

The Influence of the Membership Program on Customer Loyalty of Seventeen Garage Bekasi Workshops

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ABSTRACT

In a business, membership or membership is often used so that customers get various kinds of attractive promos. Membership or membership is an activity in achieving formal status support in a business. The membership or membership system at the Seventeen Garage workshop is that every customer who is interested in becoming a member will be given a member card and will be stamped for every 1x service. If you have done 10x service, you will get the 11th free service. and how does the influence of membership on customer loyalty to visitors to the Bekasi Seventeen Garage Workshop This research is a descriptive verification research. Descriptive is used to explore the variables studied while verification is used to measure the relationship of variables. The population of this study are students in Bekasi City who have attended the Bekasi Seventeen Garage Workshop. The population size is known, thus the sampling uses the Slovin formula. which results in a total sample of 101, which is then rounded down to 100 samples. This study found that the membership carried out by the Bekasi Seventeen Garage workshop was in the high category; Seventeen Garage Bekasi customer loyalty is in the sufficient category; and membership has a significant effect on customer loyalty with a very strong level of influence classification.

Keywords: *Membership program and customer loyalty*

ABSTRAK

Dalam suatu bisnis, *membership* atau keanggotaan sering digunakan agar pelanggan mendapat berbagai macam promo menarik. *Membership* atau keanggotaan adalah kegiatan dalam mencapai dukungan status formal dalam sebuah usaha. Sistem *membership* atau keanggotaan pada bengkel Seventeen Garage yaitu setiap *customer* yang berminat menjadi *member* akan di beri kartu *member* dan akan di cap setiap 1x *service* jika sudah 10x *service* akan mendapatkan 1x *free service* yang ke 11dan untuk menjadi *member* pada tiap registrasinya harus mendaftar selama 3 bulan, karena untuk menghindari adanya lepas pasang *member* yang dilakukan oleh *costomer*. serta bagaimana pengaruh *membership* terhadap loyalitas pelanggan terhadap pengunjung bengkel Seventeen Garage Bekasi Penelitian ini merupakan penelitian deskriptif verifikatif. Deskriptif digunakan untuk mendalami variabel yang diteliti sedangkan verifikatif digunakan untuk mengukur hubungan variabel Populasi penelitian ini adalah mahasiswa/i di Kota Bekasi yang telah mendatangi bengkel Seventeen Garage Bekasi. Jumlah populasi diketahui, dengan demikian maka penarikan sampel menggunakan rumus Slovin. yang menghasilkan jumlah sampel 101, yang kemudian di bulatkan ke bawah menjadi 100 sampel. Penelitian ini menemukan *membership*

yang dilaksanakan oleh bengkel Seventeen Garage Bekasi berada dalam kategori yang tinggi; loyalitas pelanggan bengkel Seventeen Garage Bekasi berada dalam kategori yang cukup; serta *membership* berpengaruh terhadap loyalitas pelanggan secara signifikan dengan tingkat klasifikasi pengaruh yang sangat kuat.

Kata kunci: Program *membership* dan kepuasan pelanggan

INTRODUCTION

A workshop is a place where a mechanic does his job serving vehicle repair and maintenance services. Motor vehicle general repair shop is a general repair shop whose function is to repair, repair and maintain motorized vehicles so that they comply with the requirements. technical and roadworthy (Kulkarni, 2013). This is to fulfill the demands of PP No. 44 of 1993 concerning Vehicles and drivers, articles 126, 127, 128 and 129, it is stated that every motorized vehicle must meet the technical requirements and feasibility of a motorized vehicle. According to Yoga (2013), a repair shop is a small and medium entrepreneurial type of business that is engaged in repair services, be it motorcycles or cars. A motorcycle repair business is a business that repairs motorcycles so that they can run properly again according to the wishes of the owner or the original form of the motorbike. Seventeen garage workshop is a motorcycle repair shop that has been established since January 1 2016. Initially, the Seventeen garage workshop was a general repair shop that provided service for all types and brands of motorized vehicles. Over time, the Seventeen Garage Workshop gradually began to focus on automatic Vespa motorbikes according to consumer demand. Seventeen garage workshops began to experience rapid development and even progress considering the large consumer demand for motorcycles from various brands at that time.

