

How to Gain Customer Loyalty by Service Delivery Performance in Reloading Subdealer Business

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The growth of Business To Business (B2B) industrial competition has resulted in the growth of telecommunication industry. This fact is accompanied by the increasing demand of reload voucher in cellphone usage in CV. Rido Komunika by its customers. Therefore, the quality of service delivery in this company needs to be prioritized for the company progress in order to do so an optimal service delivery system is needed to gain high customer loyalty. For that reason, the company needs to give its customers more that they have expected. The objective of this research is to study the influence of service delivery performance towards customer value and its implications to customer loyalty in CV.Rido Komunika. The object of this research is CV. Rido Komunika which is a business unit established and owned by two or more people to achieve their common interests in trading field. This business unit is known as Commanditaire Vennotschaap or CV in Indonesia. The method used is verificative method. The primary data collections is done by distributing questionnaires and direct interviews to 242 customers of CV. Rido Komunika in seven Majalaya districts in Bandung Regency. This research is conducted using the stratified sampling technique to determine the sub-population and simple random sampling after the data is collected. The data is analysed using the Structural Equation Model (SEM). The hypothesis results using structural equation shows the performance of service delivery has a significant influence towards customer value and its implications to customer loyalty of CV. Rido Komunika partially and simultaneously.

Keywords: *Business To Business (B2B), Service Delivery, Customer Value, Customer Loyalty*

1. Introduction

The growth in the mobile telecommunications industry shows considerable market potentials. It is the result from an increase in demand that is still open in the industrial market, as previously deemed consumption of mobile phone products by the upper class, this service is now consumed by the middle to lower classes. Especially with the varied offerings and loaded with technology of mobile devices with different types and functions it offers.

Most consumers use prepaid cards where the need to reload has become routine for them. With the mobile phone users in Indonesia reaching 100 million people, this can create a lucrative business opportunity. As Sudanang Dananjaya (2006) states, "Judging from the number of cellular subscribers in Indonesia in 2005 alone was 45 million subscribers, while in 2006 there were an estimated 59 million people and in 2007 there were 73 million subscribers".

Along with the increased competition in the mobile telecommunications, competition in particular trade sectors including, both physical and electrical reload vouchers as the core business in this industrial sector, is expected to increase. Similarly, the

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development of the mobile telecommunication industry in Bandung Regency, particularly in Majalaya, is potentially showing improvement. Majalaya is a district town, where generally its territory spreads outside forest area, and the area can be quite broad, which are several reasons why it has developed into an industrial center in southern Bandung Regency. No wonder that the business of prepaid reload vouchers is mushrooming particularly in Business To Business (B2B) sector, but this does not rule out the possibility that the company is also able to engage in the business market (B2B) sector and also in the end-consumer market (B2C) sector. Actually, many businesses engaged in both goods and services, preferring Business To Business market when compared with Business To Customer market, the reason is in accordance to what Kotler (2003), mentioned that the Business To Business more focused on specific individual customers while B2C is more focused on selling products in one-to-one customer.

Therefore, the growing of the mobile prepaid vouchers business today, both wholesalers and agents who start selling vouchers directly to final consumers (business to customer), is not merely related with their fellow businesses (business to business) as a distributor or dealer of their own cellular provider, as well as other subdealers of reload vouchers, particularly in Majalaya area of Bandung Regency, each distributor tries to win the market and attracts longterm or loyal customers. One example of this type of business is CV. Rido Komunika located in Majalaya, Bandung Regency. At the time of this study CV. Rido Komunika had 607 customers. According to the owner, although the number of customers joined is 607 the number of active customers each month is approximately 40% while the remaining 60% are less active.

Based on temporary observation, CV. Rido Komunika has several problems that hinder it from performing optimally, namely it is limited ability to make use of the potentials and gain business opportunities in the cellular industry, to deliver optimum service to its customers and provide good customer value which will increase the customer loyalty. The lack of good service to its customers has resulted in a number of complains from customers. The first is regarding the place or location, that at certain times especially the monsoon season raining season hinders customers to transact. Additionally, although it is strategically located, the customers feel that the office is not comfortable (not clean, too crowded, and noisy) as it is located on the main road of Majalaya. Therefore, some customers choose to go to other subdealers.

