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# Relationship Marketing and the Amount of the Cafe in Optimizing Customer Loyalty Oase Coffee

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Abstract:- This study aims to find out (1) the influence of Relationship Marketing on OASE Coffee Customer Loyalty, (2) The Effect of Cafe Atmosphere on OASE Coffee Customer Loyalty, (3) Relationship Marketing and Cafe Atmosphere Against OASE Coffee Customer Loyalty. This research includes associative quantitative research. The population in this study were all OASE Coffee customers. The sampling method uses criteria, which are OASE Coffee customers and have made visits and purchases 3 times. Data types are primary data obtained from the results of filling out the questionnaire with a 4-point Likert scale assessment. Analysis prerequisite tests include normality test, heteroscedesity test and multicollinearity test and the analysis technique used is multiple linear regression analysis.

**Keywords:-** Relationship Marketing, Cafe Atmosphere, Customer Loyalty OASE Coffee.

# I. INTRODUCTION

Habitdrinking coffee is closely related to human life since centuries ago. In this modern era, drinking coffee has many roles, not only as a source of enjoyment, but also as a medium of communication. Coffee consumption is expected to increase in the future due to cultural factors, economic conditions, changes in tastes and changes in lifestyle. Times and traditions have also changed, young people are starting to like to drink coffee as a social media. "This phenomenon can be seen from the dynamics of the growth of modern coffee shops in various places with internet and audio-visual facilities that attract visitors" (Mulato et al, 2012: 87).

Business competition is so tight that companies must be able to meet customer needs in order to create customer loyalty. Customer loyalty is very important for a company that maintains its business continuity. As Kotler (2009: 153) argues, "creating a strong and close relationship with customers is the dream of all marketers and this is often the key to long-term marketing success." Loyal customers are those who are very satisfied with certain products and services, so they have the enthusiasm to introduce them to anyone they know. These loyal customers will expand their loyalty to products or services made by the same manufacturer.

Reflecting this, the strategy that companies can do in maintaining the company's existence is to focus on building relationships with customers. Taleghani, et al, (2011) in their journal "A Conceptuality Approach to Relationship Marketing and Customers Loyalty to Banks" suggests that relationship marketing is a business strategy with technological advances strengthened through its organizations, creating connections to help organizations optimize the value received for the basis of processing customer perceptions.

Relationship (Relationship Marketing) is often found as a determining strategy for customer loyalty, in this case OASE Coffee visitors. By building good relationships with customers, the desire of customers to continue leading to long-term loyalty is unquestionable. "Relationship Marketing is more commonly found in the context of service marketing and business marketing (business-to-business marketing)" (Tjiptono. 2011: 299). A number of studies have shown that the two main pillars of relationship marketing are trust and commitment. In other words, the customer must trust the marketer and then commit to him before a mutually beneficial long term relationship is established. Furthermore, Tjiptono and Chandra (2011: 330) "said that relationship marketing offers a marketing strategy to deepen relationships with customers, in this case the customer is seen as a partner who must continue to be nurtured through a win-win solution pattern." In addition to relationship marketing, a strategy to retain customers in order to obtain high satisfaction and loyalty is to create a good cafe (store atmosphere). According to Kotler (2005: 89) "the atmosphere of the cafe (store atmosphere) is a planned atmosphere in accordance with the target market and which can attract consumers to buy and feel satisfied". Store atmosphere causes a sense of satisfaction and pleasure in the hearts of consumers. Kotler (2005:

According to Utami (2010: 225) explains that "the cafe atmosphere is a combination of the physical characteristics of the store such as architecture, layout, lighting, length, color, temperature, music, aroma which will create a good image in the minds of consumers". The cafe atmosphere is an important factor to consider. The more communicative the cafe exterior atmosphere will have a positive effect on customer loyalty to visit the cafe, and the more comfortable the cafe interior will make customers feel at home for a long time in the cafe. Satisfying customer desires is a difficult thing, considering that satisfied customers are expected to come back and even tell others, so that in the end they can put competitors in the lowest order.

