The Influence of Experiential Marketing and Customer Satisfaction toward Customer Loyalty on Cipanas Hot Spring Garut

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ABSTRACT

Indonesia as a country with a huge tourism potential, there should be special attention to be utilized maximally. The simplest step is developing the nature tourism, for example hot spring tourism. West Java can become a potential for burgeoning of hot spring tourism such as Garut. It has a popular hot spring tourism called Cipanas. The evaluation can be gotten through knowing customer experience who have visited Cipanas. Experiential Marketing theory becomes a complete solution in knowing the customer experience in detail. This experience will be related to how the satisfaction and loyalty of tourists after visited Cipanas hot spring. In addition, it shows which gap that need a special attention. The research objective is to determine how the influence of experiential marketing and customer satisfaction toward customer loyalty as a best practice on advancement of Cipanas hot spring tourism. The data that will be obtained is by spreading questionnaires that contains in-depth questions about the three variables. The target of the respondents is 200 with qualification; domestic tourists and residents. The output will be seen by virtue of the gap on experiential marketing dimensions to evaluate effectively. Researcher believes that this research will help gradually the Indonesian economy.

Keywords
Experiential Marketing, Customer Satisfaction Customer Loyalty, Hot Spring Tourism,

1. INTRODUCTION

A country must realize and know more about its potential to be used wisely, so it would be important to know how to attract the attention of the whole world. In Indonesia, tourism sector has the potential to increase local revenue[1]. Currently, tourism can be a strategy in improving the nation's economy, this is supported by UNWTO[2] which explains that tourism can increase the world's GDP by 10% in 2015 and also predicts the number of international tourists from 1186 million in 2015 will increase by 1.8 billion by 2030. When the country has great tourism potential and used intelligently, it helps to become a rich and developed country. Asia becomes a potential location in developing tourism sector[3]. As a developing country, Indonesia actually has the potential of nature that can be utilized as a natural tourism. As the time goes by, Indonesia nature will be getting lost because Indonesian who do not know how to use it well. Indonesia is still rated 8 of 10 Top Tourist Destination[4], and also 9 of 10 The Most Visited Countries[5]. West Java became the best province in the movement of tourism compared to other provinces in Indonesia[6]. Therefore, West Java can be a target in the development of tourism as a strategy in growing the Indonesian economy.

Based on Badan Pusat Statistika graph of West Java[7] above shows that every year, foreign or local tourists always increase, except in 2013. However, in 2016 there was a drastic increase. The above data should increase awareness of every tourism enthusiast, especially nature tourism in West Java to always develop the quality of tourism by maintaining and increasing the number of tourists coming to West Java. It has 17 active volcanoes, some of which can be harnessed by the earth's heat to create a hot water source. The development of hot spring tourism in West Java is quite high as Cipanas hot spring tourism.
Experiential Marketing describes the experience gained from the stimulus provided by a marketer [8]. One's experience is able to influence customer consumption patterns. When customers get a good experience, it will indirectly affect the loyalty of customers to re-buy products/services. Schmitt [8] explains there are five assessments in experiential marketing: sensory experience (sense), affective experience (feel), creative cognitive experience (think), physical experience (act), and social identity experience (relate). Through the application of good experiential marketing concept will be able to build an unforgettable experience for customers. The concept of experiential marketing is a touch both physically and psychologically that can provide convenience for customers to the services that customers get during interacting with the company. In general, companies make a lot of strategies just to get customer satisfaction. It helps to know whether customers are happy or disappointed about a product or service [9]. Satisfaction becomes the customer's benchmark of the gap between expectations and the perceptions they feel for the services they have consumed [10]. The findings of customer opinions that have felt and tried a product or service will be a foundation of a company to evaluate the company quality. When customers have a good experience, customer satisfaction comes to mind for what has been earned [11]. The existence of Cipanas hot spring tourism can attract customers both local tourist and foreign tourist. By knowing different points of view with different backgrounds will get valid and reliable evaluation results.

Creating an unforgettable experience increases management in expecting high customer loyalty. Research results of Donnelly [12] explained that the positive customer experience will build customer loyalty. The experience customers in interacting with a company's services becomes a consideration in prioritizing company services compared to other services [11]. With high loyalty, customers will try to share experiences in trying a tourist destination to their environment. This commitment becomes the basis why customers re-visit a destination. Therefore, the success of creating customer loyalty will be able to maintain tourism among existing tourism competitors.

