EXPERIENCE MARKETING INFLUENCE ON
CUSTOMER LOYALTY IN DAPUR IGA RESTAURANTS

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Abstract- Dapur Iga is one of restaurant which locate in Bandung, today it going to become franchise business. Dapur Iga restaurant provide some variety food specialty grilled ribs with many kind of sauce. Dapur Iga locate in Jl.Veteran No.42 with western concept. Sales per day are decrease so that the writer want to make a research in this restaurant. The writer objectives to see is there any influence of experience marketing on customer loyalty in Dapur Iga restaurant and how much the influence if they have. Experience marketing is one tool of marketing which make the customer who has bought the product or service which touching their heart so that their remind it and make them tell their nearest people. Customer loyalty is a result that customer satisfied with the product that they bought which make them buy again or recommend to others. Customer satisfaction is added variable because customer satisfaction has relation with customer loyalty. Data collection in this study is using a questionnaire distributed to Dapur Iga consumers as the population with 200 samples. Writer use Microsoft Excel, SPSS 17.00, and SPSS 20.00 to process the data and analysis with Path Analysis. After process the data, researcher gets conclusion that experience marketing has significantly effect to customer loyalty in Dapur Iga with individually affects 42.8% and simultaneously 56%. Dapur Iga need to improve their interaction with customer because that factor is dominant to influence in this case.

Key-Words: Experience Marketing, Customer Satisfaction & Customer Loyalty

Introduction

Marketing currently has been continuously developing and changing, from conventional marketing concept to modern marketing concept. The factors such as the increased number of competitors, technological sophistication and the increased education concerning the marketing, increasingly accelerate and spur on marketers to be increasingly creative in marketing their products. Whereas Wong (2005) argued that the experience is an instrument distinguishing products or services. It is undeniable that as increasingly developing technology of products and services the creation of product differentiation is very difficult, even sometimes it is impossible to do. With the maturity of a product the competition becomes to be very tight because the competitors offers core products with the same functions and features. Therefore, there are only little differences that can be created. So that Wong (2005) stated that there were two options to overcome this competition, those are differentiate on how well you do it (i.e., compete on operational quality) or differentiate on how and where you do it.

Frequently product differentiation depends on the subjective and aesthetic points in line with the marketer's effort to generate the customer's emotion. Currently the customer considers the function, feature, quality of a product as well as positive brand image as a common or general thing (Andreani, 2007). Therefore, the marketer would not only conduct a promotion, but also he

or she must be able to realize his or her promises operationally really. So that the product can be buried in the consumer's mind by giving emotional shocks and generating their moods with unique experiences. Experience marketing outlined through sense, feel, think, act and relate has an objective to enhance a long-term loyalty and also for binding the consumers by giving the experience that has been not forgotten when enjoying the company's products.

Dapur Iga is a new brand serving a typical culinary of ribs. Dapur Iga has a product of many unique flavored sauce combine with ribs based on the order. Ribs and the sauce will be prepared early before it combined when customer ordered the menu. The delivery size available also highly varies and may be adapted to the need. In addition to ribs product, there are also several menus by using basic material of chili and spice from east Indonesia which called Iga Woku and also using Lechy which called Iga Lechy, that recently it justly becomes the best seller of Dapur Iga.

With the presence of competition that is increasingly tight in the type of restaurant business, so various different efforts have been conducted by Dapur Iga with the uniqueness of menu in order that the customer gets an unusual experience when buying the Dapur Iga's products. Dapur Iga was only in Bandung and Palembang at the near time it will made a type of business franchise.

According to its name, Dapur Iga provides the variety of ribs options having no by other competitors. And an initial step of Dapur Iga in drawing the loving customers, and then followed by next steps conducted by Dapur Iga in order that the customers get experiences that has been not forgotten :
1.   Dapur Iga spoils the lovers of Indonesian and western typical culinary, a ribs by combining Indonesian typical sauce with western typical menu
2.   Dapur Iga opens in places of sales at the points easily reached by both office, university students, and school students, including by following the certain events such as bazaar
3.   Dapur Iga sells its products at prices that are reached by students and learners, in the range of Rp. 8.000,- to Rp.40.000,- per menu

Having a concept of unique product and not yet many offered in Bandung becomes an expectation of Dapur Iga in order that the consumers get an impression and experience of culinary that are different from before. Associated with this, Experience Marketing is an effort to develop a marketing concept in facing a change occurring at the marketplace. The marketers attempt to involve the customers emotionally and psychologically when consuming the products offered by the marketers (McCole in Adhi Hendra Baskara 2006:35).

