External Marketing, Government Policy and T-Serqual toward Customer Satisfaction in Indonesia Tourism Industry

Jumadi
Departement of Management and Economics, Widya Mataram University, Yogyakarta, Indonesia

Dwi Kartini Y.
Departement of Management and Economics, Padjadjaran University, Bandung, Indonesia

Rina Indiastuti
Departement of Management and Economics, Padjadjaran University, Bandung, Indonesia

Meydia Hasan
Departement of Management and Economics, Padjadjaran University, Bandung, Indonesia

Abstract

Tourism Industri is the largest industry in the word that can make the economic growth and the need of the effectiveness, marketing programs quality of service and good government policy to increase for organizational performance and customer satisfaction. The aim of this research to investigate to external marketing, T-serqual and government policy toward customer satisfaction in the Indonesia tourism industry. The sample size was 420 respondents with propulsive sampling used to determine the sample. The main instrument in this study is questionnaire. The analysis used to examine the hypothesis of the study is structural equation modeling using AMOS version 20.0 software. The result of the study show that: external marketing, T-serqual and government policy influence toward customer satisfaction. Nevertheless, government policy the most influence toward customer satisfaction. Therefore manager in in the tourism industry should improve more the external marketing and T-serqual.

1 Corresponding author’s email: jmd.mataram@gmail.com
Keywords: External marketing and T-serqual, government policy, customer satisfaction organization performance.


Introduction

Tourism is the largest industry in the word that can make the economic growth of every country as Indonesia. The tourism industry always needed the marketing activities, as a support system. According to Tansuhaj (1988) the marketing concept as set of the firm goal to the satisfaction of customer needs. The service industry employee-customer interaction determines as significant part of the market offering and the employee role in the determining customer satisfaction is much greater. So the effectiveness of the marketing programs from the customer perception of good marketing activity, quality and customer satisfaction. The government policy in favor of the tourism services can provide a level of assurance to the tourism activity. Therefore the aim of this study is to investigate the implications of the effectiveness of the marketing mix (external marketing), government policies and service quality toward tourists' (customer) satisfaction. The marketing program assessment used to determine the rating outlook for the services, tourism, that the external marketing, service quality and government policies to render on the tourism industry in the DIY. The based on the research background, the research problem in this study is: How to influence external marketing, government policy and service quality to customer satisfaction?

Tansuhaj (1988) explains the external marketing activities are generally categorized into pricing, advertising, personal selling, image institution, quality control and marketing orientation. Furthermore Tansuhaj (1988) to explain the effectiveness of the results of the external marketing programs in the form of customer perception of quality and customer satisfaction. According to Kotler (2003) the external marketing is activities to prepare the product, price, promote and deliver to consumers. The external marketing be associated with existing customers in the outside company (customer). The external marketing in this study be identified with the implementation of the marketing mix. Originally the marketing mix is submitted by McCharthy (1960) with the concept of 4PS, but Borden claimed the first used the concept of the marketing mix (Rafiq and Ahmed, 1995).

McCharthy (1964) explains marketing mix is a combination of all the factors that are managed by the marketing manager to give satisfaction to target market. Borden (1984) suggests elements of the marketing mix include of the product planning, pricing, branding, channels of distribution, personal selling, advertising, promotion, packaging, display, servicing, physical handling and fact finding and analysis. Furthermore, McCarthy and Perreault (1987) explain marketing mix is a variable that can be controlled and coordinated by the organization in order to give satisfaction to the target market (Rafiq and Ahmed 1995). According to Srinivasan (2009) the marketing mix in tourism includes of the product, process, place and time, productivity and quality, promotion & education, people, price and other user costs, physical evidence.
Kumar (2010) explains the marketing mix is the variables that can be controlled by the company and are prepared to increase levels of the sales and target market, with the principle of the right product, the right person, the right, the right price, the right place and the right time. While Phitthayaphinant & Nissapa (2011) explains the marketing mix is a modern concept in the marketing that used to influence and motivate consumers. Maula and Qurneh (2012) describes elements of the marketing mix includes of the product, price, place, promotion, personnel, process and. Physical evidence. Sarker et al (2012) describes elements of marketing mix 4P is including of the product, place and promotion known as the 4Ps, as it applies in the tourism industry expanded into 7Ps. Other P component is a physical environment, processes, and people. Meanwhile Kotler (2012) considers the 4P as a the marketing mix has a significant impact to the services of tourism.


