

INFLUENCE OF MARKETING RELATIONS AND MARKETING MIX ON CUSTOMERS TRUST ON MOBILE SERVICE OPERATORS IN INDONESIA

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Abstract

Mobile telecommunication business is currently at the level of increasingly fierce competition, especially in a variety of mobile telecommunications products and services that are increasingly diverse. Mobile operators are not only relying on the product and price alone, but also to create positive value which can be enjoyed by customers in accordance with customer wants and needs. Each mobile operator seeks to create creations and innovations of the new features. The number of subscribers of cellular telecommunications services operator continues to experience growth. But the customers trust on mobile operators still not reached the high trust category. The situation is suspected because of not optimum implementation on marketing relations and marketing mix. Based on this background, this study aims to examine the marketing relations and marketing mix and its effect on customer trust of mobile telecommunications operator services in Indonesia. The sampling technique used in this study was Multistage Random

Sampling. The findings suggest that the marketing relations and marketing mix in the mobile telecommunications operator is not currently quite good. Marketing relations and marketing mix has significant impact on customer trust. As for the marketing mix contributed to higher than relationship marketing in influencing customer trust.

Keywords: Relationship marketing, Marketing Mix, Customer Trust, Telecommunications

INTRODUCTION

Industrial cellular mobile telecommunications services In Indonesia, recorded strong growth supported by the development of communications technology industry and the market share of mobile phone services. The prospects for the mobile communications business continues to increase has a huge influence for corporate telecommunications services in Indonesia. Cellular company's ability to exist in a very tight competition environment that requires the company to win the competition and strive constantly to understand the needs or desires of customers, increasing the number of customers, providing satisfaction to customers, and capture the business opportunities that exist. Marketing in the telecommunications business world today is very complex, thus, a new approach to manage customer care or customer retention becomes very important in order for the consumer can be loyal to the products and company services. Increasing customer confidence in the products or services offered by the company, in addition to good relationships and customer value, brand image helped provide a vital role. To communicate the brand image to customers, the relationship marketing has an important role. This forms the basis for the concept of relationship marketing (relationship marketing) to be developed to face competition among cellular telecommunications services business in Indonesia. Parvatiyar and Sheth (2002: 11) mentions programs realized in the form of Continuity CRM Marketing, One-to-One Marketing, and Partnering / Co-Marketing.

Research Objective

To examine the relationship marketing and marketing mix and its effect on customer trust of mobile telecommunications operator services in Indonesia

LITERATURE REVIEW

Marketing management is derived from two words, namely the management and marketing. According to Kotler and Armstrong (2012: 29) marketing is the process by which organizations create value for customers and build relationships with customers strong to capture value from

customers in return while management is the process of planning (Planning), organizing (organizing) mobilization (Actuating) and supervision.

The essence of marketing is to identify and satisfy human and social needs. One good definition and a brief of marketing is "meeting the needs in a profitable way". American Marketing Association (AMA) proposed definition of marketing as an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. (Kotler & Keller 2012: 27).

According to Schultz (2004), is a marketing management planning, directing, and supervising all marketing activities of the institution or part of the institution. As according to Mullins (2008) marketing management is the process of analysis, implementation, coordination, and control program, which involves the conception, pricing, promotion, and distribution of products, services and ideas designed to create and maintain a favorable exchange with the target market for the purpose achieve organizational goals.

Relationship Marketing

Meanwhile, according to Jagdish (2009) relationship marketing attempts to involve; and integrate customers, suppliers and other infrastructural partners into a firm's developmental and marketing activities. Relationship marketing is an effort to involve and integrate customers, suppliers and other infrastructure in developing and marketing activities of the institution.

Similar to the above definition, Morgan and Hunt (2004) describes the difference between the exchange transaction (transaction exchanges) and exchange relationships (relational exchanges). Morgan and Hunt (2004) gives the definition of "relationship marketing Refers to all marketing activities directed toward establishing, developing, and maintaining relational succesfull exchange". That is marketing leads to overall marketing activities directed through the formation, development and successfully maintaining exchange relations. According to Kotler and Armstrong (2009) relationship marketing contains three benefits are:

- a. Economic benefit- The first approach is to build a relationship with the customer value, which is to add the benefits of financial or economic benefits that can be cost savings incurred by the customer, such as special pieces.
- b. Social benefits-Although the approach by adding economic benefits as above can build consumer preference, but this can be easily imitated by competitors one business entity to another. So that in this approach, enterprises should try to improve their social relationships is by paying attention to its customers by studying the needs and wants of the customer individually.

