# Effect of Relational Benefits, Satisfaction and Customer Loyalty in Culinary Services Industry in Makassar

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**Abstract-** Provide a consistent basis to the customer satisfaction can make customers become loyal to Culinary Services Industry in Makassar. Customer Loyalty attitude to Culinary Services Industry in Makassar will be very helpful in the restaurant business and a restaurant in the culinary service industry to be able to survive in a competitive business because the customers are the source of income of culinary services industry in the city of Makassar. Relationship marketing is a marketing strategy that can be used to achieve these goals. Through a strategy of relational benefits, culinary services industry in the city of Makassar to provide benefits on the relationship between food and the customer service industry. This research was conducted by the city of Makassar culinary services industry by respondents as many as 153 people. The results showed that confidence benefits and social benefits and significant positive effect on customer satisfaction and loyalty in culinary services in the city of Makassar. Special treatment benefits no significant effect on customer satisfaction and loyalty in the industry culinary services in the city of Makassar Furthermore, customer satisfaction and significant positive effect on the Customer Loyalty culinary Services Industry in the city of Makassar.

Index Terms- Relational benefits, Satisfaction, Customer Loyalty

# I. INTRODUCTION

Ulinary services industry has always claimed to be able to adjust to the changes that occur. If not done, the existence of restaurants and eating houses will be threatened, and culinary services industry would not be able to survive in the competition is increasingly tight. In the face of this, the restaurant and the restaurant is required to continue to provide satisfaction for the customer because the customer is the source of income from businesses restaurants and eating houses in culinary services industry. Consistently give satisfaction to the customer can make customers become loyal to restaurants and eating houses. The attitude of customer loyalty to the restaurants and eating houses will greatly assist industry culinary services in order to survive in the business competition (Leverin & Liljander, 2006). Loyalty can not appear in time Traditional house brief should be able to consistently maintain satisfaction, customers in the long term. Have customer loyalty would be very beneficial for Culinary services industry (Eisingerich & Bell, 2006). Customer satisfaction is a matter that is crucial in determining the success or failure of a business. Consistently giving satisfaction to customers is not easy. Alrubaiee and Nahla (2010) argue that the change is happening now tend to make customers more easily

determine options and take a decision. This is because easy to get the information to make customers more intelligent, and is able to evaluate which products are able to meet the expectations of what is promised by marketers in marketing communications activities. Facing these challenges, companies need to start making adjustments strategy. Companies that used to be more focused on the activities of transactional must now begin to switch on the activities of relationship in order to get closer to the consumer and find out what the current needs, and can provide benefits to consumers of the relationship that has been in knitting by the company and the consumer (Hennig-Thurau et al., 2002). According Palmatier, Dant, Grewal, and Evans (2006) relationship marketing is a philosophy of doing business that strategically oriented, focusing on maintaining and improving the quality of relationships with current customers, instead of focusing on efforts to acquire new customers. Provide the benefits of a relationship or relational benefits can actually be beneficial to both parties, both the customer and the company (Maria-Eugenia, Gil-Saura, and Berenguer-Contri, 2009; Amonini, McColl Kennedy, Soutar, & Sweeney, 2010). Therefore, this study has the objective to determine the effect on the benefit relationship satisfaction and customer loyalty. Relationship marketing or relationship marketing (relationship marketing) is a philosophy of doing business-oriented strategic focus on maintaining and improving the quality of the relationship with the Costumer this time, instead of focusing on efforts to obtain new Costumer (Zheithaml, Bitner, and Gremler 2006). This philosophy assumes that many consumer and business customer prefers to have an ongoing relationship with one company rather than have to move - move to another company, as long as the company is able to provide value and meet the expectations of the customer. Keeping the customer at this time will make the costs to be incurred by the company will be much less than with trying to attract new customers. Successful marketers will work with the use of effective strategies to retain customer (Ardyansyah, 2007).

