THE EFFECT OF EXPERIENTIAL MARKETING AND CUSTOMER SATISFACTION ON CUSTOMER LOYALTY AT MCDONALD'S MANADO

PENGARUH DARI PENGALAMAN PEMASARAN DAN KEPUASAN PELANGGAN TERHADAP LOYALITAS PELANGGAN DARI MCDONALD'S MANADO

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Abstract: In a rapidly developing era, there are many fast-food restaurants developing in Indonesia, an increasingly modern human lifestyle has led to the growing needs of consumers today. In Manado itself is one of the big cities in Indonesia. As a big city that continues to develop, the rate of development and change globally is also accelerating. The food and beverage business is currently growing and in great demand by business people. After observing the culture, residents in Manado are happy to gather and chat while enjoying the dishes provided in several places. Such as fast food restaurants, beverage shops, café nuances of restaurants, or small tented cafes that are increasingly mushrooming everywhere. The purpose of this study is to find out whether The Effect Of Experiential Marketing and Customer Satisfaction on Customer Loyalty at McDonald's Manado. This research implies quantitative method, to achieve this goal the researchers distributed questionnaires and samples used 97 respondents. The results of this study indicate that experiential marketing has a significant positive effect on customer loyalty but customer satisfaction has a positive but not significant effect on customer loyalty.

Keywords: experiential marketing, customer satisfaction, customer loyalty

Abstrak: *Di era saat ini yang terus berkembang, ada banyak restoran cepat saji yang berkembang di Indonesia. Hal ini membuat gaya hidup manusia berubah dan membuatnya menjadi sebuah kebutuhan saat ini. Manado adalah salah satu kota besar di Indonesia. Sebagai kota besar yang terus berkembang, tingkat perkembangan dan perubahan secara global juga berubah secara drastis. Bisnis makanan dan minuman saat ini terus berkembang dan selalu diminati banyak orang, dilihat dari kebiasaan yang ada orang Manado senang untuk berkumpul di tempat yang menyediakan makanan sambil berbincang-bincang satu dengan yang lain. Contohnya seperti restoran cepat saji, kafe, tempat minum, serta tempat berkumpul lainnya yang berkembang saat ini. Tujuan dari penelitian ini adalah untuk melihat dampak dari pengalaman pemasaran dan kepuasan pelanggan terhadap loyalitas pelanggan di Mcdonald's Manado. Penelitian ini menggunakan metode kuantitatif dan peneliti menggunakan kuesioner untuk mendapatkan data, ada 97 responden dalam penelitian ini. Hasil dari penelitian ini menunjukan bahwa pengalaman pemasaran memiliki dampak positif terhadap loyalitas pelanggan, sedangkan kepuasan pelanggan memiliki dampak positif namun tidak signifikan terhadap loyalitas pelanggan.*

Kata kunci: pengalaman pemasaran, kepuasan pelanggan, loyalitas pelanggan

INTRODUCTION

Research Background

In the current era of globalization, the increasingly modern human lifestyle causes consumer needs to increase. The high level of people's activities because them want to choose to consume fast food such as McDonald's. Fast food is practical food and is served in a fast time. The number of fast food restaurants in Indonesia has created a very tight competition. The high level of competition in this industry makes companies increasingly competition to increase consumer loyalty so as not to switch to other products. Maintaining consumer loyalty is very important to maintain the survival of an industry in order to gain a competitive advantage. In Manado it is one of the big cities in Indonesia. As a big city that continues to develop, the rate of development and change globally is also accelerating. The food and beverage business currently growing and in great demand by business people. After observing the culture, residents in Manado are happy to gather and chat while enjoying the dishes provided in several places. Such as fast food or fast food restaurants, beverage shops, café nuances of restaurants, or small tented cafes that are increasingly mushrooming everywhere. Because besides being efficient, places like this can be used as a means of refreshing, both with family and relatives.

