, they are probably not uneven and far away and after that there is no heteroscedasticity. It is not intended to spread data labels to be narrower and longer.

The results of the heteroscedasticity test show that the importance of the service quality variable is increasing from 0.386, 0.05, which is significant if the service quality variable is proven to be heterogeneous. Even if the price

variable is less than 0.047, this is significant if the price variable is distributed unevenly.

Multicollinearity Test Results

This test is intended to test the long-term correlation between independent variables. It is said that there is a multidimensional correlation, that is, the existence of multiplicity is considered by the VIF value or tolerance value, both dimensions indicate that all independent variables are explained by other independent variables. provide. This value is generally used to indicate a tolerance value of 0.1 and a tolerance greater than 10 when the VIF is 10 and a tolerance value greater than 10 is not reported. Because the independent variable is greater than 0.1 with a tolerance value of 0.881 and the VIF value of the independent variable is less than 10, the results of the multivariate test conclude that this research does not affect polygonality. might come.

Results of Multiple Linear Regression Analysis

Using a static formula to determine the value of

$$Y = \alpha + \beta_1X_1+ \beta_2X_2 + e$$

Keterangan :

Y = Customer Loyalty

α = Constanta

β_1 - β_2 = Regression Coefficient

X1 = Service Quality

X2 = Price

e = Error item

From the table above, it can be seen that:

1. Constant (β_0) = 3.685. This shows that if the service quality variable is 0 then pharmacy customer service in Cahaya Garden will be set to 3.685.

2. Coefficient X1 (β_1) = 0.367. This means that the service quality variable has a positive influence on customer satisfaction and is 0.367, which means that customer loyalty increases with each service quality variable.

3. Coefficient X2 (β_2) = 0.193. This means that price changes have a positive influence on

customer loyalty, namely 0.193. This means that every time the price changes, customer loyalty increases.

Partial Test Results (T Test)

The t test is used to determine whether there is a partial influence on the independent variable (Y) provided by the independent variable (Y). The measure used for test decisions is Ho, if t is t count. Table A = 5% and t calculated significance is 0.05. Suppose the t-test is a = 5% greater than the table and the significance of the t-test is less than 0.05, Ha is permitted.

Tabel 2. T-Test Coefficients^a

<i>Model</i>	<i>Unstandardized Coefficients</i>	<i>Coefficients</i>	<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig</i>
	<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1 (Constant)	3.685	0.722		5.107	0.000
Kualitas	0.367	0.039	0.463	9.448	0.000
Harga	0.193	0.046	0.205	4.176	0.000

Primary data Analysis, 2019

According to the table above, it can be seen:

1. Service quality variables have a positive and significant impact on customer loyalty. Cahaya Garden Pharmacy Batam. This event was caused by the significant value of the variables that influence service quality, 0.000 <0.05, and the t-count value (9.448) > t table value (1.65449), which means that if service quality remains unchanged, customer loyalty will increased.

2. Price changes have a positive and meaningful impact on customer loyalty at Cahaya Garden

Pharmacy. This is explained by the significant value of 0.000 <0.05 and the table value (4.176) (1.65449), it also increases customer loyalty when the price is unstable.

F Test

The F test is used for decision making on the totality of independent variables, namely service quality and related variable costs, namely customer loyalty. The adopted rule is defined in the F test, Ho is rejected if the size of the F table is large.

Table 3. F Test

ANOVA

<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>1 Regression</i>	182.175	2	91.088		
<i>Residual</i>	384.380	321	1.197	76.068	0.000
<i>Total</i>	566.556	323			

Primary data Analysis, 2019

As can be shown from the results of the table above, the calculated F value is 76.068 and the significance phase (0.000) is $df_1 = 2$ and $df_2 = 159$. > 3.05). And this result, H_0 is rejected and adopted, which means that the independent variables (X1 and X2) have a positive and significant influence on (Y) the dependent variable.

Selected coefficient (Y) is used to measure the proportion of the dependent variable. The difference coefficient ranges from zero to one ($0 < R^2 <$). If R exceeds the influence of the independent variable (X) it can have a significant influence on the variable (Y). Meanwhile, when R^2 is small, the independent variable (X) may have little effect.

Coefficient of Determination Test Results (R^2)

Table 4. Hasil uji determinasi (R^2)

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	0.567 ^a	0.322	0.317	1.09428

Primary data Analysis, 2019

According to the previous table, the detection rate (R square) is 0.322, or 32.2%. This implies as much as 2.2% of the dependent variable

(customer loyalty) is related to the independent variables (service quality and price), while the remaining 67.8% is not considered in this study.