- c. Structural bonding-The third approach is to build a strong relationship with customers is to add structural bonding. It means that a business entity - a business entity providing a structured approach or program that can attract consumers to get involved become a member of a membership card, for example, become a member of the privileged members.

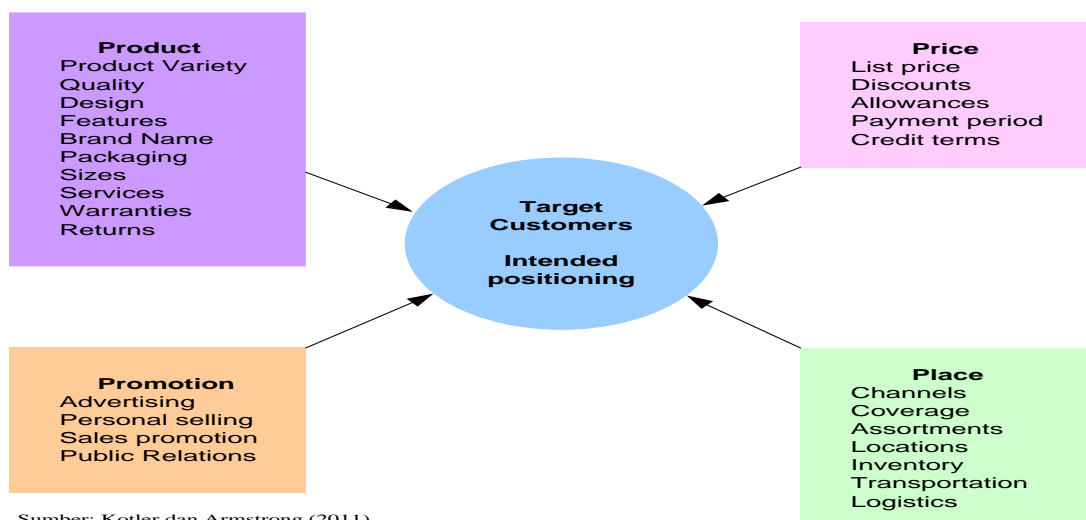
Sweeney and Webb (2007) revealed that the dimension of Customer Relationship Management is the Social Benefits, Benefits Psychological, and Functional Benefits. According Parvatiyar and Sheth (2002: 11) programs realized in the form of Continuity CRM Marketing, One-to-One Marketing, and Partnering / Co-Marketing. Marketing continuity program contains programs loyalty and membership cards where customers are often rewarded on the basis of loyalty and membership relationship with the company. The form of awards or prizes such as special services, reward points, discounts including discounts other products. The One-to-One Marketing is intended to be able to meet and satisfy each customer's individual needs and unique. While Partnering program is a partnership between the customer and the company in order to serve the needs of end users.

Rahman et al (2011) examined the CRM based on the dimensions thankful, responsiveness and relationship, appropriateness, caring, and keep in touch. Based on the description of the concept, relationship marketing in this study is composed of dimensions consist of: Providing a convenient construct n services, Giving gifts, and customer gathering program.

Marketing Mix

Kotler & Armstrong (2011) gives an overview of the marketing mix as revealed below:

Figure 1. Model - Marketing Mix



Sumber: Kotler dan Armstrong (2011)

Marketing mix in the opinion of Kotler and Keller (2012: 27) is a series of marketing tools that work together to influence the market (market place) in order to achieve certain goals of the company. Elements of the marketing mix (four Ps) associated with the components required by customers (the customers' four Cs) as described as follows:

Figure 2: Relationship Marketing Mix Elements (Four Ps) with Required components Consumers (Four Cs)

<i>Four Ps</i>	<i>Four Cs</i>
<i>Product</i>	<i>Customer solution</i>
<i>Price</i>	<i>Customer Cost</i>
<i>Promotion</i>	<i>Convenience</i>
<i>Place</i>	<i>Communication</i>

Source : Kotler & Keller (2012)

Kotler (2012:107) said "Marketing mix as a set of controllable, tactical marketing tools that the firm blends to produce the result it wants in the target market". Peter dan Olson (2008:386) said "Many marketing mix decisions are made in conjunction with rather than after target market selection . Selecting the target market and designing the marketing mix go hand in hand , and thus many marketing mix decisions should have already been carefully considered".