Restaurant fast food such as McDonald's and etc. that are sought after by the community both workers and students because of needs that cannot be separated from life human. In addition, patterns and lifestyles of people in this era are increasingly modern. Therefore, fast food restaurants today are not only focused on product variations and prices, but how to improve the quality of service to be able to attract consumers to arise a satisfaction that has an impact on customer loyalty. Many kinds of marketing strategies that can be used, one of which is to provide good quality service to customers. Because service quality is one of the factors that can affect customer satisfaction and loyalty. An effort can be achieved, if customer satisfaction has been met. But to obtain customer satisfaction is not easy, because each consumer has a different level of satisfaction although they require the same service. The process of fulfilling customer satisfaction, not only requires quality products or services, but also requires a supportive service system, so that they will feel happy with the products or services needed, and comfortable with the services provided. Customer satisfaction is a result of services felt by consumers for good service performance (Junaidi, 2002). If the performance of the product or service is higher than consumer expectations, then the consumer will experience satisfaction. If a customer is satisfied with the quality of the services they buy from the company, the customer will be more satisfied and will become loyal in the future with the company. By providing the best service, McDonald's outlets are always visited by consumers.

Loyalty is proof that consumers are always consumers, who have the strength and positive attitude towards the company. Consumer loyalty to a particular brand of goods or services depends on several factors, the amount of the cost to move to another brand of goods or services, the similarity in quality, quality or service of the type of substitute goods or services, the risk of changing costs due to the replacement goods or services and changes in the level of satisfaction obtained from new brands compared to experience with previous brands that have been used (Wahyono, 2013). The company's brand image, also related to consumer loyalty, in the form of confidence and preference for company quality. Companies that provide a good image for consumers, more allowing consumers to make repeat purchases, which in turn can make consumers become loyal. Another factor that influences customer loyalty is trust. Customer trust is needed to increase loyalty. With the trust, the relationship can run long and smooth. Like wise the relationship between the customer and the company so he is easily loyal to the company. But in today's reality, many companies consider trust not important. One approach that can be taken by companies is Experiential Marketing or called the marketing approach. This approach is considered very effective because it is in line with the development of the times with technology. The entrepreneurs put more emphasis on providing experience to consumers, and something that adds value to the company to be able to distinguish one restaurant business with another restaurant business.

Research Objectives

The research objectives are:
1. To find out the experiential marketing effect toward customer loyalty
2. To find out the customer satisfaction effect toward customer loyalty
3. To find out the experiential marketing and customer satisfaction effects toward customer loyalty simultaneously

THEORETICAL REVIEW

Marketing

Marketing is very vital in a business activity. Without the marketing department, a company will not get customers, which means no money coming in. Marketing is all activities aimed at promoting a single product or service offered by a company to a specific target market. Marketing is a series of processes carried out to market a product or introduce a product to the public in various ways, so that the product becomes much in demand by the wider community. In this case the notion of marketing is not only limited when marketing occurs, but also about the strategies used, as well as how to provide satisfaction to consumers. Marketing as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return (Sugiyono, 2012). Obviously; marketing is important in all areas of the organization, and customers are the reason why business exist.

Experiential Marketing

Experiential Marketing is a concept in analyzing consumer experiences. More details to know the factors to make memorable events to please consumers. Experiential Marketing also gives an added value to an item, in touching the sensitive side of the customer while enjoying food or trying what is felt. Experiential marketing is the process of identifying and satisfying consumer needs and favorable aspirations, engaging consumers through two-way communication that brings brand personality to life and adds value to the target audience (Smilansky, 2009). Two-way communication and interactive engagement are key to creating memorable experiences that encourage word of mouth, and turning consumers into brand supporters and customer loyalty to a brand. Experiential marketing can be measured using 5 main factors. Sensory Experience, Sense Experience is defined as an effort to create experiences related to the five senses through sight, sound, touch, taste, and smell. Affective Experience, Feel Experience is a strategy and implementation to give brand influence to consumers through communication (advertising), products (packaging and their contents), product identity (co-branding), environment, website, people offering products. Physical Experience and Entitle, it is a marketing technique for creating consumer experiences related to the physical body, behavior patterns, and long-term lifestyle and experiences that occur from interactions with others. Creative Cognitive Experience, the aim is to encourage consumers to be interested and think creatively in order to produce a re-evaluation of the company and brand. Social Identity Experience, Relate Experience is a combination of the four aspects of Experiential Marketing namely sense, feel, think, and act.