The conception of loyalty according to Lovelock (2004: 352): "loyalty is describe a customer's willingness to continue patronizing a firm over the long term, purchasing and using its goods and services on a repeated and preferably exclusive basis, and recommending the firms product to friend and associates."

The term loyalty is frequently told by marketing experts and business practitioners, the loyalty is a concept that is seemly easy to discuss in the daily context, constantly becoming to be more difficult when analyzed. In many definitions, Ali Hasan (2008:81) explained the loyalty as follows:
1. As generic concept, the brand loyalty shows the consumer's trend to buy a certain brand with high consistency level.
2. As a behavior concept, the repeated purchase is often related to the brand loyalty. In the difference, when the brand loyalty reflects a psychological commitment to the certain brand, repeated purchasing behavior pertains to the purchase of the same brands repeatedly.
3. Repeated purchase as a result of domination (1) has successfully made the product become the only alternative available, (2) that continuously conducting a promotion to attract and persuade the customers to repurchase the same brands.

Dapur Iga sales was stuck, Dapur Iga manager estimates because of there is no customer who loyal. This research objectives is to see how does Experience Marketing influence to Customer Loyalty, is it has any effect or not, if it has, how much is the effect.

Theoretical Foundation and Hypothesis

This research is intended to obtain the theoretical data, conducted by gathering the materials from the transcript of lectures the author follow during the lecture affairs. In addition, it has also carried out by reading the books, literatures and several research outcomes being conducted currently as a comparative basis in the discussions, this is certainly only restricted to the books relating to the problems discussed.

Experience marketing is an approach in the marketing that has really carried out since the past until to the present by marketers. This approach has been valuated to be very effective because in line with the development of period and technology, the marketers more emphasize the differentiation of products to distinguish its product to the products of competitors. In the experience marketing approach the products and services must be able to generate the sensations and experiences that will become the basis of customer loyalty (Kartajaya,2006:168).

With the presence of experience marketing, the customers will be able to differentiate the products and services each other because they can feel and obtain some experience directly through five approaches (sense, feel, think, act, relate), both before and when they consume a product or service (Andreani, 2007:1).

Customer satisfaction is viewed as influencing repurchase intentions and behavior, which, in turn, leads to an organization's future revenue and profits. As a result of the direct link with profits, the issue of service quality and customer satisfaction has become a focus of the hospitality industries. More and more companies are compelled to asses and improve their service quality in an effort to attract customers (Gilbert and Veloutsou, 2006). Customer satisfaction or dissatisfaction is a well-known and established concept in several sciences. Customer satisfaction cannot be evaluated directly using an objective measure. If, however, customer satisfaction is treated as an abstract and theoretical phenomenon, it can be measured as a weighted average of multiple indicators. Customer satisfaction is influenced by two factors: expectations and experienced service performance (Shahin, 2006).

Loyalty has over the past decade become a crucial construct in marketing, and particularly in the burgeoning field of customer relationship management (Ball et al., 2004; Soderlund, 2006). Such loyalty might be to a brand, product, or service outlet. Loyalty is likely to lead to positive attitudes and behaviors such as repeat patronage and purchases, and positive recommendations which may influence other actual or potential customers. A loyal customer base can be a valuable asset for any organization. It reduces the need to seek new customers and is positive feedback that the organization's products and services are meeting the needs of a particular group of people (Rowley and Dawes, 1999). At a very general level, loyalty is something that consumers may exhibit to brands, services, stores, product categories (e.g.cigarettes), and activities (e.g. swimming). Some people use the term customer loyalty as opposed to brand loyalty; this is to emphasize that loyalty is a feature of people, rather than something inherent in brands. Unfortunately, there is no universally agreed definition (Jacoby and Chestnut, 1978; Dick and Basu,1994; Oliver, 1999; Gee et al., 2008).

Customer loyalty after Amin Widjaja Tunggal (2008:6) is "the customer's viscosity to a brand, took, manufacturer, service provider, or other entities based on advantageous attitude and good

response, such as repeated purchase".. Based on the definition, it can be concluded that there are elements of behaviors and attitudes in the customer loyalty.