According to Zeithaml et al. (2006) relational benefits are what will be perceived by the customer when it has received a service from service providers who have a higher value than what they expect / get from other companies. When companies are able to consistently deliver value from the perspective of the customer, then the benefit (benefit) will be felt more clearly costumer that will encourage them to maintain a relationship. Relational benefits consist of confidence benefits, social benefits, and special treatment benefits (Maria-Eugenia et al., 2009). Customer who feel they have value or benefit (relational benefits) of a relationship marketing program, will feel some satisfaction. Kotler (2006) suggests that customer satisfaction is

the level of one's feelings after comparing the perceived performance with expectations. Customer experience various levels of satisfaction and non-satisfaction, after experiencing or feeling each - each service in accordance with the extent to which their expectations are met or exceeded (Ndubisi & Chan, 2005; Kim, 2005). Furthermore, the sense of satisfaction of consumers will have an influence on loyalty. According Hurriyati (2005) refers to a form of behavioral loyalty of the unit - the unit to make a purchase decision-making continuously the products of a company that is chosen. According Leverin and Liljander (2006); Maria-Eugenia et al. (2009), customer loyalty is demonstrated by the behavior established the company as the first choice, will always use the company's products, always talked things - positive things about the company's products, and will not switch to a competitor.

## II. RESEARCH METHODS

This research was conducted at restaurants and eating houses attempt to take on the subject of business customers of restaurants and eating houses in the culinary service industry in the city of Makassar. The samples in this study using purposive sampling method. According Sugiyono (2009) purposive sampling is a sampling technique with a certain consideration. In this study, the consideration is the respondents who had used the service on a culinary service industry in the city of Makassar last at least six months, for such period considered still relevant to answer the questionnaire. Other considerations are the respondents aged 17-60 years old and have a high school education level/equivalent. This is because the age range and education level of the respondents are able to understand and be able to answer questions in the questionnaire in accordance with the experience gained. Number of members of the sample or the size of the sample (sample size) is determined by consideration of which states that the number of samples can be determined from the number of indicators in the model multiplied by five to 10 (Solimun, 2005). Therefore the number of indicators in this study were 22 items, then the sample size to be between 110 -220. Based on the considerations of practicality and cost, the number of samples used is 153. Identification of variables and indicator variables are presented in Table 1.

Table 1. Identification Variables and Indicator Variables Research

Type constructs	Construct name (source)	Amount indicator	Description	Symbol
Exogenous	• Relational Benefits (Hennig-Thurau et al., 2002;; Maria-Eugenia et al., 2009)	4	1)Guarantee halal 2)Tthe quality of food 3)The guarantee does not contain preservative 4) Guarantee hygiene	X1.1 X1.2 X1.3 X1.4
	• Social Benefits (Dimitriadis, 2010; Maria-Eugenia et al., 2009)	4	1) Customers know to know Good manager of the restaurant 2)Emotional relationship 3)The manager is able to create restaurant with the customer 4)Managers to be polite and Polite	X2.1 X2.2 X2.3 X2.4
	• The benefits of treatment Outstanding (Maria- Eugenia et al., 2009; Hennig-Thurau et al., 2002; Dimitriadis, 2010)	5	Managing separate smoking customers     And not smoking     customers can special price     Quick service     home delivery services     The customer is Swipe cards usage for payment transactions	X3.1 X3.2 X3.3 X3.4 X3.5
Endogen	<ul> <li>Customer satisfaction (Ndubisi and Chan, 2005; Cream, 2005)</li> <li>Customer loyalty (Leverin &amp; Liljander, 2006; Maria-Eugenia et al., 2009)</li> </ul>	5	1) Satisfied with the service 2) The experience after getting service 3) Satisfied with treatment efforts restaurants and home dining 4) The right decision 5) Satisfied with the overall services	Y1.1 Y1.2 Y1.3 Y1.4 Y1.5

		1) Fidelity	in	buying	products	Y2.1
4	ļ	2) Regarding	the	negative	effect of	Y2.2
		pressure on th	e rest	aurant bus	siness and	
		Restaurant.				
		3) Referenc	e in	ı total	business	Y2.3
		Restaurants an	d eati	ng houses	3	

The analytical methods used to analyze the data is Structural Equation Modeling (SEM). According to Ferdinand (2002), SEM is a tool or technique of data analysis consists of two basic stages: stage measurement model (Measurement Model) through Confirmatory Factor Analysis and stage of structural equation model (Structural Equation Model). Its main purpose is to test the suitability of the model (fit) with valid data. Data was analyzed using Structural Equation Modeling (SEM) with software applications Moment of Structure Analysis Spss.19 Version Amos 20.