Customer Satisfaction

Customer Satisfaction is defined as a measurement that determines how happy customers are with a company's products, services, and capabilities. The company's ability to recognize, meet and satisfy customer needs properly, is a strategy for every company. Customer satisfaction has become a central concept in business discourse. Overall customer satisfaction shows attitudes toward service providers, or emotional reactions to differences between what customers expect and what they receive (Hansemark and Albinsson, 2004).

Customer Loyalty

Customer loyalty can be interpreted as someone's loyalty to a product, either certain goods or services. Customer loyalty is a continuation of customer satisfaction in using the facilities and services provided by the company, as well as to remain a customer of the company. Loyalty is proof that customers are always customers, who have the strength and positive attitude towards the company. Customer loyalty is a behavioral and attitudinal predisposition to stay with the seller in the long-term (Griffin, 2002). The behavioral dimension includes aspects such continuous purchase, frequent purchase, recommendations made to other people, number of years a customer has been in the relationship, number of different products the customer buys from the supplier, among others. On the other hand; attitudinal loyalty considers aspects such as intentions for repurchasing the product and for recommending the company to other potential customers, among others. Customer loyalty is likely to influence a customer's willingness to stay, repurchase probability, and likelihood that they will recommend the brand. Customer loyalty plays an important, if not a critical role in a company's success. Loyal customers are one of main sources of increased profitability of a firm. They help to flow a consistent source of revenue via repeat buying and also increased purchases; thus creating positive impact toward the firm.

Previous Research

Lopumeten and Tomasoa (2018) in the effect of experiential marketing and customer satisfaction on customer loyalty (study at imperial resto restaurant in Ambon City) found that there is a linkage between experiential marketing, customer satisfaction and customer loyalty. "The result of research shows that partial of experiential marketing (X_1) and customer satisfaction (X_2) have significant influence on customer loyalty (Y) because it has tcount value greater than t_{table} value and has significance value."

Waroka, Lapian and Jorie (2015) in the effect of experiential marketing and satisfaction towards Suzuki Ertiga car user loyalty At PT. Sinar Galesong Prima Manado also founds that experiential marketing affects the customer loyalty as well. "Results showed that simultaneous experiential marketing and Satisfaction significant effect on Consumer Loyalty Suzuki Ertiga at PT. Sinar Galesong Prima Manado. Experiential marketing and partial satisfaction has an influence on customer loyalty Suzuki Ertiga users in PT. Sinar Galesong Prima Manado."

Ariff et al (2013) in the impacts of service quality and customer satisfaction on customer loyalty in internet banking shows that customer satisfaction has a role in customer loyalty at the end. "The result highlighted that attractiveness and appearance of bank website, and the information and guidance provide by the websites are important features to internet banking users."
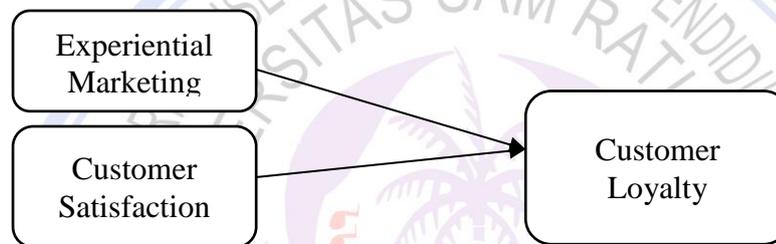
Conceptual Framework

Figure 1. Conceptual Framework
Source: Data Processed, 2020

RESEARCH METHOD

Research Approach

This is a quantitative research that emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Survey method used as the source of primary data by distributing questionnaire to find out the direct influence of independent variables (X) which are experiential marketing and customer satisfaction on dependent variable (Y) which are customer loyalty.

