Customer Loyalty of Ibu Titi Laundry Post-Demi with Promotion, Location and Service Variables Moderated by Company Logo

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ABSTRACT

Laundry needs are dominated not only by the household sector, but also by workers and students who tend to live in temporary accommodation such as contract houses, boarding houses, or rented accommodation. Such is the importance of laundry that the business is growing rapidly. In the past, the laundry business was mainly run by hotels, but now it can be used by people with capital and the general public. This post-pandemic oriented research was conducted at Bu Titi Laundry by taking 28 respondents from the population as the research sample. The primary data was collected by distributing questionnaires with response options in the form of an ordinal scale, namely strongly disagree to strongly agree with five scales. The research was conducted quantitatively using WarpPLS 7.0 analysis with hypothesis testing using t-test and sig 0.05. This study shows that promotion and location have a positive and significant effect on customer loyalty, but service is not significant for customer loyalty. As a moderator, the logo had no effect in moderating loyalty through promotion, location and service.

Keywords: Logo; Customer Loyalty; Promotion; Location; Post-Pandemic Service

INTRODUCTION

Human needs include primary, secondary, and tertiary needs. In the current era, laundry or better known as laundry is part of the primary needs (Brown, 2004; Parameswari & Yugandhar, 2015; Sanyal & Sett, 2011). This signal is strengthened by the statement of the Chairperson of the Indonesian Laundry Entrepreneurs Association, Wasono Raharjo, that the increasing growth in laundry services has also resulted in an increasing need for manpower. In addition, the laundry business in Indonesia has experienced significant growth from year to year, even during 2021-2022 it is estimated to grow by 50%. Both of these statements indicate that the Indonesian people allocate some of their primary needs for laundry.

The need for laundry is not only dominated by the household sector but also by workers and students who tend to live in temporary housing such as rented houses, boarding houses, or rented accommodation. One of the businesses that provide washing and ironing services is the

laundry industry. The industry has short turnaround times, or the time it takes a customer to request this service from the initial request to the next. More specifically, when the clothes are dirty, the customer will use the service again.

The laundry business started in America and then spread around the world. At that time, many Chinese immigrants came to America as farm labourers. The reason Chinese immigrants came to America was to escape the turmoil of their own country (Ataiants et al., 2018; Collyer, 2014; Gross-Wyrtzen & El Yacoubi, 2022; Vandeyar, 2012). In 1850, immigrants from China were not allowed to become American citizens. A year later, an immigrant named Wah Lee started the first hand washing business in America and the world. From here, after the discovery of electricity, Chinese immigrants opened the same service until the washing machine manufacturing industry was developed.

Today's business competition is very much, from mining companies to agribusiness. In addition to great service, entrepreneurs don't only think about selling. This not only improves the quality of products and services, but also encourages entrepreneurs to rethink presenting their products and services so that consumers are interested in buying the products or services being sold.

A laundry service is a place where clothes are not only washed, but also cared for to make them cleaner and last longer, a direct and practical factor that is becoming a trend in today's society. Once the importance of the existence of laundry, this business is growing rapidly. Previously, the laundry business was primarily operated by hotels, but now it can be utilized by people with capital and the general public.

Based on global data released by the Japnas Investment Forum, laundry business revenue has always increased from 2012 to 2019 and is predicted to continue to increase in 2025.

The number of competitors in the laundry service sector means that companies must face intense competition to be able to continue to provide the best to their customers and ensure that these customers are very satisfied with their laundry services.

An example of a laundry business that is currently being carried out is Mrs. Titi Laundry which is located on Jl. Kalimongso No. 74, Pondok Aren, South Tangerang. This location is in a strategic place, between the general public and educational institutions namely, PKN STAN.

Mrs. Titi Laundry has a workforce of three people to run the business. This outlet is open every day from 06.30 to 22.00 WIB. When it first opened in 2017 and lasted until 2023. This business is fully managed by the nuclear family, namely Father, Mother and a Child.

Starting in 2020, 2,683 PKN STAN students have started to be sent home due to the pandemic, so they have to take part in distance learning. Immediately, the economic activity around the campus was affected by these conditions, including the laundry business. From 2021 to mid-2022, the number of STAN students participating in on-campus learning is 531 people. Then since September 2022, the number of students participating in education is 1,800 people. In the third quarter of 2023, the estimated number of students who will be around the PKN STAN area is 3900 people.

Based on this phenomenon, the author tries to analyze Mrs. Titi Laundry's customer loyalty in terms of promotion, location, service and logo as moderating variables.

Logos can be used to bring a positive image internally and externally in an effective way. In the era of globalization, the use of a logo is inevitable as an effort to identify a company. Nowadays, the competition is getting tougher because there are many similar companies competing with each other for market segmentation.

