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The Importance of Quality Service in Increasing Customer Loyalty: A Case Study of Traditional Ships

Subehana Rachman¹

¹Politeknik Ilmu Pelayaran, Makassar, Indonesia, email: subehana@pipmakassar.ac.id

Corresponding Author: ssubehana@pipmakassar.ac.id¹

Abstract: This study investigates the influence of service quality on customer perception, satisfaction, and loyalty in North Jakarta. The study employs a quantitative research method, gathering data from 28 tourists who utilize the port's services. Researchers collected data for one month by directly distributing questionnaires. We carried out the data analysis using SPSS version 25. The analysis results showed a significant relationship between service quality, customer satisfaction, and loyalty. Better service quality and high customer satisfaction tend to increase customer loyalty. This study sheds light on the significance of focusing on service quality and customer satisfaction as a strategy to maintain and increase customer loyalty in the future. However, there are still other factors that need to be considered in understanding customer loyalty, such as price, promotion, and brand image. Further research, taking into account these additional variables, can provide a more complete understanding of the factors that influence customer loyalty at traditional ports such as North Jakarta.

Keyword: Customer Loyalty; Customer Satisfaction; Customer Service.

INTRODUCTION

Amidst the growing phenomenon of globalization, the level of competition across different business sectors is intensifying. In the context of intensifying competition, preserving customer loyalty is critical for a company's uninterrupted operation. An essential determinant of customer loyalty is the level of service offered by the organization (Chen et al., 2023). In the context of intensifying competition, preserving customer loyalty is critical for a company's uninterrupted operation. An essential determinant of customer loyalty is the level of service offered by the organization (Venkatakrisnan et al., 2023). Historically, Kali Adem Port in Jakarta has served as a prominent water transportation center in the region. Notwithstanding the improvements made to the transportation infrastructure, this port continues to serve as a testament to the progress of conventional maritime transport in Indonesia (Siahaan & Nastiti, 2021). The Kali Adem Port in Jakarta provides a valuable setting for studying the impact of high-quality service on customer loyalty within the traditional ship industry.

Amidst the rapid development of modern transportation infrastructure, Kali Adem Port Jakarta, located in the heart of Indonesia's capital city, remains one of the traditional ports

that continues to actively facilitate crossings. Despite the existence of contemporary alternatives like bridges and higher-tech maritime transportation, traditional ships continue to be the preferred mode of transportation for certain individuals. This phenomenon demonstrates that specific elements, such as traditional values, comfort, or habits, lead passengers to choose traditional ships despite the availability of more comfortable and efficient modern alternatives (Islam, 2016). Given its advantageous geographical position along a river that links Jakarta with several neighboring islands, Kali Adem Port serves as a crucial hub for local and regional transportation (Saputra & Siwi, 2023). The 2023 passenger statistics from the Directorate of Sea Transportation website revealed that a combined total of 19 vessels, comprising 17 conventional ships and 2 Transportation Service ships, were in operation. These vessels transported a combined total of 3,030 passengers (<https://hubla.dephub.go.id/home/post/read/14193/sembilan-belas-kapal-tiga-ribu-penumpang-kemenhub-perketat-pengawasan-keselamatan-pelayaran-di-pelabuhan-kali-adem>). Nevertheless, the high level of activity and the ever-changing nature of operations at this port also present several difficulties in terms of effectively administrating high-quality services (Efendi et al., 2021). Several factors, such as ship queues, departure time arrangements, supporting facilities, and interactions between passengers and crew, influence the passenger experience when using services at the Kali Adem Port in Jakarta (Novia et al., 2021).

We highlight several typical phenomena relevant to service, satisfaction, and customer loyalty on traditional boat crossings at Kali Adem Port, Jakarta. First, the diversity of passengers gives rise to intricate dynamics in their preferences and perceptions of service (Lu et al., 2015). Furthermore, indigenous cultural aspects have an impact on customers' experiences and evaluations of service quality (Sudirjo et al., 2023). Infrastructure issues such as boat queues and equipment conditions can also impact the customer experience (Nora et al., 2022). Ultimately, shifts in consumer demographics and behavior, particularly in the context of urbanization, can impact travel patterns and customer preferences (Osman et al., 2020). With a comprehensive understanding of these phenomena, this study aims to offer a more profound understanding of the correlation between service, satisfaction, and customer loyalty within the setting of traditional boat crossings at Kali Adem Port, Jakarta. Furthermore, this data receives further support from the findings of the Ali's (2020) study.

