



## Marketing Mix and Service Quality Effect on Customer Satisfaction and Loyalty of Toyota Cars

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**ABSTRACT:** This study aims to test and empirical analysis the marketing mix and service quality effect on customer satisfaction and customer loyalty, research was conducted in 26 branches in Sulawesi a population of about 16 212 customers of PT. HadjiKalla in Sulawesi who purchase Toyota cars for 2015 with a sample of 390 customers. The results of the analysis of structural equation model using AMOS version 20 provide evidence that marketing mix has a positive and significant effect on customer satisfaction and customer loyalty. Service quality is positive and significant effect on customer satisfaction, but insignificant effect on customer loyalty. Customer satisfaction has a positive and significant effect on customer loyalty. Marketing mix and service quality has a significant on customer loyalty as a mediated customer satisfaction. The practical implication of this study provide increased knowledge and understanding of the customer and the company's management in Sulawesi in increasing customer loyalty through marketing mix, service quality and customer satisfaction. Limitations of this study on a sample size using only the customers car brands Toyota and just carried on Sulawesi area that may limit generalizability of the research findings. Originality of this study provide the basis for the development configuration modeling using structural equation model and conceptual models that prove marketing mix and service quality on customer loyalty as a mediated customer satisfaction in previous research done separately. The mediating role of customer satisfaction is proven to increase customer loyalty to the high-way.

**Keywords:** Marketing mix, service quality, customer satisfaction, loyalty

### I. INTRODUCTION

Automobile sector is one sector that plays an important role in supporting the smooth development, especially in supporting public transport and mobility efforts in carrying out its activities. The marketing system car in Indonesia is done through dealers separate determination of its location and its operating procedures are governed by their respective sole agent (car manufacturers), the national companies appointed by the manufacturing company brand owners to exclusively market, importing, distributing, and serve after-sales service in a particular area.

Public interest in automobiles is very high, that is glimpsed as a potential market by car manufacturers. Alternative elections for consumers in the purchase of the car more and more can be seen from the side of the brand, price and type (class). The condition shows the high competition in the automotive industry. PT.HadjiKalla as one of the dealers of Toyota car for Sulawesi region has a experiencing the impact of the high-intensity competition. Based on the market share of the national automotive industry in 2013 until 2015, Toyota has continued to decline, although still remain in first position with a market share of 35.70% in 2013 and then dropped to 33.40% in 2014 and in 2015 decreased return to 32.10%. Toyota Car Sales in Sulawesi within the last three years has decreased both in terms of number of units and the acquisition of market share.

The phenomenon is visible from some dealer car manufacturers that observed in competing to gain market share indicates there is a gap research, that dealer car manufacturers no longer apply the concept of product marketing (4Ps) or services marketing (3Ps) which are traditional, but incorporate into the concept 7Ps, car (product) with some types and different models, different prices, how to promote (promotion) by displaying the display in the showroom (place), customers get the assurance services of skilled employees and professionals (people), supported by the availability of facilities and after-sales service infrastructure (physical evidence) with diverse buying process (process). The marketing mix 7Ps (product, price, promotion, place, people, physical

evidence, process) is an effective method for marketing products and services to customers (Adrian Payne 2003:32).

## **II. LITERATURE REVIEW**

### **Marketing Mix**

The marketing mix includes marketing products and services. Combines the concept of marketing products and services is an appropriate strategy for achieving the outcome or profit, application of the concept of the marketing mix 7Ps is a very complex. Applying the concept of 7Ps means making efforts to enhance the role of marketing to generate optimal profits (Al Muala& Al Qurneh, 2012:2).The marketing mix is divided into product marketing mix modeling, which consists of the product, price, promotion and place, commonly called 4Ps and marketing mix models 3Ps (people, physical evidence and process).Product marketing mix is a marketing strategy that is applied to obtain the achievement of the target market (Kotler& Keller, 2009:15).

The empirical evidence shows that the marketing mix on the dimensions of *place* and *promotion* significant effect on customer satisfaction, while the dimensions of the product and the price is not significant to customer satisfaction (Wahabet *al.*, 2016). Results of previous studies proving that the product, place, promotion, people, process, and physical evidence significantly on customer satisfaction, but price insignificant effect on customer satisfaction (Sarkeret *al.*, 2012).

### **Service quality**

The success of an act of marketing products and services is determined by the quality. Quality is the highest appreciation of the acts of service. There are five considerations a company applies service quality of quality (Marcel,2003:192), namely: (a) maintaining the existence of the company from customers; (b) to ensure continuity of marketing activities; (c) delivering customer satisfaction; (d) fostering trust and image of the customer; (e) fostering customers loyalty. Service quality expected and perceived is determined by the service quality. Measuring the service quality consists of responsiveness, assurance, tangibles, empathy and reliability (Parasuraman, 2001:162).