A logo design composed of recognizable elements need not complement its many lines and contours to be clear and effective. Reducing the number of lines in a logo not only reduces complexity, but also makes the logo more attractive to look at.(Lidwell & Butler, n.d.)

Good marketing communications can provide a clear picture of the information conveyed by a brand, both information in the form of products or services, a promotional and marketing campaign and even a company profile to its stakeholders. Through good marketing communications, stakeholders can believe in a message communicated by a brand. This trust will later influence consumer loyalty and decisions to make purchases (Wibowo, 2021).

Determining the location of the premises for each business is an important task for the owner, because the wrong decision can result in failure before the business starts. Location is a place that is considered strategic for business in terms of distance, and the level of ease of transportation (Swastha and Irawan, 2002:24). Kotler (2003:14) states that the key to business success is location, location, and location. This reflects the importance of choosing the right location, determining the right location will give a picture of the success of a business.

Companies are seen as a number of productive resources and each company has a number of different resources. Strategic company resources have valuable, rare, inimitable and non-substitutable characteristics which are the source of achieving company performance (Hitt et al., 2001). Strategy must be defined to achieve business unit objectives. Basically, business strategy contributes to the company's success in achieving the goals that have been set. Therefore, to achieve this goal, companies need to analyze their environment, both internally and externally, which affects their level of competition (Listia, 2017).

Internal factors that influence company performance are company resources, company capabilities, entrepreneurial orientation, product innovation, and competitive advantage, while external factors are market attractiveness and competition.(Dwimahendawan, 2020)

Based on the phenomenon of empirical data and research gaps obtained, the researcher determined the research title as follows: "Post-pandemic Mrs. Titi Laundry Customer Loyalty with Promotion, Location, and Service Variables Moderated by Company Logo".

METHOD

The research conducted at Mrs. Titi Laundry on Jl. Kalimongso Raya No. 73 involves a six-month study aimed at exploring the impact of different variables on customer loyalty. The variables under investigation include promotion, location, service quality, company logo and loyalty. This explanatory research utilizes a quantitative approach, employing multivariate analysis to examine the relationships between these variables. The study's design involves testing the influence of three exogenous variables, namely promotion ($X1$), location ($X2$), and service quality ($X3$), on the endogenous variable of customer loyalty (Z), with the moderating variable of the company logo (Y). The population under study consists of all customers who have used Mrs. Titi Laundry's services, a total of 28 respondents.

RESULTS AND DISCUSSION

Influence Significance Test

Direct effect or direct relationship is defined as a positive or negative relationship between exogenous variables and endogenous variables by looking at the path coefficient value as a significance value (p value <0.05 means significant). The significance of these values can be seen in table 1.

Table 1
Significance of Influence Test

Influence	Path Coefficient	P Values	R-squared
X1 -> Y	0.713	<0.001	
X2 -> Y	0.371	0.008	
X3 -> Y	0.127	0.206	0.985
Z*X1 -> Y	0.032	0.420	
Z*X2 -> Y	0.064	0.341	
Z*X3 -> Y	0.089	0.285	

From the test results, X1 has a positive effect on Y, with a path coefficient value of 0.713, and is significant with a P-value <0.001 which means <0.05. Then, X2 has a positive effect on Y, with a path coefficient value of 0.371, and is significant with a P-value of 0.008 which means <0.05. Next, X3 has a positive effect on Y, with a path coefficient value of 0.127, but not significant with a P-value of 0.206 which means >0.05.

Next, Znot significantly moderating the effect of X1 on Y, with a P-value of 0.420, which means > 0.05. Next, Z does not significantly moderate the effect of X2 on Y, with a P-value of 0.341, which means >0.05. Finally, Z also does not significantly moderate the effect of X3 on Y, with a P-value of 0.285, which means >0.05.

Variable Y has a value*adjusted R²*of 0.98 (0.25 ≤ adjusted R² ≥ 0.50), which means it has moderate criteria. This figure also indicates that 98% of the variable Y is influenced by the variables X1, X2, and X3. While the remaining 2% is influenced by other factors not observed in this study.

Testing*goodness of fit*took seven model indicators such as Average Path Coefficient (APC), Average R-squared (ARS), Average Adjusted R-squared (AARS), Average VIF (AVIF), R-squared contribution ratio (RSCR), Tenenhaus Goodness of Fit (GoF).), and Statistical suppression ratio (SSR). These tests can be seen in table 2.

