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Editorial board

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Career Administration, Proactive Behavior and Career Satisfaction: A Mediating Relationship

(Azman Ismail, Azmawaty Mohamad Nor, Wan Aishah Wan Mohd Nowalid, Anis Anisah Abdullah, Page 511-533)

The need to improve the human aspect has never been found imperative on organizations other than at a time when personnel are challenged daily with efficiency dropping and job performance in low ebb. Hence, it is vital for this study to examine the relationship between career administration, proactive behavior and career satisfaction. A survey method was conducted and 132 self-report questionnaires were collected from employees in a renowned manufacturing firm in the Malaysian petroleum industry. The survey has two significant results: (i) Relationship between job autonomy and proactive behavior has a positive and significant correlation to career satisfaction. (ii) Relationship between transformational leadership and proactive behavior has a positive and significant correlation to career satisfaction. The result posits that proactive behavior is key variable linking career administration to organizational career satisfaction. Implications from this survey and recommendations for future research are made.

Green Supply Chain Management in the Thai Automotive Industry: Confirmed Factor Analysis

(Thanyaphat Muangpan, Jutaporn Neamvonk, page 535-547)

The concept of supply chain management (SCM) is an important strategy for Thai industry companies, and environmental issues are a serious problem in the world. Thus, applying the supply chain process into business management can help to ease environmental pollution. This paper aims to test the conceptual framework of the Environmental - Supply Chain Management in the Thai automotive industry. Statistical analysis was used descriptive statistics and confirmatory factor analysis to test the main factors and indicators. The results led to a four-factor model that includes greenhouse gas emission and environmental pollution, natural resource utilization, waste and recycling management, and green supply chain management. Moreover, of the four main dimensions, the 22-item measurement indicators for evaluating the group of factors of their En-SCM performance are presented. This confirms that the En-SCM model can also be applied for operational planning for companies developing SCM and reducing environmental problems.

Determinants of Performance in Banking Sector: Evidences from International Markets

(Abdul Qayyum, Omer Mehmood, Muhammad Kasheer, Jahanzaib Haider, page 549-565)

This study investigates the "relative market power" (RMP) and "structure conduct performance" (SCP) hypothesis for profitability and stability of the banking industry. Data for 29 frontier economies were collected from "BankFocus database" throughout 2000 to 2016. Consistent with the RMP hypothesis, market share helps in generating higher operating profit but does not contribute to enhancing stability, significantly. On the other hand, a highly concentrated banking sector depresses overall profitability and exerts a destabilizing effect in frontier countries. Note that, bank-specific characteristics and overall macroeconomic condition also plays a vital role in determining banking performance.

Relationship Marketing: Satisfaction and Loyalty on Expedition Customers in Indonesia

(Diah Yulisetiarini, Arnis Budi Susanto, page 567-575)

This research aims to analyze the effect of relationship marketing on customers' satisfaction and their loyalty as their satisfaction. Literature on relationship marketing in developing country has a unique characteristic. Sampling in this research used a purposive sampling with all customers. Data were analyzed through path analysis. The results showed that relationship marketing is a sustainable process that requires a company to communicate with customers. Relationship marketing is more than creating short-term transaction to build and to improve the long-term relation with the customers. It is recommended that future research explore the customers' characteristics and marketing strategies of expedition company.

Relationship Marketing: Satisfaction and Loyalty on Expedition Customers in Indonesia

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Abstract: This research aims to analyze the effect of relationship marketing on customers' satisfaction and their loyalty as their satisfaction. Literature on relationship marketing in developing country has a unique characteristic. Sampling in this research used a purposive sampling with all customers. Data were analyzed through path analysis. The results showed that relationship marketing is a sustainable process that requires a company to communicate with customers. Relationship marketing is more than creating short-term transaction to build and to improve the long-term relation with the customers. It is recommended that future research explore the customers' characteristics and marketing strategies of expedition company.

Keywords: Relationship Marketing; Customer Satisfaction; Customer Loyalty; Customer Expectation; Communication

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INTRODUCTION

The map of economy strength and the world' business climate in global era is covered with high competitiveness intensity. In this era, the information technology and communication are advancing that the societies in the world are inter-connected without barriers. Goods and service market are widely open, penetrable, and more innovative. The competition and collaboration amongst multinational companies are increasing in which international trade is no longer amongst nations but a competition of companies. All are possible because of the advanced communication and information technology.