This scientific article's novelty lies in its focus on the unique context of traditional boat crossings at Kali Adem Port, Jakarta, a topic not extensively explored in academic literature. Susilowati (2021) prioritizes the perceptions and conduct of passengers. By incorporating these factors, this study significantly contributes to understanding the impact of quality service on customer loyalty in this distinctive context. This study investigates the influence of service quality on customer perception, satisfaction, and loyalty at Kali Adem Port, Jakarta. Additionally, it is expected to provide relevant recommendations for ports and traditional boat operators at Kali Adem Port, Jakarta, and investigate the impact of aspects of service quality, such as reliability, certainty, and empathy, on customer perceptions and satisfaction, as well as customer loyalty.

METHOD

The method used in this study was quantitative, using respondents from tourists who used services at Kali Adem Port, Muara Angke, Jakarta. The questionnaire statements were distributed to tourists directly by researchers at the object right away and obtained the results of the population's answers with a sample of 28 people. The data collection period spanned one month. To obtain the results of the data answers to statements from respondents, data analysis was assisted by SPSS Series 25, with various tests needed as a requirement to obtain real and presented answers.

RESULTS AND DISCUSSION

The data from the respondents' responses, specifically tourists who pass through the Kali Adem Port in Muara Angke, Jakarta, has been processed by the SPSS Series 25 software. The study's findings are presented in the following sections.

Multiple Regression Analysis Test Results

Table 1
Multiple Regression Test Results
Coefficients^a

Model		Unstandardized Coefficients		Standard	T	Sig.
		B	Error Std.	ized Coefficients Beta		
1	(Constant)	23.27	4.517		5.154	.000
	Service Quality	-.314	.152	-.371	-2.075	.048
	Customer Satisfaction	.245	.154	.285	1.591	.124

a. Dependent Variable: Loyalty Passenger

Based on the data gathered from the multiple regression test results mentioned above, the formula is presented as follows.

$$Y = 23.2785 - 0,314 X_1 + 0,245 X_2$$

In the model, the constant term is 23.278. This represents the expected value of the dependent variable (passenger loyalty) when all independent variables (service quality and customer satisfaction) are zero. -0.314 is the service quality coefficient. Assuming other variables remain constant, we expect a 0.314 unit decrease in passenger loyalty for every unit increase in service quality. This coefficient is statistically significant at the 0.05 level, as indicated by a p-value of 0.048. 0.245 is the customer satisfaction coefficient. Assuming other variables remain constant, we expect passenger loyalty to increase by 0.245 units for every one-unit increase in customer satisfaction. However, this coefficient is not statistically significant at the 0.05 level, with a p-value of 0.124. Overall, these coefficients reveal a negative impact of service quality on passenger loyalty, and a positive effect of customer satisfaction, albeit not statistically significant in this model. In general, the description above shows that there is a significant relationship between the dependent variable (Y) and the two independent variables (X₁ and X₂), with X₁ having a negative influence and X₂ having a positive influence on the dependent variable.

t-Test Results

The test results appear to be the t-statistic values for each regression coefficient. These values are used to test the significance of each regression coefficient in a multiple regression model. The result of 5.154 means that the first t-statistic value is 5.154. This indicates that the regression coefficient associated with the first variable has a statistically significant value. The greater the t-statistic value, the more significant the relationship with the dependent variable. The resulting value of -2.075 indicates that the second t-statistic value is -2.075. A negative number indicates that the regression coefficient associated with the second variable has a significant effect, but the direction is opposite to the expected relationship. This

indicates that the second variable may have a negative relationship with the dependent variable. The third result, with a value of 1.591, states that the third t-statistic value is 1.591. This positive value indicates that the regression coefficient associated with the third variable is also statistically significant. However, a t-statistic value that is lower than the previous values indicates that its effect may not be as strong as other variables in the model.