In Sumbawa there are also many coffee shops that have been established to this day, including one of which is OASE Coffee. OASE is a community coffee shop that brings people together. Open since 2016, OASE Coffee is a pioneer for cafes or shops in Sumbawa Regency which makes coffee as its main menu. OASE Coffee, which was originally located at Jl. Mawar No. 36 and has now moved to Jl. Kerato No.1, OASE Coffee does not only focus on coffee activities, but is a space for education and interaction for various communities in Sumbawa. However, not far from the location of OASE, there are many other coffee shops that carry almost the same concept as OASE Coffee, such as MilkyBo, Tricia, D'Avalon, WRPM, and Ruang Temu.

It is undeniable that the business environment will continue to change rapidly, both domestic and global competition will increase sharply and at the same time customer demands will continue to change and increase. Satisfying customer desires itself is a difficult thing, considering that satisfied customers are expected to come back, and even tell others so that they can ultimately put the competitor in the lowest order. Based on this background, the authors are interested in conducting a study entitled "Relationship Marketing and Cafe Atmosphere in Optimizing OASE Coffee Customer Loyalty".

# II. THEORETICAL BASIS AND HYPOTHESIS DEVELOPMENT

# A. Relationshp Marketing

"Relationship marketing is a philosophy of doing business and is a strategic orientation that focuses on retaining and increasing existing customers rather than attracting new customers "(Tjiptono. 2011: 326). According to Simon (1999) in Hakim (2016: 37) There are three main keys that must be considered by marketers in understanding the overall implications of relationship marketing, namely: Up-to-date knowledge (new knowledge), Interactive communication (interactive communication), and Long-term and mutually

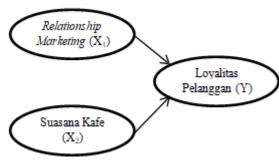
# B. Cafe atmosphere

"The atmosphere of the cafe can be interpreted as the arrangement of inside space (instore) and outside space (outstore) which can create comfort for customers" Berman and Evan (2010: 509) in Anisa (2010: 480). Indicators to measure the cafe atmosphere according to Foster (2008: 62) include: "Exterior (outside the cafe), Interior (inside the cafe) Store Layout (room layout), Interior Display (extension)"

# C. Customer loyalty

Customer loyalty is customer behavior aimed at the willingness of the customer to regularly visit OASE Coffee and make repeat purchases. According to Griffin, customer loyalty is measured using four indicators, namely: customers who make regular repeat purchases, customers who buy other products / services at the same place,

customers who refer to others, and customers who cannot be influenced by competitors.



**Conceptual Framework Drawing** 

# D. Hypothesis

Based on the background, problem formulation, research objectives and conceptual framework of this study, the following research hypotheses can be proposed: H1: There is a significant effect of relationship marketing

# (X1) to customer loyalty (Y)

H2: There is a significant effect of cafe atmosphere (X2) on customer loyalty (Y)

#### III. RESEARCH METHODOLOGY

#### A. Research plan

The type of research used in this research is associative quantitative. The objective in associative research is to see the effect of the independent variable on the dependent variable. The independent variables in this study are relationship marketing and cafe atmosphere. And the dependent variable is customer loyalty.

# **B.** Population and Sample

The population used in this study were all OASE Coffee customers. Sampling in this study using purposive sampling method. The sample criteria in this study were OASE Coffee customers who had visited and purchased three times. The determination of the number of samples is determined by using the following formula (Widiyanto, 2008: 59):

$$n = \frac{Z^2}{4(Moe)^2}$$

Information:

n = sample size

z = score at a certain level of significance

(the degree of confidence is determined to be 95%, then Z = 1.96

Moe = Margin of error, the maximum error rate is 5%

$$n = \frac{(1.96)^2}{4(5\%)^2} = 96.04 = 97$$

From the calculation of the formula above, the number of samples studied was 97, or a rounding was made to 100 respondents who could represent OASE Coffee customers.

#### C. Data collection

The data collection method in this research is the questionnaire method, the questionnaire technique is a data collection technique that is done by giving a set of written questions to the respondent to be answered. In this study, the measurement scale used is the Likert scale, using 4 interval scores.

#### **D.** Data analysis

#### 1) Descriptive Analysis and Statistics

This descriptive analysis is used to describe the frequency distribution of respondent characteristics grouped by age, gender and occupation with the help of SPSS.