Before get the result of research there is hypothesis that Experience Marketing will effect Customer Satisfaction that will effect to Customer Loyalty. Some of people will remind marketing tools which some companies do and Experience Marketing is one of that tools, when customer come to buy the companies product they will feel satisfaction, it brought the following hypothesis :

H1 : Experience marketing has a positive and significant impact on customer satisfaction

Experience marketing by Dapur Iga aims to give a good first impression to their customers, such as restaurant atmosphere, good service, nice and taste delicious food. Customers can feel satisfaction what company give in their experience when eat in Dapur Iga so in the end it will bring consumers' desire to return to Dapur Iga. Therefore, the corresponding hypothesis is:
H2 : Experience marketing has a positive and significant impact on customer loyalty

And then when consumers are have come they tried to eat in Dapur Iga, they feel comfort come to Dapur Iga after see design feel the atmosphere in the restaurant, and also they feel good service they will satisfied with the products offered by Dapur Iga, so that consumers will then repeat purchases and recommend it to others, where this is a form of customer loyalty. So the next hypothesis is:

H3: Customer satisfaction has a positive and significant impact on customer loyalty.

Research Methodology

Author doing research by collecting data by questionnaire from 200 respondents who come to Dapur Iga. Concerning the sample it is more little than 50 observations, and the better sample size must be 100 or more. As a general rule, the minimum sample size is to possess at least five times of observations many variables to be analyzed, and the sample size more received will has a ratio of 10: 1. (Hair, Black, Chapterin, Andersen, Tathan, 2009 :112).

Based on Sugiyono (2003: 72) explained that "Population is a generalization region consisting of object/subject having certain quality and characteristics established by the researcher to be studied and then drawing the conclusion." concerning object/subject having certain quality and characteristics, then the author established that in this research what becoming the population is the entire public becoming consumers or customers of Dapur Iga.

Respondents are man and woman who come and eat to Dapur Iga, they are spend money to eat in restaurant in range about Rp 10.000 until more than Rp 40.000. They have income about below than Rp 1.000.000 until more than Rp 5.000.000, respondents also usually go to restaurants about once a month until more than 4 times a month which eat to Dapur Iga about once a month until more than 4 times a month.

In doing this research, the sampling from the population is carried out by Accidental Sampling, it means that the sample determining technique is based on accidental, anyone who accidentally meets the researcher can be used as sample, when viewed the person becoming the sample is suitable as data resource (Sugiyono, 2003: 77).

In a frame of implementing the research, the author arranged the type of research method used with the problems that have been formulated. Likewise conducted in arranging a scientific work,

the author would use the research method that has been adapted to the discussions or problems to be analyzed.

The analysis method that would be used in this research was a research method associated with a survey approach, where with this research it will be able to build a theory that can function for explaining, predicting and controlling a symptom. According to Sugiyono (2003: 11), with this associative research it will be able to build a theory that can function for explaining, predicting and controlling a symptom.

Whereas the survey approach used to measure the existing symptoms without investigating why the symptoms have been existed, it is unnecessarily to regard the relation if variables, more using the existing data to solve the problems rather than testing the hypothesis. From the side of processed information, this research is a quantitative research, a research whose the data have been managed statistically.

The data used in this research are primary data and secondary data.
1. Primary data are the data gathered from the first source, both individual or personal, such as the results of interviews or the results of questionnaires fill-in (Umar, 2003: 130). The contact method used was a direct interview with the respondents.
2. Secondary data are primary data obtained furthermore and designed by the primary data collectors or other parties (Umar, 2003: 130). The author in getting the secondary data by studying the book and literatures relating to the problem of research. In addition, the author also conducted a quotation directly from the theories becoming a base in writing this mini thesis, where this direct writing was carried out by reading the books and literatures relating to the problems of research.

Data collection in this study using a questionnaire distributed to Dapur Iga consumers researchers encountered. Questionnaires were distributed to consumers have closed questionnaire formats in which the answer choices are determined in advance by the researcher.

The Author prepared the list of questions relating to the problems existing in this research . Questionnaires distributed to the respondents containing the written questions and in the form of closed questions. The questionnaires used in the form of checklist, where the respondents chosen the available answers by giving a checklist mark to the answers considered to be most suitable. Furthermore, the author spread out the questionnaires to all respondents directly. This is intended in order that the author can obtain the accurate data. The technique used is questionnaire, it is a way of collecting the data by giving or spreading the list of questions (Umar, 2003: 197).

Data processing technique used is a correlation between the two variables becoming object in the research by using a data processing instrument of program SPSS (statistical package for social science) version 17.00.

The data processing was conducted through the following stages:
1. To manage each answer and question of the questionnaires distributed to the respondents to calculate the frequency and percentage.
2. To provide the scale for the answers of the questionnaires. The measurement scale used is Likert scale. As proposed by Sugiyono (2003: 86), the Likert scale is the scale used to measure the attitudes, opinion, and perception of individual or a group of individuals about the social phenomena.