Seeing the amount of income that can be made, one of the well-known motor oil companies in Indonesia, namely Yacco, is interested in making the Seventeen Garage Workshop one of the partner workshops. Therefore, in 2019, the Seventeen Garage Workshop has officially become an official workshop to become a partner for Yacco Oil and apart from oil, the Seventeen Garage Workshop has also become a partner workshop for one of the motorcycle tires.

We consider satisfaction as a post-consumption fulfilment response that depends primarily on the difference between customer expectations and perceived performance (Oliver 1980). We consider regret as "the difference in value between the assets actually received and the highest level of assets produced by other alternatives" (Bell 1982) and the seventeen garage workshop is currently experiencing a decline because this month has entered the rainy season where consumers rarely come to service their motorbikes. And the solution for our consumers is to provide a loyalty membership program where we will create a membership that will lure our customers in the form of 10x service, will get 1x service free and we will still have more to offer.

Most of the Micro, Small and Medium Enterprises (MSMEs) in the Bekasi area are still managed using conventional methods, the touch of information technology is not optimal. One of the modern business approaches is to pay attention to customer factors, not only before the transaction, but no less important after the transaction. The Information Technology System used to manage customers with the aim of increasing customer retention is called Customer Relationship Management (CRM). The existing CRM software is more oriented towards large, well-established companies, so it will cause some discrepancies when implemented in SMEs. This service tries to socialize the importance of CRM to MSMEs in increasing MSME customer retention. The application of this CRM will help MSMEs in managing customer relationships so that they can increase their competitiveness with other companies in maintaining the business they are running and as a means to obtain wider new markets. The approach used is to use the 'localization' model through observations made on MSME businesses that are members of the Small Micro Entrepreneurs Association. The results of this service are expected to be able to provide an overview of the importance of CRM for MSMEs in the Bekasi region.

Seventeen garage also has many competitors such as pingwin power, heru speed, titan speed, munz speed, nyokap garage, ganza speed home taec, and bengs garage. The rapid development of the Seventeen Garage workshop, which sells goods and services as a modification workshop, cannot be separated from its ability to maximize consumer satisfaction. By developing product quality and service quality, Seventeen Garage can find out how much customer satisfaction requires feedback regarding service performance.

LIBRARY REVIEW

Marketing Management

According to Kotler and Keller (2018:21) *marketing management as the art and science of choosing target market and getting, keeping and growing customers through creating, delivering, and communicating superior customer value*. It can be interpreted that marketing management is the art and science of choosing target markets and getting, growing customers, creating, delivering, and communicating superior value to customers.

This statement is supported by another opinion that was announced regarding marketing management H. Buchari Alma (2018: 135): *“management is the analysis, planning, implementation, and contour of program design to create, build, and maintain beneficial exchange whit target buyers for purpose of achieving organizational objectives”* It can be interpreted that marketing management is the activity of analyzing, planning, implementing, and supervising all activities (programs) in order to obtain profitable exchange rates and target buyers in order to achieve organizational goals.

From this statement it can be concluded that marketing management is an activity related to marketing starting from analyzing, planning, implementing as well

as supervising marketing activities with predetermined target markets to achieve company or organizational goals.

Customer relationship management (CRM)

According to Kumar and Reinartz (in Salsabila, 2021: 18) CRM is a strategic process for selecting company customers who prioritize and focus on serving as a form of interaction between the company and customers, which aims to optimize the current and future value of customers for the company.

According to Buttle (in Alfajri, 2020:24) *customer relationship management* is a core strategy in business that integrates the processes and functions of all external networks to create and realize value for target consumers profitably.