Kotler and Keller (2012: 500) stated "marketing communications mix consists of eight main lines of communication, namely advertising (advertising), sales promotion (sales promotion), events and experiences (events and experiences), Public Relations and publicity, direct marketing (direct marketing), Interactive marketing, word-of-mouth marketing and personal selling (personal selling). "

McCarthy in Kotler and Keller (2012) stated that the marketing mix known as 4P consists of product (product), price (price), where (place), and promotion (promotion). But Kotler and Keller (2012: 47-48) menyatakan that in line with the development of cutting-edge marketing concepts formulated in a holistic marketing then the 4P concept is no longer adequate to modern developed four Ps of marketing management which includes human resources (people), the process (process), programs (programs), and performance (performance).

Based on this concept, the marketing mix in this study include the dimensions: Product, Price, Place, Promotion, Human Resources, Facilities Facilities / Physical Processes. According to Kotler and Keller (2012: 358), a product is "anything that can be offered to a market for attention, acquisition, use or consumption that MIGHT satisfy a want or need. It includes

physical objects, services, persons, places, Organisations and ideas". Kotler and Cunningham (2005: 3) suggests that the pricing of a product should take into account internal factors and external factors as illustrated below:

Figure 3: Factors Affecting Pricing Decisions



Source: Kotler and Cunningham (2005: 3)

In the opinion of Strouse (2004: 119) aspects of the tariff is a critical factor for business success telecom operators because it will affect the rate of use or customer adoption of the new telecommunications services and benefits for telecom operators.

According Burnett (2000: 6) promotion is "promotion as concerned with the marketing function persuasively communicating to target audiences the components of the marketing program in order to facilitate exchange between the marketer and the consumer and to help satisfy the objectives of both".

Lovelock & Wirtz (2011: 302) suggests that aspects of human resources in the marketing mix is crucial. On services that require a lot of contact with customers, the quality of employees serving customers (front liners) is very important because they are involved in producing excellent services and competitive advantage.

According to Lovelock and Wirtz (2011: 48) the physical means is everything related to the physical environment of the company as well as office buildings, parks, vehicles, equipment, appearance and behavior of employees serving customers, clothes officers, signs and printed materials.

Customers Trust

Sirdeshmukh (2002: 17) reveals consumer trust as: "... the expectations held by the consumer that the service provider is dependable and can be relied on to deliver on its promises". Moorman (2003: 82) defines trust as: "Trust is defined as a willingness to Rely on an exchange partner in Whom one has confidence".

The sense of trust to the company (trust of company) is defined Maogan and Humt (2004: 23) as follows: "We conceptualize trust as existing when one party has confidence in an exchange partner's reliability and integrity".

Doney and Canon (2007) that the initial creation of partner relationships with customers based on trust. The same thing also expressed by McKnight, Kacmar, and Choudry (in Bachmann & Zaheer, 2006), states that the trust built before certain parties get to know each other through interaction or transaction. Trust online refers to trust in a virtual environment. Some situations and indicators of trust (Probility, Equity, and Reability) proposed by Egan (2001: 102), as follows:

1. Probility
2. Focus on trust and sincerity, integrity and reputation.
3. Equity
4. With regard to Fair-mindedness, benevolence "characteristics of a person to pay attention and care about the fate and condition of another person".
5. Realibility
6. Associated with the reliability and accuracy and consistency of the products or services that are expected in some way related to the guarantee issued by the company.

Based on the literature of customer trust, then the Customer Trust variables in this study are prepared on probilitas dimensional constructs, equity, and reliability.

Empirical Literature

Patsioura et al (2011) support the idea that the web site advertising a brand is established not only to communicate the advertising content, but also to meet the specific relational marketing purposes. The relationship between relational marketing with customer trust, revealed the study results Schoenbachler and Gordon (2002) provide some support for the role of trust in building relationships, and identify factors that are important in building that trust. Hsu et al. (2010) examined the factors associated with the theory of commitment-confidence on the influence of satisfaction on the page micro-blog of the company, the company's image, commitment, trust, and a sense of togetherness in the intention of consumer behavior, while the relationship between the marketing mix with customer confidence revealed in the study Raza and Rehman (2012) showed that if customer satisfaction is mainly influenced by the quality of service. That means that if the quality of the service exceeds the price perception and brand image, the satisfaction will increase. Quality of service is also influencing customer trust.

Based on the literature, the proposed hypothesis: "Marketing Relations and Marketing Mix Impact of Customer Trust either simultaneously or partial"

METHODOLOGY

This research is descriptive and verification. The unit of observation is the company's prepaid subscribers of mobile operator services in Java with a sample of 400 respondents. The sample size is determined by taking into account the analytical techniques used in the hypothesis testing using structural equation modeling (Structural Equation Modeling).

