

Effect of Marketing Communication, Satisfaction and Advertising on Consumer Loyalty in PT. Prudential Life Insurance

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Abstract

The success of the company in order to survive and win the current business competition is the support of the loyalty of consumers who continuously use the company's products for their daily needs. In order to optimally encourage and increase consumer loyalty, consistent efforts are needed from all employees by improving communication skills when marketing products, providing optimal satisfaction in accordance with consumer expectations and desires and conducting advertisements with the right media and at the right time. For this reason, the research is intended to examine and determine the effect of marketing communication, satisfaction and advertising partially and simultaneously on consumer loyalty. The research uses quantitative, the population is prudential customers who have used the product as many as 1,250 people and sampling with the Slovin formula so that the number of samples is 93 respondents. The analysis technique used is data quality test, F test, t test, classical assumptions and hypotheses and multiple linear regression. The test results show that partially marketing communication has a significant effect on loyalty, satisfaction and advertising has no significant effect on loyalty. Simultaneously, marketing communications, satisfaction and advertising have a significant effect on consumer loyalty. The ability of consumer loyalty can be explained by marketing communications, satisfaction and advertising by 45.1% and the remaining 54.9% is explained by other variables outside the scope of this study. Marketing communication, satisfaction and advertising have a strong enough correlation to loyalty.

Keywords: Marketing Communication, Satisfaction, Advertising, Loyalty

1. Introduction

Creating The development of insurance companies in Indonesia is currently experiencing quite good growth, this is indicated by the opening of several branch offices by insurance companies in strategic locations so that they are expected to reach consumers to market insurance products. The company's continuity in running its business cannot be separated from the support and loyalty of customers to always buy products and use insurance products to meet insurance needs for personal and business interests. Usually there are many factors that can affect customer loyalty, however, in this study the variables that become the main focus are marketing communications, satisfaction and advertising.

Marketing communication is one of the activities carried out by company employees when communicating with customers when offering insurance products to prospective customers or customers. The importance of communication skills by employees is a benchmark seen by prospective customers whether employees are able to communicate well when conveying product and benefit information that is complete and easily understood by prospective customers from various backgrounds. If the communication made by employees is wrong or not right on target, then this can have an impact on moving customers to competitors who offer almost the same products and benefits to meet customer needs.

Satisfaction is one of the efforts made by companies engaged in financial services because customers who get satisfaction from the company for using the products and services provided, this condition can have a positive impact on customer loyalty to recommend products to colleagues, friends and relatives. Conversely, if the customer feels dissatisfaction from the company, it is likely that the customer will move to a competitor who is able to provide the expected satisfaction. Advertising activities are part of the promotion carried out by the company to introduce, inform and persuade customers or the public about new products and the benefits that can be obtained when using these products. However, the advertising costs incurred by the company were initially greater than the expected benefits, so that often results were not achieved from the advertising activities that had been carried out by the company.

This research was conducted at PT. Prudential Life Insurance Medan is one of the insurance companies that is widely known by the people of Medan. In its activities, PT. Prudential offers insurance products that are expected to meet the growing needs of the community from time to time. However, more and more competing companies are engaged in the same field, making companies have to make breakthroughs to market their products effectively and efficiently. The company's sustainability cannot be separated from customer loyalty to always routinely use the company's insurance products.

In marketing their products, marketing employees at prudential companies are known that not all of them have the ability and communication skills that are good and correct in marketing products to customers, so there are still mistakes and things that must be avoided in marketing communications such as personal problems, statements that are sensitive some customers are still carried out by employees. Due to the lack of communication skills when marketing insurance products, a number of prospective customers are not interested in buying insurance products from the company. In addition, marketing employees cannot maintain good communication relationships with customers who have purchased insurance products from the company, so that when employees offer new products to old customers, the customer is forced to refuse the offer from the employee as a result, customer loyalty to the company decreases and move to another company.

2. Methodology

Technology This research was conducted at PT. Prudential Life Insurance Medan which is located at JL. Let. Gen. M.T. Haryono, No. A-1, Medan. The time of the study was carried out from January 2020 to June 2020. In this study, the quantitative research approach is measured in the form of numbers. This study uses a descriptive type of research with the nature of the research is explanatory. The population used in this study is Prudential customers who have used insurance products in 2020 as many as 1,250 people. Priyastama (2017:12), the sample is a collection of data taken from the population. The formula used to take the research sample is using the Slovin formula, which uses 93 data.

