

Strategies To Maintain Customer Loyalty In Indonesia's Pandemic

Woro Utari ¹, Made Yudi Darminta ²

¹Wijaya Putra University Surabaya, woroutari@uwp.ac.id

²Triatma Mulya University, yudidarmita@gmail.com

Info Artikel (11 pt)

Received February, 2022

Revised March , 2022

Published March , 2022

Keywords:

Loyalty, Customer, Cafe

Abstract

The purpose of this study is to formulate a strategy carried out by cafe owners so that their customers remain loyal, especially during the Pandemic. The subjects of this research are 10 cafes in Surabaya . The informants in this study were cafe visitors aged over 17 years and cafe owners/managers. The analysis technique used descriptive statistical analysis and qualitative analysis . The results show that cafe customers in Surabaya are generally loyal, customer loyalty is reflected in recommending to others and doing word of mouth. Efforts that must be made by cafe owners are how to maintain customer loyalty. Strategies that can be done to maintain customer loyalty through several dimensions are providing satisfaction to customers, building customer trust, building emotional bonds and providing good experiences to customers .

PRELIMINARY

The rise of cafe business in Surabaya lately is a form of changing consumer behavior. The term " *nyangkruk* " or hanging out has become part of the routine activities of millennial youth. This change in behavior has an impact on the proliferation of cafe businesses in Surabaya in general and West Surabaya in particular.

Cafe business is a very promising business, but has a very high level of competition, this is characterized by the number of cafe entrepreneurs. The very high level of competition has an impact on high turnover behavior, as stated by Jones and Sasser (2019). The number of cafes in West Surabaya is 35 large and small cafes, each cafe has different characteristics and segments.

The emergence of the cafe business gives consumers many choices to be more free to choose and move from one cafe to another according to their choice. Various efforts have been made by cafe owners to increase and maintain customer

loyalty, ranging from providing good service, providing complete facilities to designing attractive interiors. Not a few cafes that provide sofas, air conditioners, and wifi. With these pampering facilities, it is not surprising that visitors feel comfortable and at home to linger at the Café.

Shartykarini et al (2016) stated that the various facilities provided by the cafe were a priority for visitors compared to the menu provided. By ordering just one drink, visitors can stay in the cafe for hours while chatting or using the cafe's wifi.

The basic problem in the Small and Micro Business sector such as cafes is that competition is very tight, making it difficult for these businesses to maintain customer loyalty. The more cafe businesses that appear, the tighter the competition will be, because consumers will be very easy to switch (*switching*) from one cafe to another. Therefore, it is necessary to formulate how to develop a strategy to maintain customer loyalty in cafes in Surabaya.

Based on the problems in the background, the main objective of this research is to formulate a strategy and create a strategy model to maintain customer loyalty.

RESEARCH METHODS

This study uses a qualitative approach, where the method used is a survey method by conducting in-depth interviews with informants.

The focus of research on customer loyalty Cafes with research dimensions of service quality, satisfaction Level of satisfaction (satisfaction), emotional bonding (emotional bonding), trust (trust), Ease (choice reduction and habit), Experience with the company (history with company)

The research location is a cafe in West Surabaya with criteria for cafes that have indoor and outdoor, serving non-continental and halal food. Of the 35 cafes, 3 cafes that meet the requirements are: Rolag Kafe, Opa Kafe, Pethangkringang Cafe. Due to the pandemic season 2 cafes are closed so data can only be obtained from Rolag Kafe (Rolag Kafe Kayun and Rolag Kafe Gunungsari). Respondents were 33 people with a minimum age of 17 years. The data was obtained by using a questionnaire and guided interview.

The data analysis technique in this study used descriptive qualitative analysis. After the data has been collected, it is then analyzed using quantitative descriptive analysis, which is to describe the research results as needed.

RESULTS AND DISCUSSION

Cafe business is a promising business, therefore many entrepreneurs are looking at this business. Besides the capital that is not too large, this business also does not require specific skills and labor. Cafes are one of the mainstay businesses because the cafe market segment is young people who always follow trends. This market share is a promising market share, apart from the large number of them, they also have a habit of hanging out with their friends. One of the places commonly used to gather is a cafe. This is what makes the cafe business like mushrooms in the rainy season with the increasing number of cafe entrepreneurs making the competition even tougher. The following are the results of research related to the characteristics of the respondents.