Population, Sample, and Sampling Technique

The population of this research is people who visited McDonald's Manado. The sample size of the research will be 97 respondents which are the visitors of McDonald's Manado. Sample method that can be used for this research is non-random sampling. The sampling technique in this research by purposive sampling non random sampling which where have a certain consideration criteria is male and felame age limit 17-35 years old.

Data Collection Method

To collect the research data, primary data collection was used through questionnaires. A questionnaire is a research instrument consisting of a series of questions (or other type of prompts) for the purpose of gathering information from respondents.

Operational Definition of Research Variables
Table 1. Variable Definition

Variable	Definition	Indicators
Experiential Marketing (X_1)	That is a marketing concept that aims to form loyal consumers by touching their emotions and giving a positive feeling to the product and service	-Sense -Feel -Act -Think -Relate
Customer Satisfaction (X_2)	That is feeling happy and disappointed someone who appears after comparing between perception or impression of the performance or results of a product and expectations	-Price -Service Quality -Product Quality -Emotional -Efficiency
Customer Loyalty (Y)	That is people who buy or use services, especially those who buy or use services regularly and repeatedly	-Repurchase -Committed to the brand -Willing to pay more -Recommendation

Source: Author's Note, 2020

Validity and Reliability

Validity test use to measure the obtaining data are in line with the research concept. In other words, the instrument items used to obtain the data is correct and related with the concept of the research that will be conducted. Reliability test use to measure the consistency of instrument items. Reliability test defined as an index that showed how far instrument items can be trusted or dependable.

Multiple Linear Regression

Multiple Linear Regression is used in this research. Multiple Regression is a correlation coefficient indicates the strength of relationship between two variables, it gives us no idea of how much of the variance in the dependent or criterion variable will be explained when several independent variables are theorized to simultaneously influence it. This analysis is adopted when the researcher has one dependent variable which is presumed to be a function of two or more independent variables. The objective of this analysis is to make a prediction about the dependent variable based on its covariance with all the concerned independent variables.

RESULT AND DISCUSSION

Result
Validity and Reliability

The validity test of experiential marketing (X_1), customer satisfaction (X_2), and customer loyalty (Y) are all valid. The variable is reliable because the value of Cronbach's Alpha is 0,916 bigger than 0,6.

Result of Multiple Linear Regression
Table 2. Case Processing Summary

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	2.206	4.649	
	Experiential Marketing (X_1)	.447	.041	.751
	Customer Satisfaction (X_2)	.105	.059	.123

Source: Data Processed, 2020

Multiple regression analysis is used to determine the effect of the independent variables on dependent variable. The multiple linear regression equation can be interpreted as the followings. Constant value of 2.206 means that in a condition of ceteris paribus, if all independent variables equal to zero, then Customer Loyalty (Y) as dependent variable will be 2.206. X_1 coefficient value of 0.447 means that if there is one unit increase in (X_1) then the Customer Loyalty (Y) will improve and increase by 0.447. X_2 coefficient value of 0.105 means that if there is one unit increase in Customer Satisfaction (X_2) then the Customer Loyalty (Y) will improve and increase by 0.105.