According to Soewadji (2012: 135), the data collection techniques used in this study were carried out in several ways including observation, surveys and literature studies. According to Priyastama (2017:85), the types of data used in this study are primary and secondary data. Primary data is data

obtained directly from the research site without intermediaries, while secondary data is data that has been prepared and published by associations or institutions. In this study, the data analysis model used is multiple linear regression with a quantitative approach because this research is measured by numbers. The regression equation in testing this research hypothesis is as follows. The research data analysis method uses multiple linear regression with the following equation:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Testing the effect of marketing communications, satisfaction and advertising on customer loyalty, with the test criteria, namely:

- a. H_0 is accepted, if the coefficient value of t-statistic $<$ t-table at significant t-statistic $>$ 0.05.
- b. H_0 is rejected, if the coefficient value t-statistic $>$ t-table at significant t-statistic $<$ 0.05.

3. Result and Discussion

PT. Prudential Life Insurance is a company engaged in the insurance sector aimed at providing long-term protection for consumers both financially and non-financially. With the increasingly fierce competition in the insurance business in Indonesia, the company tries to make various efforts and marketing strategies that are targeted and effective with the aim that the company's insurance products can be accepted and in demand by consumers and the public. In order to optimally achieve the company's main goals, all employees and management together strive to do and provide the best for the interests and needs of consumers who continue to develop and change from time to time. With satisfaction fulfilled in consumers, it is expected that consumers will show their loyalty to be loyal to continuously use new products offered by the company from time to time in the future.

Normality Test

The following presents the results of normality testing from processing respondents' answers. This graph test is used with the intention of being able to find out and test the level of normality of the data by comparing the observation data with the distribution data that detects a normal distribution. In the following, the test results are presented, namely:

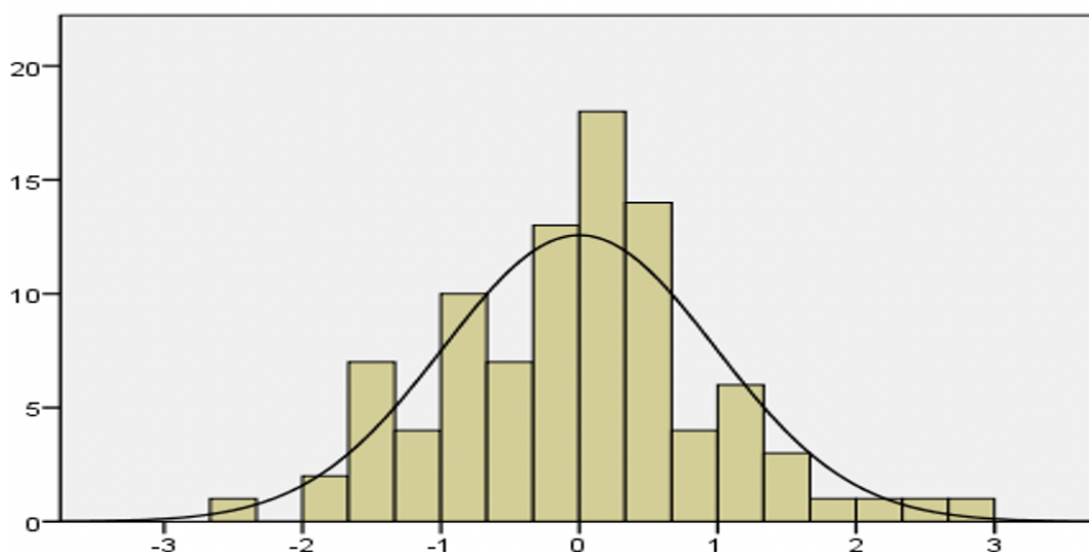


Figure 1. Histogram

Heteroscedasticity Test

The following presents the results of heteroscedasticity testing with two approaches, namely the Scatter Plot Graph Method.