#### 2) Classic assumption test

The classical assumption test aims to determine the condition of the data used in the study. This was done in order to obtain an appropriate analysis model. According to Sanusi (2011: 135), the regression analysis model of this study requires a test of assumptions on data that includes:

#### a) Data Normality Test

The normality test aims to test whether in the regression model, the dependent and independent variables both have a normal distribution or not. The data normality test in this study used the Kolmogorov-Smirnov test. The test criteria used a two-way test, namely by comparing the probability obtained with a significant level  $(\alpha)$  of 0.05. If the p-value> 0.05, the data is normally distributed.

#### b) Multicollinearity Test

This test aims to test whether the regression model found a correlation between the independent variables. A good regression model should not have a correlation between the independent variables. If the independent variables are correlated, these variables are not orthogonal. "The orthogonal variable is the independent variable whose correlation value between the independent variables is equal to zero" (Ghozali, 2009: 95). To detect it, namely by analyzing tolerance and variance inflation (VIF). If the tolerance value approaches the number 1 and VIF is below the number 10 then it is free from multicollinearity

# c) Heteroscedasticity Test

This test aims to test whether in a regression model there is an inequality of variants of the residuals from one observation to another. If the variance from residuals or observations to other observations is constant, it is called homocedasticity, if different variants are called heteroscedasticity "(Ghozali, 2009: 125). In testing heteroscedasticity, researchers used the Glejer method. The criteria for heteroscedasticity in a regression model are if it is significant less than 0.05 or the occurrence of homoscedasticity.

#### 3) Multiple Regression Analysis

Multiple regression analysis was used for find out how much the independent variable affects the dependent variable. In multiple regression, there is one dependent variable and more than one independent variable. In this study, the dependent variable is buying interest. And the independent variables are price, product design and brand image. The form of multiple linear regression in this study is as follows:

$$Y = a + b_1 X_1 + b_2 X_2 + e$$

Information:

Y : Loyalty Customer X1 : Relationship Marketing X2 : Atmosphere Café

A : parameter intercep b1,b2: regression coefficient

e : error

#### IV. RESEARCH RESULTS AND DISCUSSION

#### A. Overview of Research Objects

Oase Sumbawa is an association of youths and girls from Sumbawa who try to increase the potential of the region that has not been uplifted. Established in September 2014, it consists of eight people from various educational backgrounds, ranging from Bachelor of Forestry (Bid. Environment), Bachelor of Health, Bachelor of Fisheries, Bachelor of Informatics, Bachelor of Graphic Design, Bachelor of Geology to Bachelor of Nutrition.

The Sumbawa Oase Secretariat is located at Jalan Mawar No. 36 (in front of SDN 7 Sumbawa) Bugis Village, Sumbawa Regency and has now moved to Jalan Uner Iwes No.1, Unter Iwes Village. In the same place, Oase Sumbawa opened a coffee shop called OASE Coffee. OASE Coffee itself is expected to be able to raise local Sumbawa coffee such as Tepal, Talagumung, Punik, Batu Rotok, and Batu Dulang so that it will be better known by the Sumbawa people themselves and those outside Sumbawa.

#### **B.** Characteristics of Respondents

In this study, the authors conducted research on OASE Coffee customers by taking a sample of 100 people. Following are the authors present the respondents' answers on the basis of characteristics:

1. The characteristics of respondents based on gender obtained in this study are presented as follows:

Table 4.1 Characteristics of Respondents by Gender

No.	Type	amount	Percentage
	sex		
1	Man	72	72%
2	Women	28	28%
Total		100	100%

Source: Primary data processed

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Based on table 4.1 above, it is categorized that 72% male respondents and 28% female respondents. This shows that most of the respondents are male.

# 2. Characteristics of respondents based on age

Based on the age obtained in this study, it is presented as follows:

Table 4.2 Age of respondents

No.	Age	amount	Percentage
1	18-28	64	64%
2	29-39	36	36%
Total		100	100%

Source: Primary data processed

Based on table 4.2 above, it shows that respondents aged 18-28 years amounted to 64% and respondents aged 29-39 years amounted to 36%.

#### 3. Based on the type of work

The characteristics of the respondents based on the work obtained in this study are presented as follows:

**Table 4.3 Types of Respondents' Occupation** 

No.	Type of work	amount	Percentag
			e
1	Student / Student	20	20%
2	Civil servants	18	18%
3	Private employees	31	31%
4	entrepreneur	14	14%
5	Etc	17	17%
Total		100	100%

Based on table 4.3. It can be explained that students / students account for 20%, civil servants with 18%, private employees with 31%, self-employed 14%, and others 17%.