After knowing the above phenomena, various business specifically on business services in the field of tourism would need to maintain the quality of service to provide good experience to customers. The importance of increasing customer satisfaction is to maintain customer loyalty. It would be the basis of a marketer's obligation to deepen the customer experience in building a sustainable tourism. One of them is hot spring tourism owned by Garut which is expected to become the biggest contributor in tourist arrival in Indonesia. This research used experiential marketing to know customer experience in depth. Therefore, the objective of this research is knowing how the effect of experiential marketing and customer satisfaction toward customer loyalty on Cipanas Garut hot spring. Researcher believed this research can help increasing tourist arrivals that are expected to have an impact on sustainable economic development.

2. LITERATURE REVIEW

2.1 Experiential Marketing

Experiential marketing describes the experience gained from the stimulus by a marketer. Schmitt [8] explains how to know the influence of what has been given from all points of view of the quality of products/services that have been obtained that is by knowing experiential marketing. The customer experience is of particular concern to marketers [13]. It is also able to explain the significant differences in customer feelings on experience after trying products and services [14]. Schmitt [9] explains there are five assessments in experiential marketing are: Sensory experience (sense); affective experience (feel); creative cognitive experience (think); physical experience (act) and social identity experience (relate).

Sensory experience (sense) is the creation of experiences related to the five senses through sight, sound, touch, taste, and smell. Affective experience (feel) encourage service by affecting the mood and emotion of a company. Creative cognitive experience (think) about management intelligence to create cognitive experiences and problem solving by engaging customers creatively. Physical Experience (act) is the ability of management in connecting corporations (tour companies) with social circumstances, lifestyle, and culture that can reflect the brand. Relate Experience is a combination of four aspects of experiential marketing: sense, feel, think, and act and shows relationships with others, other groups (e.g. work, lifestyle) or a wider and abstract social community (e.g. country, society, culture).

2.2 Customer Satisfaction

Customer Satisfaction is a Figure of customer's feelings toward comparison of results obtained with what is expected [15]. In addition, Yang and Peterson [16] explain that customer satisfaction is the main focus in more effective marketing programs. It describes as the overall satisfaction that customers
aim at goods or services after they acquire and use them\textsuperscript{[17]}. The overall satisfaction viewpoint views customer satisfaction in an evaluation requiring a satisfactory summary of the specific product/service and various aspects of the company. In short, actually satisfaction is a function of perception or impression of performance and expectations. If performance is below expectations, customers are not satisfied and vice versa if performance meets and exceeds expectations then customers will feel satisfied.

Based on the whole in-depth study of the theory of variables to be used and review of previous research can be seen how the relationship of each variable. The customer experience is illustrated by the five dimensions in experiential marketing\textsuperscript{[8]}. With the Figure of all aspects of experience can describe firsthand how feelings of expectations and reality obtained. As in the study of Alkilani, Ling & Abzakh\textsuperscript{[18]} about experiential marketing that can affect customer satisfaction, even to make the commitment of customers to always survive in using social media. Experiential marketing was able to describe how the quality of a product/service\textsuperscript{[8]}. Supported by research Chen\textsuperscript{[15]} which explains that service quality will greatly affect customer satisfaction.

2.3 Customer Loyalty

One of the most valuable assets of a business is customer loyalty because loyalty can bring huge profits to the company. Customer loyalty is a buy-back measure of a product already marketed by the company\textsuperscript{[19]}. Customer loyalty can also be interpreted as a customer's willingness to continue making repeated purchases of a product as well as promoting voluntarily to the nearest person\textsuperscript{[20]}. Customer loyalty will make the company have strong competitiveness to compete with other companies\textsuperscript{[21]}. Thus, customer loyalty can be interpreted as a measure of corporate competitiveness supported by customers' willingness to buy products and promote them to others.

Another relationship between experiential marketing with customer loyalty. One indicator that a customer can be said to be loyal is with a high purchase intensity\textsuperscript{[22]}. This is supported by the research of Nigam\textsuperscript{[23]} that good experience can increase the intensity of purchase. Customer loyalty will be influenced by satisfied customers\textsuperscript{[15]}. Also in research Chao\textsuperscript{[11]} explains that experiential marketing is able to significantly influence customer loyalty and the mediating variables is customer satisfaction. Therefore these three variables have a strong relationship.

Many ways to measure and illustrate how much customer loyalty. When a customer gives influence to others through words, word-of-mouth affects a person's assumptions based on positive or negative opinions given about a service\textsuperscript{[22]}. In addition, the desire to make repeat purchases is able to clearly illustrate customer loyalty. Even though loyal customers will not care about price changes, they will keep the use of products/services they usually buy. According to Bloemer, Ruyter & Wetzel\textsuperscript{[24]} customer concern is usually directly proportional to customer loyalty. When customers provide complaining about products/services, it explains strongly that customers are paying attention and desire a good change to the products/services they use.