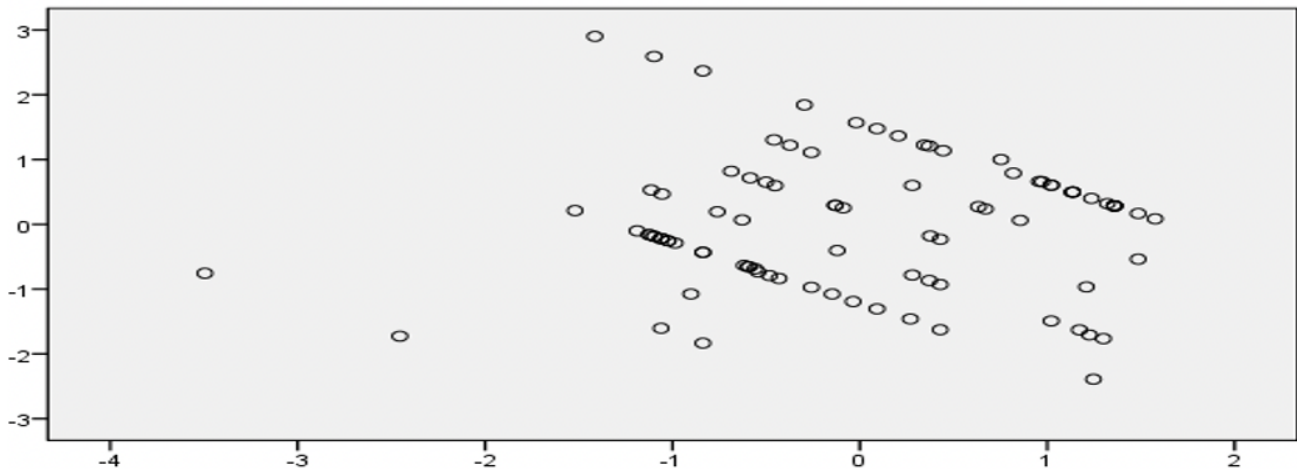


Figure 2. Scatterplot

Multiple Linear Regression

The following is a research test using multiple linear regression in the table below:

Table 1. Coefficient

Model	<i>Unstandardized</i>		<i>Standardized</i>	t	Sig.
	<i>Coefficients</i>		<i>Coefficients</i>		
	B	<i>Std. Error</i>	Beta		
1 (<i>Constant</i>)	3.221	2.011		1.601	.113
X1_Komunikasi pemasaran	.929	.079	.679	7.978	.000
X2_Kepuasan	.050	.050	.080	1.003	.318
X3 Periklanan	-.043	.076	-.047	-.564	.574

The explanation of the multiple linear regression above is as follows: Constant (a) is 3,221 which means that if there is a value of marketing communication, satisfaction and advertising variables, the value of consumer loyalty is 3,221. Marketing communication is 0.929, meaning that if there is an increase of one point, it can increase consumer loyalty by 0.929. Satisfaction of 0.50 means that if there is an increase of one point in satisfaction, it can increase consumer loyalty by 0.50. Advertising is -0.043, meaning that an increase of one point in advertising can reduce consumer loyalty by -0.043.

Hypothesis Determination Coefficient

Here are presented the results of the coefficient of determination as contained in the following table:

Table 2. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R square	F Change
1	.685 _a	.469	.451	1.46395	.469	26.219

R value = 0.685, meaning that the variables of marketing communication, satisfaction and advertising have a strong enough correlation to consumer loyalty. The value of R² = 0.451, meaning that consumer loyalty can be explained by marketing communications, satisfaction and advertising by 45.10% and the remaining 54.90% is explained by other variables that are not examined.

Simultaneous Hypothesis Testing (F test)

The following is the result of simultaneous testing as shown in the following table:

Table 3. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	168.573	3	56.191	26.219	.000 ^a
	Residual	190.739	89	2.143		
	Total	359.312	92			

The table above has a value of Fcount = 26,219 at sig. 0.000. The number of samples is 93, where df (1) = k - 1 = 4 - 1 = 3 and df (2) = n - k = 93 - 4 = 89 THEN the coefficient value of Ftable = 2.71 at sig.0.05. Thus, it is concluded that marketing communication, satisfaction and advertising simultaneously have a positive and significant effect on consumer loyalty (Fcount > Ftable, 26,219 > 2.71 at sig. 0.000 < 0.05).

Partial Hypothesis Testing (t Test)

The following partial test results are presented as shown in the table below, namely:

Table 4. Coefficient Partial

Model	Standardized Coefficients Beta	t	Sig.
1 (Constant)		1.601	.113
X1_Komunikasi pemasaran	.679	7.978	.000
X2_Kepuasan	.080	1.003	.318
X3_Periklanan	-.047	-.564	.574

The number of samples is 93 respondents where df = n - 3 = 93 - 3 = 90 so that the value of t-table = 1.661 in sig. 0.05. The following describes the partial test results, namely: Marketing

communication t-statistic = 7,978 in sig. 0.000, it is concluded that marketing communication can have a significant effect on consumer loyalty ($7.978 > 1.661$ at sig. $0.000 < 0.05$). Satisfaction t-statistic = 1.003 on sig. 0.318, it can be concluded that satisfaction has no significant effect on consumer loyalty ($1.003 < 1.661$ at sig. $0.318 > 0.05$). Advertising Satisfaction t-statistic = -0.564 at sig. 0,574, it is concluded that advertising has no significant effect on consumer loyalty ($-0,564 > 1,661$ at sig. $0,574 > 0,05$).

4. Conclusion

The following conclusions can be presented from the processing results, namely: The results of the marketing communication test have a positive and significant effect on consumer loyalty at PT. Prudential Life Insurance. The results of satisfaction testing can have no significant effect on consumer loyalty at PT. Prudential Life Insurance. The results of advertising testing have no significant effect on consumer loyalty at PT. Prudential Life Insurance. The test results, namely marketing communication, satisfaction and advertising simultaneously have a positive and significant effect on consumer loyalty at PT. Prudential Life Insurance.

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