

## INCREASING CUSTOMER LOYALTY THROUGH CUSTOMER EXPERIENCE AND CUSTOMER TRUST (STUDY ON PENATARAN TRAIN SERVICE PASSENGER)

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### ABSTRACT

This study aims to determine the effect of customer experience and trust on customer loyalty who use the services of Penataran Train. The population used in this study were all passengers of the Penataran Railway, whose numbers are unknown for sure, with the number of samples used is 100 respondents. The sampling technique used was accidental sampling. The data source used is primary data, with the data collection method using a questionnaire. The data analysis technique used is multiple linear regression analysis. The results of the study showed that the coefficient of determination was 0.518, meaning that customer experience and trust can explain the variation of the customer loyalty variable by 51.8 percent. The results of hypothesis testing are obtained that customer experience has a positive and significant effect on customer loyalty, and trust has a positive and significant impact on customer loyalty.

**Keywords:** Customer Loyalty; Customer Experience; Customer Trust.

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### INTRODUCTION

Transportation has a vital role which is developing very rapidly so that it cannot be separated from people's lives as a transportation service for both goods and humans themselves (Chotijah, 2018). The big challenge for transportation companies is to create and retain customers in order to gain customer loyalty (Sukmawati, 2011). Customer loyalty is something that must be at stake because it is considered more important than efforts to get new consumers (Lupiyoadi, 2013).

Many factors can affect customer loyalty, including experience as a customer (customer experience) and trust from customers. Experience as a customer or customer experience is a consumer interaction with a company that will affect whether or not the customer will reuse the transportation service which has an impact on the realization of customers who are loyal to the transportation service (Mokalu., et al, 2019). In addition to customer experience, customer trust is considered a factor that can lead to a high-value reciprocal relationship and is the key to successfully building relationships with high customer loyalty (Tumini and Pratiwi, 2016).

The study of customer experience and customer trust in customer loyalty this time was carried out on passengers of the Surabaya - Blitar Penataran Railway. The Penataran Train is one of the mass transportation services that are in great demand by the public to travel from Surabaya to Blitar or vice versa, this is due to the advantages it has, including the time taken is faster when compared to other land transportation such as bus transportation and travel, se-

curity, facilities provided, as well as the ability to transport passengers and goods in large quantities.

However, over time where many land transportation service providers such as travel have sprung up, making more and more choices of transportation services. The Covid-19 pandemic has also provided the biggest obstacle to the transportation sector, including the Penataran Train, which stopped operating from mid-March to June 2021. So that passengers of the Penataran Train service experienced a drastic decline until the train service was reopened in mid-July 2022. The phenomenon is in the form of still complaints. What happens, such as cleanliness, health protocols, the response of officers in handling complaints, and refund processes will lead to negative customer experiences which have an impact on decreasing customer loyalty.

The impetus for doing this research is also because there are still differences in research results from previous researchers (research gap). These differences include those from Hijjah and Ardiansari (2015) and Wardaya (2018) which state that customer experience has a significant effect on customer loyalty, but it is different from the results of research by Moku., et al (2019) which states that customer experience has no effect on customer loyalty. The results of research from Tumini and Pratiwi (2016), Wardaya (2018), and Chotijah (2018), Ramadhan (2019) which state that customer trust has a significant effect on customer loyalty, but differ from the results of Suratman's (2015) research which states that customer trust does not affect customer loyalty.

Based on this, it is necessary to conduct research with the aim of analyzing the effect of customer experience and customer trust on customer loyalty in the Surabaya-Blitar Train Penataran.

## **LITERATURE REVIEW**

### **Influence of Customer Experience on Customer Loyalty**

Customer experience is a response or customer acknowledgment as well as perceptions from customers that can stimulate customer assessment and is formed from physical and emotional interactions, both directly and indirectly between customers and the company. Creating customer loyalty can be done by paying attention to two things. First, make the proposition of the promise of an attractive customer experience so that customers want to use the product and service. The second is to deliver the reality of the customer experience as promised. If both match, it can provide a positive experience that can increase long-term loyalty.

Customer experience can be the main driver of communication from one customer to another. Improved customer experience can provide benefits including reducing negative perceptions from customers so that it will create loyal customers. This is in line with Hijjah and Ardiansari (2015) and Wardaya (2018) who state that customer experience has a positive and significant effect on customer loyalty. The result of Manyanga et al. (2022) found Customer experience, have a direct positive effect on loyalty. From this description, the formulation of the proposed hypothesis is as follows:

H1: Customer experience has a positive and significant effect on customer loyalty.