## III. RESULTS AND DISCUSSION

# **Structural Equation Model Analysis Phase**

Once the model is analyzed through Confirmatory Factor Analysis, it is known that each - each variable can be used to define a latent constructs, then the model can be analyzed. Testing for SEM models performed on the index - the index Goodness of Fit. One of the tools that Chi-square test is very sensitive to sample size. Chi square value of the test tools to measure the overall fit. Chi square test results in better perspective if the value is lower (Ferdinand, 2002). The weakness of the Chi-square test equipment needs to be addressed One of them using test equipment Root Mean Square of Approximation (RMSEA), which is independent of the sample size used. RMSEA is a test of suitability close fit, unlike Chi square which is an exact fit test fit. So, test the suitability of the exact fit less realistic when compared to test the suitability of the close fit because it is more realistic to measure the level of application of the model to the data. Besides RMSEA index Goodness of Fit Index (GFI), Tucker Lewis Index (TLI) is also highly recommended to be used for this index is not sensitive to sample size and less influenced by the complexity of the model. The results of the feasibility test structural models briefly shown in Table 2. In the table at the show that all constructs already meets the criteria of goodness of fit has been determined. GFI and AGFI values although still slightly below the specified criteria, but these conditions are still unacceptable because the value of GFI and AGFI is approaching 0.90, so that the model can be said to be fit.

Another consideration is the probability value of 0.125 is far above the prescribed criteria. Hypothesis test results are shown in Table 3. Based on Table 3, it can be seen that from the seven hypothesis that has been tested as a whole there are five accepted hypothesis that confidence construct positive and significant benefits to the construct of satisfaction with the coefficient of 0.431. Construct social benefits are positive and significant impact on the construct of satisfaction because it has a p value below 0.05. Construct confidence benefits are also positive and significant impact on the loyalty construct the coefficient value of 0.231. Construct social benefits are positive and significant impact on the loyalty construct the coefficients 0.176 and p value

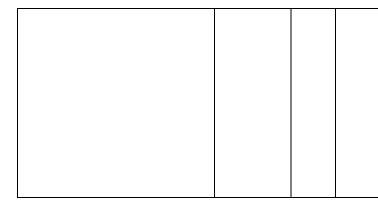
of 0.48. Construct satisfaction is also positive and significant impact on the loyalty construct the coefficient 0.506. Two other hypotheses were tested hypothesis can not be accepted. Construct special treatment benefits have a positive effect but not significant to construct the satisfaction of having p value above 0.05 is equal to 0.053. Construct a relationship special treatment to construct loyalty benefits that have p value of 0.152.

**Table 2. Feasibility Structural Model** 

Goodness of Fit Index	Cut off Value	Model	Description
X2- Chi- Square	Expected	222.181	good
Significance	value is	0.125	good
Probability	smaller≥ 0.05	1.116	good
CMIN/DF	$\leq$ 2.00	0.881	Marginal
GFI	$\geq 0.90$	0.849	Marginal
AGFI	$\geq$ 0.90	0.977	good
TLI	$\geq$ 0.95	0.980	good
CFI	$\geq$ 0.95	0.028	good
RMSEA	≤ 0.08		

Table 3. Results Research Hypothesis Testing

Relationship Kostruk			Coefficient	p	Description
Satisfaction Satisfaction Satisfaction Loyalty Loyalty Loyalty Loyalty	<b>← ←</b>	Benefits The	0.431 0.255 0.058 0.231 0.176 0.108 0.506	*** 0.015 0.530 0.013 0.048 0.152 ***	Hypothesis Accepted Hypothesis Accepted Hypotheses Rejected Hypothesis Accepted Hypothesis Accepted Hypothesis Accepted Hypotheses Rejected Hypotheses Rejected Hypothesis Accepted



