

Analysis of Effect Trademarks, Quality Services, and Promotional as Intervening Variable Implications on Customer Retention Mobile shop business in Medan Selayang District

Nikous Soter Sihombing

Department of Management, STIE IT&B Medan, Jl. Mahoni Street No.16, Gaharu, Medan Tim., Kota Medan, Sumatera Utara 20235, Indonesia

Abstract: *This study aims to determine and analyze the impact analysis of service quality and trademarks to the promotion and customer retention in the mobile shop business in the District of Medan Selayang. This research uses a random sampling method to retrieve the data of 220 respondents business owners as the unit of analysis. Methods of data analysis using SEM analysis to determine the effect of service quality and trademarks to the promotion and customer retention in the mobile shop business, which is processed by a software program AMOS 18. The results prove that: Quality Services and no significant positive effect on customer retention at a kiosk Style, Quality Services negative effect but significantly to the promotion of the stalls mobile, trademarks influence positively and significantly on customer retention in the stalls mobile, trademarks positive and not significant on sale at stalls mobile, promotion of positive influence and significant toward customer retention on a stall mobile, in this corresponds SEM analysis results obtained that the quality of service does not significantly affect the promotion, but the trademark continuously to improve customer retention. Therefore, the owner of a mobile shop business to continue to exist must create a brand for the product services mobile products that bind some technical dimension in customer retention.*

Keyword: *Quality of service, trademarks, Customer Retention and Promotion*

I. Introduction

The need for all aspects of information cannot be separated from the sophistication of the access means of media technology. The presence of new media can provide extensive information and cannot be hindered by the cultural and social influence of a country, which formed on a network by using the computer as the ingredients called handphone. With a population of 250 million, Indonesia is a potential market and would be the largest in Southeast Asia regarding the use of handphone. This causes may bring new business using a mobile phone, and eventually emerge new entrepreneurs who set up a mobile shop business. The development of mobile stalls in Indonesia is not a new thing in the business world because business is very mobile stalls can provide significant benefits for entrepreneurs' managers. Business management stalls cell cannot separate from aspects of marketing, technical, operational, financial and human resources, as well as the administration of the shop of mobile, is also not free from trademark, because the trademarks aim to maintain the viability of the business, because of the existing products are vulnerable to the changing needs and tastes of consumers, technology, product life cycles are shorter, and the increased competition among businesses mobile stalls. Changes - changes in the business environment has forced mobile shop business manager to be able to create new ideas and innovative facilities. Likewise with the trademark growing importance not only as a tool to maintain the viability of the company but also to excel in competition. Because, the mobile market stalls are very spacious and a very tight competition. Any businessman or manager of a mobile shop should be able to win the market by creating a new trademark and provide brilliant ideas for the continuation of its business. The trademarks may also be used as one of the strategies to achieve competitive advantage. For mobile shop manager, his success in doing a brand means the mobile shop business a step further than its competitors. Competition among mobile stalls entrepreneurs in seizing the customer does not escape through the quality of services. The quality of service serves as a means by which a manager or company to inform, persuade and remind consumers directly or indirectly on products or services to be sold (Kotler and Keller: 2009). The quality of the services performed mobile shop manager will create a separate vote on the mind of the customer, so that consumers' assessment of services either directly or indirectly, will create the image of the services of the mobile shop. The current business paradigm requires business people find the scope of the market value, and provide further opportunities for developing strategies and gain competitive advantage. Key to the success of undertakings mobile shop located on the strategies formulated, implementation and outcomes of the strategy made by the company. Instrument strategies and strategic direction and business goals (optimal performance), is to develop a strategy that synergy with the promotion. By creating a synergy with the promotion strategy, then any mobile shop businesses are expected to surpass the competition is superior and can achieve its goals.

Promotion dimensionless durability, imitation, and how easy to match assets owned businesses strategies (Ferdinand: 2002). In the end, promotion is a strategy that very facilitates business people, especially in the field of mobile stalls to position as market players are reliable and able to compete. The proliferation of stall cell in the city of Medan, has not changed much, the connection attempt and mobile network mobile phones owned cannot satisfy customers and some aspects of the technical, up to a lack of trademarks in creating something new in the shop mobile, the quality of services to excellence compete not run properly. Especially in the district of Medan Selayang, many mobile shop business establishment, but not included with a variety of facilities and poor service. As shown in the following table below, based on the pre-survey conducted, the growing amount of mobile stalls that stood up and closed in 2014 - 2016 in the District, as follows:

TABLE 1: The progress of mobile stalls in the district of Medan Selayang Year 2014 - 2016

District	Mobile stalls are open			Mobile stalls are closed		
	2014	2015	2016	2014	2015	2016
Beringin	25	30	60	16	17	15
Padang Bulang Selayang I	20	35	85	13	15	19
Padang Bulang Selayang II	35	45	75	5	16	10
Sempakata	20	34	55	5	17	12
Tanjung Sari	23	35	50	26	14	10
Asam Kumbang	21	33	60	15	18	15

Based on the table, the growth of the mobile shop business is increasing because this business is a business opportunity that generates profits great. However, mobile shop business is not separated from its bankruptcy or close the business. Judging from the above table, the lid mobile shop business in the district of Medan Selayang has increased each year significantly and bring significant losses. If this continues to happen, then it can hurt the survival of other mobile shop business. Do not let the presence of the mobile shop will suffer the fate of displaced such as telecommunication shop. Therefore, this mobile shop business activities should be coordinated and planned by business owners for all of these activities can lead to the goals set by the firm owner. Presumably, so that mobile point can progress and continue to run, especially in meeting the needs of consumers, it is very necessary to the analysis of the influence of trademarks, service quality and promotion with implications for the retention of customers towards mobile shop business in Medan Selayang District Area.

II. Theories

A. Trademark

Understanding trademark according to Rogers (1994) defines that a brand is an idea, practice or object/object is recognized and accepted as a new thing by any person or group to be adopted. According to Robbins (1994) defines, trademarks as a new idea applied to initiate or improve a product or process and services. Based on such understanding, Robbins focuses on three main points in making trademarks, namely: the new idea is a process to think in observing a phenomenon that is happening, including in education, new ideas may be the discovery of an idea of thought, ideas, system to the possibility that the idea crystallized. Trademarks are the development and implementation of new ideas by which a given period conduct transactions with others in order of the organization. According to Urabe (1988), Trademarks not an activity one o'clock (one-time phenomenon), but a long and cumulative process that includes a lot of the decision making process in and by organizations ranging from the invention of the idea until its implementation on the market. Understanding Trademarks according to Law No. 18 In 2002, the trademark is a research, development, and engineering which aims to develop practical application value and context to new knowledge or new ways to apply science and technology that has existed in the product or production process. Zimmerer and Scarborough (2005), a trademark is the ability to apply creative solutions to a problem along with the opportunity to improve or to enrich one's life. According to Purnama (2000), Trademarks are the unique product development strategy is different from the products produced by competitors. If the company uses the strategy of marks, role behavior is required: level of creativity, long-term focus, the level of cooperation, behavior is interdependent, sufficient attention to quality and quantity, There is a balance between results and process, Accept risk and tolerance of uncertainty.

B. Quality of Services

Lewis and Booms is an expert who first revealed the definition of quality of duty, i.e., as a measure of how good a given level of service capable of and by customer expectations (Tjiptono & Chandra: 2007). Service quality can be realized through the fulfillment of client needs and desires as well as the accuracy of the delivery of the message to balance customer expectations. Service quality has two major factors that affect, namely the services expected (expected service) and services perceived/perceived (perceived service). The principle - the principle of Service Quality by Wolkins (Tjiptono & Chandra: 2007) there are six, as follows: Leadership, Education, strategic planning process, Review, Management of change of organizational behavior and

communication. Implementation of the strategy to the quality of the organizations affected by the process of organizational communication, both with employees, customers and other stakeholders. Reward and Recognition is a crucial aspect of the implementation of a quality strategy, which in turn contributes to increased productivity and profitability. According to Zeithaml and Berry (Tjiptono & Chandra: 2007) dimensions of quality of services is divided into five dimensions: reliability Responsiveness, Assurance, Empathy, physical evidence.

C. Promotion

Promotion is one of the marketing mix coverage is important in the marketing of goods or services produced by the company and also as a way of providing information to the public about the property and services generated by the corporation. Promotion is a form of marketing communications, namely the marketing activities that tries to spread information, influence, persuade or remind the target market for the company and its products that consumers are willing to accept, purchase, and loyal to the products offered by the corporation (Tjiptono, 2002) . Shape of promotion according to Kotler and Armstrong (2004) are as follows: advertising is any form of presentation and promotion costs of ideas, goods or services of the sponsor clear, Personal selling is presentation personal salespeople a company with the goal of generating sales and build relationships with customers, sales promotion are the incentives the short term to encourage the sale of products or services, public relations is to create healthy relationships with public company with a number of ways in order to obtain favorable publicity, build the image of a good company, and handles or straightening rumors, stories, and events that are not profitable and Direct Marketing is direct relationships with each of the customers targeted carefully to useful purpose to obtain an immediate response, as well as to develop lasting relationships with their clients.