Past studies provide evidence that service quality has a significant effect on customer satisfaction and loyalty (Normasari, 2013).The rebuttal evidence obtained from other researchers that service quality has positive and insignificant effect on customer satisfaction and loyalty (Lai *et al.*, 2009).Gaps other research indicated that service quality had insignificant effect on customer satisfaction and loyalty (Qomariah, 2012). The findings argue that the service quality is a significant effect on consumer satisfaction (Harianto, 2013).

### **Customer Satisfaction**

The term of "customer satisfaction" is so popular so it is very easy to get in the marketing literature and other literature and has a sense of very deep, so that the objectives or targets to be achieved by a business organization it is today (Parker & Mathews, 2011 :38). Use of the term "satisfaction" in the modern era tends to expand and is associated with the words "satisfactory" (suitability), and "satisfies" (made into fun). But the term "customer satisfaction" in marketing management itself has a very specific meaning. Barnes (2011; 359) states that satisfaction is a response to customer satisfaction assessment on the fulfillment of needs, desires, expectations and objectives selected in accordance assuming satisfaction, perceived, fun and met various demands. Expectation disconfirmation theory explains that satisfaction is a discrepancy fulfilling the needs and desires continued gap between the expectations, with the desired goal (Oliver, 1980: 469)

The Customer satisfaction is a proven to increase customer loyalty (Normasari, 2013).Inconsistency findings, that customer satisfaction has a significant effect on Customer loyalty (Harianto, 2013).While the results of other studies Customer satisfaction is positive and significant effect on the desire to make repeat purchases, but insignificant effect on the desire to provide a recommendation as a representation of customer loyalty (Kim *et al.*, 2014).

### **Customer Loyalty**

O'Maley (1998; 50) proposed the concept of loyalty that consists of four categories, namely: disloyal, spurious loyalty, latent loyalty, and sustainable loyalty. Customer loyalty to the product can be assumed to be the same as loyalty services, because customers who are already familiar with a service to be crossed in thinking about the product, then the possibility of loyalty that occur can be measured by three things (Peter, 2003: 81), namely: (a) The proportion of requests for service, Loyalty was measured by a certain percentage; (b) The order of service demand; (c). Probability demand services. This size, proportion and order requests for service are combined to calculate probabilities based on historical demand services. The manifestation of loyalty marketing is a repeat purchase, providing recommendations and establishing positive feedback on products and services, (George, 2007: 38) as measured by: (a) Continue purchasing, obedience customers by always using goods and services from brand companies kind; (b) Recommend friend,as aattitude propaganda always recommend

excellence products and services of the same company in other people than the other company; (c) Say positive things, which is not affected by other products as a consistent stand customers who use the goods and services marketed by the company in the interest or specific brands.

Results of previous studies provide evidence that the marketing mix on the dimensions of the product and price have a significant effect on customer loyalty, on the other dimensions of the place and promotion does not have significant effect on customer loyalty (Wahabet *al.*, 2016). Other studies indicate that the product has a significant effect on customer loyalty; meanwhile, pricing, personnel and processes are not significantly effect on customers' loyalty (Al Muala& Al Qurneh,2012).

### III. METHODS

This quantitative study was designed to address problems that have been formulated and the goals to be achieved and to test the hypothesis. Structural investigations were arranged in such a way, so that researchers obtain answers to research questions that have been proposed (Kerlinger, 1986).The population in this study was all customers of PT. HadjiKalla in Sulawesi who purchase cars and services Toyota during 2015. The number of branches spread throughout Sulawesi, there are 26 branches. The samples were carried out at all branches. Based on the total population amounting to 16 212 subscribers, the determination of the sample using the formula Slovin then obtained 390 samples (customer). Data analysis techniques used in explaining the problem in this research is the analysis of Structural Equation Modeling (SEM) using Amos (Analysis of Moment Structures) version 20.