Based on all the results, especially the results of testing hypotheses, it can be explained the influence of exogenous construct consisting of confidence benefits, social benefits, special benefits treatment on endogenous variables, namely customer satisfaction and loyalty. Based on the results, it can be explained that the confidence benefits and significant positive effect on satisfaction Culinary customers Services In Makassar. That is, that confidence benefits or benefits that include reputation Business confidence Restaurant and Eating, employee reliability, accuracy appointment business Restaurants and Restaurants, and confidence in the employee restaurant and Restaurants, has been able to make customer's Culinary Services In Makassar satisfied. In addition, based on the results of the study also concluded that the better benefits gained trust or confidence benefits, the satisfaction of which will be felt by customers Culinary Services In Makassar, the better as well. This is in line with studies conducted by Ardyansyah (2007); Hennig-Thurau et al. (2002); Yen and Gwinner (2003); Molina et al. (2007), Prayustika and Adriani (2010); Based on the results, it can be explained that the social benefits and significant positive effect on customer satisfaction Culinary Services In Makassar because it has a p value under 0.05. That is, that the better the social benefits derived or social benefits, the satisfaction of which will be felt by customers Culinary Services In Makassar, the better as well. Results of this study are also in accordance with a study conducted by Ardyansyah (2007); Navarro et al. (2004). Based on the results, it can be explained that the treatment of special benefits not significant effect on customer satisfaction Culinary Services In Makassar because it has a pvalue above 0,050. That is, that the treatment of special benefits or benefits of preferential treatment is not a critical factor in determining customer satisfaction Culinary Services In Makassar. Give preferential treatment that the company is unable to provide satisfaction to its customers, so it needs to be reviewed whether the action - the company's actions in giving preferential treatment has been targeted and permanent attention to the effectiveness of the strategy. The findings of this study are not consistent with the results of a study conducted by Ardyansyah (2007); Prayustika and Adriani (2010). However, the influence of special constructs treatment benefits are not significant to construct satisfaction is in line with several studies conducted by other researchers, among others Molina et al. (2007), Yen and Gwinner (2003), Hennig-Thurau et al. (2002).

Based on the results, it can be explained that the confidence benefits and significant positive effect on loyalty Culinary customers. Services In Makassar. That is, that confidence benefits or benefits of the trust that includes the company's reputation, employee reliability, accuracy and confidence in the company promises employees of restaurants and eating houses, has been able to make customer's Culinary Services Industry In Makassar become loyal. In addition, based on the research results can also be explained that the better the benefits of trust or confidence exists then the benefits of customer loyalty Culinary Services In Makassar, the better as well. The findings are consistent with a study conducted by Yen and Gwinner (2003) Maria Eugenia et al. (2009); Hennig - Thurau et Al. (2002). Based on the results, it can be explained that the social benefits and significant positive effect on loyalty Culinary customers Services In Makassar. It means that the better established social benefits or social benefits, then the customer loyalty Culinary Services In Makassar, the better as well. Results of this study are also consistent with studies conducted by Navarro et al. (2004); Hennig-Thurau et al. (2002). Based on the results, it can be explained that the treatment of special benefits not significant effect on customer satisfaction Culinary Services Makasasar In the city because it has a p-value above 0.050. That is, that the treatment of special benefits or benefits not preferential treatment is vital in creating customer loyalty Culinary Services In Makassar. The findings of this study according to a study conducted by Kinard and Capella (2006); Hennig-Thurau et al. (2002); Delcourt, Gremler, Van Riel, & Van Birgelen (2013). However, results from this study are not consistent with the results of research Ardyansyah (2007); Yen and Gwinner (2003), Prayustika and Adriani (2010) and Maria - Eugenia et al. (2009). Hypothesis testing results indicate that customer satisfaction Culinary Services In Makassar positive and significant impact on loyalty as the p-value was under 0,050. This shows that the higher the level of customer satisfaction Culinary Services In Makassar, the higher is also the level of customers' loyalty Culinary Services In Makassar. These findings are consistent with studies several researchers, including Hennig-Thurau et al. (2002); Navarro et al. (2004); Yen and Gwinner (2003); Yen et al. (2009); Ardyansyah (2007); Prayustika and Adriani (2010), and Gaur, Xu, Quazi, and Nandi (2011).

## IV. CONCLUSION

- 1. Confidence benefits and social benefits and significant positive effect on customer satisfaction and loyalty in culinary services in the city of Makassar.
- 2. Special treatment benefits no significant effect on customer satisfaction and loyalty in the industry culinary services in the city of Makassar.

Customer satisfaction is positive and significant impact on Customer Loyalty in Service Industry culinary in Makassar.

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