Weinstein's study (1998) indicated that nowadays customers tend to be smart, picky, demanding and study the product and services offered to them, have low loyalty level, and are sensitive to prices, have relative short time, and look for the highest value for them.

The development of social marketing concept (Kotler and Keller, 2009; Kotler and Lee, 2005) forces marketers to reckon the social issue for consideration and ethics in their marketing activities by balancing their profit income, customers' satisfaction and public interest (Singgih Santosa et al., 2015). Meanwhile, Engel et al. (1995) state that customer's satisfaction becomes post marketing evaluation towards selected alternatives and provides the same result or beyond the customer's expectation. The second opinion can be concluded that satisfaction is the evaluation of after-sale of results and performance that exceeds customers' expectations.

The customer's satisfaction is a level in which product performance meets the buyers' expectation. The customers' expectation brings about their loyalty. Customers become the main factors to win or to stay in the competition, to maintain the loyalty including their willingness to recommend the company to friends, family, and their colleagues.

According to Oliver (1999), loyalty is represented by customers' commitment to repurchasing or re-subscribe the product or the services that they consistently select in the future. The satisfaction, according to Oliva (1992), is a customers' response towards their necessity fulfilment. It is also an evaluation for goods and services attributes purchased by the customers by comparing the necessity fulfilment with the expectation of the necessity. There are three results of the evaluation: beyond expectation, as expected and under expectation.

Establishing good relationship with the customers is a key to success in running a business. It creates harmony for service providers and receivers. The company with good relationship marketing will be able to maintain and increase the number of the customers. On the other hand, if the customers are disappointed or dissatisfied, they will easily turn to the competitors. Relationship marketing is an interesting topic to research since the company applying this concept is expected to be better than the competitors. Many companies successfully implement the relationship marketing, which results in customers' satisfaction and afterwards they obtain customers' loyalty. Relationship marketing is a business philosophy in which strategic orientation focuses on good relationship between companies, suppliers and customers in a long-term period. The collaboration along with the strong bond between two parties will strengthen the loyalty. There are a number of researchers discussing the relation between satisfaction and loyalty with various results. Firstly, the relation between satisfaction and loyalty by Caruana (2007) that proves a significant variable towards the loyalty. Meanwhile, Oliva et al. (1992), Von

Wangenheim (2003) and Zahara (2007) argue that satisfaction does not significantly influence loyalty. Secondly, the relation between relationship marketing and loyalty cannot be proven by Leverin and Liljander (2006). Even more, the relation signifies negatively. The results appear since the customers have high bargaining power towards the company. On the contrary, Oly Ndubisi (2007) reveals that there is a positive impact of relational marketing variable towards loyalty. Thirdly, the other development emerges as the researchers attempt to explain the differences of the results between satisfaction and loyalty (Homburg and Giering, 2001; Walsh et al. 2008). They argue that the differences in the findings occur due to the diverse individuals' characteristics and their age.

Relationship marketing according to Kotler and Armstrong (2003) is the process of creating, maintaining and enabling strong relationships with customers and other stockholders. In other words, Relations marketing more or less means the process of creating, maintaining and transferring excellence, the value of the relationship between customers and other shareholders. So, every business entity or company in conducting relationships with customers really needs a relationship marketing process. Relationship marketing is a way of marketing business to customers that increases the company's long-term growth and customer's maximum satisfaction. A good customer is an asset, where if handled and served properly, it will provide income and long-term growth for a business entity. It is understood from the available literatures that the relationship marketing is a way to sustainable business ventures and required by all expedition businesses. For example, Expedition Companies of the best routes for couriers like JNE, Jet and Tony (J & T), Express Delivery (TIKI) in Indonesia have not yet been examined for the implementation of relationship marketing in their business. How the relationship marketing affects the satisfaction, and customer loyalty is also another concern in business development for more profit.

Based on this background, this research aims to analyze the effect of relationship marketing on customers' satisfaction and their loyalty. This research tries to develop a model that examines how to improve the customers loyalty through customers satisfaction.