Table 2
Value of Goodness of Fit Model

Criteria	Mark	Status
Average path coefficient(APC)	0.232; p < 0.006	*accept*
Average R-squared(ARS)	0.985; p < 0.001	*accept*
Average Adjusted R-squared(AARS)	0.980; p < 0.001	*accept*
*Average block*VIF (AVIF)	4,646	*accept*
R-squared contribution ratio (RSCR)	0.923	*accept*
*Tenenhaus*GoF (GoF)	0.745	*large*
Statistical suppression ratio (SSR)	1,000	*accept*

Source: Data processed by the author (2023)

From the seven indicators of model fit and quality index above, it can be concluded that the model has good and proper fit or the model is fit with the data, with the following explanation: the APC indicator has a value of 0.232 and p <0.006 or <0.05, which means that it is acceptable (accept). The ARS indicator has a value of 0.985 and p <0.001 or <0.05 which means it can be accepted. The AARS indicator has a value of 0.980 and p <0.001 or <0.05 which means it is acceptable. The AVIF value of 4.646 means that it has a value of ≤ 5 so that it can be accepted and illustrates that the model is free from multicollinearity problems between variables and their indicators. The RSCR of 0.923 is in the acceptable category and illustrates that 92% of the paths in the model are not negatively contributed by R-squared. The GoF value

is 0.745 or ≥ 0.36, which means that the model is included in the large category. The SSR value of 1 is in the acceptable category and illustrates that 100% of the paths in the model are free from statistical suppression.

Data Analysis and Hypothesis Testing

Analysis and hypothesis testing is based on the p value <0.05 and the t ratio in table 3 below:

Table 3
Hypothesis test

hypothesis	Variable	Path Coef	p-value	t ratio	t value	Results
H1	X1→Y	0.713	<0.001	7,407	1.98	Accepted
H2	X2→Y	0.371	0.008	3,850	1.98	Accepted
H3	X3→Y	0.127	0.206	1.317	1.98	Rejected
H4	X1*Z→Y	0.032	0.420	0.330	1.98	Rejected
H5	X2*Z→Y	0.064	0.341	0.663	1.98	Rejected
H6	X3*Z→Y	0.089	0.285	0.919	1.98	Rejected

Source: Data processed by the author (2023)

Based on these data, testing for hypothesis 1 states that promotion has a positive and significant effect on customer loyalty. This is known from the value of the H1 variable→Y which has a p value of <0.001 (<0.05) and a t ratio of 7.881 (>1.98). In addition, the path coefficient value of 0.713 indicates that promotion has an effect of 71.3% on customer loyalty. In testing hypothesis 2, it is known that location has a positive and significant effect on customer loyalty. These results are based on the H2 variable→Y which has a p value of 0.008 (<0.05) and a t ratio of 3.850 (>1.98). In addition, the path coefficient value of 0.371 illustrates that location has an influence of 37.1% on customer loyalty. Then in testing hypothesis 3 states that service has a positive but not significant effect on customer loyalty. This is known from the value of the H3 variable→Y which has a p value of 0.206 (> 0.05), a t ratio of 1.317 (<1.98), and a path coefficient value of 0.127.

Hypothesis 4 proposed, the logo moderates the relationship between promotion and customer loyalty. From the test results, the p value is 0.420 (> 0.05), the t ratio is 0.330 (<1.98), and the path coefficient is 0.032. This means that the hypothesis proposed is unacceptable, in other words the logo is not successful in moderating the promotion of customer loyalty.

Hypothesis 5 proposed is that the logo moderates between location and customer loyalty. From the test results,*p-value*of 0.341 (> 0.05), t ratio of 0.663 (<1.98), and path coefficient of 0.064. This shows that the hypothesis proposed is not acceptable, which means that the logo does not manage to moderate between location and customer loyalty. Hypothesis 6 states that the logo moderates between service and customer loyalty. From the test results,*p-value*of 0.285, t ratio of 0.919 (<1.98), and path coefficient of 0.089. This condition explains that the hypothesis proposed is unacceptable, in other words, the logo is not successful in

moderating service to customer loyalty.

Discussion

The study used the method of distributing questionnaires to a population of 28 respondents from a number of indicators in each research variable. The results of the validity test for each research variable consisting of promotion, location, service, customer loyalty, and company logo, found that all statement items for each variable were valid. In the reliability test, it can be seen that all valid question items can be proven reliable.

Based on testing the H1 hypothesis, it is stated that promotion has a positive and significant effect on customer loyalty. The more vigorous the promotions offered, the more loyal customers will be and vice versa. In the midst of the rise of the laundry business, consumers will choose products that have lots of attractive offers in the form of promotions.

This is in accordance with Hasan's theory (2015: 603) in Insani & Madiawati (2020) which states that promotion is a marketing strategy that focuses on influencing consumers to take part in transactions or delivery between businesses and consumers to carry out important activities. The variety of offers by companies will increase the curiosity of consumers or potential customers to choose products. This is also in accordance with research conducted by Farisi & Siregar (2020) that promotion has a significant effect on customer loyalty.