Program Membership

Building good relationships with customers is important for companies because building relationships with customers means that companies make customers satisfied and loyal (Schnoring and Woseitchlager, 2017: 645 in Monika 2021). Customer satisfaction and loyalty are the goal points achieved by the company in order to remain in the business world (Magatef and Tomalieh, 2015: 78). Because without customers, the company will never exist. The success of a company can be reflected in its ability to provide good satisfaction to its customers. One way that companies can do to increase customer loyalty is by implementing *customer relationship management* effectively (Magatef and Tomalieh, 2015: 78).

Customer relationship management, customer retention, or customer relationship management is an activity carried out by companies to keep customers afloat by providing a pleasant experience (Magatef and Tumulieh, 2015: 79). Customer relationship management is a method for understanding customer behavior through intense communication with the aim of improving performance which can be seen from its efforts to attract customer attention, retain it, increase customer loyalty and profits for the company (Emor, 2016: 374). Some of the main components in *customer relationship management* (CRM) are as follows (Soedjono and Limantoro, 2018: 125):

1. *Strategic process*: CRM initiation process how will be implemented within the company. This process requires the entire function and contribution of the company on a broad scale. In addition, the CRM process must be carried out on an ongoing basis to produce a company with a customer orientation.
2. *Selection*: after formulating a strategy, the company selects and focuses on customers who are considered capable of providing large profits. This does not mean the company ignores the needs of other customers. However, it must be seen that each customer has a tolerance level for fulfilling different needs where the company will focus on the customer that is its goal while still paying attention to the tolerance limits of other customers that can still be taken.
3. *Interaction*: companies in interaction with customers generally only occur when selling goods and services to their customers. However, in CRM the interaction then develops into a two-way interaction where customers and companies exchange information.

4. *Customer*: the customer becomes a very important element in a CRM process. In the CRM process, customers are not only limited to end users, but include distributors, retailers, and various other intermediaries who are interconnected with one another.
5. *Current and the future value of the customer*: optimizing the value of satisfaction for existing customers at this time as well as for prospective customers.

One of the implementations that can be carried out by companies in building relationships with customers is in the form of programs *membership*, namely a structured marketing effort by providing *reward* to customers who buy company products regularly (Magatef and Tomalieh, 2015: 79). Program *membership* it aims to increase customer loyalty by providing benefits based on periodic cumulative purchases. Program *membership* Successful (loyalty) must pay attention to the following signs (Magatef and Tomalieh, 2015: 80):

1. Get customers who are likely to repurchase the company's products.
2. Able to identify customers who tend to be low in repurchasing and continue to increase marketing efforts to the limit on this customer segmentation.
3. Pay attention to the marketing budget so as not to over-purchase customers who are less likely to repurchase.

RESEARCH METHODS

This research is quantitative, which is described by descriptive verification. Descriptive is used to explore the variables studied while verification is used to measure the relationship between variables (Sugiyono, 2021).

The population of this study were students in Bekasi City who had visited the Bekasi seventeen garage workshop. The population size is known, thus the sampling uses the Slovin formula. which results in a total sample of 101, which is then rounded down to 100 samples.

The results of the questionnaire distribution were tested by testing the validity and reliability which then the results were further processed using the classical assumption test. Furthermore, hypothesis testing is used to determine whether the regression coefficient has a significant effect or not related to the research variable.

RESEARCH RESULTS AND DISCUSSION

Validity test

The results of the validity of the research instrument are as follows:

