THE IMPLEMENTATION
OF THE RELATIONSHIP MARKETING PROCESS
BY BOURAQ AIRLINES:
The Customer's Perspective

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Variabel independent dalam model ini adalah memahami harapan pelanggan (UCE), kepuasan dengan pelanggan (BSP), total quality management (TQM), dan pemahaman wewenang kepada para karyawan (EF), sedangkan hasil dari proses tersebut (variabel dependent) adalah kepuasan pelanggan (CS) keuatan pelanggan (CL), produk yang berkualitas tinggi (QS), dan kekuatan profitabilitas (IP) pada perusahaan.

Hasil penelitian menunjukkan bahwa: CS tidak dipengaruhi BSP dan TQM secara signifikan, sedangkan pengaruh dari UCE dan EE adalah bagian signifikan melemparkan positif. CB dan QS dipengaruhi kemampuan variabel independent secara signifikan. IP tidak dipengaruhi oleh UCE dan TQM secara signifikan, sedangkan pengaruh dari BSP dan EE terhadap IP tidak signifikan melemparkan positif. Pada umumnya, kepuasan variabel independent walaupun pengaruh yang signifikan arahpad masing-masing variabel dependen pula disempatkan secara simultan.

Keywords: marketing, Boeing Article, customer, total quality management

Introduction

Background

Relationship marketing is a form of market exchange that seeks to integrate customers in designing, development manufacturing, and selling of products. This is done since, in order to remain competitive, producers must avoid selling generic products which may discourage customers to buy solely on the basis of price but rather exploit the total product concept. This can only be achieved if producers, suppliers and their customers work closely together, enabling producers to elicit from
customers what they value. These values should be developed innovatively and competently delivered, ensuring that customers are not just satisfied, but delighted.

The Statement of the Problem

Theory and practice of relationship marketing has tended to focus on exchange relationships between manufacturers and their business clients, and between service providers and clients. In the service industry, service providers consider customers as partners, and yet little attention has been given to customer perception of the relationship marketing process. This research examines this problem in the air transport industry, focusing specifically on customer perception of the implementation of relationship marketing by Bouraq Airlines.

Relationship marketing practices help a service firm like Bouraq Airlines to escape a commodity-like status (Evans and Laskie, 1994). Tailoring it a competitive edge over firms that stress transactional exchange over relational exchange. Unlike packaged goods, grands delivering consistent exceptional services is no longer sufficient; service brands need to be periodically re-stated to reinforce the message that the customer is receiving superior value for his or her money (Proctor, 1995). This is also one way to ensure periodic reassessment by comparing the value producers think they are delivering with the value customers think they are receiving. To do this, constant communication is essential between the sides involved in the exchange.

Bouraq Airlines is a national airline company with more than 25 major branches at regional level throughout Indonesia. However, much of Bouraq Airlines activities are decentralized such that headquarters in Jakarta controls mainly the establishment of fly routes and such facilities purchase and replacement of airplanes. Much of the relationship marketing inputs are thus determined at the provincial level and this study concentrates on the region of Yogyakarta and its customers.

In its attempts to attract and retain customers, regional management has been highly innovative, introducing such customer services as transport to and from the airport for customers in Yogyakarta (cheque services), establishment of the Bouraq multi-stop facility (RMS), Bouraq network sales (RNS), especially important for business customers; Bouraq frequent flier cards (BFFC) with varying discounts for club members; tourist packages for both national and the international customers; and other services as needed.

Despite these innovations and all the efforts and resources invested in them, capacity levels of the airline in Yogyakarta have continued to fluctuate. For example, in 1993 the passenger level reached 14,752, while cargo amounted to 48,856 Kgs. In 1994 the level jumped to 36,035 passengers with 51,536 Kgs of cargo. In 1995, the passenger level decreased slightly to 34,013, while cargo stood at 47,951 Kgs. Fluctuations are even more apparent from the monthly figures. The following questions, then form the basis of this investigation:

1. Is there a significant relationship between understanding of customer expectations, building service partners, total quality management, empowerment of employees and customer satisfaction, loyalty, perceived service quality, and the profitability of Bouraq Airlines?

2. Do the relationship marketing inputs of understanding customer expectations, building service partnerships,
total quality management, and empowerment of employees significantly influence customer satisfaction, loyalty, perceived service quality, and the profitability of Bourn Airlines when considered simultaneously?

Limitations of the Research

The research is limited to customers of Bourn Airlines resident in the province of Yogyakarta since both time and funds to contact respondents and collect data were limited.