Table 1. Characteristics of Respondents by Age

Age	Frequency	Percent (%)	Valid Precent	Cumulative Precent
< 20 years	4	12.0	12.0	12.0
21 – 30 Years	10	30.0	30.0	32.0
31 – 40 Years	14	42.0	42.0	74.0
41 -50 Years	3	10.0	10.0	84.0
> 50 years	2	6.0	6.0	100.0
total	33	100.0	100.0	

Source: Primary Data (2020)

The table above shows that most of the customers are over 30 years old, this shows that the cafe's customers are adults. Data was collected using a questionnaire distributed to customers.

Based on occupation, most of the respondents are students and private employees, as shown in table 2 below:

Table 2. Characteristics of Respondents by Occupation

Profession	Frequency	Percent (%)	Valid Precent	Cumulative Precent
Student	15	45.0	45.0	45.0
Private	10	30.0	30.0	75.0
Entrepreneur	5	15.0	15.0	90.0
Civil servant	3	10.0	10.0	100.0
Teacher / Lecturer	0	0.0	0.0	100.0
total	33	100.0	100.0	

Source: Primary Data (2020)

One's work will affect one's lifestyle, the work also affects one's community. The results of the study using a questionnaire, it is known that most of the cafe customers in Surabaya are students and private employees. The results show that 75 percent of the cafe's customers are students and private employees, divided into 45 percent of students and 30 percent of private employees.

Table 3. Characteristics of Respondents Based on Income

Income	Frequency	Percent (%)	Valid Precent	Cumulative Precent
< 3 million	12	36.0	36.0	36.0
3.1 – 4 million	13	39.0	39.0	75.0
4.1 – 5 million	6	18.0	18.0	90.0
>5 million	2	7.0	7.0	100.0
total	33	100.0	100.0	

Source: Primary Data (2020)

The results of the study as outlined in table 3 show that most cafe customers earn less than 4 million, only 25 percent earn more than 4 million per month. This is in accordance with their condition, most of whom are students and private employees. The level of income will affect a person's lifestyle, the higher a person's income, the higher his lifestyle will be.

Even though the cafe is a suitable place to "hang out" it doesn't mean that people always come to the same cafe. They visit the Café mostly because they meet the community. So the meeting is not always at the same cafe. The following are the results of research related to customer visits.

Table 4. Characteristics of Respondents Based on Visits

Visit	Frequency	Percent (%)	Valid Precent	Cumulative Precent
1 time	8	36.0	36.0	36.0
2 times	13	39.0	39.0	75.0
3 times	7	18.0	18.0	90.0
>3 times	5	7.0	7.0	100.0
total	33	100.0	100.0	

Source: Primary Data (2020)

Related to customer satisfaction, It is known that most of the incoming Café customers are satisfied, as shown in table 5.

Table 5. Mean Value of Customer Satisfaction

No	interval	Information	Amount	Percent
1	1.0-1.75	Very dissatisfied	0	0.0%
2	1.75-2.50	Not satisfied	4	12.0%
3	2.50-3.25	Satisfied	23	70.0%
4	3.25-4.002	Very satisfied	6	18.0%

Source: Primary Data Processed (2020)

The results of data analysis based on table 5. show that most of the cafe's customers are satisfied with visiting the cafe. As many as 70% of customers said they were satisfied visiting the cafe and as many as 18% said they were very

satisfied. This shows that the cafe is able to provide satisfaction to customers in terms of food variety, food quality, service quality, cleanliness and comfort as well as an atmosphere that makes people feel at home to linger in the cafe. Besides that, customers are also satisfied with the facilities provided by the cafe, although there are some facilities that are no longer good.

Related to The results of the research as a whole found that cafe customers have a high level of satisfaction. They are satisfied with the good service, adequate facilities including the availability of wifi, a comfortable atmosphere. The variety of food and the quality of food do not give satisfaction to customers, this is because customers come to the cafe not to eat, but they come to the cafe to chat / cangkruk or make appointments

Related to customer loyalty, it is known that most of the cafe's customers fall into the loyal category, as shown in table 6.