In the following section the relevant literature reviews are discussed. Methodology follows followed by the results and discussion. At the end the concluding comments are provided.

LITERATURE REVIEW

The Concept of Relationship Marketing

According to Kotler and Amstrong (2003:13), relationship marketing is a process of creating, maintaining, and strengthening the valuable relationship with the customers and other believers. Relationship marketing is more than creating short termed transaction. It is not only about marketers' ways of more than creating short term transaction but also building a long-term relation with their customers. Over the years, the marketing shifts from maximizing mutual relation with the customers to other parties.

Wibowo (2006: 178) states that relationship marketing is defined as the process in which a company builds along-term alliance with its customers and prospective

customers, and they work together to achieve one particular goal. The goals are fulfilling customers' needs, treating the customers as partners, guaranteeing the staffs to meet the customers' satisfaction and providing a good product quality to customers. Relationship marketing is a sustainable process between costumers and the company to communicate for achieving the objective and to combine the process of relationship marketing to strategic plan enabling the company to manage good resources and to fulfil the costumers' need in the future. The main objective of relationship marketing is to improve customers' satisfaction in realizing customers' loyalty to the company. The customers' satisfaction is a post purchase evaluation in which the selected alternatives at least provide the same results of or is beyond customers' satisfaction. Meanwhile, the dissatisfaction appears when the result does not meet the customers' expectation (Tjiptono, 2000: 107).

Customer's Satisfaction

Satisfaction is essential in the marketing concept since it is related to customers' needs and demand. It is a very popular term that it is widely known and has a deep meaning that it becomes an objective or target for modern business organization to achieve nowadays. Satisfaction is applied in the modern era and tends to be widely used as it is related with the words "satisfactory" and "satisfy". However, the term "customers' satisfaction" in the marketing management has a specific meaning. Barnes (2003) states that satisfaction is customer's response toward their fulfilled needs. It means that the evaluation of goods and services specialty which gives level of comfort is in accordance with the fulfilment of needs, including necessity under expectation or fulfilment of necessity beyond customers' satisfaction. It is also a changeable target. Therefore, the clearer depiction of customers' needs in each transaction is essential. Engel et al. (1995) argue that the customers' satisfaction as post purchase evaluation for selected alternatives provides the same result or is beyond the customer's satisfaction. Meanwhile, Kotler (2005) includes the performance, thus the satisfaction is a performance beyond the expectation. From the two arguments, it can be concluded that satisfaction is a post purchase evaluation beyond the costumers' expectation. Hence, there are two elements determining the customers' satisfaction, offered and expected service performance or beyond service performance. Therefore, the customers using the service will be satisfied. The fact indicates that the customers' satisfaction is used as marketing standard to improve company's performance (Bennett, R. and Rundle, 2004).

The Customers' Loyalty

Several definitions of loyalties are provided by the experts such as Leverin and Liljander (2006), who define loyalty as the commitment to repurchase or re-subscribe the products and services that are selected consistently in the future. Oliver (1997) points out that the customers' loyalty is not only the end of the purpose but also not a warranty for company to grow and develop in the tight competition. However, customers' loyalty can guarantee the company to develop its business to gain sustainable profit. Zeithaml et al. (1996) propose that the final destination of a company is to establish the customers' relation by forming a strong loyalty. The strong loyalty indicators are: 1. expressing positive points related to the customers'

satisfaction with the products; 2. recommending the product to friends after consumption; 3. Intention of repurchasing. According to Zeithaml et al. (1996), consumers' loyalty has three indicators: (1.) stating good comments about the product to others, 2. recommending the product to others; 3. repurchasing. Such approach gained critics since loyalty concept is determined from narrow point of view. The attitude approach appeared due to the weakness of loyalty measurement through behavior approach which views customers' loyalty from repurchasing. Bloemer, et al. (2001) mention that the attitude approach is used as a construct in the 90s. The approach views an intention as recommendation of dimension to measure loyalty (Bloemer, et al. 2001). This approach uses attitude as the data to determine psychological attachment of the customers to what extent they are loyal to the company (Bowen, et al. 2001). Figure 1 presents the conceptual research framework.
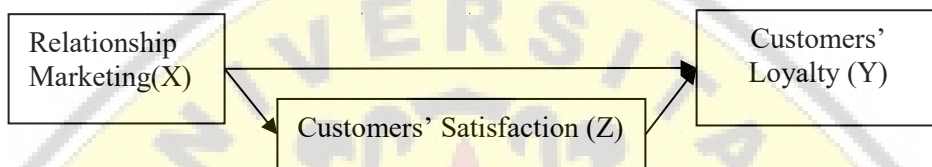