### **The Effect of Customer Trust on Customer Loyalty**

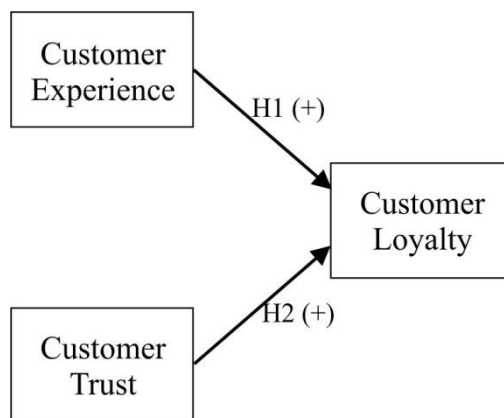
Customer trust is a form of one's willingness or a form of one's belief in another party, especially regarding the reliability, durability, and integrity of the other party in a relationship involved in an exchange or transaction to match expectations so as to produce positive results for the trusted party. Customer trust can be the foundation of a business. This is because forming consumer trust is a way to create customers and retain customers.

Therefore, the greater the trust, the greater the intention of consumers to commit to a long-term relationship with the company. This means that with the trust of a customer, it will

be able to increase loyalty to continue to use the company's products and services. This is in line with the research results of Tumini And Pratiwi (2016), Wardaya (2018), and Ramadhan (2019) which state that customer trust has a positive and significant effect on customer loyalty. Study of Sindhu and Arif (2017) provided a general picture of the theoretical process by which the sequential relationship between trust, satisfaction, reputation, and loyalty. The commitment to CSR is positively influencing customer loyalty and customer satisfaction, trust, and corporate reputation also intervened in their relationships. From this description, the formulation of the proposed hypothesis is as follows:

H2: Customer trust has a positive and significant effect on customer loyalty.

Based on the description above, the proposed research model is as Figure 1.



**Figure 1.** Research Model

## RESEARCH METHODS

### Population and Sample

The population used in this study is the passengers of the Penataran Surabaya Blitar Train whose numbers are not known with certainty. The number of samples is determined by the opinion of Lexy (2004), and Sugiyono (2017), which is as many as 100 respondents. The sampling technique used in this study is accidental sampling, which is a sampling technique based on anyone who coincidentally/incidentally meets the researcher who can be used as a sample if it is deemed that the person who happened to be met is suitable as a data source.

### Variables and Measurements

Customer experience is measured by sense, feeling, thinking, acting, relate. The indicators used to measure customer trust are reliability, honesty, concern, and credibility. While the indicators used to measure customer loyalty include: making repeated purchases of services, talking about positive things about the service, recommending it to others, not going to switch to other service products, and making these service products the main choice.

### Data Analysis

This study uses validity analysis to test the research measurement scale, carried out by the product-moment correlation method. Reliability analysis was carried out to test the reliability of the measurement scale that had been built, using Cronbach's Alpha method. Multiple linear regression analysis was used to test hypothesis. Data were calculated with SPSS version 22.

## RESULT AND DISCUSSION

### Validity and Reliability Testing

Table 1 shows the results of the validity test, that the calculated r-value is greater than the r-table (0.686). Based on this, it can be concluded that the data meets the validity test. Table 2 shows the results of the reliability test. The calculation results show that the value of Cronbach's Alpha is greater than 0.70. It can be concluded that the data meet the reliability test.

### **Classic Assumption Testing**

The normality test in this study was carried out using the Kolmogorov-Smirnov test, as presented in Table 3, a significance value of 0.200 was obtained. The significance value is greater than 0.05. On this basis, it can be concluded that if the distribution of data in the resulting linear regression model is normally distributed the regression modal meets the assumption of normality.

The results of the multicollinearity test show that each variable has a tolerance value greater than 0.10, and the VIF value is smaller than 10. This means that there is no correlation between the independent variables in the linear regression model, so it can be concluded that the regression model The resulting linear multicollinearity symptom does not occur.

The results in Table 5 show that from the Glejser test results, each customer experience and trust variable has a significance value (sig.) greater than 0.05 (sig.>0.05), so it is concluded that the resulting linear regression model in the study there was no heteroscedasticity.

### **Model Goodness Testing**

The value of the coefficient of determination seen from the R Square column is 0.518. It can be concluded that the customer experience and trust variables can explain the variation of the customer loyalty variable by 51.8%, while the remaining 48.2% can be explained by other variables outside the model that are not studied.

Table 7 shows that the results of the F statistical test obtained a significance value of 0.000 and less than 0.05, so it can be concluded that the resulting regression model is fit and significant, and is feasible to use.

### **Hypothesis Testing**

The hypothesis test in this study uses the t-statistical test as presented in Table 8. The calculated t value of the customer experience variable is 5.122 with a significance value of 0.000. From these results, it shows that the calculated t value is greater than the t table value, namely  $5.122 > 1.985$ , and the significance value is less than 0.05, namely  $0.000 < 0.05$ . The result of the decision taken is to reject the null hypothesis ( $H_0$ ) and accept the alternative hypothesis ( $H_a$ ), so it can be concluded that the first hypothesis which states that customer experience has a positive and significant effect on customer loyalty can be accepted.

The t value of the confidence variable is 4.133 with a significance value of 0.000. From these results, it shows that the calculated t value is greater than the t table value, namely  $4.133 > 1.985$ , and the significance value is less than 0.05, namely  $0.000 < 0.05$ . The result of the decision taken is to reject the null hypothesis ( $H_0$ ) and accept the alternative hypothesis ( $H_a$ ), so it can be concluded that the second hypothesis which states that trust has a positive and significant effect on customer loyalty is statistically acceptable.