### IV. RESULTS

#### Profile of Respondents

Explanation of the characteristics of the respondents used to describe the identity of respondents according to the description of the study sample that has been set. The characteristics of respondents pliers used include: Age, Gender. Marital status, education level and type Employment and Income respondents each month, for it can be shown as follows:

**Table 1. Respondents**

Characteristics		Frequency	Percent
Gender	Male - Male	247	63.3
	Women	143	36.7
Age	20-29 Years	19	4,9
	30-39Years	117	30.0
	40-49 Years	89	22.8
	50-59Years	92	23.6
	>60 Years	73	18.7
Education levels	High School	49	12.6
	bachelor	235	60.3
	Magister	59	15 1
	doctoral	47	12.1
Marital Status	Not Married	78	20.0
	Married	243	62.3
	Widow / widower / Divorced	69	17.7
Income	>Rp.5 Million	196	50.3
	>Rp.7,5 Million	96	24.6
	>Rp.10 Million	63	16.2
	>Rp.12.5 Million	35	9.0
Occupation	Civil Servants	85	21.8
	Army / Police	53	13.6
	State-owned enterprises	49	12.6
	Private Owned Enterprises	88	22.6
	entrepreneur	115	29.5

At this time consumers are increasingly in need of high quality products with better quality and value to consumers themselves. By sex, the consumer brand cars Toyota dominated by men, amounting to 63.30%, while the remaining women, amounting to 36.70%. A condition shows that men have a high tendency in the purchase of Toyota brand cars than women. The description of the respondents gave evidence that consumers are four-wheeled vehicle in countries emerging more predominantly male, because the man was seen to have a high mobility rate than women (Darley & Smith, 1995) thus requiring them to have a four-wheel vehicle.

Selection of Brand Toyota car by men due to various considerations, such as resale price Toyota Cars higher than other brands cars and the availability *spare parts* of and service network in the whole area in the Sulawesi region compared with other car brands.

Age is a representation of the knowledge of consumers in making purchasing decision of Toyota, that the older the consumer, the more obvious their consideration in making a purchase. The table above shows that respondents are dominated by the age of 30-39 years is 30%. These results prove that consumers have had a job so that they can make a purchase, referring to the conception of impulse buying can be stated that in general consumer cars Toyota brand in Sulawesi make the purchase of the car is not planned, that the buyer with a lifespan of less than 35 years are more impulsive (unplanned) compared with age that are in it (Belengeret *al.*, 1978).

The ability of consumers to have a car powered by earning them as the embodiment of their financial capabilities. The table explains that consumer car brand Toyota mirrored by consumers who have income >Rp. 5 million with a percentage rate of 50.30%. That with the proliferation of financial institutions and banks that offer convenience to consumers to have a vehicle, although the respondent's income ranges >Rp.5 million, but with the financial institution, consumers can, have a car brand Toyota.

Currently there are many brands car that can be used by consumers. Selection of Car Brands relies heavily on knowledge of the consumer will be the Car Brand, that higher levels of consumer knowledge, the more intelligent the consumer to make his choice. Consumers with higher levels of education will be more selective in their purchases (Bruwer, 2004). Consumer trends in the purchase Toyota cars dominated the respondents with education level Tier One, which amounted to 60.30%. Can be explained that consumers who make purchases Car Brand Toyota classified as having sufficient knowledge and can be used as a basis for decision making car purchases.

The consumer's choice to have a four wheel drive vehicles caused also because of their marital status, family provide a great influence on purchasing behavior. There is the influence of husbands, wives, and children in the purchase of products. Consumer trends in the purchase due to several factors, including marital status (Kotleret *al.*, 2008:204).The table shows that the purchase of Toyota brand cars tend dominated by consumers who are already married, ie 62.30%. These conditions explain that the Toyota car range provides a high appeal to consumers who have been married since most variants are deliberately created for the *family* car.

The type of work which is owned consumer mobility identical to them in carrying out their activities (Kotler& Armstrong, 2010:87). The Occupation someone also affect consumption patterns. Characteristics of respondents by occupation dominated by self, which is equal to 29.50%. The condition was explained that the ability to have a Toyota cars is characterized by the self-employed given their high mobility so that a car is an essential requirement in carrying out its activities.

**Research variable**

This Research using two exogenous variables, namely Marketing Mix and Service quality, then acting as a mediating variable is customer satisfaction while for the exogenous variables is customer loyalty.