Figure 1: Conceptual framework

METHODOLOGY

Population and Sample

The population of this study consisted of the customers of Jalur Nugraha Ekakurir (JNE), Jet and Tony (J&T), Titipan Kilat (TIKI) in Indonesia. The sampling method was purposive sampling, and samples were taken in three cities in Indonesia: Surabaya as a large city, Malang as a medium city and Jember is a small city.

The samples were all customers who shipped with the following criteria: respondents' age above 17 years with ID card; shipping their own necessities; shipping with at least 3 times in the last three months. The respondents were chosen from customers who came to the expedition company with sample amount of 100 people.

Research Design

This research is explanatory with quantitative approach. After collection phase through a closed questionnaire, data were analyzed using path analysis and the path equation is presented as follows:

$$PY = PYX + PY\,Z + e,$$

Where,

Y : Customer Loyalty
Z : Customer Satisfaction
X : Relationships Marketing
e : Error

The approach applied in the research is positivism. Positivism is based on the study on empirical rationale in which, prior to the research, the researchers provide problems and hypothesis to be tested based on the determined criteria and the analysis being used. The type of the research is explanatory research aimed at explaining the relationship among the variables through hypothesis testing.

The variable measurement applied questionnaire as the instrument for collecting data from respondents. Questionnaire includes five levels, namely strongly disagree (STS), disagree (TS), a little agree (KS) or neutral, agree (S), and strongly agree (SS). The scores of the questionnaire are: strongly disagree (STS)= 1, disagree (TS) = 2, neutral (N) = 3, agree (S) = 4, and strongly agree (SS) = 5.

RESULTS AND DISCUSSION

The customers' age is in the range of 21-30 years old, meaning that they are in their productive age to do activities and respondents' age ranges 31-41 years old. Customers' gender is mostly female since females prefer to ship their own necessities compared to male. The customers' educational levels range from high schools to universities at the highest level due to their high demand for shipping products. Respondents involving the retired, students and housewife are ranked the highest level of customers for the reason of saving the time, lighting and decoration, and air conditioning office. The frequency of customers' shipping the goods is 2-5 times per months since they want to be fast, clean and practical. The characteristics of customers with 13-24 months period are caused by the easiness of shipping as seen on the website.

Table 1: Results of path analysis

Path	Beta (β)	Effect	%	t-count	t -table	Sig	Annotation
Relationship Marketing(X) ➔ Customers Satisfaction (Z)	0.609	0.609	60.9	6.406	1.681	0.000	Significant
Relationship Marketing (X)➔ Customers Loyalty (Y)	0.386	0.386	38.6	3.550	1.681	0.001	Significant
Customers Satisfaction (Z)➔ Customers Loyalty (Y)	0.287	0.287	28.7	2.958	1.681	0.004	Significant
Relationship Marketing (X) ➔ Customers Satisfaction (Z)➔ Customers Loyalty (Y)	(0.609).(0.287)	0.174	17.4	-	-	-	-
ε1 (Standart error 1)	-	0.676	67.6	-	-	-	-
ε2 (Standart error 1)	-	0.656	65.6	-	-	-	-

Based on Table 1, All dependent variables used in this study have a significance level of <0.05. Thus, it can be argued that the research hypothesis is accepted. Table 1 also explains that there is a direct influence between variables. The marketing relationship variable (X) has an effect of 0.609 on the customer satisfaction (Z) variable. The relationship marketing (X) variable has an effect of 0.386 on the customers loyalty (Y) variable. Costumers satisfaction (Z) variable has an effect of 0.287 on the costumers loyalty (Y) variable while the indirect effect of relationship marketing (X) variable on the costumers loyalty (Y) through costumers satisfaction (Z) is (0.609)x(0.287) or equal to 0.174.