Secondly, the study focuses on customer perception of the implementation of relationship marketing without considering the integration process, although this is partly addressed under building of the service partnerships.

Thirdly, the data has been collected by means of a questionnaire with its inherent limitations.

Theoretical Framework

Relationship Marketing

Unlike the classical marketing theory which stresses pre-sale and sale activities, relationship marketing also emphasizes post sale activities. According to Kohler (1994), this makes it more difficult for competitors to overcome barriers by simply offering lower prices or switching incentives to gain customers who will not only be satisfied, and loyal, but will also become partners to the seller.

Relationship marketing begins with the customers. (McKimma, 1991) and as such firms need to determine how existing and potential customers think about company products in relation to those of its competitors. This is essential since customers set up a hierarchy of values, wants, and needs based on empirical data, opinions, word-of-mouth references, and previous experiences with company products and how they are delivered, all of which greatly influence their decision making.

To deliver high value to the customer, producers need to accurately determine customer expectations. This can only be achieved if customers are partners not merely as consumers, but also as participants in product formulation, design, and delivery of any company wishing to remain competitive in a dynamic market environment.

The seller-buyer relational exchange involves analogues benefits and costs. The benefits include reduced exchange uncertainty, managed dependence, exchange efficiency, and social and individual satisfaction resulting from effective communication. The costs on the other hand center on the opportunity costs of foregoing exchange with alternative partners (Filling, et al., 1993; Kwalwai and Narayandas, 1994; Dwyer, et al., 1987). These costs however lessen when the customer becomes a partner.

The parties involved in the relational exchange must be committed to the maintenance of the relationship as indicated by its inputs, durability, and consistency. This creates structural disincentives for the relational resolution or higher switching costs (Dwyer, et al., 1987; Tansik, and Leskin, 1994; Kwalwai and Narayandas, 1995; Filling, et al., 1993). This translates increased sales over time to stable customers into a competitive advantage as increased valued products result in customer satisfaction. As indicated by Heskett et al. (1994), satisfied customers remain loyal, driving profitability and growth of the surpluses.

The relationship marketing theory stresses that the core product is no longer sufficient to ensure customer satisfaction.
hence the need to provide peripheral services. These services, and the way they are delivered to the customer, will form the augmented product/package (Kotler 1994); another reason for customer participation in defining the types of services desired and their integration in company activities.

Relationship marketing incorporates inputs, outputs or expected outcomes, and the assessment stage as indicated in the effective relationship marketing model by Evans and Laskin (1994) is shown in Figure 1. The model highlights relationship marketing from the point of view of both the supplier and customer.

**Figure 1: Effective Relationship Marketing Model.**

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**Relationship Marketing Inputs**

Relationship marketing inputs include understanding customer expectations, building service partnerships, total quality management, and empowering employees.

**Understanding Customer Expectations** (UCE)

Customer expectations are partial beliefs about a product (Zeithaml, et al., 1993) that serves as a standard or a reference point against which product performance is judged. Evans and Trzeciak-however consider customer expectations to be the level at which the customer wants the
product to perform as desired expectation rather than how performance compares with pre-purchase expectations (Zettelm, et al., 1993).

The difficulty in clearly identifying the customer expectations, especially in the service industries, forgets a gap between what customers desire and what they see companies deliver, and a gap between what the firms believe customers desire and what the customers actually want.

It is also important for service firms to understand that customer expectations are rising as e-commerce technology breakthroughs, particularly in information systems. For example, customers of airlines using on-line booking now expect to get responses within seconds, not within minutes as of yesterday.

**Building Service Partnerships (BSP)**

Service partnerships are best when the selling firms work closely and communally with customers to discover and augment desirable customer services in their traditional product offerings. The main objective should be to provide superior services and good value for money in every market segment in which the firm competes, and to excel in anticipating and responding promptly to customer needs and competitor activities (Prümers, 1995).

As such, productive firms must initiate such partnerships by identifying a market segment that can profitably be involved in this kind of partnership.

According to McKeen (1991) partnering with a few carefully selected prospective customers at the earliest stage of product development provides continuous feedback and gives the company the opportunity to develop products acceptable even before the product reaches the market place.

Product firms must monitor, recognize and correct problems, and look to the future especially as technology changes. Strong relationships with customers and the infrastructure requires management to listen and remain open to what customers have to say. Unlike superficial agreements, this type of relationship should encourage both parties to remain honest and open, hence the need for constant communication between the partners.

