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Sesar Sehat Santoso

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SERVICE QUALITY TOWARDS HOTEL CUSTOMER LOYALTY

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ABSTRACT:
The hotel is an integral part of the tourist business, while the outstanding business and tourism in foreign currency for the State of Indonesia. This study aims to examine the impact on the quality of hotel services for consumers and to examine its impact on customer loyalty. The population in this study is the customer prapanca hotel in Jakarta, Indonesia. Number of samples used by 200 people. Data analysis using Structural Equation Modeling (SEM) with LISREL program. This study showed that the strengthening of the quality of services provided can create a positive attitude, which will increase customer loyalty.

Key words: Service Quality, Consumer Loyalty, Attitude

INTRODUCTION
The Tourism Sector has lead hotel and travel services business brings the nation's largest foreign exchange in Indonesia. "The Travel and Tourism Competitiveness Report 2009" Indonesian tourism is making big three in price competitiveness, after Egypt and Brunei Darussalam. This shows that Indonesia is one of the options for the site visit tourist destination that offers competitive prices and allow Indonesia's Tourism grew significantly reaching 16.4%. Indonesia's natural wealth of cultural tourism is a beautiful and diverse industries that have excellent international recognition. Along with the increasing demand for tourism opportunities in Indonesia, increasing demand for hotels in Indonesia has emerged. Hospitality in Indonesia entered a new growth rate is higher following better economic conditions and greater opportunities for open-market hotel at an economical price. strglobal.com, estimates that in 2011 the occupancy rate will rise from 1.6 percent to 58.3 percent, ADR will increase 3.9 percent to 101.73 U.S. dollars, and it will keep on going up from 5.5 percent to 59.35 U.S.
dollars at the end of 2011. Supply will increase by 1 percent, while demand will jump to 2.5 percent. This encourages entrepreneurs in the field of hotel services to offer a strength, that is expected to be a consideration for the hotel service users to stay and hopefully will become loyal customers. Hotel seeks to identify consumer attitudes and approaches the value of service quality so as to enhance customer loyalty. Knowledge of consumer attitudes needed to create loyal customers. Loyalty is a combination of intellectual and emotional processes between customers with the company. Quality of service becomes an important factor to obtain a positive perception of the consumer. It also determines the attitude of consumers to use the services of the hotel. Loyal customers will not hesitate to use the hotel again. Long-term rewards loyalty, the higher the loyalty of consumers, the greater the advantage to be gained from enterprise customers (Griffin, 2002).

Problem identification:
1. Does the quality of hotel services affect consumer attitudes?
2. Does consumer attitudes affect customer loyalty?
3. Does the quality of service affect customer loyalty?
4. Does the attitude of consumers determine the influence of service quality on customer loyalty?

LITERATURE REVIEW

The rapid growth of service sector all over the world have lead quality issues. The Service sector determinate the each country evarage. 80% GNP. (Dunne and Lusch, 2008). It is recognized that high quality service is essential for firms that want to be successful in their business and increased of GNP. (Parasuraman, 1998; Rust & Oliver, 1994). Many researchers accept the approach of service quality is a performance of Business. Service quality as the consumer’s overall impression of the relative inferiority/superiority of the organization and its services. (Kotler, 2004) defines service offered by one party to another party that are intangible and can not result in ownership. The opinion emphasized the
importance of the service lies in the ability of people to perform actions that can provide satisfaction for its customers. This opinion is rooted in the theories put forward by Berry, Parasuraman & Zeithaml (1998). The perception of service quality according to the service performance, they experience and base on past experiences of the service performance. It is therefore the customer’s perception that categorizes service quality in order to perform the 5-dimensional measurements of tangible, reliability, responsiveness, assurance, empathy. These dimensions are explained as:

1. Reliability refers to the ability to perform the promised service dependently and accurately.
2. Responsiveness reflects the willingness to help a customer and provide prompt service.
3. Tangible refers to the appearance of the physical facilities, equipment, personnel and communication material.
4. Assurance refers to knowledge and courtesy of employees and their ability to inspire trust and confidence
5. Empathy refers to caring, individualized attention the firm provides its customer.