D. Customer retention

Kaplan and Norton (2000) says that the customer retention is an activity that is directed to maintain the ongoing interaction with their clients through ongoing relationships, loyalty marketing, database marketing, permission marketing, and advances. Dimensions to retain customers by DeSouza (Tjiptono and Chandra: 2007) as follows: Price Product, Service, Market, Technological, the Ensure increasingly sophisticated technology available and easier for consumers to use.

This research conceptual framework can be described as follows:

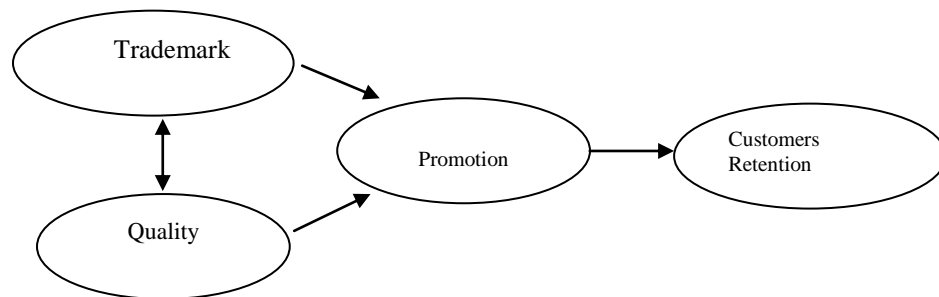


Fig. Conceptual Framework

III. Evaluation

This research was conducted using a survey method approach, type of research is quantitative descriptive. The nature of this research is explanatory,

a. Research sites

This research was conducted in the Regional District of Medan Selayang Medan consisting of 6 (six) villages.

b. Population and Sample

The people in this study are all business owners mobile shop located in the subdistrict of Medan Selayang to 2016 which amounted to 483 enterprises. The sampling technique in this research is random sampling. The minimum sample size should be ten times the number of free parameters. Indicators in the study were 22, then the number of samples to be studied are Indicators Number of Samples = $x \cdot 10$

$$= 22 \times 10$$

$$= 220$$

from the calculation of the above, the number of samples in this study the 220 samples

c. Data analysis method

The analysis technique used is SEM (Structural Equation Modelling) (Ferdinand, 2002)

Statistical Analysis Structural Equation Modeling

1. Confirmatory Factor Analysis Construct Exogenous and endogenous

Results of the confirmatory analysis are any indicator variables or dimensions forming several latent variables showed good results, the value of Critical Ratio (CR) above 1.96 with P less than 0.05. Formed latent variables are determined to have a cut-off value above 0.7 for the CR (contract reliability) declare reliable or all of the indicators for the error variance p less than 0.05. Forming latent variable constructs exogenous and endogenous shows as a strong indicator of the latent variable measurement

2. Analysis of Structural Equation Modeling

Subsequent analysis by Structural Equation Model (SEM) in Full Model is intended to test the model and hypotheses developed in this study. Testing the model in Structural Equation Model done with two tests, which check the suitability of the model and test the significance of causality through regression coefficient test. In regression weight in testing the full model showed that the model had categorize meet the criteria of fit or right, It is based on all the criteria is satisfied by the results of testing the feasibility of the model based on the provisions Cut-off Value. GFI's standards in both categories with a value greater than 0.934 CUF off the value of 0.90. The result of the calculation of chi-square tests on full model obtain the chi-square value amounted to 86.8 under the chi-square to degrees of freedom 320 at the 5% significance level of 575.208. Value CMIN / DF amounted to 1,523 under CUF off values of 2.00. TLI value amounted to 0.979 above CUF off values of 0.95. CFI value amounted to 0.992 above CUF off values of 0.95 and a value of 0.065 CUF off RMSEA values below 0,084. The results showed that the overall model meets the criteria of model fit, thus meeting the feasibility of this model to answer the research hypothesis. Criteria observed (indicator) of each of each variable is valid if it has loading values above 0.5 so no observed (indicator) were dropped (discarded). Results of research for the observed criteria (indicators) that each indicator forming latent variables showed results that meet the criteria of value CR above 1.96 with P less than 0.05 and the value of lambda or a loading factor greater than 0.5. The results showed that the indicator was forming latent variable it constitutes a significant indicator of the possible factors are formed. Thus, the model used in this study can be accepted.