#### C. Data Analysis Test

# 1. Classic assumption test

#### a) Normality test

The normality test aims to determine whether or not a data distribution is normal. The normality test in this study used the SPSS Statisic 16 for windows program with the One sample Kolnogrov Smirnov test statistic. The measurement used is to compare the Asymp value. Sig (2-Tailed) with a determined alpha value of 5%. If the value is Asymp. Sig (2-Tailed) is greater than 0.05, it can be concluded that the data is normally distributed. The results of the normality test are as follows:

Table 4.4. Normality Test Results One-Sample Kolmogorov-Smirnov Test

	8	
		Unstandardized Residual
N		100
Normal Parameters a	Mean	.0000000
	Std. Deviation	1.12125995
Most Extreme	Absolute	.067
Differences	Positive	.067
	Negative	042
Kolmogorov-Sn	.666	
Asymp. Sig. (2	-tailed)	.766

Source: Primary data processed

Based on table 4.4 the results of the normality test above, the Asymp results are obtained. Sig (2-tailed) of 0.766, which means greater than 0.05, it can be concluded that the data in this study have a normal distribution.

#### b) Multicolonearity test.

The multicollinearity test aims to determine whether there are symptoms of correlation between other independent variables. A good regression model should not have a correlation between the independent variables. An examination to detect multicollinearity is carried out by VIF (Variance Inflation Factor) which is calculated using SPSS Static 16 for windows. The multicollinearity test results are presented in the following table:

**Table 4.5 Multicollinearity Test Results** 

Variable	Tolerance	Information
Relationship	.850	Not occur
Marketing		multicollinearity
Atmosphere		Not occur
Café	.850	multicollinearity
		_

Source: Primary data processed

Table 4.5 above shows that all variables are free from multicollinearity because the tolerance value is greater than 0.1 and VIF is smaller than 10.

#### c) Heteroscedasticity Test

Heteroscedesity, which shows that the variance of variables is not the same for all observations. A good regression model is homoscedasticity not heteroscedasticity. To detect the presence or absence of heteroscedasticity in this study using the Glejer test with the condition that the Sig. above 0.05, there is no heteroscedasticity. In testing heteroscedasticity using the help of SPSS statistics for windows 16. The results of the heteroscedasticity test can be seen in the following table:

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**Table 4.6 Coefficient Heteroscedasticity Test Results** 

	lardized icients	Standardized Coefficients		
В	Std. Error	Beta		
			t	Sig.
1.225	.765		1,602	.112
014	.037	042	386	.700
004	.026	017	-158	.875

From table 4.6 above shows that the value of sig. from relationship marketing (X1) of 0.70, greater than 0.05 and the value of sig. of the cafe atmosphere (X2) of 0.875 which is greater than 0.05. So that it can be decided from the two independent variables in this study there is no heteroscedasticity.

# d) Linearity Test

The linearity test shows that there is a linear influence between the independent variable (X) and the dependent variable (Y). This test is usually used as a prerequisite in linear regression analysis. In linearity testing using the help of SPSS statistics for windows 16. With the Test for Linearity method with a significant level of 0.05. Two variables are said to have a linear relationship if the value of sig. (Linearity) < 0.05.

Table 4.7. X1 . linearity test results

Test 10.00 TEST CEST TESTING					
	Sum of	df	Mean	F	Sig
	Squares		Squares		
Between	106,208	9	11,801	5.532	.000
(Combined)					
Linearity	67,031	1	67,031	31.424	.000
Groups					
Deviation from	39.177	8	4.897	2.296	0.28
Linearity					
Within Groups	191,982	90	2.133		
Total	298.190	99			

Source: Primary data processed

Based on the table, it is known that the significance value for linearity of 0.000 is smaller than 0.05, which means that there is a linear relationship between relationship marketing and customer loyalty.