The data processing showing that the price is the first indicator that has an average score of the highest among other indicators in the measurement of the marketing mix variables. Respondents to the price the majority of stated strongly agree, or an average of 4.05. This situation reflects that seen from the indicators price is the selling prices on the road Toyota cars generally stated strongly agree, if used as a measure or indicator of the marketing mix variables that must be maintained by the management in marketing the Toyota brand cars. That customers assess if the price offered is below the cooperation between PT. HadjiKalla with company management financing is an approach that is critical in marketing the Toyota cars. Descriptions of each variable can be described as follows:

**Table 2.** Variables Description

Variable	Indicator	Indicator average	person correlation (r ≥ 0.30)	Cronbach's alpha
Marketing Mix	Product	3.67	0.51	0.64
	Price	4,05	0,60	
	Promotion	2,51	0,50	
	Place	3,98	0,64	
	Employees	3.83	0.57	
	Process	3.06	0.59	

	Physical evidence	3.64	0.56	
Service quality	Responsiveness	3.51	0.73	0.69
	assurance	3.80	0.71	
	tangible	3.88	0.75	
	Empathy	3.13	0.59	
	Reliability	2.80	0.55	
Customer satisfaction	Needs	3.86	0.82	0.85
	Interest	3.80	0.88	
	Expectations	3.42	0.83	
	Objective	3,74	0.81	
Customer Loyalty	Loyalty	3.83	0.90	0.82
	Referencing	3.82	0.89	
	Positive response	3.45	0.81	

Tangible is the most important indicator in explaining the variable quality of service and the highest compared to other indicators of quality of service measurement. Respondents to the indicator Tangible in general respondents stated strongly agree with an average value of 3.88. That respondents agreed strongly with the availability of equipment and display products as well as employee performance shown significantly to the customer, this is evidenced by the availability of equipment companies deemed to have been in accordance with the type of service that their customers expect.

The most important indicator in analyzing customer satisfaction is evidenced by indicators of need; with average frequency dominance in a statement strongly agree with a value of 3.86. Needs are respondents to conformity on the felt needs of consumers in the purchase of products and use services before and after purchase. Representation of answers strongly agree or very satisfied is demonstrated through the quality of Toyota cars sold company has more advantages than the competitors and in accordance with customer needs. Indicator's most important and highest customer loyalty in explaining variables proved in indicators of loyalty make a purchase, in general, respondents expressed less agreed, with an average value of 3.83 responder. Faithfulness make purchases an obedience respondent to the customer to always use a Toyota product and services companies.

The results of testing of validity variables using by correlation coefficients product moment showed that all the indicators used in measuring the marketing mix variables were above the value of  $r > 0.30$  (cut of point) are required and at significant level of 0.05 or 5%. Reliability testing conducted research instrument is using Cronbach's alpha. If the measured value reliability coefficient was  $> 0.60$ . Instrument said to be reliable if it can be used repeatedly to measure variables that will generate the same data or only slightly varied (Uma Sekaran, 2003:112).

**Analysis of Moment Structures**

Results of the path diagram structural model full model in the model, which is used as a basis for comparison of the index fitness model with a cut-off value after doing modification indices, the results of testing the alignment (Goodness of fit test) can shown are presented in the following table:

**Table 3.** Goodness of fit test

Criteria of suitability Model	Suitability Index Model	Cut-off Value	Description
Chi-square (df = 121)	142.003	Small (<147,674)	Good
Probability	0.093	$\geq 0.05$	Good
RMSEA	0.021	$\leq 0.08$	Good
CMIN / DF	1.174	$\leq 2.00$	Good
GFI	0.963	$\geq 0.90$	Good
AGFI	0.942	$\geq 0.90$	Good
CFI	0.992	$\geq 0.95$	Good
TLI	0.988	$\geq 0.95$	Good

Based the table indicated that, subsequent to the *modification indices* indicated that the model 2 (final) meets the test alignment (Goodness of fit tests) that the suitability model with cut-off value, because of the eight



criteria of suitability of the existing model, the final model has met a whole, the eight criteria for suitability models. Referring to the principle of parsimony (Arbuckle & Wothke, 1999; in Solimun, 2004:89) that if there are one or two criteria goodness of fit that have met the expected value, then the model can already be said to be good or development hypothetical model conceptually and theoretically as supported by empirical data.

**H<sub>1</sub>: Marketing mix has a positive and significant effect on customer satisfaction.**

The first hypothesis testing is the marketing mix positive and significant impact on customer satisfaction can be evidenced by the value of *standardized regression weight estimate* of 0.379 with a positive direction. Marked positive influence coefficient implies that a good marketing mix resulted in an increase in customer satisfaction.