3. Regression Analysis Weight

Regression Analysis of Weight on the SEM used to determine how much influence among variables tested in this study. The detailed results of the study hypothesis testing are discussed in stages by the hypothesis that has been proposed

a. Effect of Service Quality on Promotion on mobile stalls

The influence of service quality on sale in the mobile stalls can be seen in the table below

TABLE 2: Hypothesis Testing Results of service quality

Dependent variables		Dependent variables	Estimate	S.E.	C.R.	P	Information
Promotion	<-	Quality of Services	-.095	.044	-2.188	.029	Significant

The table Results of testing the hypothesis with the interpretation of each coefficient path or direction of causal relationships, the hypothesis testing results are obtained as follows: quality of service (X1) significantly affects Promotion (Y1) with the positive orientation of the relationship. The result could be seen from the path coefficient (S.E) marked positive at 0:44 with a value C.R. amounting to -2.010 and acquired a significance probability (p) of 0.044 is smaller than the significance level (α) which is set at 0.05. Based on the research results show the quality of services but the significant adverse effect on the sale at a mobile shop.

b. Trademarks influence on the sale at a mobile point

Effect of trademarks on customer retention in the mobile location could be seen in the table below

TABLE 3: Effect Hypothesis Testing Results trademark on customer retention

Dependent variables		Dependent variables	Estimate	S.E.	C.R.	P	Information
Promotion	<-	Trademark	.611	.037	16.375	.000	Not significant

Table Results of testing the hypothesis with the interpretation of each coefficient path or direction of causal relationships, the hypothesis testing results are obtained as follows: Trademarks (X2) not significant effect on customer retention (Y1) with the positive direction of the relationship. The path coefficients (S.E) marked positive at 0:37 with a value C.R. by 16.375 and acquired a significance probability (p) of 0.000 is smaller than the significance level (α) which set at 0.05.

c. Effect of Service Quality on Customer Retention in the mobile stalls

Effect of Service Quality has no effect on Customer Retention in the mobile stalls can be seen in Table:

TABLE 4: Results Quality Impact Hypothesis Testing Services

Dependent variables		Dependent variables	Estimate	S.E.	C.R.	P	Information
Customer retention	<-	Quality of Services	.092	.069	1.329	.184	Not significant

Table Results of testing the hypothesis with the interpretation of each coefficient path or direction of causal relationships, the hypothesis testing results are obtained as follows: Quality of Services (X1) not significant effect on Customer Retention (Y) with the positive direction of the relationship. the result could be seen from the path coefficient (S.E) which is positive at 0.69 with a value C.R. amounting to 1,329 and obtained a significance probability (p) of 0.184 is greater than the significance level (α) which set at 0.05.

d. Effect of trademarks on the retention of customers on mobile stalls

Trademark (X2) significantly affects Customer Retention (Y) with the direction of a positive relationship can be seen in table below

TABLE 5: Hypothesis Testing Results Table Trademarks

Dependent variables		Dependent variables	Estimate	S.E.	C.R.	P	Information
Customer retention	<-	Trademark	.346	.122	2.825	.005	Significant

The path marked positive coefficient of 0.122 with a value C.R. amounting to 2,825 and obtained a significance probability (p) 0,005 smaller significance level (α) which set at 0.05.

e. Influence customer retention campaign against mobile stalls

Promotions influence on customer retention in the mobile stalls could be seen in the following table

TABLE 6: Effect Hypothesis Testing Results from The promotion of customer retention

Dependent variables		Dependent variables	Estimate	S.E.	C.R.	P	Information
Customer retention	<-	Promotion	.430	.183	2.346	.019	Significant

The Table Results of testing the hypothesis with the interpretation of each coefficient path or direction of causal relationships, the hypothesis testing results were obtained, namely: promotion (Z) significantly affects customer retention (Y) with the actual orientation of the relationship. The result could be seen from the path coefficient (S.E) which is positive for 0183 with a value of C.R. amounting to 2,346 and obtained a significance probability (p) of 0,019 is smaller than the significance level (α) which set at 0.05.

IV. Conclusion

Based on the research and discussion above it can be concluded that the quality of services has positive and not significant on the retention of customers on shop business mobile, the quality of services affect negatively but significantly to the promotion of the stalls mobile, trademarks positive effect and significant on customer retention in the stalls mobile , trademarks and no significant positive effect on the sale at a mobile shop, the promotion of a positive and significant impact on customer retention in the mobile stalls

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