**Table 1.** Validity Test Results

Variable	Indicator	r-count	r-table	Information
Customer Experience (X <sub>1</sub> )	X11	0.686	0.374	Valid
	X12	0.689	0.374	Valid
	X13	0.665	0.374	Valid
	X14	0.558	0.374	Valid
	X15	0.754	0.374	Valid
Trust (X <sub>2</sub> )	X21	0.681	0.374	Valid
	X22	0.799	0.374	Valid
	X23	0.690	0.374	Valid
	X24	0.639	0.374	Valid
Customer Loyalty (Y)	Y1	0.794	0.374	Valid
	Y2	0.518	0.374	Valid
	Y3	0.834	0.374	Valid
	Y4	0.799	0.374	Valid
	Y5	0.836	0.374	Valid

**Table 2.** Reliability Test Results

Variable	Cronbach's Alpha	Minimum Value	Information
Customer Experience	0.766	0.70	Reliable
Trust	0.780	0.70	Reliable
Customer loyalty	0.790	0.70	Reliable

**Table 3.** Normality Test Results

		Unstandardized Residual
N		100
Normal Parameters <sup>a,b</sup>	mean	0.0000000
	Std. Deviation	1.65435337
Most Extreme Differences	Absolute	0.071
	Positive	0.064
	negative	-0.071
Test Statistics		0.071
asymp. Sig. (2-tailed)		0.200 <sup>c,d</sup>

a. Test distribution is Normal.

b. Calculated from data.

c . Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

**Table 4.** Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Customer Experience	0.654	1.530
	Trust	0.654	1.530

a. Dependent Variable: Customer Loyalty

**Table 5.** Heteroscedasticity Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.140	1.091		3,794	0.000
	Customer Experience	-0.098	0.056	-0.214	-1.766	0.081
	Trust	-0.046	0.072	-0.077	-0.633	0.528

a. Dependent Variable: ABS\_Regression

**Table 6.** Results of the Coefficient of Determination

<b>Model Summary<sup>b</sup></b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.720 <sup>a</sup>	0.518	0.508	1.67132

a. Predictors: (Constant), Trust, Customer Experience

b. Dependent Variable: Customer Loyalty

**Table 7.** F-Statistical Test Results

<b>ANOVA<sup>a</sup></b>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	291.608	2	145.804	52.198	0.000 <sup>b</sup>
	Residual	270.952	97	2.793		
	Total	562.560	99			

a. Dependent Variable: Customer Loyalty

b. Predictors: (Constant), Trust, Customer Experience

**Table 8.** Hypothesis Test Results

	Model	T-statistic	Sig.
1	(Constant)	1.114	0.268
	Customer Experience	5.122	0.000
	Trust	4.133	0.000

a. Dependent Variable: Customer Loyalty

## Discussion

The results of the analysis of the influence of customer experience on customer loyalty show that the t value is 5.122 with a significantly less than 0.05. This means that the better the experience felt by customers when using train services, the more customer loyalty to continue using the Penataran Train services will increase. The experience gained by customers through sense, feeling, thinking, acting, and relating, will create loyalty from a customer in using the Penataran Train services. The results of this study support the results of previous research conducted by Hijjah and Ardiansari (2015), Wardaya (2018), and Manyanga et al. (2022) which concluded that customer experience has a positive and significant effect on customer loyalty.

Other test results, namely the effect of customer trust on customer loyalty also show the t-count value is 4.133 with a significantly less than 0.05. This means that the higher the level of trust held by customers who use train services, the more customer loyalty to continue using the services of the Penataran Train will increase. Customer trust gained from the reliability, honesty, care, and credibility of the railroad company in providing rail services will be able to form trust so that it has an impact on increasing customer loyalty for KA Penataran. The results of this study have supported the results of previous studies conducted by Tumini and Pratiwi (2016), Wardaya (2018), Chotijah (2018), Ramadhan (2019), and Sindhu and Arif (2017) which stated that trust had a positive and significant effect on customer loyalty.

## CONCLUSION AND RECOMMENDATION

The Penataran Railway service provider company must be able to improve the customer experience to make it more enjoyable after using the train service. This can be done by always checking the cleanliness and the facilities used so that the concept of excellent service is achieved, and by providing information as clearly as possible in terms of products and services.

Penataran Railway service providers must be able to increase customer trust so that customer loyalty is higher. This can be done primarily by increasing company awareness and company credibility, for example by giving full attention to customers who use the service,

namely by receiving complaints or customer complaints properly and trying to immediately handle these complaints, as well as providing regular training to employees owned by the company. So they will be more credible in providing services to customers.

The limitation of this study is that customer loyalty can be explained by customer experience and customer trust by 51.8% while the rest is influenced by other variables. Further research should examine the influence of other factors such as service quality and customer satisfaction.

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