These results can also evidenced by the value of the critical ratio( $cr$ ) = 2.629 > 2.00 and a probability value of 0.009 <  $\alpha$  = 0.05. The test results proved that the first hypothesis, marketing mix has a positive and significant effect on customer satisfaction Toyota cars. Based on the results of focus group discussions, that some of the things that cause marketing mix has a positive and significant effect on customer satisfaction and the results of discussions held in one showroom Toyota dealer, known to cause positive and significant effect of the marketing mix on customer satisfaction, broadly due because the company has the facilities and infrastructure of quality, that the facilities and infrastructure customers can obtain information about products and purchasing system impacting the high interest and wishes of the customer to make a purchase of products and use services company

The results is support the theory of customer interactions, that the dissemination of information or the introduction of a product and services because of the strong impression that in interactions products and services between the customer (Chandler, 2009:21). Then the results of this study support the *marketing mix* theory that the by combining the concept of products and services in a marketing mix strategy implementation is done for profit (Gatignon, H, 1993:697). The results of this study support the findings of previous investigators partially which provide evidence that the marketing mix on the dimensions of place and promotion has a significant effect on customer satisfaction, while the dimensions of the product and the price is insignificant on customer satisfaction (Wahabet *al.*, 2016).

These studies have in common with the findings of Sarker *et al.* (2012), which the marketing mix on the dimensions of product, place, promotion, people, process, and physical evidence significantly on the customers' satisfaction dimensions while price is insignificant on customers satisfaction. Support research findings aimed also at Mohammad Haruna Isa (2015: 71), that the product, process and physical evidence significantly affect on customers satisfaction. Price, promotion, place, and people do not have significant effect on customers' satisfaction. Then fully supports the findings of other researchers that the marketing strategy (marketing mix) has a positive and significant impact customer satisfaction (Murshidet *al.*, 2014; Chen, 2016). The empirical evidence for rejecting the findings of Garget *al.* (2016), that product, price, promotion and place as the elements of the marketing mix does not significantly effect on customer satisfaction.

**H<sub>2</sub>: Service quality is positive and significant effect on customer satisfaction**

The hypothesis testing is the service qualities have a positive and significant effect on customer satisfaction, can be proved by the value of standardized regression weight estimate of 0.406 with a positive direction. Marked positive influence coefficient implies that the high services quality provided resulting in an increase to customer satisfaction. These results can also evidenced by the value of the critical ratio( $cr$ ) = 3.002 > 2.00 and the probability of 0,003 <  $\alpha$  = 0.05. The second hypothesis testing results prove that the marketing mix have a positive and significant effect on customer satisfaction.

Cause a positive and significant effect of service quality on customer satisfaction, because the number of dealer showrooms Toyota in Sulawesi to provide services, so many alternatives that can be used by clients in satisfying their needs, other facts that the equipment owned showroom dealership Toyota in Sulawesi can satisfy the creation of satisfaction customers, as well as employees, that in general they have been given training deemed sufficient to satisfy the desires of the customer. Based on these discussions, it can be concluded that the management of the dealership showroom Toyota in Sulawesi have increased interest in providing services to the customers so that customers can be fulfilled desire (the customer is satisfied with the services quality).

The results support the theory of *value-percept* that looks of satisfaction as an emotional responsethat is triggered by an evaluation process that is both cognitive (based on feeling) (Parker & Mathew, 2001). The same support to the theory of gaps that the customers' satisfaction is a gap fulfilling the needs and desires continued gap between the expectations, with the desired goal (Oliver, 1980:74).

Support on the findings of previous researchers, aimed at studies conducted Normasari, S.(2013); Harianto (2013); Sembiring (2014); Kuntariet *al.*,(2016); Safitriet *al.*,(2016) that service quality has a

significant effect on customer satisfaction. Then also supports the findings of other researchers who analyzed the dimensions of servqual, that tangibility, reliability, empathy, responsiveness, and assurance have a positive and significant effect on customer satisfaction (Al Muala, 2016). The results of this study different from the findings (reject) Lai *et al.* (2009); Qomariah, N. (2012), that the service qualities have a positive effect but insignificant on customer satisfaction.

### **H<sub>3</sub>: The marketing mix positive and significant impact on customer loyalty**

The hypothesis are marketing mix has a positive and significant effect on customer loyalty, can be proved by the value of standardized regression weight estimate of 0,361 with a positive direction. The Market of positive coefficient implies that a good marketing mix, resulting in an increase in customer loyalty. These results can also evidenced by the value of the critical ratio( $cr$ )= 2.391 > 2.00) and a probability value of 0.017 <  $\alpha$  = 0.05. The third hypothesis testing results prove that the marketing mix and a significant positive effect on customer loyalty.