Table 3. Table of R and R Square

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.746[a]	.557	.547	4.95170

Source: Data Processed, 2020

The coefficient of determination (R) measures the ability of a model in explaining variation of dependent variable. The value of coefficient of determination is between 0 and 1. The coefficient of determination (R^2) according to the table 3 is 0.746 which shows that the variation of all independent variable explains 55.70% of variation in the Customer Loyalty (Y), while the remaining 44.30% is explained by other factors outside the model or not discussed in this research.
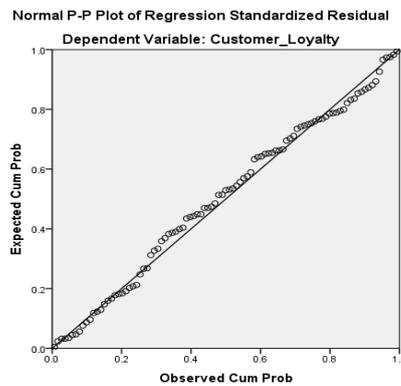

Figure 1. Normality Test
Source: Data Processed, 2020

Figure 1 shows that the dots are spreading near to the diagonal line and follow the direction of the diagonal line. Therefore, the normality test is accepted which means the data of this research is normally distributed.
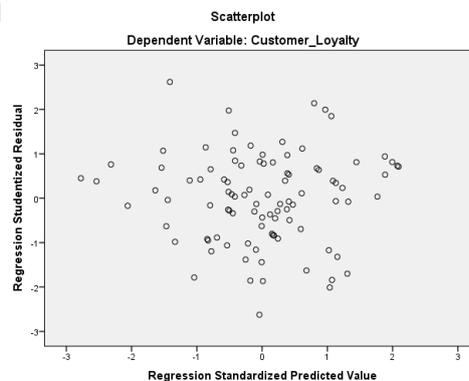

Figure 2. Heteroscedasticity
Source: Processed Data, 2020

Figure 2 shows that the dots are spreading above and below the number zero (0) in the Y axis. This proves that there is no heteroscedasticity in this regression.

Table 4. Multicollinearity Test Result

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Experiential Marketing (X_1)	.985	1.015
	Customer Satisfaction (X_2)	.985	1.015

Source: Data Processed, 2020

Table 4 shows that the tolerance value of Experiential Marketing is 0.985, and Customer Satisfaction is 0.985 meaning that the tolerance value of each variable is more than 0.1. The VIF value of Experiential Marketing is 1.015, and Customer Satisfaction is 1.015 meaning that the VIF value of each variable is less than 10. Since all the tolerance values are more than 0.1 and VIF value of each independent variable is less than 10, this research is free from multicollinearity.

Table 5. F-Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2895.699	2	1447.850	59.049	.000[b]
	Residual	2304.816	94	24.519		
	Total	5200.515	96			

Source: Data Processed, 2020

Table 5 shows the value of F_{count} is 59.049. The value of F_{table} is found on the F Distribution Table by determining the degree of freedom 1 (numerator) is 2 and degree of freedom 2 (denumerator) is 94 with level of significance is 0.05 ($\alpha = 0.05$) and the level of confidence is 95% then Ftable is 3.09. The result is F_{count} (59.049) > F_{table} (3.09) with the level significant of 0,000. Therefore, since F_{count} is greater than F_{table} and the significant is 0.000<0.05, Hypothesis 3 is accepted which means the independent variables simultaneously influence the dependent variable significantly.

Table 5. T-Test

Variable	Tcount	Sig
Experiential Marketing	10.858	.000
Customer Satisfaction	1.779	.078

Source: Data Processed, 2020

To test the effect of each independent variable on the dependent variable one by one or partially it can be done by T-test. The table above shows the t value for the Experiential Marketing variable (X_1) is 10,858 with a significance level of 0,000. t_{count} value of 10,858 has a greater value than t_{table} of value of 1,98552. While the level of significance has a value smaller than Alpha (0.05), which is 0.000. Thus it can be concluded that the Experiential Marketing variable has a significant positive effect on Customer Loyalty. The t_{count} value for the variable Customer Satisfaction (X_2) is 1,779 with a significance level of 0.078. t_{count} which is valued at 1,779 has a smaller value than t_{table} 1.98552. While the level of significance has a value greater than Alpha (0.05), which is 0.078. Thus, it can be concluded that the Customer Satisfaction variable has a positive but not significant effect on Customer Loyalty.