In addition, marketing mix, service quality is another variable that make influence the consumer satisfaction. The service quality is a multidimensional concept because each industry has different approaches and dimensions of the measurement. According to Grönroos (1984) the quality of service as a "result of the evaluation process in which consumers compare expectations with the services received". Meanwhile Parasuraman et al. (1985) describes the service quality as the gap between the customer expectations with the service received. The service quality is one factor that very important for the customers needs of goods and or services. Stonebraker and Leong (1994) states the service quality as the process of identifying the customers' needs who followed the design of goods and services in accordance with the requirements of the system along with the determination of the presentation services based on the customer specifications, as appropriate to the expected requirements of customers. According to Vavra, (1995) describes the service quality as the appearance of the presentation of services and goods or services as far as possible conform and adapt to customer needs. Meanwhile Chih Yu et al. (2005) explains the consumer a hope as a prediction of what might happen during the upcoming transaction. The according to Zeithaml, Bitner & Glammer (2009) defines the service quality as a global assessment or attitudes related to service excellence.

The dimensions of the service quality that will be presented in this discussion is the services, because the object of the study is planned of the tourism services. The research Suki (2012) explains that the assurance, responsiveness, and tangible not effected to the consumer satisfaction, only empathy and reliability, which affected to the customer satisfaction. Albayrak, and Aksoy, (2010) stated that generally tangible elements more significant influence on the customer satisfaction than intangible elements. The resulting
research of Agyapong (2011) explains the dimensions of the service quality include of tangible, reliability, responsiveness, competency courtesy, feel secure, communication and understanding customers is good predictors to customer satisfaction. The results of the study by Canny and Hidayat (2012) explain generally the service quality may affect toward customer satisfaction, but in partial results of the study showed a dimension of empathy has no effect to the customer satisfaction.

The measurement of the service quality in this study used the model of SERVQUAL Parasuraman, & Berry Ziehtaml, (1988) and modified by the model of Lovelock & Ward (2007) with dimensions of Security and access, so the dimensions of T-serqual in this research is SETARRA (security, empathy, tangible, assurance, responsiveness, reliability and access). Based on this, the researcher can be concluded the service quality as the process of identifying of the customers’ needs that accompanied the presentation of the services that based on standards requirements in order to meet customer expectations through services provided to external customers.

Another variable that significant to the tourism industry is government policy or public policy. According to Chandler and Plano, (1988) which is supported by Tangkilisan (2003) the Public policy is the strategic utilization of the resources that exist to solve the problems of the public or the government. According Liu (2012) the public policy is made through some kind of hybrid arrangement involving different actors, including some who represent the private or non-governmental organizations and implemented independently between public and private. Meanwhile Asaomah (2013) explained the policy is a process or series of patterns of government activities or decisions that are designed to fix some common problems, whether real or not formulated, implemented and evaluated by the actors in the political system, for example, judges, legislators, executor and administrators, public policy can be changed on the basis of new information or better. Asomah (2013) explains the development of the policy of tourism should consider the various stakeholders and agencies involved in tourism development. The government policy of Indonesia tourism as the development and intensify the promotion of tourism, setting up and improving of the quality waters and tourism products, develop tourism areas and new products, especially in the eastern region of Indonesia, improving the quality of human resources in the field of tourism and implement a sustainable national campaign (Karyono Hary 1997).