Figure 1. Program Variable Validity Test *Membership*

		Correlations									
		X01	X02	X03	X04	X05	X06	X07	X08	X09	Total
X01	Pearson Correlation	1	.242	.628**	.376*	.537**	.241	.451**	.367**	.339**	.667**
	Sig. (2-tailed)		.015	.000	.000	.000	.015	.000	.000	.001	.000
	N	101	101	101	101	101	101	101	101	101	101
X02	Pearson Correlation	.242	1	.032	.764**	.106	.474**	.372**	.430**	.277**	.649**
	Sig. (2-tailed)	.015		.754	.000	.289	.000	.000	.000	.005	.000
	N	101	101	101	101	101	101	101	101	101	101
X03	Pearson Correlation	.628**	.032	1	.112	.659**	.302	.397**	.303**	.294**	.594**
	Sig. (2-tailed)	.000	.754		.265	.000	.002	.000	.002	.003	.000
	N	101	101	101	101	101	101	101	101	101	101
X04	Pearson Correlation	.376*	.764**	.112	1	.176	.528**	.459**	.515**	.344**	.743**
	Sig. (2-tailed)	.000	.000	.265		.079	.000	.000	.000	.000	.000
	N	101	101	101	101	101	101	101	101	101	101
X05	Pearson Correlation	.537**	.106	.659**	.176	1	.270**	.416**	.343**	.287**	.618**
	Sig. (2-tailed)	.000	.289	.000	.079		.006	.000	.000	.004	.000
	N	101	101	101	101	101	101	101	101	101	101
X06	Pearson Correlation	.241	.474**	.302**	.528**	.270**	1	.144	.764**	.201	.682**
	Sig. (2-tailed)	.015	.000	.002	.000	.006		.151	.000	.044	.000
	N	101	101	101	101	101	101	101	101	101	101
X07	Pearson Correlation	.451**	.372**	.397**	.459**	.418**	.144	1	.174	.608**	.681**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.151		.082	.000	.000
	N	101	101	101	101	101	101	101	101	101	101
X08	Pearson Correlation	.367**	.430**	.303**	.515**	.343**	.764**	.174	1	.122	.691**
	Sig. (2-tailed)	.000	.000	.002	.000	.000	.000	.082		.224	.000
	N	101	101	101	101	101	101	101	101	101	101
X09	Pearson Correlation	.339**	.277**	.294**	.344**	.287**	.201	.608**	.122	1	.590**
	Sig. (2-tailed)	.001	.005	.003	.000	.004	.044	.000	.224		.000
	N	101	101	101	101	101	101	101	101	101	101
Total	Pearson Correlation	.667**	.649**	.594**	.743**	.618**	.682**	.681**	.691**	.590**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	.000	
	N	101	101	101	101	101	101	101	101	101	101

Source: 2023 data processing results.

Based on table 1 it can be seen that all statement items are in program variables *membership* is valid or can be used to measure program variables *membership*.

Figure 2. Validation Test of Customer Loyalty Variables

		Correlations				
		Y01	Y02	Y03	Y04	Y05
Y01	Pearson Correlation	1	.212*	.504**	.186	.631**
	Sig. (2-tailed)		.033	.000	.062	.000
	N	101	101	101	101	101
Y02	Pearson Correlation	.212*	1	.219*	.469**	.699**
	Sig. (2-tailed)	.033		.028	.000	.000
	N	101	101	101	101	101
Y03	Pearson Correlation	.504**	.219*	1	.385**	.728**
	Sig. (2-tailed)	.000	.028		.000	.000
	N	101	101	101	101	101
Y04	Pearson Correlation	.186	.469**	.385**	1	.757**
	Sig. (2-tailed)	.062	.000	.000		.000
	N	101	101	101	101	101
Y05	Pearson Correlation	.631**	.699**	.728**	.757**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	101	101	101	101	101

*. Correlation is significant at the 0.05 level (2-tailed).
 **. Correlation is significant at the 0.01 level (2-tailed).

Source: 2023 data processing results.

Based on table 2 it can be seen that all statement items in the customer loyalty variable are valid or can be used to measure customer loyalty variables.

Reliability Test

The following are the results of reliability testing:

Figure 3. Program Variable Reliability Test *Membership*

Cronbach's Alpha	N of Items
.833	9

Source: 2023 data processing results.