Service partnerships encourage qualitative analysis as opposed to quantitative marketing (McKenna, 1991). Unlike qualitative marketing which produces historical figures, qualitative marketing helps managers to understand the market environment in terms of social trends, relationships, and competition. All of which affect the way the customer perceives the product.

Companies must also maintain excellent relationships with their agents, since these play a pivotal role in helping the company maintain a close relationship with customers, and gain insights into how the company can improve its products to better meet customer needs (Flitz, 1996). These agents serve as a major source of market information, and as intelligence proxies for customers, as consultants and problem solvers.

A successful service partnership should focus price/product stability since the supplier is able to offer more competitive and more stable prices based on the reliability of re-orders and the resulting production schedules.

Also, since service partnerships improve marketing productivity and lower costs of marketing products to established, well known customers, marketing efficiency is enhanced.

Third, because the supplier is reasonably confident of obtaining business from
customers, and because the supplier is experienced in accurately forecasting seasonal variations in demand, service partnerships need optimal capacity planning.

Lastly, service partnerships with customers help the company to become more customer oriented, understand customers better, and to take appropriate measures to serve the customers better.

However, the cost of long-term customer relationships are characterized as the loss of better exchange alternatives, and the possibility of over dependence between the exchange partners.

**Total Quality Management (TQM)**

The need to continuously improve the quality of products delivered as a necessity for competitiveness has forced companies to adopt the philosophy of total quality management. According to Hart, Heiskel, et al. (1995), no business can afford to lose customers because of poor quality products, for it costs five times more to attract a new customer than to retain one. Firms that neglect their customers will have nobody to serve and subsequently no business to talk of (Dart and Freeman, 1994).

According to Denlinger (1994), TQM puts the customer before everything. The strategies and systems of companies employing total quality management are based on the belief that the customer is king and the customer is always right. As a result of what Denlinger calls the 4 Cs—changing customers and/or their needs, increasing competition, rising costs, and impending crises—such a company can determine which opportunities to grab and which problems to solve first.

In the service industry the emphasis should be on Total Quality Service (Sukkah, 1994), for TQM focuses more on final product conformance to predetermined standards while services are concerned. But TQS successfully if the workforce is trained, educated, and wanted to make informed decisions on how to consistently improve work processes.

The need for continuous product improvement through innovations and increasing customer value requires investment not only in technology, but in the people whose experience and flexibility can not so easily be copied but will continue to produce customized improved products over time.

**Empowering Employees (EE)**

Empowerment generally means letting free front-line employees and encouraging them to exercise creativity in solving customer problems. Being closer to the customer and the first to know about problems, these employees are in the best position to determine what needs to be done to satisfy the customer. So, they must be given the authority, responsibility, and incentives to recognize, care about, and attend to customer needs. Here, the organization must realize that frontline employees are the ones that ultimately create value by determining the kind of experience that the company generates for its customers (Ivenshine, 1995). Frontline employees provide the king on the cake, differencing a company’s products from those of its competitors.

Employee empowerment helps to turn superficial contacts in long-standing relationships, to create a true feeling of company commitment to customer satisfaction, to motivate employees, and helps the company to get rid of or reduce internal bureaucracy multiple levels of approval (Evans and Laskin, 1994).
Relationship Marketing Output

A firm that understands customer expectations, builds service partnerships with its customers, empowers its employees, and embraces total quality management is expected to achieve the positive outcomes of customer satisfaction, customer loyalty, quality products, and increased profitability.

Customer Satisfaction (CS)

The basic role of relationship marketing is to improve customer satisfaction. A satisfied customer is one that receives significant added value from a supplier: satisfying a customer does not simply mean added products, services, or even systems (Hansand and Laskin, 1994; Crane, 1991). Since satisfied customers are usually retained, while dissatisfied customers are lost, it is very important for a firm to isolate any reasons for dissatisfaction so that corrective action is taken to prevent such occurrences in the future. Satisfying customers is the primary obligation of any company for it provides the glue that holds the various corporate functions together and directs corporate resource allocation.

Satisfaction is a subjective comparison of what a customer expected the product to provide, and what it actually provides. Crane (1991) also argues that satisfaction is dependent on perceived alternatives, which, when compared, may result in dissatisfaction. To Anderson, Forsell, and Lehmann (1994), customer satisfaction is dependent on the price of the offer made to the customer. The relative value of the supplier's offer (quality relative to price) has a direct impact of how satisfied customers are with that supplier.