The marketing concept asserts the success of an organization to achieve its objectives is affected by the ability to perform the identification of the customer needs and desires that can give satisfaction. The determine of the customer needs and desires of satisfying customers is not an easy thing, this is due to the customer’s needs and desires dynamic over time, therefore it is necessary to understand about customer satisfaction. Here presented the concept of the customer satisfaction. In the service industry, the customer satisfaction is always influenced by the quality of interaction between customers and employees who make contact service (service encounter) that occurs when customers interact with organizations to obtain services that are purchased. The sources of satisfaction and dissatisfaction of customers, according to Zeithmal, Bitner, Gremler (2006) each of the located at interaction service delivery are: recovery, response to service delivery failure, adaptability, anticipation and adaptation to the customer needs of the
service, spontaneity, give something impressive and not unexpected as a form of compensation for the failure, and coping, the ability to manage the situation.

The Customer satisfaction become for the majority of destination business activities that are commonly understood in the field of marketing. Wolfe and Scot, (2009) state the factors affect to the customer satisfaction is the marketing mix. Sarker et.al (2012), Al Muala et.al 2012) that states the marketing mix has a positive effect on customer satisfaction. Meanwhile Hosseini (2011) explains the marketing mix are; people, process, physical evidence, product, price, place, and promotion. The service quality is the affecting factors to the customer satisfaction is, it is according to the results of research conducted by Hui-fen and Lee-Hui (2010); Agyapong (2011); Suki (2012); Wang and Due Lee (2012); Hussain (2012); Osman and Sentosa (2013) which the states of the service quality have influence toward the customer satisfaction. Meanwhile AL-Majali (2012) explains the tourist satisfaction influenced by image, risk and services received climate. The quality standards changed from the traditional concept which based on compliance with the standards set by the manager to shift into quality is determined by the consumer, it has be implications for the marketing function (Jumadi 2010). The service quality should be developed for measuring the quality of long-term care, subjective and complex. Nevertheless, it is different from the opinion of Kouthouris and Alexandris (2005) the customer satisfaction cannot be predicted with evaluation of service quality. In addition to the marketing mix and quality service that government policy can achieve performance as a generator in the field of tourism.

So the research problem how to the external marketing, government policy and service quality influence on customer satisfaction? The hypothesis of external marketing, government policy and service quality influence on customer satisfaction. Based on this aim to the research is to know about the influence of the external marketing, government policy and service quality toward satisfaction. The contribution to the research is to the development of the theory and models of the tourism marketing industry.

Methods

This study is a survey that examines the effect of variables of the marketing programs, government policy and service quality to the customer satisfaction.

Population and Sample

The population of this study that tourists who are visiting to DIY. Due to some limitations, not all populations studied, so that this study used a sample. The samples in this study are based clutter tourists with sample is technically propulsive sampling. The number of samples is set at least 5 to 10 times the number of parameters Hair (1998), so the set of 420 respondents with the following criteria: First, the tourists who visit to DIY coming from outside. Secondly, sample of tourists that who have visited 2 times or more.
Data collection

The data collection of perceptions of tourist who the visit to destination in DIY through: 1. Observations, by direct observation in the field, examine neighbor problem under study. 2. The spread of questionnaires to 5 scale questionnaire design.

Techniques, Data Analysis

The data analysis of hypothesis testing is done by using an SEM with data processor used AMOS version 20.0 software.

Findings

Analysis of Structural Equation Model

The based on the evaluation of SEM assumptions, further analysis is an analysis of the suitability of the model proposed in this study with the various criteria of goodness-of-fit. The results of the evaluation with SEM model, as shown in table 1 below.

Table 1 The test of Suitability Model

<table>
<thead>
<tr>
<th>Suitability of the Model</th>
<th>Value Standart</th>
<th>Result</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi Squares</td>
<td>Small Expected</td>
<td>1021</td>
<td>-</td>
</tr>
<tr>
<td>P Value</td>
<td>&gt;0.05</td>
<td>0.000</td>
<td>-</td>
</tr>
<tr>
<td>RMSEA</td>
<td>&lt; 0.1</td>
<td>0.061</td>
<td>Good</td>
</tr>
<tr>
<td>CMIN/df</td>
<td>2 -5</td>
<td>2.560</td>
<td>Good</td>
</tr>
<tr>
<td>TLI</td>
<td>≥ 0.9</td>
<td>0.911</td>
<td>Good</td>
</tr>
<tr>
<td>CFI</td>
<td>≥ 0.9</td>
<td>0.918</td>
<td>Good</td>
</tr>
<tr>
<td>NFI</td>
<td>≥ 0.9</td>
<td>0.873</td>
<td>Good</td>
</tr>
</tbody>
</table>

The Based on table 1 shows the results of the evaluation of the full model for SEM has been demonstrated of the criteria for each measure of goodness of fit value is a CFI, NFI, TLI has met the criteria, whereas, Cmin / DF and RMSEA are in accordance with the expected criteria. The Based on this result can be concluded the overall of structural model has been able to produce a level of truth estimation. Thus, for the testing of the research hypotheses can be done.