Based on the table data that has been processed above, it can be seen that the program variable *membership* has a construct that is reliable or consistent in measuring its variables because it has a Cronbach's Alpha value > 0.6 .

Figure 4 Reliability Test of Customer Loyalty Variables

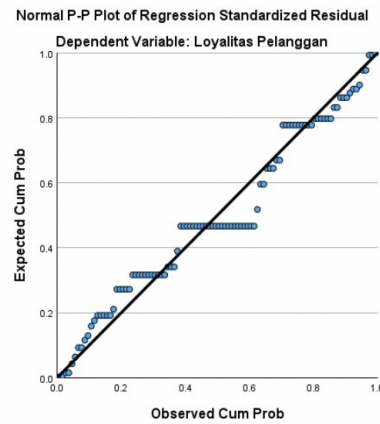
Cronbach's Alpha	N of Items
.661	4

Source: 2023 data processing results.

Based on the table data that has been processed above, it can be seen that the customer loyalty variable has a reliable or consistent construct in measuring the variable because it has a Cronbach's Alpha value > 0.6 .

Normality test

Figure 5. Normality test



Source: 2023 data processing results.

Figure 4 explains that the distribution pattern is normal because it spreads and follows around the diagonal line.

Determination Coefficient Test

Figure 6. Termination Coefficient Test (Model Summary)

Model Summary^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.790 ^a	.625	.621	1.91317

a. Predictors: (Constant), Membership

b. Dependent Variable: Loyalitas Pelanggan

Source: 2023 data processing results.

R value (correlation) *square* of 0.625. Thus, membership has an effect on customer loyalty of 0.625 or 62.5%, and the remaining 37.5% is influenced by various other factors, such as sales promotions.

Simple Linear Regression Analysis

Linear regression is one of several regression models. Because this study uses linear regression, it uses constant values and variable coefficients that affect the dependent variable. The simple linear regression equation used in this study is as follows:

$$Y = a + b_{x1}$$

Information:

Y = customer loyalty

a = constant, the value of Y when all independent variables are 0

b = program *membership*

X1 = independent variable coefficient

Figure 7. Termination Coefficient Test (Model coefficients)

Model		Coefficients ^a				Collinearity Statistics		
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	8.437	1.685		5.006	<.001		
	Membership	1.623	.127	.790	12.776	<.001	1.000	1.000

a. Dependent Variable: Loyalitas Pelanggan

Source: 2023 data processing results.

The linear regression equation of this study is:

$$\text{Customer Loyalty} = 8,437 + 1,623 \text{ membership or} \\ = \mathbf{8,437 + 1.623 X}$$

The equation explains that:

1. The constant \hat{Y} is 8.437. So the decision to use this shows a positive thing.
2. If the membership program increases by 1, customer loyalty will increase by 1.623. These results explain that membership has a very high influence on customer loyalty.

CLOSING

Conclusion

Based on the processing and results of the analysis that has been done before, the conclusions in this study are:

1. The membership program implemented by Seventeen Garage Workshop is in a high category because the continuum line has a high criterion.
2. With customer loyalty at the Seventeen Garage Workshop, this has a sufficient category because there is a continuum line with sufficient criteria.
3. The membership program has an effect on customer loyalty at the Seventeen Garage Workshop by 0.625 or 62.5%, which is in a very strong classification. Then 37.5% is thought to be influenced by other factors not examined, for example sales promotions.

Suggestion

Based on the results of the research, the findings obtained, and the conclusions that have been described, the suggestions related to this research are as follows:

1. It is hoped that in further research other variables can be tested that can explain customer loyalty due to program variables *membership* can not explain customer loyalty. Variables that can be tested are customer experience, customer satisfaction, demographic characteristics, and service quality.

2. Seventeen Garage Workshop needs to increase customer loyalty by implementing a membership program according to the intended segment. By implementing a membership program, this can attract consumers by offering special prices specifically for members of the Seventeen Garage Workshop and by holding promos on certain days that can make consumers interested in registering for this membership.

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