The second is about process, namely the tardiness in load transaction to the end users within a busy network. Third, generally customers complain about the front-line employee who are not delivering excellent customer service, and are not responsive in responding to customer complaints. Therefore, based on the facts mentioned before, it is not easy for CV. Rido Komunika to attract its customers.

In marketing its services, the company should provide a good and proper service to the customers, since the satisfaction or dissatisfaction of customers depends on services provided by the company, because customers tend to expect that the services received should be able to fulfill their wish (or demand) and satisfy them which in the end result in customer loyalty which very much depends on the company ability in providing the service value that is suitable with perception value of its customers because now customers are faced with a wide options of reload transfer services, both electronic reloading and prepaid vouchers, cheaper price, easy transaction particularly balance deposit transaction, and customers tend to choose reloading stations that can give a greater value. Regarding the pricing policy, it is

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perceived that the pricing policy set by CV. Rido Komunika is less competitive and sometimes expensive. This is in line with the opinion of Dea Rizky Meirina (2008) in her article where she states “that one cause of the lack of customer loyalty is because there are some of customer values that customers feel unoptimal. Generally, the problems about customer value are indicated as follows: customers feel that some of reload prices are more expensive and the minimum availability and higher price of reload vouchers compare to the company’s competitors”.

It is also in line with what Suryaman (2007) suggests that “customer value is changing and affected by micro-environmental factor, competitive innovation, the emergence of new markets, and customer usage situations. Due to the instability of this customer value, satisfaction is short-term, and to maintain it company should always look for customer value. It means that the company should follow the value by providing services in accordance with customer expectations”.

Hence this research focuses on the service delivery performance in relation to customer value and its implication on customer loyalty by proving that customer value variable is an intervening variable between service delivery and customer loyalty.

The research objective is to study the effect of service delivery performance as it relates to customer value; to study the effect of customer value in relation to customer loyalty; and to understand service delivery performance in relation to customer value and its implication on customer loyalty. The results of this research are expected to support the reloading subdealer businessmen to understand the importance of customer loyalty which in the end will increase their income. This article is structured into four sections. Next section is briefly discuss the Literature Review followed by the Research Methods, Results and Discussions, and finally Conclusions and Recommendations.

2. Literature Review

Today, many businesses are engaged in both goods and services, preferring Business To Business market when compared to Business To Customer (B2C) market, this is because the sales in Business To Business market exceeds Business To Customer (B2C) market. Kotler & Proeftsch (2006) states that Business To Business (B2B) is a business that runs in industrial markets that have products or other services for sales, rent, and supplied to other business. This reloading subdealer business also runs in business to business (B2B) manner and focusses on the customers.

In the marketing activities, the business of reload stations is a part of telecommunication service. Thus, this research emphasize the service delivery system given to customers. According to Lovelock & Wright (2002) will be consist of :

- 1) *Nature of contact between the service provider and its customer*, which requires the consumers to come to service providers or service providers to consumers, or requires both parties to transact by mail of phone.
- 2) *Sequencing of the various steps in the service delivery process*, namely what step, what to order, where, when, and how fast in delivering the service.
- 3) *Where (location) and When (Scheduling) should these steps take place?*, the choice is not only a differebr physical location but also the physical distance and cyberspace.
- 4) *The nature of customer involvement at each step*, namely the services given where consumers are served per group, individual, or self-served.
- 5) *Imagery and atmosphere*, namely the service delivery to consumers

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creates service delivery through employees such as: layout facility designs, staff uniforms, appearance and attitude of employees, type of furnitures and equipments, the usage of music, lighting, and room decoration. 6) *Service firm take responsibility for the entire delivery process or delegate some steps to intermediaries*, namely a number of additional services, such as information and ordering that can be handled better and easier by mediators. 7) *What should be the serving protocol*, which requires companies to operate ordering systems or utilize the system of first-come-first-serve, and queue system if needed. This will use five aspects of service delivery given by the company to its customers: Customer involvement, Service process, Place and Time of service delivery, Image and Atmosphere given, and Company Responsibility.

This research argues that service delivery has no direct implication on customer loyalty as a sign of customer value which is based on value felt by the customers. Kumar, et al (2011) argues in his research that "poor operations performance of service delivery negatively affects to customer loyalty". Therefore, Trevisen, et al (2012) argues that service delivery is the core of the value proposition building and it also essential to achieve sustainability. So as service is delivered, the value delivery to customers becomes a must in business. Nasution and Mavondo (2005) argue that customer value reflects a number of factors such as service delivery, image, and the offering of value such as money to customers. Therefore, as a connector of tangible and intangible aspect from the service delivery, service quality can be seen based on the ability of service delivery to the delivery of *superior customer value* that will create customer satisfaction if seen from the effectiveness side.