Table 6. Mean Value of Customer Loyalty

No	interval	Information	Amount	Percent
1	1.0-1.75	Very disloyal	0	0.0%
2	1.75-2.50	Disloyal	9	27.3%
3	2.50-3.25	Loyal	18	54.5%
4	3.25-4.00	Very loyal	6	18.2%

Source : Primary Data Processed (2020)

The table above shows that cafe customers in West Surabaya are relatively loyal to their cafes. This is shown by the results of the study that as many as 54.5 percent of customers fall into the loyal category, as many as 18.2 percent of customers fall into the very loyal category and as many as 27.3 percent fall into the disloyal category.

One form of customer loyalty is to recommend to others (refer) and convey positive things about the cafe to others (*word of mouth*).

The results showed that the cafe's customers were loyal customers. The loyalty indicator, namely conveying positive things to others, recommending to others, even though the customer is loyal, but the customer does not make repeat purchases, because they come to the cafe depending on the community or clients who collaborate, indicates this.

Customer loyalty during the Pandemic is very difficult to maintain, the pandemic has an impact on social and economic life, even in all aspects of life. Socially, the pandemic has changed the lifestyle of people who usually go for walks, hangouts, get-togethers, etc., have to stay at home. Relations between families became increasingly tenuous because they were not allowed to visit each other. From the economic side, the pandemic has paralyzed the joints of the economy, with the government's call to "stay at home" having an impact on business sluggishness. The cafe business is no exception, the pandemic has

slowed the cafe business. The level of visits is getting less and not even a few cafes are closed due to the pandemic.

The results of interviews with the owner / manager of the cafe and a number of visitors stated that the impact of the Pandemic was extraordinary, especially on the cafe business. What was originally able to bring in 400 visitors every day became only 200. People are not comfortable coming to cafes because they have to apply health protocols, including distance. Even though people usually come to cafes to enjoy being with friends, communities, etc.

Even though many cafes have closed, the cafes that are still open still have the desire to exist again. Various ways are carried out by cafe entrepreneurs so that they can still exist and retain their customers.

Retaining customers in a pandemic is a very difficult thing to do. This is because in addition to government regulations, there is also a decrease in income as a result of many companies laying off their employees.

The decrease in income will certainly have an impact on the decline in people's purchasing power so that it is increasingly difficult to maintain customer loyalty. Therefore, in order for customers to remain loyal, there needs to be a special strategy to retain customers. One way to maintain customer loyalty is to improve service quality, comply with government regulations with health protocols, make seats spaced apart, prepare to wash hands before entering the cafe, in front of the entrance prepare officers to check body temperature.

In general, it can be said that customer loyalty can be maintained in various ways including implementing health protocols, improving service quality, improving facilities, providing comfort, innovating on the food menu.

Considering that most of the cafe visitors are young people who want to chat with their friends, the cafe management needs to make the cafe design as comfortable as possible so that visitors will feel comfortable and satisfied. So they will become loyal customers. Cafe customer loyalty is not shown by the intensity they visit but rather by them recommending, conveying positive things.

Cafe customer loyalty is built by the **level of satisfaction (*satisfaction*) , emotional bonding (*emotional bonding*) and trust (*trust*) to the Cafe. This is what cafe entrepreneurs need to pay attention to in retaining their customers through loyalty.**

Based on the description of the research results, it is related to the strategy taken to maintain customer loyalty can be described as follows:

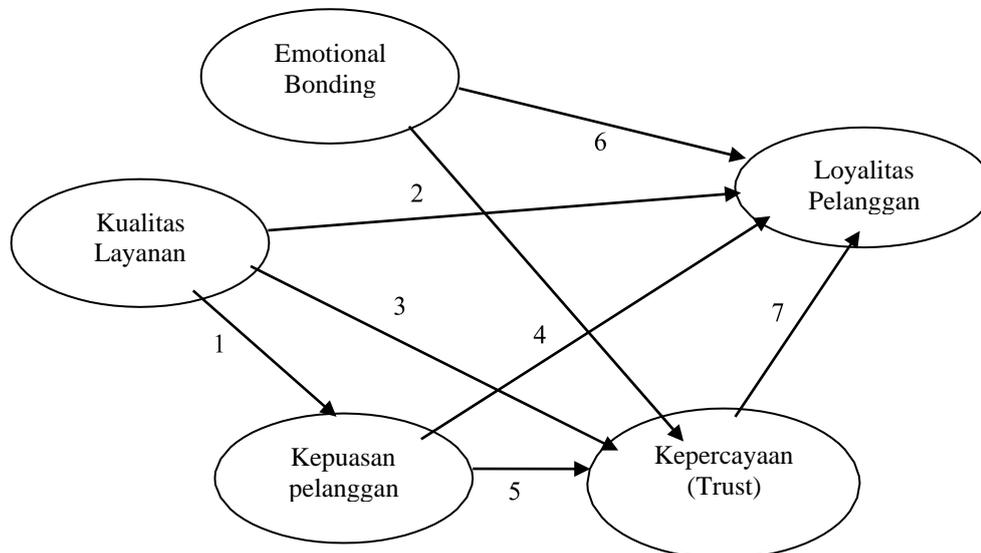


Figure 1. Customer Loyalty Development Model

Information :

1. Service quality – satisfaction

Service quality is an important factor in shaping customer satisfaction. This has been proven in many research results related to the effect of service quality on satisfaction. The results of research conducted by Utari (2019) stated that service quality in the banking sector has a significant effect on customer satisfaction.

The results of the research by Japarianto et al. (2019) found that service quality affects customer loyalty through customer satisfaction. Likewise, the results of the research by Micelle and Siagian (2019) found that quality has an effect on customer satisfaction.

2. Service quality – loyalty

Customer loyalty is an important factor in maintaining the company. Loyal customers are said to be able to become an extraordinary market force, as stated by Utari (2018), satisfied customers can be a "Marketing Force" for the company and loyal customers will definitely do positive *word of mouth* to others which is certainly a strength. separate market. Although loyal customers do not have to *repurchase*, they can influence / recommend others to buy the product.

As the results of research conducted by Kolonio and Soepeno (2019), service quality is one of the factors that shape customer loyalty.

The results of research conducted by Japarianto et al, (2007) also show that service quality directly and indirectly through relationship marketing has a significant effect on customer loyalty.



3. Service quality – trust

Customer trust is an important factor in building loyalty, customer trust can be built from service quality. The better the quality of service provided by the company, the better customer trust will be.

4. Satisfaction – loyalty

Good service quality will lead to customer satisfaction, which in turn will form loyalty. Therefore, it is important for the company to always provide satisfaction to customers. Many companies have started to shift from the company's goal of maximizing profits to maximizing customer satisfaction.

This is due to intense competition which has an impact on the difficulty of maintaining customer loyalty. The results showed that the quality of service provided to cafe customers was good, and gave satisfaction to customers. But that does not mean that when customers are satisfied they will automatically become loyal.

5. Satisfaction – emotional bonding

The emotional bond of customers will greatly affect loyalty, customers who feel they have a bond with the company will certainly feel belonging, so they will try to enliven the cafe. This emotional bond can be formed from feelings of satisfaction obtained by customers so that they feel there is a bond. Therefore, it is important for the company to provide satisfaction to customers.

6. Emotional bonding – loyalty

One of the dimensions of forming customer loyalty is *emotional bonding*. Customers who feel they have a bond with the Café will prioritize visiting the Café. The stronger the *emotional bonding*, the more loyal the customer will be.

7. Trust - loyalty

Customer trust is very important in the formation of customer loyalty. This is because customers now have low loyalty, therefore it is important to build customer trust to create loyalty.

The low customer loyalty is due to the large number of companies that offer similar products, so the sensitivity to price is getting higher. Besides, customers are now able to access complete information about a product so that customers are increasingly critical. Therefore it is important for companies to build trust in customers.



CONCLUSIONS AND SUGGESTIONS

Based on the results of the study it can be concluded that the cafe's customers are satisfied with the services provided by the cafe. Satisfaction is seen from the good quality of service, adequate facilities and comfort and variety of food. Cafe customers are also loyal customers, this is shown by the results of research that customers recommend to others to visit the cafe. Besides that, customers also always convey positive things to others. In this study, customer loyalty is not shown by the intensity of repeat purchases or repurchases intention, but is more supported by trust in the cafe. The pandemic condition greatly affects the level of cafe visits, during the pandemic there was a 50% decrease in customer visits. This condition has an impact on the decrease in cafe income so that it has an impact on reducing employees. Pandemic conditions cannot be avoided, so the efforts made by cafe entrepreneurs are complying with health protocols, building networks through the community through social media, conducting online sales in collaboration with grabfood and gofood, building Emotional Bonding (emotional bonds) with customers, building trust with customers and always improve the quality of service to increase customer satisfaction.