Hair (1998: 604) states "The minimum sample size must be at least greater than the number of covariance or correlations in the data input matrix. The minimum ratio of at least five respondents for each estimated parameter with the ratio of 10 respondents per parameter Considered most appropriate ". The sampling technique used in this study was Multistage Random Sampling. Data were analyzed descriptively and verification. Hypothesis testing using the approach of SEM (Structural Equation Modelling).

ANALYSIS AND RESULTS

Compliance Test Model

This section will discuss the results of hypothesis testing using Structural Equation Modelling (SEM). Before the discussion is done, then the hypothesis will be analyzed for suitability test results model.

Analysis of Structural Model

Based on calculations by LISREL complete results obtained as follows.

Table 1: Goodness of Fit (Output LISREL 8.7)

No.	Degrees size Suitability	Value	Acceptable level match	Description
1	<i>Chi Square</i>	71.90	<i>P -value</i> >0,05	Close Fit
	<i>Normed Chi Square (x2/df)</i>	0.18274		
2	<i>Goodness of Fit Index (GFI)</i>	0,97	>0,8	Close fit
3	<i>Root Mean Square Error of Approximation (RMSEA)</i>	0,020	RMSEA≤ 0,08 (good fit) RMSEA< 0,05 (close-fit)	Close fit
4	<i>Adjusted Goodness of Fit Index (AGFI)</i>	0,96	AGFI> 0,9	Close fit
5	Root Mean Square Residual (RMR)	0.018	RMR< 0,05 (close-fit)	Close fit

From the above table it is known that p value> 0.05 so that it can be concluded that the research model is fit. In addition the same results obtained from the Goodness of Fit Indices (GFI) and Adjusted Goodness of Fit Index (AGFI)> 0.90, and the Root Mean Square Error of Approximation (RMSEA) and RMR value of less than 0.05, so that it can be concluded that the

model of the study are in accordance with the empirical condition. Under the framework of the structural model in this study is