Factor contributing to the positive influence and significant marketing mix on customer loyalty, based on the results of focus group known causes of positive and significant effect of the marketing mix on customer loyalty, due believed by customers that Toyota product is a quality car, have competitive prices, marketing communications through the sale done well, dealer showroom easily accessible, the employee who has a concern to customers and the availability of facilities and infrastructure sufficient to trigger the creation of high customer loyalty. The statement explained that the creation of customer loyalty cannot be met by a single dimension but the whole dimension inherent in the marketing mix. In addition to the several areas in Sulawesi consumer purchasing behavior, resulting in the creation of customer loyalty, due to cultural factors. That in some tribes/communities in Sulawesi have a habit and belief that it is a Toyota car, if not Toyota, they look at it not as a car, so as to be influenced by any reason partially customers will still make purchase decisions by buying a Toyota car.

Cultural factors influence the most extensive and in-depth on consumer behavior. Marketing must know the role played by the cultures, sub-cultures, and social classes. Culture refers to the idea, symbols that have meaning to communicate, values, interpretation, and evaluation as members of society. Culture can be seen from the beliefs, views and habits of consumers towards a product. The higher confidence in the product, the higher customer's decision to make a purchase and in turn further improve customer loyalty (Anoraga, 2007:227).

The results support the theory assuming fidelity (loyalty premium) that assesses the customer loyal or disloyal views of allegiance to buy back on a regular basis, always recommend reference to the experience to others for services received and showed a positive response to the services offered (Griffin, 2005:36). Support on the findings of previous researchers, aimed at studies conducted Owomoyela & Oyeniyi (2013); Farahani & Lafva (2016) that the elements of the marketing mix (product, price, place and promotion) significantly affects on customer loyalty.

Then have a similarity with the findings Al Muala & Al Qurneh (2012) that the product has a significant effect on loyalty, meanwhile, pricing, personnel and processes are insignificantly effect on customers' loyalty. This study supports the partially findings Wahabet *al.* (2016) that the product and the price significantly in customer loyalty, on the other dimensions of the place and promotion no significant effect on customer loyalty.

### **H<sub>4</sub>: Services qualities have positive and insignificant effect on customer loyalty.**

Service quality is positive and insignificant effect on customer loyalty can be evidenced by the value of standardized regression weight estimate of 0,042 with a positive direction. The marked of positive coefficients implies that a high quality of service, resulting in an increase in customer loyalty. These results can also evidenced by the value of the critical ratio( $cr$ ) = **0.332** < 2.00) and a probability value of 0.740 >  $\alpha$  = 0.05. The fourth hypothesis testing results prove that the service quality has a positive but not significant effect on customer loyalty. The cause was not significant service quality effect on customer loyalty, can be determined based on the results of focus group discussions, that on some dealer's showroom implement systems indent (wait) was very tight to the customer in the purchase or service a car, because according to the customers sometimes when indent is sometimes too long that it becomes its own assessment of the customer and then impact on the perception of some customers stating that the quality of services rendered relatively low so that on several occasions the cause customers to switch to another brand or services of service other companies.

On the other hand the availability of equipment and display products and services employees who demonstrated real appearance to the customer is not able to increase customers' willingness to always recommend the advantages of the company compared to other companies become more insignificant cause of service quality on customer loyalty. These findings coincide with the statement Lupiyoadi & Hamdani (2006:81), that the quality is low will lead to refrain customers to repurchase, and for which customers are disappointed and

will recount her experience to others so that the impact on the customer's decision to impose his choice to competitors. Then support the theory that the feasibility of customer loyalty is reflected in the ratings on the products and services that have the feasibility or appropriateness (Holmes, 2009:66).

The findings of this study support the results of a study Lai et al. (2009); Qomariah(2012); Normasari(2013), that the service quality does not have a significant effect on customer loyalty. The results of this study refused partially findings Sukmono&Sudarso(2011); Sembiring(2014); Kuntariet al. (2016); Safitriet al.(2016), that service quality has a positive and significant effect on customer loyalty.

#### **H<sub>5</sub>: Customer satisfaction has a positive and significant effect on customer loyalty**

Customersatisfaction has a positive and significant effect on customer loyalty can be evidenced by the value of standardized regression weight estimateof 0.288 with a positive direction. The marked of positive coefficient implies that high customer satisfaction, resulting in an increase to the high customer loyalty. These results can also evidenced by the value of the critical ratio(cr)= 3.099 > 2.00) and a probability value of 0.002 < $\alpha$  =0.05. The fifth hypothesis testing results prove that the customers satisfaction has a positive and significant effect on customer loyalty.