DISCUSSION

The Influence of Service Quality on Customer Loyalty

Variable X1 (quality of service) has a significant positive effect on customer loyalty at Cahaya Garden Pharmacy. This event can be observed in the important value of service quality $0.00 < 0.05$ and t count (9.84) $>$ table value (1.65449) increasing customer loyalty if service quality varies. Service quality is the first factor influencing customers. Where tangible products are needed, the key to competitiveness is increasing the value of quality services and improving product quality. Differences in services that consumers can feel are comfortable. Consult with consumers. Service quality represents a valuable element that has an impact on customer loyalty, because customers are satisfied with the quality and personal experience. Positive service will result in high loyalty to the company. Customers are

often disloyal because the quality of service or service quality does not meet expectations. Companies must provide high quality services because they must be carried out according to the purpose of the service to provide services. have a purpose. Generally, the goal is to command consumers to be satisfied and feel that their exposure to the company is of maximum benefit.

The investigator's results are consistent with the investigation (Erica & Rasyid, 2018) The impact of service quality accompanied by information technology will influence customer satisfaction and loyalty from Jakarta's online transportation services. (Putri & Bulan, 2016) Impact of service quality and price on PT customer loyalty. Tiki Lane Nugraha Ekekurir Langsa City agent and the same research philosophy (Adil, Syamsun, & Najib, 2016) Regarding Service Quality and Costs towards patient satisfaction and commitment at Bogor

City Hospital. The results of this study show that service quality is influenced positively and significantly.

The Effect of Price on Customer Loyalty

Price changes have a positive and significant impact on customer loyalty at Cahaya Garden Batam Pharmacy. This is explained by the significant value of $0.00 < 0.05$ and the tcount value ($4.176 > t_{table}$ value (1.65449), indicating that the variable price has increased, with increased customer loyalty. Price also symbolizes the components that result in customer loyalty. Cost One thing creates a solid bond between the customer and the company. You need to know the price. Good price is one of them. can be accepted by its customers and can also offer discounts when making purchases of course. Customer loyalty comes after someone tries the results of the company's prices. Customer loyalty can be demonstrated from the perspective of repurchase.

The results of this investigation are similar to previous investigations (Winarno & Givan, 2018) Indosat im3 ooredoo Survey on aspects of determining product quality and price impacts based on client loyalty (Riri Anggia, Tulandi; Kawer, Lotje; Ogi, 2015) examines the results of pricing tactics, and end customer loyalty and enjoyment of the Manado newspaper. The results of both surveys show that prices are positive and influence customer loyalty.

The Influence of Service Quality and Price on Customer Loyalty

According to the results of the advance test, service center quality and price volatility (R^2) is 32.2%, and the F test confirms the combination of service quality and price variables that influence customer loyalty. This can be confirmed with the F test and coefficient $0.000 < 0.05$, where the F-calculated value $> F_{table}$ value ($76.068 > 3.05$). Service quality and cost are key aspects that influence customer loyalty. High service quality, high customer loyalty to the company, service quality can be observed regarding performance, sympathy, responsiveness and reliability. the better the customer loyalty, the higher. low prices for customers or discounts when buying in special

quantities. Previous research (Martua, Chando: Djati, 2018) on the impact of service quality and price on customer satisfaction has an influence and is in line with AB Cargo customer service loyalty and their research (Firatmadi, 2017) the impact of service quality and price recognition on customer satisfaction and the impact on PT customer loyalty. Water Service. Secondary results of this investigation show that quality and cost have a positive effect on customer loyalty.

CONCLUSION

1. Service quality has a positive impact and is useful for customer loyalty. You can see this as the tcount value exceeding the ttable value. If customer loyalty increases when service quality changes. Service quality plays an important role and contributes to customer loyalty because customers are relieved by a good service environment and are loyal to the company.

2. Price has a big and positive influence on customer loyalty. This can be explained by the very good price value, the value of tcount exceeds the value of ttable. It also shows customer loyalty when price volatility increases. Price also forms an aspect of customer loyalty. This is the customer's relationship with the company.

3. Quality and cost of service play a major role in customer loyalty. This means that the price is successful, and the tcount value exceeds the ttable value. This means that customer loyalty grows as service quality increases and prices change. The higher the quality of service, the more loyal customers the company will have. If the price is set by a good company, it will have a positive influence on customer loyalty.

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