$$Y = 0.30X1 + 0.66X2 + \epsilon_1$$

Where

Y = Customer Trust

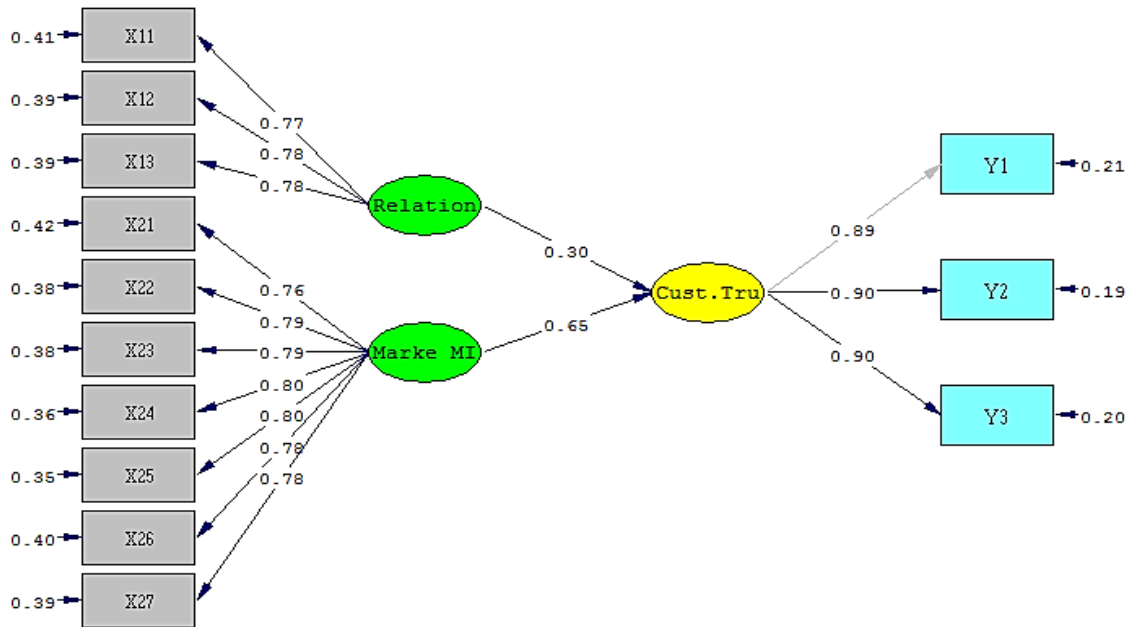
X1 = Marketing Relational

X2 = Marketing Mix

ϵ_1 = Factor residue

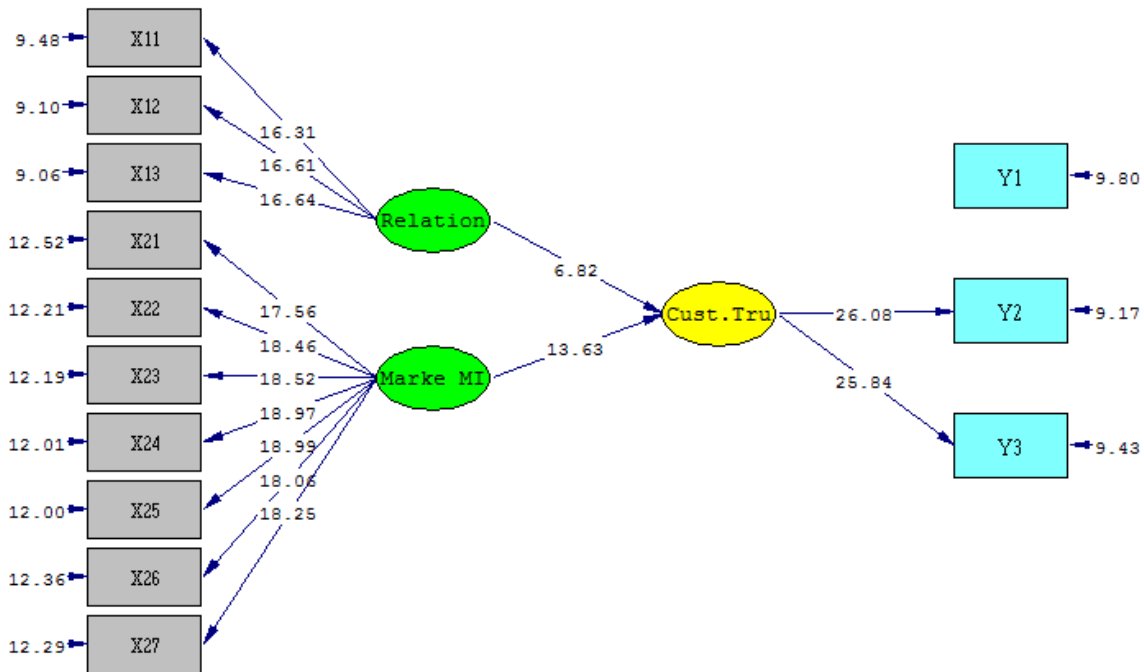
Following figure shows the results of the full path diagram:

Figure 4: Complete Line Diagram Model Research



Chi-Square=71.90, df=62, P-value=0.18274, RMSEA=0.020

Figure 5: Line Diagram t statistic



Chi-Square=71.90, df=62, P-value=0.18274, RMSEA=0.020

Latent Variable Measurement Model

Construct validity showed how far the indicator could reflect latent constructs theoretical. There are several sizes to measure construct validity, including convergent validity, construct reliability and variance extracted (Imam Widodo: 2008.134).

Table 2: Latent Variable Measurement Model

Variabel	Indicator	Standardize loading (λ)	t statistic	Varians Error	construct reliability	AVE
Customer Trust	Y1	0.89	-	0.21	0.818	0.801
	Y2	0.90	26.02	0.19		
	Y3	0.90	26.84	0.20		
Marketing Relational	X11	0.77	16.31	0.41	0.662	0.603
	X12	0.78	16.61	0.39		
	X13	0.78	16.64	0.39		
Marketing Mix	X21	0.76	17.66	0.42	0.683	0.629
	X22	0.79	18.46	0.38		
	X23	0.79	18.52	0.38		
	X24	0.80	18.97	0.36		
	X25	0.80	18.99	0.35		
	X26	0.79	18.06	0.40		
	X27	0.78	18.25	0.27		

Convergent validity can be seen from the loading factor. The prerequisite is loading factor to be significant where $t_{count} > t_{table}$, or loading factor > 0.5 and more ideal if > 0.7 .

Based on calculations found that the three latent variables each having a valid indicator with $t > 1.96$ (t_{table} at $\alpha = 0.05$). Results showed that the construct reliability -indikator indikator has a fairly high degree of conformity in forming latent variables with acceptable values (> 0.5). Similarly, the value AVE is greater than 0.5 it can be concluded that all indicators are able to reflect all the variables.

hypothesis Testing

In the following sections will explain the results of testing the hypothesis of a structural model based on the hypothesis proposed research.