Research variable is anything that can be realized or in any form that has been established by the researcher in a research to at later studied such that it is obtained some information concerning

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that and eventually it has been drawn a conclusion. Called as the term variable because the form varies. In the other words, research variable is an attribute, nature or value of an object or activity having a certain variation established by the researcher and then to be studied and having an objective to draw a conclusion from the result of the learning. The variables to be studied in this research include three variables: experiential marketing , customer satisfaction and consumer loyalty.

This research uses a correlation research method, require the presence of a problem constellation model to represent or to explain relational systematic or to influence what happening between two or more variables involved in this research. The problem constellation model used in this research can be described in Figure 1 below.

Figure 1. Model Conceptual
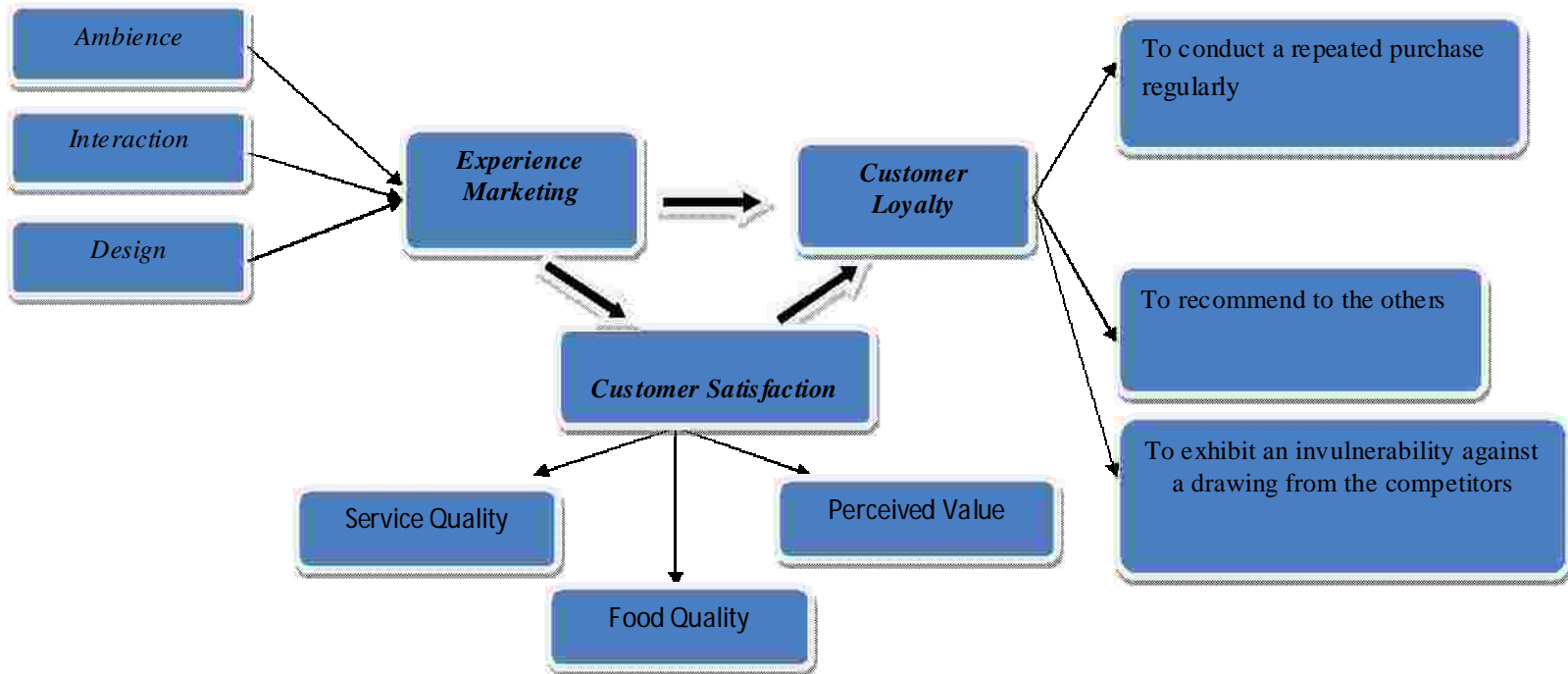
Data Analysis
Influence In Simultaneous
The effect in simultaneous
Experience Marketing variable to Customer Loyalty simultaneously is
KD = R2 X 100% = 0.404 x 100% = 40.4%
And influenced by other factors of 59.6% (100 – 40.4%)

Path coefficients for other variables

$?\_y e\_(1) = v(1 - R\_xy^2)$
$= v(1 - 0.404)$
$= 0.77$

Decision Making:

H1: Experience Marketing variable simultaneously and contribute significantly to the Customer Loyalty variable.