All dimensions shall be pursued by the hotel form the positive attitude of consumers towards the image of the hotel and ultimately shape the behavior of the faithful. Gronroos (1990) pointed out that: interactions between the customer and service employees and/or systems of the services provider, which are provided as solutions to customer problems. Zethaml & Bitner (2000) they defined service as deeds, processes, and performances. Goechi (2001) one model which is developed to give customer satisfaction zoom and makes sure it that customer will make a abode back with service that is given. Many customer satisfaction studies have concluded that there is a significant relationship between customer satisfaction and loyalty. Boulding et al (1993) a positive relationship between service qualities and repurchase intentions and repurchase intentions and willingness to commend. It means that a positive attitude applied toward a hotel was based on responses that are consistent to the quality of services provided by the hotel. Attitudes are
formed because of the knowledge about objects and/or the emotional feelings of an object so that direct the choice of actions. (Peter & Olson, 2008) define attitude as a person's overall evaluation of a concept. Evaluations can be created by both the affective and cognitive system. The affective system automatically produces affective responses including emotions, feelings, moods, and evaluations or attitudes as immediate, direct responses to certain stimuli. (Andreassen and Lindestad, 1998). Shiffman & kanuk (2004) Defining consumer attitudes as a tendency to respond consistency in the form of things that is being like that or dislike. Like and dislike according to the accumulated experience of a customer's purchase and consumption experiences which are expectations and experienced service performance. Olson (2008) Favorable and unfavorable affective responses are generated without conscious, cognitive processing of information about the product. Conative meaning any natural tendency, impulse, striving, or directed effort. (Olson, 2008) Despite their less than perfect accuracy, measures of purchase intentions are often the best way to predict future purchase behavior. Relationship belief, attitude and Behaviors. Sheth and Mittal (2004) defines consumer loyalty as consistently using the same services that make up the positive attitude of commitment to the product or service within period of a longer time. Whereby, Storbacka, Standrik and Gronroos (1994) assumed that service quality has a positive correlation with satisfaction that will lead to increased purchase (loyalty). Rust and Zahorik (1993) the impact of service quality is customer loyalty. Customer loyalty has relative fanaticism permanent on a long term to product or service or a firm has already become its option. Oliver (1997) consumer loyalty is commitment to do repeat purchases on product or service consistently at proximately. Bothe (1996) Customer satisfaction no longer as corporate success main key but customer loyalty is key dominant successful a business. Aspect that influenced loyalty is:

1. Satisfaction: compare among expectation before buying with performance that is felt.
3. Trust: trust to merk in carry on its function.
4. Choice reduction and habit: Consumer perceives cozy while transactions situation give amenity
5. History with the company: someone experience to firm can form behaviour.

The Three factor first influenced attitudinal loyalty. 2 factor another influenced behavioral loyalty. Both of perspective eventualing to form loyalty level of customer. Jennifer Rowley (2005) The benefit of customer loyalty to a provider of either services or products include:
1. Lower customer price sensitivity
2. Reduced expenditure on attracting new customers
3. Improved organizational profitability.

Griffin (2002) Characteristic of customer loyalty is makes regular repeat buying, purchases across product and service lines, refers other, demonstrates immunity to the full of the competition. Nigel Hill (1996) the six loyalty level:
1. Suspect: over all product and service buyer at market and haven't available wish to buy.
2. Prospect: Potential customer that have interested towards firm but Have Not done business with that corporate
3. Customer: Corporate product buyer
4. Client: repetitive customer already have loyal's attitude to firm and backs up fir quiessently
5. Advocates: Client that activeing to back up firm with recommends to others.
6. Partners: Partnership in relationship supplier- customer that carried on by and each other advantage

Dick and Basu (1994) argue that loyalty is determined by the strength of the relationship between relative attitude and repeat patronage, and that it has both attitudinal and behavioural elements. They propose four conditions related to loyalty:
1. Loyalty signifies a favourable correspondence between relative attitude and repeat patronage.
2. Latent loyalty is associated with high relative attitude, but low repeat patronage.
3. Spurious loyalty represents a low relative attitude, with high repeat patronage.
4. No loyalty is associated with a low relative attitude, combined with low repeat patronage.

Business will want to understand which of their customers fit into the loyal category, four categories of loyals are proposed: Committed, contented, convenience-seeker, Captive. The model proposes that loyals can be segmented into four categories.

METHODS

This type of research is aimed to test the causality between the variable quality of service, consumer attitudes and loyalty of customers. The sampling technique used in this study is Simple Random Sampling, the sampling of hotel customers conducted randomly at the Hotel Prapanca Jakarta-Indonesia. Hair et al. (1998) Research Structural Equation Modeling using Maximum Likelihood estimation method is between 100 to 200 samples, samples of respondents were taken at 200 hotel customers that have been using the services at least once in the same hotel.
Figure 1. The Frame Work Research

(X) quality of service

(Y) consumer attitudes

(Z) customer loyalty

1. Responsiveness (ketanggapan)
2. Reliability (keandalan)
3. Empathy (empati)
4. Assurance (jaminan)
5. Tangibles (bukti langsung)

1. Cognitif Component
2. Affective component Afektif
3. Komponen Konatif

1. Re-ordering (repeat purchase)
2. Showed resistance to competitors retention affects retention (retention)
3. Mempengaruhi

Figure 2. The Frame Work Research

H₁: The quality of service significantly influence consumer attitudes.
H₂: Consumer Attitudes significantly affect Customer Loyalty.
H₃: Quality of Service Customer Loyalty significantly affect.
H₄: Quality of Service significantly affect Customer Loyalty through Consumer Attitudes.