In service industries, client satisfaction with the vendor depends not only on the past and the ongoing experience with the product, but also on the anticipated quality of the future service as well as the ability of the service to provide for the future needs (Anderson, et al., 1994). This suggests that customer satisfaction is a reflection of a firm's reputation for providing a high (or low) quality product and its ability to do so in the future. This leads to the first set of hypotheses:

H1: Understanding customer expectations will result in Bourn Airline customer satisfaction.

H2: Building service partnerships with its customers will result in Bourn Airline customer satisfaction.

H3: Employing TQM will result in Bourn Airline customer satisfaction.

H4: Empowering frontline employees at Bourn Airline will result in customer satisfaction.

H5: Understanding customer expectations, building service partnerships, employing TQM, and empowering frontline employees will result in Bourn Airline Customer satisfaction.

Customer Loyalty (CL)

A loyal customer is one who is willing to make repeated purchase from the same supplier, may or may not purchase across product lines, engages in positive word-of-mouth referrals to potential customers, and is immune to the persuasion of competitors (Evans and Laskin, 1994).

Teachie customer loyalty the product a company offers must be able to move the customer beyond its level of satisfaction through the stage of feeling delighted into the state of feeling affection (Tobler, et al., 1996). The benefits the customer enjoys must be beyond the functional: they must be psychological too.
Important too, is that such benefits must not have been expected by the customer and should not have been paid for.

However the challenge, especially to service providers is to develop a special relationship with the company's "best customers" so that they experience an affection towards the company and view themselves as receiving special privileges and awards (Kotler, 1994).

Relationship marketing fosters a one-to-one approach. This enables the firm to be able to listen and differentiate its product offerings in line with customer needs, and to respond to the customer demands and complaints. This leads to the second set of hypotheses:

H6: Understanding customer expectations will result in Bouraq Airlines having loyal customers.

H7: Building service partnerships with the customer will result in Bouraq Airlines having loyal customers.

H8: Employing TQM will result in Bouraq Airlines having loyal customers.

H9: Empowering of frontline employees will result in Bouraq Airlines having loyal customers.

H10: Understanding of customer expectations, building service partnerships, employing TQM, and empowering of frontline employees will result in Bouraq Airlines having loyal customers.

Quality of Services (QS)

This is a multidimensional construct which can be viewed as technical quality, functional quality, process quality and output quality determined by the customer after the product has been delivered (Herbig and O'Hara, 1994).

Whereas consumers assess the consumption of goods on the tangible characteristics, when evaluating services, they seek out other "peripheral" cues. Such cues include the service provider's physical facilities, reliability of performance of the promised service, responsiveness and assurance or the ability of the workers to act with competence so as to elicit trust and confidence of the customers (Herbig and O'Hara, 1994). Therefore the service providers have to manage the evidence (to tangibilize the intangibles) by putting evidence and imagery to their abstract offers. This leads to the next set of hypotheses:

H11: Understanding, customer expectations will mean customers of Bouraq Airlines will perceive its services as of high quality.

H12: Building service partnerships with the customer will mean customers of Bouraq Airlines will perceive its services as of high quality.

H13: Empowering of TQM will mean customers of Bouraq Airlines will perceive its services as of high quality.

H14: Empowering of frontline employees will mean customers of Bouraq Airlines will perceive its services as of high quality.

H15: Understanding of customer expectations, building service partnerships, employing TQM, and empowering of frontline employees will mean Bouraq Airlines customers will perceive its services as of high quality.

Increased Profitability (IP)

The main aim of any corporate investment in relationship marketing input is for it to gain long-term economic returns on such investments. Such investments, including surveying customer expectations, building service partnerships, empowering employees and the developing...
of their skills, and employing TQM should result in superior goods and services offered to the customers.

Since loyal customers are a revenue generating asset to the firm (Anderson, et al., 1994), this should help the firm to increase profitability by:

1) Reducing the level by which the current customers are affected by price elasticity (Blattberg et al., 1994).

2) Increasing profitability to the firm because fewer resources being devoted to correcting failures, handling returns, reworking defective items, handling and managing complaints.

3) Reducing costs of attracting customers because of a large group of referrals (Tuite, et al., 1998).

4) Enhancing the overall reputation of the firm.

Thus, the final set of hypotheses:

H16: Understanding customer expectations will increase the profitability of Bouraq Airlines.

H17: Building service partnerships with the customers will increase the profitability of Bouraq Airlines.

H18: Employing TQM will increase the profitability of Bouraq Airlines.

H19: Empowering frontline employees will increase the profitability of Bouraq Airlines.