Hypothesis Testing

The hypothesis of external marketing, government policy and service quality influence on customer satisfaction. Testing the hypothesis is needed to determine the effect of the marketing mix, government policy and service quality to customer satisfaction.
The based on the results of data analysis show that CR value is identical to the value of it on the results of the processing as compared with the critical value ± 1.96 at the significant level of 0.05 (5%) as shown at the table 2.

Table 2 Marketing Mix, Government Policy and Service Quality influence toward Satisfaction

<table>
<thead>
<tr>
<th>Influence</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction &lt;--- Marketing Mix</td>
<td>.278</td>
<td>.008</td>
<td>3.756</td>
<td>***</td>
</tr>
<tr>
<td>Satisfaction &lt;--- Government Policy</td>
<td>.333</td>
<td>.088</td>
<td>4.038</td>
<td>***</td>
</tr>
<tr>
<td>Satisfaction &lt;--- Service Quality</td>
<td>.233</td>
<td>.035</td>
<td>3.217</td>
<td>.001</td>
</tr>
</tbody>
</table>

Satisfaction = 0.278ξ1 + 0.333 +0.233 ξ3 + ζ ..... (1)

External Marketing and Satisfaction

Then, based on the results of the hypothesis research that there is the influence of the marketing mix proved to tourist satisfaction. This can be seen from the figure estimated between the marketing programs with the customer satisfaction (β) = 0.278 SE = 0.008 and CR = 3.756 and p = 0.000 (*** the sign at 0.001. The based on this result can be concluded the marketing mix has a positive and significant influence on tourist satisfaction. This means the marketing mix is done by the organization is quite effective. The marketing mix is able to describe the characteristics of a tourism offered so that it creates a tourist satisfaction. The marketing mix is done through product design activities are designed with the customer needs and desires of customers, pricing reflects the quality, distribution channels enough good of service, fast process and the availability.

The based on the result of the research can be concluded the marketing mix, can be influenced to the customer satisfaction, although there are other factors that can be influenced to the satisfaction of tourists, so there should not ignore other factors. This study supports the research conducted by Sarker et. al (2012); Maula and AlQunes (2012);
Owomoyela, (2013) that states the marketing mix that includes of product, price, promotion, people who as a waiter, process and physical evidence has a positive effect on customer satisfaction. Thus to increase tourist satisfaction should be pursued also to increase the marketing mix activities include design products according to the customer needs and desires of tourists, reasonable pricing and affordable by tourists, promotion policies honest and transparent, which facilitates the distribution of tourist mobility, the right selection of people that ability to deliver services, providing physical support facilities which attract and processes that support the smooth activity in destination.

**Government Policy and Satisfaction**

The hypothesis of the government policy influence toward customer satisfaction is proven that indicated by the value of statistic test with (β) =0,333 SE = 0.88 and CR = 4.038 and p = 0.000 (*****). This means empirically that the government policy is able to increase customer satisfaction. The government policy of Indonesia tourism that can be increased to the customer satisfaction are developed and intensify the promotion of tourism, setting up and improving of the quality waiters and tourism products, develop tourism areas, develop new products, security legal protection and information access.