Based on testing the H2 hypothesis, it is stated that location has a positive and significant effect on customer loyalty. A location that is easily accessible and found, as well as a clear existence, makes consumers believe in the company's credibility. Thus, the level of customer trust in the company will be large which will ultimately grow customer loyalty.

This is in accordance with the theory of Utami (2012) in Ellie (2018) which states that the physical structure of a business is the main component seen in creating the impression of the business being carried out by the company in positioning its business and activities in delivering the service channels needed by consumers. Consumers will be more confident with the existence of a business form. This is also in accordance with research conducted by Wirawan (et al., 2019) that location has a significant influence on customer loyalty.

Based on testing the H3 hypothesis, it is stated that service has a positive effect on customer loyalty, but not significant. The services offered by Mrs. Titi Laudry have no impact on customer loyalty. In this study, service indicators such as compensation, friendliness, and speed were not aspects that influenced Bu Titi Laundry's customer loyalty.

This is contrary to the theory of Kotler and Keller (2013). Kusuma (2018)which states that service is any action or activity that can be provided as a service by one party to another which is basically intangible and does not result in any gain. Consumers will be more confident with the existence of a business form. Thus, special research is needed to find out what types of services in the current era (post-pandemic) can impact customer loyalty. The minimalist interaction between customers and Mrs. Titi Laundry also has an impact on the significance of the service's influence on customer loyalty. The pandemic factor that limited physical gatherings was the trigger for this.

Based on testing the H4 hypothesis, it is stated that the logo does not significantly moderate the promotion relationship with customer loyalty. The logo owned by Titi Laudry has a positive but insignificant role in moderating the promotion variable and customer loyalty.

The results of this study show the same results as the results of Agustin Mutia Syahidah's research which conveys that product imagesunable to moderate the celebrity endorser on purchasing decisions (Syahidah et al., 2022). So, hypothesis 4 which states that the logo moderates the promotion of customer loyalty is unacceptable.

The logo used by Mrs. Titi Laundry in the promotion is only limited to the WhatsApp

contact picture profile which is not always noticed by customers. In contrast, if the promotion is carried out through status, it is likely that the logo will significantly moderate the promotion of customer loyalty.

Based on testing the H5 hypothesis, the logo is not successful in moderating the relationship between location and customer loyalty. This means that the logo owned by Titi Laudry does not significantly moderate the location variable on customer loyalty.

This is contrary to the theory of Kotler and Keller (2013).Kusuma (2018)which states that any action or activity that can be provided as a service by one party to another and is essentially intangible and produces no benefit is referred to as a service. So in this case, the logo does not play a role in moderating location on customer loyalty.

The logo applied by Mrs. Titi Laundry on WhatsApp has not been implemented at the onsite location. The use of a different logo will cause disharmony to customers. This condition plays a role in moderating the logo on the relationship between location and customer loyalty.

Based on testing the H6 hypothesis, the logo is not successful in moderating the relationship between service and customer loyalty. The logo owned by Titi Laudry has a positive but not significant effect on moderating service on customer loyalty. That is, the logo is not successful in moderating between service and customer loyalty.

This is contrary to the theory of Kotler and Keller (2013). Kusuma (2018)which states that service is any action or activity that can be provided as a service by one party to another which is basically intangible and does not result in any gain. Consumers will be more confident with the existence of a business form. Thus, more intensity is needed between customers and Mrs. Titi Laundry, not limited to online transactions, but also face-to-face interactions.

CONCLUSION

Based on the results of research conducted on Mrs. Titi Laundry after the pandemic involving promotion, location, service, and company logo variables as moderators, several conclusions can be drawn. First, promotion has a positive and significant impact on customer loyalty. The stronger the promotion given, the more customer loyalty will increase, and vice versa. Second, location also plays an important role in increasing customer loyalty, with a strategic location making a positive and significant contribution to the level of loyalty. Third, although service has a positive effect, it is not significant on customer loyalty. Post-pandemic factors seem to influence the relationship between customer service and loyalty. Fourth, company logo does not have a significant impact in moderating the relationship between promotion and customer loyalty variables. Fifth, the logo also does not have a significant influence in moderating the relationship between location and customer loyalty. Finally, the logo has a positive but not significant influence in moderating the relationship between service and customer loyalty. The overall results of this study provide a deeper understanding of how promotion, location, service, and company logos interact in the context of customer loyalty at Bu Titi Laundry after facing a pandemic. logo has a positive but not significant influence in moderating the relationship between service and customer loyalty. The overall results of this study provide a deeper understanding of how promotion, location, service, and company logos interact in the context of customer loyalty at Bu Titi Laundry after facing a pandemic. logo has a positive but not significant influence in moderating the relationship between service and customer loyalty. The overall results of this study provide a deeper understanding of how promotion, location, service, and company logos interact in the context of customer loyalty at Bu Titi Laundry after facing a pandemic.

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