H20: Understanding of customer expectations, building of service partnerships, employing TQM, and empowering frontline employees will increase the profitability of Bouraq Airlines.

Methodology

Sampling Method

Data was collected from respondents obtained using a judgmental sampling method from respondents resident in Yogyakarta. To be part of the sample, the respondent had to have travelled with Bouraq Airlines at least twice on any of its seven routes between 1992 and 1995, embarking from Yogyakarta to his or her destination.

Data was collected between the months of April and June, 1996. In total 75 potential respondents were. From this number 53 or 70.67 percent usable questionnaires were returned. The remaining 29.33 percent of the questionnaires were either returned incomplete or not returned.

Data Analysis Methods

The following multiple regression models were employed:

\[ CS = \beta_0 + \beta_1 UCE + \beta_2 BSP + \beta_3 TQM + \beta_4 BE \ldots \text{Equation 1} \]

\[ CL = \beta_0 + \beta_1 UCE + \beta_2 BSP + \beta_3 TQM + \beta_4 BE \ldots \text{Equation 2} \]

\[ QS = \beta_0 + \beta_1 UCE + \beta_2 BSP + \beta_3 TQM + \beta_4 BE \ldots \text{Equation 3} \]

\[ IP = \beta_0 + \beta_1 UCE + \beta_2 BSP + \beta_3 TQM + \beta_4 BE \ldots \text{Equation 4} \]

Where:

CS = Customer Satisfaction
CL = Customer Loyalty
QS = Quality of Service
IP = Increased Profitability
UCS = Understanding Customer Experiences  
ESP = Building Service Partnerships  
TQM = Total Quality Management  
IEE = Employees Empowerment  
β₁, β₂, β₃ = Coefficients in the regression equations  
R = R-squared, a measure of variance explained by the independent variables  
β₁, β₂, β₃ = Regression coefficients associated with each of the independent variables.

Analysis and Discussion of the Research Results

**Hypothesis Testing**

Data was analyzed, using SPSS program. This involved the analysis of the t-statistic and the analysis of variance (F-statistics and F). The statistical values of R, R², and F were directly obtained from the computer print-out, and have been summarized in Table 1.

The analysis of the significance of the influence of the independent variables on the dependent variable represented in Equation 1 indicated that CS is significantly influenced by ESP and TQM, while UCS and EIE were not significant. When all independent variables were considered, 55 percent of the variance in CS was explained by the model.

Customer loyalty (CL) was significantly influenced by the independent variables (UCS, ESP, TQM, and IEE) as indicated by the statistics in Table 1. When all the independent variables are simultaneously considered, the t-statistic indicated that CL is significantly influenced, 68.74 percent of the variance in

<table>
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<th>CS</th>
<th>CL</th>
<th>GS</th>
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<tr>
<td>β₁</td>
<td>0.19669* (0.077)</td>
<td>0.18342* (0.0105)</td>
<td>0.19118* (0.021)</td>
<td>0.18312* (0.0106)</td>
</tr>
<tr>
<td>β₂</td>
<td>0.18342* (0.0105)</td>
<td>0.21072* (0.021)</td>
<td>0.44455* (0.0359)</td>
<td>0.27761* (0.0359)</td>
</tr>
<tr>
<td>β₃</td>
<td>0.21072* (0.021)</td>
<td>0.44455* (0.0359)</td>
<td>0.27761* (0.0359)</td>
<td>0.55569* (0.105)</td>
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<tr>
<td>R²</td>
<td>0.24542* (0.231)</td>
<td>0.44455* (0.0359)</td>
<td>0.27761* (0.0359)</td>
<td>0.55569* (0.105)</td>
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Where: computed t-statistic values in parentheses  
** = t-value at 5%  
* = t-value at 10%

\[
P_c = \text{Computed F-statistic}  
F_R = \text{Coefficient of multiple determination}
\]

\[
t-table at α = 5% = ±2.009  
t-table at α = 10% = ±1.671
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Table 1. Summary of Regression Results
CL is explained by the independent variables under study.

Customer perception of high-quality services (QS) was significantly influenced by all the four relationship marketing inputs (UCB, ISP, TQM, and EE) which simultaneously influence 62.31 percent of the variances in QS.

The results in Table 1 indicate that the customer perception of increased profitability (IP) to BQ Airways was significantly influenced by UCB and TQM. ISP and EE were found not to have a statistically significant influence on IP. The F-statistic indicated that all the four independent variables when simultaneously implemented by BQ Airways, customer perception of IP is significantly influenced, 50.10 percent of the variances in IP was explained by the model.