REFERENCES

- Jahanshahi Asghar Afshar (2011). Study the Effects of Customer Service and Product Quality on Customer Satisfaction and Loyalty. *International Journal of Humanities and Social Sciences. India: PhD Scholar in Business Administration. University of Pune.*
- Japariato, Edwin; Laksono, Poppy and Khomariyah (2007). Analysis of Service Quality as a Measure of Customer Loyalty at Majapahit Hotel Surabaya with Relational Marketing as an Intervening Variable. *Hospitality Management Journal,*
- Jayabrata, Isaac; Brahmasari, Aju; Brahmaratih, Ida. (2016). Analysis of The Influence Patient Safety, Service Quality, Marketing Mix, Toward Patient Satisfaction and Patient Loyalty for Inpatients of Private Hospitals in Surabaya, *International Journal of Business and Management Invention, Volume 5 Issue 4, April 2016.*
- Kolonio, Jeremia and Soepeno, Djurwati. (2019). The Influence of Service Quality, Trust and Consumer Satisfaction on Consumer Loyalty at CV Sarana Marine Fiberglass", *EMBA Journal, Vol 7 No. January 1, 2019*
- Kotler, Philip. (2000) Marketing Management, Concepts and Theories. Ghalia Publisher Indonesia, Jakarta
- Kotler, P. and Armstrong. 2008. Principles of Marketing. Damos Sihombing's translation . *Principles of marketing.* Volume 1. Eighth Edition. Jakarta: Erlangga.
- Kotler, P. and Keller. (2012). Marketing Management 14th edition. PT. Gramedia



Group Index, Jakarta

Kurniawan , Ahmad Sutawan, Rizky Amalia . (2020) Information System Ordering Online Restaurant Menu At Hover Cafe, *ATM journal, Vol 4, No.1*

Michelle and Hotlan , Siagian . (2019) The Influence of Service Quality and Facilities on Customer Loyalty Through Customer Satisfaction Zybrick Coffee & Cantina Cafe, *AGORA Journal Vol 7, No. 1.*

Shartykarini Shary, Muhammad Riza Firdaus, Rusniati (2016) Effect of Price, Product Quality and Service Quality on Customer Satisfaction in Forming Customer Loyalty (Study of Cafe Visitors in Banjarbaru) . *Journal of Management Insights, Vol 4 No. 1*

Simon Gayasi Nimako (2012) Linking Service Quality, Satisfaction, and behavioral Intention. *European Journal of Business and Management. Ghana: Department of Management Studies Education, University of Education, Winneba.*

Utari, Woro. (2019) Building Patient Trust Through Service Quality, Image And Patient Satisfaction, *Journal Of Sports And Health Literacy, Vol 1 No. 1*

Utari, Woro, et al. (2015) Analysis Factors of Hospital Services Quality and user satisfaction” , *International Journal of Business and ManagementInvention, Volume 5- Issue 2 version1. ISSN : 2319-801X*

Utari, Woro. (2014) Effect of Completeness of Medicines, Services and Image on Customer Loyalty at Yakersuda Pharmacy, Bangkalan” , *Journal of Neo Bis, ISSN 1978-5275, Vol 1 No 1.*

Utari, Woro. (2013). Analysis of Service Quality and Its Impact on Patient Satisfaction at Nasrul Ummah Hospital Lamongan” , *Neo Bis journal, ISSN 1978-5275, Vol 7 No 1.*

Utari, Woro. (2010). Customer Satisfaction Model as Moderating Variable to Increase Customer Loyalty to Airlines” *Journal of Economic Partners and Business Management- ISSN 2087-1090, Vol 1 number 2*

Utari Woro, Setiawati Ratna, Fauzia Nur, Usdiyanto, Hidayat Widi, Khadijah Susan Novitasari, Pramitasari Dini Ayu, Irawan Hendra, Gazali, Zainurrafiqi, ASR (2020). The Effect of Work Discipline on the Performance of Employees in Compensation Mediation: A Case Study Indonesia. *PalArch's Journal of Archeology of Egypt/Egyptology, 17 (9), 1056–1073.*
<https://archives.palarch.nl/index.php/jae/article/view/3720>