![Figure 2. Conceptual Model](image)

2.4 Past Studies

To strengthen the basis of this study, researcher have reviewed the literature of some previous journals. Based on Chao\textsuperscript{[11]} about the influence of experiential marketing on customer loyalty for fitness club customer and its effect when using customer stability and brand image as intervening variables. The result of his research is the importance to increase experiential marketing in getting customer loyalty. But this study finds factors that can affect, namely cultural factor. In addition, customer behavior in the fitness club is also affected age. Another research from Nigam\textsuperscript{[23]} examines the strong influence between experiential marketing on experience value and purchase intention in quick service chain restaurants such as: McDonald's, Punjabi Grill, Pino Pasta Pizza, Pizza Hut, Upper Crust, Domino's, Pollo Campero, Subway and Zamber. The result is that experiential marketing influence on experience value and purchase intention. Automatically, when customers feel a good experience, it is able to increase the intensity of the purchase. In addition, this research suggests that innovative in quick service chain restaurants should be continuously improved. In addition, Chen\textsuperscript{[15]} research objective is knowing the
implication service quality of the hot spring hotel towards customer satisfaction and customer loyalty. The results of this study explain that service quality in Taiwan hot spring tourism is good enough. With the quality of service, this is positively and significantly affect the customer satisfaction. The high satisfaction customer also influence customer loyalty, when customers feel satisfied, they will become a loyal customer. In addition, this study explains there is no positive and significant influence between service quality and customer loyalty. It can be concluded that a special effort hot spring wants customer to be loyal, still starting from the service quality. After the service quality increases, the level of customer satisfaction will be higher, also on customer loyalty. Another supporting from Lee, Hsiao & Yang [25] that the study aims to determine how influence between experiential marketing, customer satisfaction, customer loyalty and service quality. All variables are used from the point of view of customers who have visited several shopping malls in Tainan. However, unlike other research, experiential marketing only serves the dimensions of sensation and association experiences.

3. RESEARCH METHODOLOGY

According Simamora [26] explains that the blue print or like the term framework of thinking is needed in doing research. Problem solving in a research needs to make a research design to be the basis of research conducted [27]. The mindset in congregation in accordance with the activities to be done will help researchers in completing the invention effectively and efficiently. This research uses descriptive design. This is because an important point in the purpose of this research is to describe the phenomena that occur with the hypothesis to know the relationship between related variables [28]. Therefore, the research will describe the influence of experiential marketing on customer satisfaction and its effect on customer loyalty with customer satisfaction as intervening at hot spring tourism in West Java. In addition, the study included cross-sectional studies by only distributing questionnaires and gathering past related studies at a time (point time approach).

Population is a collection of specifications of all objects, subjects or members and populations as a result of generalization of studies [29]. The subject of this research is local tourist and foreign tourist who have visited hot spring in West Java. The sampling technique is the process of determining a portion of the population capable of representing all population targets [30]. This study uses simple random sampling, where respondents will be determined randomly for anyone who has visited Cipanas Garut. In this case, the target to be achieved is 200 respondents [31].

The data source of this research use primary data and secondary data. Primary data is to identify and solve problems from data collected by researchers [27]. In this case, researchers collected questionnaires as many as 200 respondents as the primary data source of research. Whereas secondary data is data already available and collected by third parties or against their own reasoning [32]. For example, researchers collect secondary data sources from journals, studies, books, and other documents related to the theoretical discussion.

The document that contains a collection of detailed information from respondents regarding a study is called a questionnaire aimed at analyzing interpreted differences obtained from different answers to questions [29]. The questionnaire given to the respondents of this research is about the opinion of customers on the 5 experience indicators that have been felt, how the satisfaction and loyalty of Cipanas hot spring customers. Another explained by Chi [33] would be better in calculating the satisfaction by using the likert-scale for the dimensions of available questions starting from very unsatisfied (1) and very satisfied (5). In general, this research will use Likert scale to calculate every indicator contained in dimension starting from (1) Strongly Disagree to, (2) Disagree, (3) Neutral, (4) Agreed and (5) Strongly Agree.

In this research, four techniques are used to calculate the data, namely: First, the validity test is the level of measurement that determines each question whether it is able to measure or not [29]. The interpretation data described by the validity test resulted in a specific procedure [34]. The second is a reliability test that explains the measurement of the consistency and stability of the temporal stability of all test variables from one measurement to another over time for various tests [29]. Third is a regression test that aims to determine the effect in each variable. Last is the path analysis which aims to describe how big influence of independent variable with dependent variable. In the analysis of the observed variable paths are usually used to form a combination of the number of factors or variables of each scale to measure unobserved constructs [35].