**Service Quality and Satisfaction**

The hypothesis of the influence of the service quality to customer satisfaction, the hypothesis of this study will examine the results of research conducted by Albayrak, (2010); and Suki (2012); Canny and Hidayat (2012). The statistical test showed there are significant research between service quality on customer satisfaction, this means the hypothesis is proven by the results of statistical test indicated by the value of: (β) = 0.233 SE = 0,035 dan CR = 3.217 and p = 0.001 signs at 0.01. This means the stronger the service quality, the higher the level of customer satisfaction. This is in accordance with Hui-fen and Lee-Hui (2010); Agyapong (2011); Suki, (2012); Wang and Due Lee (2012); Hossain (2012) and Osman and Sentosa (2013) which states the quality of service has an influence on customer satisfaction. It is also supported by research AL-Majali (2012) who explains that satisfaction is influenced by climate (service climate).

The based on the results of research can be concluded the marketing mix, service quality and government policies influence toward customer satisfaction, but government policies have a greater influence on the customer satisfaction. This means the government policy can encourage to the mode of creating the tourists' satisfaction. The marketing mix, service quality and government policies undertaken by the manager sufficiently effective so as to realize customer satisfaction rating. The better of the marketing mix, service quality and government policy the oriented to the tourism are able to increase the tourist satisfaction.

The results of this study support the research conducted by Albayrak (2010); Canny and Hidayat (2012) states the quality of service together can affect to the customer satisfaction, but in partial results of the study showed that the dimension of empathy has no effect on customer satisfaction. This happens because of the nature of the employee's job in the tourism industry caters to travelers in domestic tourist specialty more in touch with the direct interaction and repetitive and not long lasting. The influential of the service
quality to the customer satisfaction indicates the behavior of employees in performing the service has become a measure of the service quality. However, the results of this study do not support the results study by Suki (2012) which states the service quality can not effect to the customer satisfaction.

**Conclusion**

The based on the result of the research above, overall can be concluded that: External marketing, government policies and service quality influence toward satisfaction. The government policy has a more dominant influence toward customer satisfaction and the new finding in this study. The marketing mix and service quality, good government policies undertaken by the effective manager sufficiently so as to realize satisfaction rating. The better course of the external marketing and service quality, good government policies able to provide assurance to the tourists visited.

The based on the above, it can be concluded overall that: the first, this study does not support the results of the study Kouhtoris and Alaxandiras (2005) which states that serqual not suitable for measuring the quality of tourism services, especially for outdoor tourism. The second, this study supports the research by Suki (2012) Albayrak (2010) Hosain (2012), MB Malik (2013) Canny and Hidayat (2012), Forozia et. al (2013) which states the service quality is an important factor in determining satisfaction. It also supports research by Jusem et. al (2014) that state the concept of service quality that is suitable for measuring the service quality using dimensions of the tangible, empathy, responsiveness, reliability and assurance. The concept of service quality in this study expanded into the seven dimensions of the T-SERQUAL that include of the security, empathy tangible, assurance, responsiveness, reliability and access, so the new finding of the dimension of the tourism service quality is SETARRA.

**Suggestion**

The based on the research findings the suggestion for the tourism management is to the design decisions based on the relationship of variables that have a strategic substance which can be a major foothold in providing to make customer satisfaction can be done by:

1. The tourism managers should be increased to the marketing mix program (external marketing) with the setup of the product, price, promotion, place, people, process, and physical evidence as a strategy to improve the attractiveness of the tourism industry.

2. The tourism managers should be improving dimension of the service quality with setup of security, empathy, tangible, assurance, responsiveness, reliability and access (SETARRA) as one of the magnets and creating the overall of excellence the service quality.

3. The government, particularly of the department of tourism should coordinate with the tourism industry to design and create a policy that oriented and supports the development of the tourism industry.
References


AL-Majali Malek Mohammad. (2012). *International Tourists Satisfaction: Case of Jordan*. International Business Research; Vol. 5, No. 9; 2012. ISSN 1913-9004 E-ISSN 1913-9012 Published by Canadian Center of Science and Education


Phitthayaphinant Purawich & Nissapa Ayut. (2011). Consumersu Satisfaction on Marketing Mix of Biodiesel in Southern Thailand: A Case Study in Songkhla, Krabi, and Trang Provinces, Department of Agricultural Development, Faculty of Natural Resources, Prince of Songkla University, Songkhla 90112, Thailand.