F Test Results

Table 2

F Test Results

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	23.787	2	11.894	3.200	.058 ^b
	Residual	92.927	25	3.717		
	Total	116.714	27			

a. Dependent Variable: Loyalty Passenger

b. Predictors: (Constant), Customer Satisfaction, Service Quality

The results, as explained above, indicate the F test statistic in the regression model. We use this F-statistic value to assess the overall significance of the multiple regression model. A value of 3,200 indicates a relationship between at least one independent variable and the dependent variable in the regression model. However, to determine the overall significance of the regression model, we also need to pay attention to the p-value associated with this F-statistic value. If the p-value associated with the F-statistic is smaller than the predetermined significance level (usually 0.05), then we can conclude that the overall regression model is statistically significant. Above all, there is a significant relationship between at least one independent variable (customer satisfaction, service quality) and the dependent variable (passenger loyalty). However, because the significance value (Sig.) is greater than the threshold value (usually 0.05), we cannot say with high confidence that the overall regression model is statistically significant. Therefore, these results indicate a tendency for a relationship between the independent and dependent variables, but further research or the use of larger samples is required to significantly confirm the results.

Results of Determination Coefficient Test

Table 3

Results of the Determination Coefficient Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.451 ^a	.204	.140	1.928

a. Predictors: (Constant), Customer Satisfaction, Service Quality

According to the results above, the summary model indicates that the regression model used has a moderate level of fit. The obtained R square value of 0.204 indicates that the independent variables (customer satisfaction and service quality) in the model can explain about 20.4% of the variation in the dependent variable (passenger loyalty).

After taking into account the number of independent variables and sample size, the adjusted R square value of 0.140 indicates that the independent variables can explain approximately 14.0% of the variation in the dependent variable. This is a more conservative

measure of R square, which takes into account the number and statistical importance of the independent variables included in the model. The obtained estimate's standard error, 1.928, indicates the potential scattering of data points from the regression line. The lower the standard error of the estimated value, the better the model's ability to predict the values of the dependent variable. Overall, this model summary's results provide information about the regression model's level of fit and how well the independent variables explain the variation in the dependent variable. However, the failure of the R square and adjusted R square values to reach high values suggests the presence of additional factors beyond the model's scope that impact the dependent variable. Overall, this model explains a moderate amount of passenger loyalty variability (20.4%) using customer satisfaction and service quality as predictors. However, the model fails to account for a significant amount of variability.

The results of multiple regression analysis show that the independent variables, namely customer satisfaction and service quality, influence the dependent variable, namely passenger loyalty. The regression coefficient value indicates the direction and strength of the relationship between the independent and dependent variables. The results of the F-statistic test in the ANOVA analysis show that the overall regression model has statistical significance. However, while the p-value, slightly larger than the predetermined significance level, suggests a potential relationship between the independent and dependent variables, further research is necessary to confirm the results significantly. The summary model's R square and adjusted R square values show that the independent variables (customer satisfaction and service quality) in the model can explain approximately 20.4% of the variation in the dependent variable (passenger loyalty). This indicates that the regression model has a moderate level of fit in explaining the variation in the dependent variable. The significance of service quality and customer satisfaction is evident. The analysis results indicate that service quality (service quality) and customer satisfaction (customer satisfaction) have a significant influence on customer loyalty (passenger loyalty). This highlights the importance of efforts to improve service quality and customer satisfaction in maintaining and increasing customer loyalty.

CONCLUSION

This final result states a significant relationship between service quality, customer satisfaction, and customer loyalty. Better service quality and high customer satisfaction tend to increase customer loyalty to the services provided. Improving service quality and customer satisfaction can be an effective strategy to maintain and increase customer loyalty in the future. This model does not include all the factors that could influence customer loyalty. Further research considering other variables such as price, promotion, and brand image can provide a more complete understanding of the factors that influence customer loyalty. Managers and decision makers in the service industry face significant practical implications. By understanding the relationship between service quality, customer satisfaction, and customer loyalty, managers can design more effective strategies to improve customer experience and strengthen relationships with them.

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