4. RESULT AND DISCUSSION

Here is a table that includes the data of respondents amounted to 213, with the following qualifications:
The validity and reliability test are done to know that the variables used are able to answer the purpose of this research. In detail, the validity test shows accuracy and reinforces the concept of a trusted variable. According Suhartanto [32] in measuring the validity test can use bivariate correlation method, by testing the relationship of each variable with the average of each item in question, with a cut-off value of at least 0.5. The results show that all items are significant to each variable because all the sig values are above the cut-off value. This proves that every item and variables are valid.

In addition, the reliability test shows consistency of respondents’ answers. To perform the test reliability is by using Cronbach’s α. Based on the reliability test obtained results that all the variables studied can be declared valid, it is indicated by the value of reliability is more than cut-off value (0.7). Therefore, it can be concluded that the entire variable used can be declared reliable.

Based on table 1 on the demographic characteristics of respondents divided into gender, age and occupation. It can be seen that in this study, researchers get 213 respondents with the percentage of 36.15% of men and dominated by women of 63.85%. The dominant age in this study was age less than 25 years old 39.9%, age 25 to 35 years 33.8%, age 36 to 45 by 14.08%, and for the smallest percentage was less than 45 years of 12.22%. Also, the occupation is dominated by students 50.23%, civil servant 19.24% and private employees 30.53%.

4.1 Experiential Marketing

Table 2. SPSS Result of Experiential Marketing

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
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<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>77</td>
<td>213</td>
</tr>
<tr>
<td>Female</td>
<td>136</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
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<tr>
<td>&lt; 25</td>
<td>85</td>
<td>213</td>
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<tr>
<td>25-35</td>
<td>72</td>
<td></td>
</tr>
<tr>
<td>36-45</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>&gt; 45</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
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<td></td>
</tr>
<tr>
<td>Students</td>
<td>107</td>
<td>213</td>
</tr>
<tr>
<td>Civil</td>
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<tr>
<td>Servants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
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</tbody>
</table>

An effective way to evaluate the services provided by Cipanas is by knowing the experience of customers who have tried. Marketers can see through experiential marketing analysis. The difference with customer experience, it shows in detail the marketing efforts in providing experience through five dimensions in detail. In addition, this business becomes a way to provide satisfaction and strong impact on customer loyalty. The importance of providing maximum service will have an impact on customer decision making to re-visit a destination. Therefore, Cipanas needs knowing how the response of customers based on experience, satisfaction and loyalty after visiting and feel the service directly. This research shows that experiential marketing gives a direct effect of 54% on customer satisfaction. It shows that Cipanas in providing experience through marketing efforts can impact on customer satisfaction that has been visited. Alkilani, Link and Abzakhi [18] showed that the influence of experiential marketing can affect customer satisfaction. In the study, it is only sense and feel experience that affect satisfaction. The effect of the five dimensions in experiential marketing will give different results according to the type of business. This is shown in the research of Lee, Hsiao & Yang [25] experiential marketing effect on customer satisfaction who have visited several shopping malls in Taiwan. Maximum service will usually provide the same comparison with perceived customer satisfaction. Srinivasan & Srivastava [36] shows that when mall retailers are able to focus on improving customer satisfaction, the most effective way is to provide concentration how to provide a different experience with other retailers.

In addition to affect customer satisfaction, seen from table 3 that experiential marketing can also affect customer loyalty. Chao [11] examined the influence of experiential marketing on customer loyalty to fitness club customers in Taiwan with significant results influential when customer satisfaction serve as mediator. Therefore, improving customer loyalty can start with focus on customer satisfaction. Customer loyalty will be directly proportional to perceived customer satisfaction. The experience felt after the visit to Cipanas, the strongest experience value is seen from feel experience (feeling and emotional mood) and act experience (bodily effect and lifestyle). This is felt because Cipanas provide a different experience. Cipanas use natural heat from Guntur mountain so it impacts on health naturally, good to mood and body fresh after try Cipanas hot spring. The heat given was not too excessive, and in accordance with the natural conditions of Garut.
Currently, every business is starting to compete in providing services to increase customer satisfaction. Customer Satisfaction is a Figure of customer's feelings toward comparison of results obtained with what is expected\cite{25}. Based on table 3 above, showed a positive and significant influence between customer satisfaction on customer loyalty. Each one customer satisfaction unit can affect 0.290 customer loyalty. Measuring tool in this research on customer satisfaction variable is order fulfillment, staff performance, facilities and security.