Conclusions and Implications

The results of this study indicate a strong perception of the overall sample (customers of BQ Airways) that the proper implementation of the relationship marketing inputs greatly influences level of satisfaction with the services provided, loyalty to the firm, perception services quality provided by the firm, and perception of increased profitability to the company.

Understanding Customer Expectations

The implication is that BQ Airways customers will be satisfied with a high-quality service. Satisfied customers will have a desire to buy more of its services and are expected to encourage others to enjoy the same services. Such repeated purchase and the increased market is expected to increase the level of profitability to the company.

Building Service Partnerships

The implication is that BQ Airways will be able to elicit feedback from its customers and to identify what types of services and in what amounts such services are desired by different types of customers. This will reduce the gap between the expected and the perceived service quality.

Since the customers will have participated in determining the service package, the packages for such services will be readily available, customers will be satisfied by the service package, thus reinforcing customer perception of the high-quality services being delivered.

Though ISP influences profitability, its influence is not statistically significant, partly because involving customers will mean increased operational costs to the firm and moderate profitability levels of the firm.

Second, the low perceived level of influence means that BQ Airways customers are not well informed of the role such service partnerships can play in influencing the levels of profitability to the firm, besides the benefits that can accrue to the customers themselves. The management of BQ Airways should thus teach its customers about the roles played by the maintenance of service partnerships with companies and the mutual benefits to both parties.

Total Quality Management

The incorporation of total quality management for BQ Airways is the enhancement of the product features which customers deem as needing improvement. This also encourages continuous innova-
Airline's success is a series of services' better service, quality, and safety. By providing these services, the airline will be able to attract new customers and maintain current customers, thus contributing to the firm's profitability. Total quality management reduces the costs of handling complaints and spicing, for example, lost baggage. Encouragement of the right product the first time reduces operational costs that contribute to the increase in profitability. Therefore, the Buraq Airlines should invest more in the total quality assurance measures which will significantly reduce customer satisfaction, loyalty, high perceived service quality, and subsequently profitability.

Employee empowerment

The implication of the results to Buraq Airlines is that although employee empowerment is less significant for customer satisfaction, it will significantly influence loyalty to the firm. This partly explains the role played by the agents of Buraq Airlines in ensuring customer loyalty. Such customers have much of their contact with Buraq Airlines through agents, rather than through frontline employees, for example, when booking flights. However, Buraq Airlines should empower its employees by encouraging them to take initiatives beyond the stated company policies but under guidance of the management, thus motivating the employees to identify and redress customer complaints.

Buraq Airlines should also encourage employees to satisfy customers in both its reward system and externally to the customers, through for example, company publications targeted to customers. In relation to the increased profitability of Buraq Airlines, the surveyed customers' considered employee empowerment not to be statistically significant to the increased profitability of the first. However, if empowerment significantly influences the customer loyalty to Buraq Airlines and the loyalty, customers are expected to spread a positive word-of-mouth and encourages others to use the services, then employee empowerment results in an improved company image which has a long-term positive effect on the company's profitability. Therefore, Buraq Airlines should empower its frontline employees.

Combined variables

The coefficient of multiple determination of the different relationship marketing process inputs (independent variables) when combined indicate that their influence on the different relationship marketing process output (dependent variable) range between 0.50109 and 0.6874, as indicated in Table 1. This means that there are other factors not included in this research which explain the variances in the dependent variables. These need to be identified and investigated for Buraq Airlines to achieve complete customer satisfaction, loyalty, high perceived service quality, and to improve on profitability, and other models of relationship marketing need to be considered.

Second, the nature and coverage of the respondents sampled for the research was composed of customers who have repeatedly used the airline's services and were located at the time in Yogyakarta. This indicates that these people believe Buraq Airline service quality to be reasonably high, which could have had an...
influence on their responses to the research questions. More rigorous research is required to include travelers who do not regularly use Buruan Airline's services. Wide research to include customers of Buruan Airlines in other regions and those of its competitors in the air transport industry in Indonesia needs to be carried out for comparison purposes. Third, consumer perceptions of service to be integrated in the company activities as indicated in the integration stage in the effective relationship marketing process (Evans and Laskin, 1994) has not been surveyed. Therefore more research work on the integration stage requires to be carried out.

Relationship marketing should be conducted as an ongoing and systematic process that incorporates the needs of Buruan Airlines and those of its customers so that both parties benefit from the process. It is the duty of Buruan Airlines to initiate the relationship and to teach the customers how they can benefit from the maintenance of such a relationship.

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