Because a positive and significant effect of customers' satisfaction on customer loyalty, due to the very limited (few) customers make complaints on the purchase of products or services, the usage. Service customers feel the satisfaction of both aspects of the business has to offer (purchase of products and use services of service) so that the lack of such complaint, the impact on customers' willingness to use or buy back the products and services offered, this condition is a representation of the high customer loyalty. Customers who are satisfied tend to be a customer loyalty. Customer satisfaction can create an emotional attachment to a product or service, and it creates high customer loyalty. Loyalty can be defined as a person's faithfulness in using the products and services provided by the company.

Another fact, that the creation of customers' satisfaction and loyalty is highly dependent on the development of products or product lines in the market. Satisfaction can be achieved at this stage, if there is a match between customer needs and product offerings. Customer loyalty can be created by maintaining the scarcity in supply and increase the benefits of your products or services resulting in higher customer satisfaction, which in turn can result in higher customer loyalty.

The company's decision to continue to take remedial action, systematic services is an umbrella decisive in following up on consumer complaints of a failure which in turn can bind customer loyalty. That the company continues to provide a good service and fast according to the customer's desire to become a trigger for the customers' interests always recommend corporate excellence than any other company. Customers will feel the satisfaction after they make a purchase or use of services, the *service* and all of it depends on the performance offered in meeting customer expectations. In general, satisfaction is feeling happy or disappointed someone who emerged after comparing the performance (yield) of products thought to the performance (results) is expected. If performance is below expectations, the customer is not satisfied. If performance meets expectations, the customer is satisfied. If performance exceeds expectations, the customer is very satisfied or pleased (Kotler, 2008).

The results support the feasibility of the theory that customer loyalty is reflected in the ratings on the products and services that have the feasibility or appropriateness (Holmes, 2009:66). Then support or consistent with previous research Torres-Moraga *et al.* (2008); Lai *et al.* (2009); Al Muala& Al Qurneh (2012); Qomariah (2012); Normasari (2013); Harianto (2013); Sembiring (2014); Kim *et al.*(2014); Wahabet *al.* (2016); Chen(2016); Kuntariet al.(2016); Safitriet al.(2016),that significantly impact customer satisfaction to customer loyalty. Then the results of this study have differences with the findings Palilati(2007), that satisfaction is explained through the desired service (the satisfaction) desired and satisfaction at the level of service is adequate services does not have significant effect on customers loyalty.

#### **H<sub>6</sub>: Marketing mix has a positive and significant effect on customer loyalty. The mediating role of customers' satisfaction**

The marketing mix on customer loyalty by involving the mediating variables of customer satisfaction, it can be proven that the marketing mix a significant influence on customer satisfaction and customer satisfaction significantly affect customer loyalty, like that marketing mix also significantly affect on customer loyalty. The test results indirect effectof marketing mix oncustomer loyalty through customer satisfaction with the probability value of 0.000 < $\alpha$  = 0.05, which is obtained from the interaction p-value marketing mix on customer satisfaction (0.005 < $\alpha$  = 0.05) X customer satisfaction on customer loyalty (0.002 < $\alpha$  = 0.05). These results explain that customer satisfaction is significantly acts as mediating variables in explaining the effect of the marketing mix on customer loyalty. But based on the results of tests to determine the type of as a mediating



variable, then the variable customer satisfaction research model is said to be not as a mediating variable. This means that the marketing mix real impact on customer loyalty, marketing mix significant effect on customer satisfaction and customer satisfaction significantly affect the increase in customer loyalty so without the support of customer satisfaction, marketing mix can directly give a real effect to increase high customer loyalty.

The results of this study support the findings that prove that customer satisfaction is proven as an intervening variable in explaining the effect of the marketing mix on customer loyalty, that in order to create customer loyalty, the efforts that must be created first is to create customer satisfaction (Wahabet *al.*, 2016; Al Muala & Al Qurneh, 2012). Then different from the findings of this study Chen (2016), which proved that according to its kind, satisfaction as a complete mediation to analyze the effect of marketing mix on customers' loyalty.

**H<sub>7</sub>: Service quality has a positive and significant effect on customer loyalty. The mediating role of customers' satisfaction**

Service quality effect on customer loyalty by involving the mediating variables of customer satisfaction, it can be proven that customer satisfaction is a significant effect on customer loyalty and service quality significantly affect on customer satisfaction however the service quality does not significantly affect on customer loyalty. The test results indirect effects service quality on customer loyalty as a mediated customer satisfaction with a p-value of  $0.000 < \alpha = 0.05$ , which is obtained from the interaction p-value service quality on customer satisfaction ( $0.003 < \alpha = 0.05$ ) X customer satisfaction on customer loyalty ( $0.002 < \alpha = 0.05$ ).