Sig. = 0.000
Sig. < 0.05 , so H1 is accepted

As for the equation of the next sub-structural experience marketing and customer satisfaction to customer loyalty can be seen from the following equation:

2nd Sub structural equation:
$Z = ?_{?6} X + ?_{?6} Y + ?_? ?_?$

A. Individual test between Experience Marketing variable dan Customer Loyalty variable
t Test
H2: Experience Marketing Variable contribute significantly to the Customer Loyalty variable.
t count> t table: H2 accepted
t = 6.957> df table t (200) = 1.971
So H2 accepted
Path Coefficient variable to Customer Loyalty Marketing Experience is (Coefficents Beta) 0.401

B. Individual test between Customer Satisfaction variable dan Customer Loyalty variable
t Test
H3: Customer Satisfaction variable contribute significantly to the Customer Loyalty variable.
t count > t table: H3 accepted
t count = 7.497 > t table df(200) = 1.971
So H3 is accepted

Table 1
F Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	27.463	2	13.732	113.984	.000[b]
	Residual	23.732	197	.120		
	Total	51.195	199			

a. Dependent Variable: CustLoyal
b. Predictors: (Constant), CustSats, Experience

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.242	.300		.806	.421
	Experience	.405	.058	.401	6.957	.000
	CustSats	.539	.072	.433	7.497	.000

a. Dependent Variable: CustLoyal

Path coefficient variable Customer Satisfaction to Customer Loyalty is (Coefficents Beta) 0.433
Variable path relations framework Experience Marketing on Customer Loyalty and Customer Satisfaction Variables to Customer Loyalty can be made through the following structural equation:
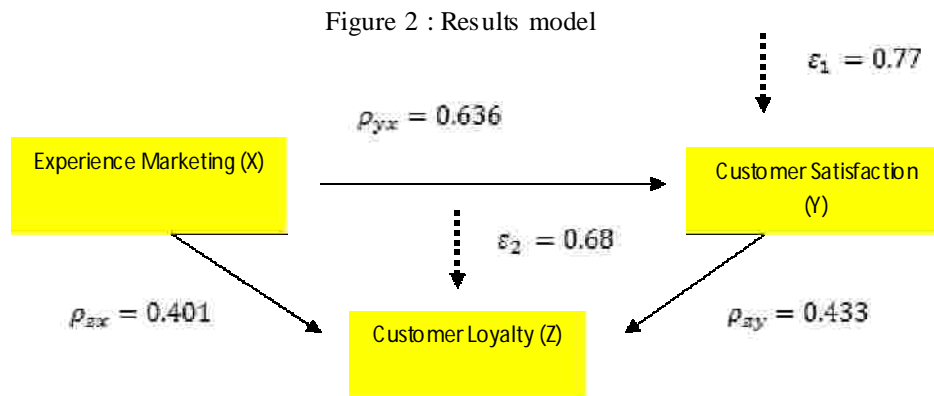
$Z = ?\_zx X + ?\_zy Y + ?\_z e\_(2)$
$Z = 0.401X + 0.433Y + 0.68e\_(1)$

Conclusion:
Variable Experience Marketing and Customer Satisfaction significantly affect the variable Customer Loyalty by 53.6% with effect simultaneously.
While Experience Marketing individually variable (X) affects significantly to the variable Customer Satisfaction (Y) is 63,6%.

Figure 2 : Results model

$\varepsilon_1 = 0.77$
$\rho_{yx} = 0.636$
Experience Marketing (X)
Customer Satisfaction (Y)
$\varepsilon_2 = 0.68$
$\rho_{zx} = 0.401$
Customer Loyalty (Z)
$\rho_{zy} = 0.433$

While Experience Marketing individually variable (X) affects significantly to the variable Customer Loyalty (Z) is 40,1%.

While individual variable Customer Satisfaction (Y) significantly affect the variable Customer Loyalty (Z) is 43,3%.

Recommendation

Dapur Iga need to increase quality tools in Experience Marketing such as restaurant design, interaction, and ambience , because it has significantly effect 63.6% to Customer Loyalty variable and also tools in Customer Satisfaction variable because both of this variable have effect significantly to Customer Loyalty 53.6%.

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