RESULTS AND DISCUSSION

1. Effect Decomposition

Using LISREL is to generate the decomposition effect and show the influence of exogenous variables on endogenous variables. More detail can be seen the output of the appendix. Featuring some of the effects of output loading value decomposition either unstandardized, standarsized, and really a standard as in Table 4.2 below:

<table>
<thead>
<tr>
<th>Total and Indirect Effects</th>
<th>Standardized Total and Indirect Effects</th>
<th>Completely Standardized Total and Indirect Effects</th>
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<tbody>
<tr>
<td>Total Effects of KSI on ETA</td>
<td>Standardized Total Effects of KSI on ETA</td>
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<td>K</td>
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<td>S 0.30</td>
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<td>S5</td>
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<tr>
<td>L1</td>
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<td>0.94</td>
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<td>L3</td>
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Source: Data Processing (2010)

In the order the conceptual hypothesis model shows that latent variable quality of service has a direct influence on loyalty. But the effects of service
quality also has an indirect effect on loyalty, namely through consumer attitudes. Latent variable of consumer attitudes have a direct relationship with customer loyalty. The influence of exogenous latent variables quality of service to the endogenous latent variables Loyalty 0.28. While the total effect of endogenous latent variable of consumer attitudes toward loyalty 0.93. Latent variables affect the quality of services to consumer attitudes shows the effect of 0.30.

Figure 3. Path Diagram T-Values Modifikasi 5

Goodness of Fit Statistics

Degrees of Freedom = 96
Minimum Fit Function Chi-Square = 230.99 (P = 0.00)
Normal Theory Weighted Least Squares Chi-Square = 244.12 (P = 0.00)
Estimated Non-centrality Parameter (NCP) = 148.12
90 Percent Confidence Interval for NCP = (105.84 ; 198.08)
Minimum Fit Function Value = 1.16
Population Discrepancy Function Value (F0) = 0.74
90 Percent Confidence Interval for F0 = (0.53 ; 1.00)
Root Mean Square Error of Approximation (RMSEA) = 0.088
90 Percent Confidence Interval for RMSEA = (0.074 ; 0.10)
P-Value for Test of Close Fit (RMSEA < 0.05) = 0.00

Expected Cross-Validation Index (ECVI) = 1.63
90 Percent Confidence Interval for ECVI = (1.42; 1.88)
ECVI for Saturated Model = 1.37
ECVI for Independence Model = 4.19

Chi-Square for Independence Model with 120 Degrees of Freedom = 802.06

Independence AIC = 834.06
Model AIC = 324.12
Saturated AIC = 272.00
Independence CAIC = 902.84
Model CAIC = 496.05
Saturated CAIC = 856.57

Normed Fit Index (NFI) = 0.71
Non-Normed Fit Index (NNFI) = 0.75
Parsimony Normed Fit Index (PNFI) = 0.57
Comparative Fit Index (CFI) = 0.80
Incremental Fit Index (IFI) = 0.81
Relative Fit Index (RFI) = 0.64

Critical N (CN) = 113.98

Root Mean Square Residual (RMR) = 0.22
Standardized RMR = 0.11
Goodness of Fit Index (GFI) = 0.87
Adjusted Goodness of Fit Index (AGFI) = 0.81
Parsimony Goodness of Fit Index (PGFI) = 0.61
After looking at the overall results of Goodness Of Fit, it can be concluded that model fit enough and have been better than previously. The addition of parameters to improve the model is also not available. Therefore, this can be said to be on top model is the best model that can be formed from this research. Causal relationships that occurs not only directly but also indirectly. Then, a direct relationship with service quality influence consumer attitudes and the influence of service quality on customer loyalty. Meanwhile, the association does not directly affect the quality of services that create positive consumer attitudes because it can establish customer loyalty. Indicators that describe the quality of service, can be seen as follows:

1. Responsiveness to have the largest contribution in representing the quality of service, that is equal to (7.51).
2. Reliability represents the quality of services by (7.47)
3. Empathy represents the quality of services by (7.03)

These results are in accordance with the theory written by Rangkuti (2006, p29), he stated that there are ten general criteria or standards that determine the quality of service provision and the three variables are included. Indicators that describe consumer attitudes, are as follows:

1. Trust for the services provided by this hotel has the largest contribution in representing (describing) the attitude of consumers, that is equal to (4.17)
2. Compliance with the expectations of the customer service representative consumer attitudes (4.01).

These results are in accordance with the theory founded by Prasetijo and Ihalauw (2005), They implied that there are three components of attitude (Attitude Three Component Model): Cognitive, affective, cognative. Cognitive component that describes the consumer's perception obtained from a combination of direct experience with objects and related information obtained from various sources. Affective component that aims to increase positive consumer confidence that could lead to purchase behavior. Indicators that describe customer loyalty, it is as follows willingness to refer to the hotel
services offered to the other party has the largest contribution in representing (describing) customer loyalty, that is equal to (7.45).

These results are in accordance with the theory proposed by Kotler (2002), that there are criteria to identify loyal customers. One is the "Recommend a company, product, service company through spreading the word of mouth to others."

CONCLUSION

Service quality positively affect consumer attitudes. Consumer attitudes positively affect customer loyalty. Quality service does not directly affect Customer Loyalty but through consumer attitudes that can be made. Positive attitude of consumers able to mediate the quality of service in the creation of customer loyalty. These findings indicate that consumer attitudes over the hotel because of the quality of service from the hotel itself so that it will have an impact on consumer loyalty to use the service again.

REFERENCES

Service Quality Towards Hotel Customer Loyalty – Retno Dewanti, Citra Prameshwari, Aryanti Puspokusumo