Table 3: Testing Simultaneously

Hypothesis	R ²	F statistic	Conclusion
Marketing Relational and Marketing Mix → Customer Trust	0.571	264.204*	Ho rejected

* significant at $\alpha=0.05$ (F table =3.018)

Simultaneously there is an influence of marketing relational and marketing mix to customer trust, where the influence of the two variables on customer trust amounted to 57.1% while the remaining 42.9% is influenced others were not examined.

Table 4: Testing Partial

Structural Model	γ	SE(γ)	T statistic	R ²
Marketing Relational → Customer Trust	0.300	0.040	6.82*	0.12
Marketing Mix → Customer Trust	0.650	0.050	13.63*	0.45

* significant at $\alpha=0.05$ (t tabel=1,96)

In the table above it is known that the partial second significant variable over which the Marketing Mix have more influence (45%) than Marketing Relational on Customer Trust (12%). Based on the research findings, it was revealed that the marketing mix has a greater influence than the relationship marketing on customer trust. Therefore, to improve customer trust, the mobile operators have to prioritize the development of the marketing mix, and supported the development of relationship marketing. It was due to the simultaneous influence significantly on both these variables on customer trust. So that the necessary development of both aspects

simultaneously in order to generate higher customer trust, with emphasis on the development of the marketing mix.

Results of this testing relationship between marketing relational with customer trust, revealed the study results Schoenbachler and Gordon (2002) provide some support for the role of trust in building relationships, and identify factors that are important in building that trust. Hsu et al. (2010) examined the factors associated with the theory of commitment-confidence on the influence of satisfaction on the page micro-blog of the company, the company's image, commitment, trust, and a sense of togetherness in the intention of consumer behavior, while the relationship between the marketing mix with customer confidence revealed in the study Raza and Rehman (2012) showed that if customer satisfaction is mainly influenced by the quality of service. That means that if the quality of the service exceeds the price perception and brand image, the satisfaction will increase. Quality of service is also influencing customer trust.

To improve the performance of the marketing mix, steps can be carried out by the mobile operator company is the development and promotion aspects of human resources, as the main priority, which is then supported by the development in the aspect of price, place, infrastructure / facilities, products, and processes.

To develop the performance of the campaign, can be done through the development aspects: advertising appeal on the mobile operator and personal selling activities of mobile operators to consumers, quality delivery of messages in the promotion, the attractiveness of direct marketing activities to consumers of mobile operators, the appeal of publicity activities. To develop human resources, can be done by upgrading human resources service center personnel in carrying out their duties, as well as the appeal of their performance in serving customers.

To obtain an increase in the price performance, the operator can seek conformity with the capability of customer service rates, calculation accuracy rate voice services, SMS and internet data, as well as ease of bill payment customers. In addition, the operator is also required to find the location of a service center that is easily accessible customer service centers and put in place already accessible public transport proposition.

As related to the product, in an effort to boost the confidence of customers, the operators are also required to increase the diversity aspect of service, service quality, service development efforts, as well as expand the range. While the last step that must be considered is to increase the ease of the procedure in the process of providing services, standardization of customer service procedures, and discipline officers in carrying out the service to customers.

In addition to the steps above, as an effort to boost customer trust, the operator should also give attention to the development of marketing relational, which of them can be done

through increasing efforts to provide gifts to loyal customers, the frequency of the prize, and the program giving gifts to customers on certain moment (eg holidays or birthdays). In addition, other operational measures that can be done is the creation of gathering customer program for closer relations between the operator with the customer. Another thing that can be done is the provision of facilities such as:

- Provision of facilities to obtain information on any services offered to customers
- Providing convenience for the activation of the service offered to customers
- Provision of facilities to obtain billing information and to submit a request online
- Customer Relation Officer (CRO) who are ready to serve the needs of telecommunications quickly and easily.

CONCLUSION AND RECOMMENDATIONS

These results indicate that the marketing mix contributed greater than marketing relational in influencing customer trust. So the first priority measures to enhance customer trust is improving the performance of the marketing mix, which is then supported by the development of marketing relations.

To improve the performance of the marketing mix, the operational steps that can be carried out by the mobile telecommunication providers companies are the development of promotion and human resources, as the main priority, which is then supported by the development of price, place, infrastructure / facilities, products, and processes. It also supported by the development of relationship marketing through a reward and gift giving and its frequency, as well as providing convenience to the subscribers.

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