These results explain that customer satisfaction is significantly acts as a mediating variable in explaining the effect of the marketing mix based on customer loyalty and examination results to determine the type of the mediating variable customer satisfaction research model as a complete mediation. This means that without the support of customer satisfaction, the quality of service was not able to increase customer loyalty so to the required customer satisfaction. Service quality can provide real effect on customer loyalty if they are supported by customer satisfaction.

The results support the findings of Normasari (2013); Harianto (2013); Kuntari *et al.* (2016), which customer satisfaction as a mediating variable proved to be complete mediation in explaining the effect of service quality on customer loyalty. Then these findings differ from the results of a study conducted Lai *et al.* (2009); Qomariah (2012), that acts as a customer satisfaction as a partially mediation in analyzing the effect of service quality on customer loyalty.

## V. CONCLUSIONS AND RECOMMENDATIONS

The marketing mix is better to give real effect to increase customer satisfaction all directions is high, the fact that in the causes for the showroom dealer has the facilities and infrastructure of quality, that the facilities and infrastructure customers can obtain information about products and purchasing system so the impact of the high interest and wishes of the customer to make a purchase of products and use services. The higher the quality of services provided, the higher level of customer satisfaction, the fact that in the causes for because of the large dealership showroom Toyota in Sulawesi to provide services, so many alternatives that can be used by clients in satisfying their needs, other facts that the equipment owned showroom dealers Toyota Sulawesi can satisfy the creation of customer satisfaction, as well as employees, that in general they have been given training deemed sufficient to satisfy the desires of customers.

Creation of a good marketing mix resulting in high loyalty. This is because Toyota is a quality car, having competitive prices, marketing communications through the sale done well, the dealer's showroom is easily accessible, the employee who has a concern to customers and the availability of facilities and infrastructure sufficient to trigger the creation of high customer loyalty. The higher the quality of services provided but the impact has not been able to significantly affect customer loyalty. This condition is caused due to the availability of equipment and display products and services employees and appearance indicated by both the customer is not able to increase customers' willingness to always recommend the advantages of the company compared to other companies.

The higher the perceived customer satisfaction, the higher the level of customer loyalty. This condition is caused due to the creation of satisfaction and loyalty is highly dependent on the development of products or product lines in the market. Satisfaction can be achieved at this stage, if there is a match between customer needs and product offerings. Customer loyalty can be created by maintaining the scarcity in supply and increase the benefits of your products / services resulting in higher customer satisfaction, which in turn can result in higher customer loyalty. The company's decision to continue to take remedial action, systematic services is an umbrella decisive in following up on consumer complaints of a failure which in turn can bind customer loyalty

Customer satisfaction significantly acts as a mediating variable in explaining the effect of the marketing mix on customer loyalty. Based on the type of customer satisfaction in the research model is said to be not as a mediating variable. This means that the marketing mix real impact on customer loyalty, marketing

mix significant effect on customer satisfaction, and customer satisfaction significantly affect the increase in customer loyalty so without the support with customer satisfaction, marketing mix can directly give real effect to increase customer loyalty.

Customer satisfaction is the real act as a mediating variable in explaining the effect of the marketing mix on customer loyalty and based on inspection of the variables in the model of customer satisfaction research as a mediating variable said to be complete mediation. This means that without the support of customer satisfaction, the quality of service was not able to increase customer loyalty so to the required customer satisfaction. Quality of service can provide real influence on customer loyalty if they are supported by customer satisfaction.

Required a change in attitude, behavior and paradigms to improve the marketing mix into a better direction through a very important condition to do now is to increase the intensity of the introduction of products and services that can be done in the form of exhibitions, brochures, *leaflets*, printed media and electronic media, The management company is required to increase its seriousness in providing information that is accurate and up to date information to customers about products and services Toyota car service in dealer showrooms PT.HadjiKalla.

Required a change in attitude, behavior and paradigm to enhance the high quality of service through a very important condition to do now is to increase the friendliness of service, attention and courtesy as well as personalized attention shown by the employees in dealer showrooms so that settlement of problems faced by customers can be resolved. Creation of high customer satisfaction through a very important condition to be done now is to improve the consistency of the motivation of customers to make purchases and use services that lead to their behavior to remain a customer and realized with the services provided as a whole so that the customer goal in using products and services reached.

The increase in high customer loyalty through a very important condition to do today, namely, the management company is required to maximize the dealer's showroom to motivate customers in order to provide a positive response to Toyota and service companies. For advanced researchers are expected to develop this research by adding several constructs (variables) or research objects that have different characteristics in terms of the unit of analysis.

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