The differences shown about the value of experiential marketing influence and customer satisfaction on the customer loyalty are not very similar. So this shows the alignment of the influence of the three variables used in this study. According to Kotler and Armstrong\cite{27}, to assess customer loyalty, a business must be able to ensure that the products or services it offers are exactly what they expect, so the result is that customers will be satisfied and then they will be loyal to the product. Broadly speaking, customers who have visited this Cipanas feel satisfied over the overall service. The smallest value of the four indicators used is the employee service. The researcher conclude that the services in Cipanas tend to be less nimble and active in serving customers. The ability of employees to provide maximum performance both in serving or handling complaint become a weapon in increasing customer satisfaction\cite{27}. Therefore, the strengthening of human resources management that need attention by Cipanas, both in monitoring Standard Operating Procedure and giving appreciation as an award periodically.

### 4.2 Customer Satisfaction

Table 3. SPSS Result of Experiential Marketing, Customer Satisfaction and Customer Loyalty

<table>
<thead>
<tr>
<th></th>
<th>Modal Summary</th>
<th>ANOVA</th>
<th>Coefficients</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>R Square</td>
<td>Sig</td>
<td>Sig</td>
</tr>
<tr>
<td>Experiential Marketing</td>
<td>0.290</td>
<td>0.000</td>
<td>0.001</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.001</td>
<td>0.290</td>
<td></td>
</tr>
</tbody>
</table>

**Table 3.** SPSS Result of Experiential Marketing, Customer Satisfaction and Customer Loyalty

Supported by Nigami\cite{23} research that good experience can increase purchasing intensity as one of loyal customer indicator on quick service chain restaurants. However, unlike the research Chao\cite{21} that experiential marketing does not directly affect customer loyalty, so the need for customer satisfaction as an intervening. So indirectly, by utilizing the experience of satisfied customers of Cipanas service, will affect the loyalty of the customer to always do a re-visit in Cipanas hot spring. There needs to be a strong analysis of the deficiencies in marketing efforts in providing a different experience than other hot springs. Therefore, researcher suggests that Cipanas needs an ability to be creative in bringing customer experience. It is not only how to give a unique services, but how the efforts give an impact of customer loyalty.

**5. Conclusion and Managerial Implication**

Tourism development is believed to increase tourist arrivals that will impact on the country’s economy. One way is in the development of hot spring tourism that became one of the excellent potential. Cipanas hot spring in Garut need to be developed as participate in achieving that goal. How to develop it by evaluating business marketers in providing experience to customers. In addition, the experience will have an impact on customer satisfaction that will indirectly increase customer loyalty.

The results of this study explain that experiential marketing and customer satisfaction effect on customer loyalty. Previously, experiential marketing analysis provided by Cipanas, produced the two most powerful dimensions, namely feel and act experience. This is because Cipanas hot spring that utilizes nature so that customers feel the influence on the feeling and health. Overall, this study shows a significant and positive influence between experiential marketing, customer satisfaction and customer loyalty. Cipanas business in building a different experience will give real satisfaction to every customer in attendance. With the satisfaction become an important concern because of the many positive impacts with high customer loyalty. The positive impact is shown by loyal customers by giving positive word-of-mouth to others\cite{22}. According to Roberts, Varki & Bordie\cite{38} explains the importance of establishing strong relationships with customers to increase customer loyalty. Another opinion expressed by Bloemer, Ruyter, & Wetzel\cite{24} customer concern is usually directly proportional to customer loyalty. So one of the efforts in increasing loyalty, by providing maximum satisfaction to customers.
of customers also affect the customer loyalty in assisting marketing efforts in increasing the visit Cipanas. So this explains that Cipanas need to focus on providing customer satisfaction through giving an attractive impression and increase customer loyalty. On the other hand, the result explained experiential marketing influenced customer loyalty and customer satisfaction as an intervening. It means when customer has a good experience, it makes customer satisfied and changes to be loyal customer automatically.

After this research is completed, researcher provides an abstinence angle based on the results obtained on how to increase the value of a consumer's loyalty. This is related to how consumers can feel satisfied with the services provided. The intangible service of consumers' experience is able to provide stimulus to increase indirectly the value of customer loyalty. The researcher advises to always be consistent and maintain the performance that has been given to the maximum consumer. In addition, Cipanas can see the results of this research and make as a reference and performance evaluation of all aspects, Therefore, by improving the shortcomings from the point of view of consumer experience, then this will increase satisfaction and change the paradigm of consumers to be loyal and give a positive impact on prospective consumers others.

REFERENCES