Table 4.7. X2 . linearity test results

	Sum of	df	Mean	F	Sig
	Squares		Squares		
Between	205.541	12	17,128	16,084	.000
(Combined)					
Linearity	161,092	1	161,092	151,270	.000
Groups					
Deviation from	44,448	11	4041	3,794	.000
Linearity					
Within Groups	92,649	87	1.065		
Total	298.190	99			

Source: Primary data processed

Based on the table, it is known that the linearity significance value of 0.000 is smaller than 0.05, which means that there is a linear relationship between cafe atmosphere and customer loyalty.

# 2. Multiple Linear Regression Analysis

The equations used in this study are as follows:

$$Y = a + b1X1 + b2X2 + e$$

Table 4.8. multiple linear regression test results

Model	Unstandardiz ed Coefficient		Standa rdized Coeffi	Т	Sig
	B Std Erro		Beta		
		r			
1 (Constant)	490	1,22 9		399	.691
Relationship Marketing	.188	.060	.223	3.139	.002
Cafe atmosphere	.383	.042	.649	9,119	.000

Source: Primary data processed

Based on the test results, the regression equation is as follows:

Y = -0.490 + 0.188X1 + 0.383X2 + e

#### 3. t test results

T test is used to interpret the effect of relationship marketing and cafe atmosphere on customer loyalty. The results of the t-test indicate that the t-count value of relationship marketing (X1) is 3.139, which is greater than t-table 1.960 with a significance value of 0.002 less than 0.05, so Ho is rejected and Ha is accepted, this means that relationship marketing has a significant effect on customer loyalty. The cafe atmosphere variable (X2) has a t-count value of 9.119 which is greater than t-table 1.960 with a significance value of 0.000 less than 0.05, so Ho is rejected and Ha is accepted, which means that the cafe atmosphere has a significant effect on customer loyalty.

The results of the coefficient of determination test (R square).

**Table 4.9 Coefficient of Determination Test Results** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763a	.583	.574	1.133

a. Predictors: (Constant), Cafe Atmosphere , Relationship Marketing

b. Dependent Variable: Customer Loyalty

The value of the coefficient of determination is shown in table 4.10 with an R square value of 0.583. These results indicate that the effect of relationship marketing and cafe atmosphere on customer loyalty is 58.3% and the remaining 41.7% is influenced by other factors outside this study such as service quality.

#### 4. F Test Results.

Table 4.10 F Test Results

	Model	Sum of Squares	df	mean Square	F	Sig.
1	Regression	173.725	2	86,862	67,695	.000
	Residual	124.465	97	1,283		
	Total	298.190	99			

Source: Primary data processed

The F test was conducted to determine the effect of the independent variables on the dependent variable. Based on the output in the F test table, it is known that the calculated F value is 67.695 greater than F table 3.09 with a significance value of 0.000 less than 0.05, so it can be concluded that there is a significant influence on relationship marketing and atmosphere. cafe together to customer loyalty.

#### V. CONCLUSIONS AND SUGGESTIONS

# A. Conclusion

Based on the results of the analysis and discussion of the influence of relationship marketing and cafe atmosphere on customer loyalty, several conclusions can be drawn, namely:

- a. There is a positive and significant influence of relationship marketing on customer loyalty. This shows that the better OASE Coffee's relationship marketing, the higher OASE Coffee's customer loyalty.
- b. There is a positive and significant effect of cafe atmosphere on customer loyalty. This shows that the better the atmosphere at OASE Coffee, the higher the level of OASE Coffee's customer loyalty.
- c. There is a positive and significant effect of relationship marketing and cafe atmosphere together have a significant effect on customer loyalty OASE Coffee. The results of the analysis show that relationship marketing and cafe atmosphere have a positive and significant effect on customer loyalty. This also shows that the better the relationship marketing and atmosphere at OASE Coffee, the higher the loyalty of OASE Coffee's customers.

# B. Suggestion

 For OASE Coffee Company, based on statements obtained from respondents and the results of research that has been carried out, it is better to further improve relationships with customers, especially in providing current and relevant information to customers and building long-term relationships to create customer loyalty. For the arrangement of the cafe atmosphere, both the outside and the inside need to be improved, such as the cleanliness of the room, the arrangement of chairs and tables, as well as the installation of signs/regulations and promotional boards in order to form an atmosphere that is able to provide comfort for customers who visit to create customer loyalty.

2. For further research should add the number of respondents and other variables not examined in this study.

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