DISCUSSION

The Impact of Relationship Marketing towards The Customers' Satisfaction

The results of the analysis demonstrate that there is a significant impact of relationship marketing towards the customers' satisfaction indicating one-way relationship between satisfaction and relationship marketing. The higher the satisfaction of the customers', the more increasing the long-term relation will be amongst the customers' and company. Relationship marketing becomes the attachment to enable the company to trust other people or vice versa. The trust, commitment, communication and conflicts resolution are the most important things for companies running the industry since they promise the customers for purchasing their products (invisible product), where customers pay before feeling it. Consequently, the staffs as the frontliners should be able to create customers' commitment. The relationship is important for companies since it is a chain to the future. The stronger the relation, the more difficult it is to end.

The Impact of Relationship Marketing towards the Customers' Loyalties

The results show that there is an impact of relationship marketing towards the high value of customers' loyalty. Strong relationship causes customers' high loyalty. The higher the relationship marketing, the higher the customers' loyalty will be. There is also close relation amongst company's customers and it has positive impact towards their loyalty. Hence, it is inseparable relation between customers and expedition company due to their commitment to the relationship and it becomes sustainable for their mutual benefit.

Satisfaction Influencing the Customers' Loyalty

The analysis of path coefficient indicates that the customers' satisfaction will increase the customers' loyalty. Such condition reflects that the customers have good knowledge of how to ship with expedition company, have experience and understand that their obedience to be loyal customers doing transaction and shipping with expedition company. Other customers' knowledge encouraging the expedition services are about demography, social environment roles, and also level of income. All of them play important roles. Young and older customers with high income as well as with their university background expresses their satisfaction with purchasing process and also with the contact with the staff and are satisfied with the shipping rates resulting in their loyalty to expedition company. The customers are willing to provide good information to their encounters about expedition company and to reship with expedition company when customers are not in place or they can pick their delivery on their own. They also feel that their necessity is fulfilled by expedition company and it makes expedition company their first choice to ship. The Path analysis results are presented in Figure 2.
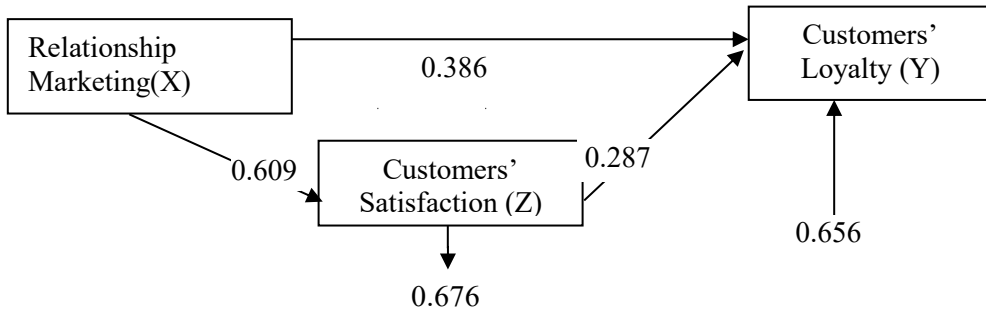
Figure 2: The model of relationship marketing satisfaction and loyalty

CONCLUDING COMMENTS

The results show that relationship marketing is a sustainable process that requires a company to perform its communication with customers. Relationship marketing is more than creating short-termed transaction to build and to improve the long-term relation with the customers. Relationship marketing is regarded as meeting customers' expectation in creating the willingness to do transaction and in responding to their customers' complains and maintaining their costumers' trust, having good communication, which then results in customers' loyalty.

This study suggests expedition company improve positive worth of mouth from the customers as a strategy to attract new customers. The research on the individual characteristics strengthening the satisfaction relation towards the loyalty has not yet conducted holistically. The upcoming researchers are expected to explore and research in depth particularly about the individual characteristics as moderation variable.

LIMITATIONS OF THE STUDY

This study is limited to number and heterogeneity of expedition. In this research, only three expedition companies have been studied. In future research additional of other expedition companies in Indonesia will make the findings of this study more general. The future studies also need to consider larger sample size to get more reliable outcome. This study only used two variables that affect consumer loyalty. The future studies could include other variables such as environmental and personality factors

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