Discussion

The purpose of this study is to see whether experiential marketing and customer satisfaction affect customer loyalty at McDonald's Manado. McDonald's itself is a fast food company that is growing rapidly at this time, especially in Manado, because the culture of Manado people who like to gather, McDonald's is one of the places people usually come to gather and eat at the same time. Based on primary data obtained from the distribution of questionnaires, and this research the data was collected from 97 respondent which are the customer in McDonald's Manado the respondent are categorized by gender, age, job, education, frequency visit McDonald's every month.

This research was analyzed using multiple linear regression analysis. In the multiple regression method, regression procedures must divide the variables into two types which are dependent variable and independent variables. To get an accurate result from multiple linear regression method the purpose of this research is to analyze the effect of Experiential Marketing (X_1), Customer Satisfaction (X_2) as the independent variables towards Customer Loyalty (Y) as the dependent variable. The result of this research that using F-test that the Experiential Marketing and Customer Satisfaction variables simultaneously have a significant effect on Customer Loyalty. The result of this research shows from testing by using T-test, from the significance value it can be seen that not all variables partially have a significant effect. Experiential Marketing has a positive and significant effect on Customer Loyalty, while Customer Satisfaction variable has a positive but not significant effect on Customer Loyalty.

From the results obtained from the questionnaire it can be seen that respondents who have experience visiting McDonald's, of the 5 indicators Sense, Feel, Think, Act and Relate that given in the questionnaire most respondents agree with the statement given. This means Experiential Marketing has an influence positive and significant impact on Customer Loyalty at Mcdonald's Manado This can be proven from the results. Experiential Marketing is useful in several situations, one of which is to encourage the creation of loyal consumption (loyal consumption). The results of this study support previous research that already been conducted (Waroka, Lapian and Jorie, 2015). The results showed that Experiential marketing had a significant positive effect on consumer loyalty of Suzuki Ertiga car users at PT. Sinar Galesong Prima Manado

The results it can be concluded that the Customer Satisfaction variable has a positive but not significant effect on Customer Loyalty. it can be seen that customer satisfaction does not necessarily build customer loyalty. Customers who are satisfied with the food products provided by McDonald's will not necessarily be loyal, this is the opposite, customers who are not satisfied will not necessarily be loyal to McDonald's. Customer satisfaction is the main goal of this McDonald's dining place. Customer satisfaction can be assessed from employee performance and physical evidence (places and other facilities). This could happen because the purpose of customers who come to visit is to hang out with friends and be interested in the promo prices provided. In addition, McDonald's also provides a place to do birthdays for children and playgrounds. This research as the results of research from previous studies (Ariff et al, 2013) the result is Customer Satisfaction was positively significant to Customer Loyalty.

CONCLUSION AND RECOMMENDATION

Conclusions
1. The results show that Experiential Marketing directly has a significant positive effect on Customer Loyalty of Mcdonald's Manado. Experiential Marketing plays an important role in creating satisfaction and loyalty with customers.
2. The results show that Customer satisfaction has a positive but not significant effect on customer loyalty. Customers who are satisfied with the food products provided by McDonald's will not necessarily be loyal, this is the opposite, and customers who are not satisfied will not necessarily be loyal to McDonald's.
3. The results show that Experiential Marketing and Customer Satisfaction together or simultaneously have a significant effect on customer loyalty.

Recommendation

McDonald's can continue to improve and maintain the application of Experiential Marketing so that consumers feel loyalty when visiting and recommend others to consume and buy McDonald's products. Always innovating in implementing Experiential Marketing at McDonald's Manado according to the times, so that consumers can give a good response, because a good response will result in a feeling of satisfaction by consumers and being loyal. McDonald's can continue to improve and maintain the application of customer satisfaction so

that McDonald's Manado more customers such as providing more promos so that customers will feel satisfied and from that satisfaction can make these customers become loyal to McDonald's.

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