Customer value in the context of business-to-business relation also involves service. The factors that affect the value of customer value involve product characteristics, relational characteristics, and supplier characteristics. (Menon, et al, 2005). Consequently, in relations to the customer value, the service must be prioritized in order for the company to provide the best service to the customers which will be seen as a good value by the customers.

Basically, value is customer estimation on the whole product capability to satisfy their needs. Overall, Woodruff (1997) states that customer value is a trade-off between what the customers get (eg. Quality, benefit, worth, utilities) and what customers sacrifice to get the product (eg. price, sacrifices). To get customer value suitable with customer perception, a company should always follow the values by providing suitable products/services, since customer value is always changing. Furthermore, Parasuraman (1997) in Smith & Colgate (2007) states that "customer value is a summative (benefit less sacrifices) or ratio (benefit divided by sacrifices) based evaluation or whether it is made with compensatory or non compensatory decision rules".

In his research that is intended to build concept that connect all aspects in creating business-to-business (B2B) service, Lam et al (2004) states that customer satisfaction is a mediator between customer value and customer loyalty, while customer satisfaction and customer loyalty affects one another. This is similar to the research conducted by Yang & Peterson (2004) who are certain that perceived value is another key driver of customer loyalty and also significantly influences customer satisfaction.

In their research, Luarn & Lin (2003) indicate that trust, customer satisfaction, *perceived value*, and commitment are components in determining the combination of

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loyalty, and the usage commitment will have a strong effect compare to trust, customer satisfaction *perceived value*. Therefore, customer satisfaction and *perceived value* indirectly connect the real loyalty commitment. But in reality as time goes by, it is known that the one of the causes of the lack of customer loyalty is due to some customer values that the customers feel still unoptimal (Dea Rizky Meirina, 2008). Thus, Minghetti (2003) asserts in her article that "Satisfaction is not loyalty". So, it is clear that there are other factors that may cause customers loyalty.

Customer loyalty characteristics have four elements, namely repeat purchase, referral, purchase across product line and retention. Nevertheless, in the service business of balance purchase or reloading stations, this loyalty aspect of purchase across product line could not be used because the research object is the balance purchase. Thus, this research is focussing mainly on 3 loyalty characteristics, namely repeat purchase, referral, and retention.

This reseach will analyze how to gain customer loyalty from customer value point of view based on service delivery performance. Customer value is the intervening variable or the connecting variable between service delivery performance and customer loyalty which have been exproled significantly in the previous studies especially in the field of reloading subdealer business. Previoues studies tend to explore more on the customer value and customer loyalty in relation to service quality.

3. Research Methods

This research was conducted from Desember 2009 until June 2010. It was completed verificatively by means of analysis of *Structural Equation Model* (SEM). This refers to Sekaran (2003) who states the methods of sample takings that refer to the table of sample measurements based on certain population number.

Analysis unit of this research is CV. Rido Komunika located in Bandung Regency, Indonesia, based on seven districts. The study is focused on how is the relationship between customers and service providers, including the measure arrangement and service procedures, speed and accuracy in service delivery to customers, and the ease for customers in reaching service providers, company image to give an interesting view perceived by customers through the look and the appearance of the building, employees, and supporting facilities, and the compliances of service implementation with the real situation. For customers value measured based on the benefits received by the customers compared to the sacrifices issued or given to any CV. Rido Komunika. While, customer loyalty is measured by the following characteristics : (1) repeat purchases, (2) recommendation of products/services of the company to others, and (3) the retention to competition.

Sampling was completed using the probability method, a stratified sampling technique, which produed 242 samples. Furthermore, the data is divided divided into subpopulations based on seven sub-regional of Majalaya, Bandung Regency. From each subpopulation, random samplings are taken using simple random sampling method from each sub-districtin order to get the 242 customers. CV. Rido Komunika has 607 customers. According to the sampling method given by Sekaran (2003), the minimum sample size obtained is 234 samples but can be rounded to 236. But the results obtained in the field is of 242. Therefore, proportional allocation formula is used to discover sample of each district. Then, the population is divided into seven subpopulations, as follows:

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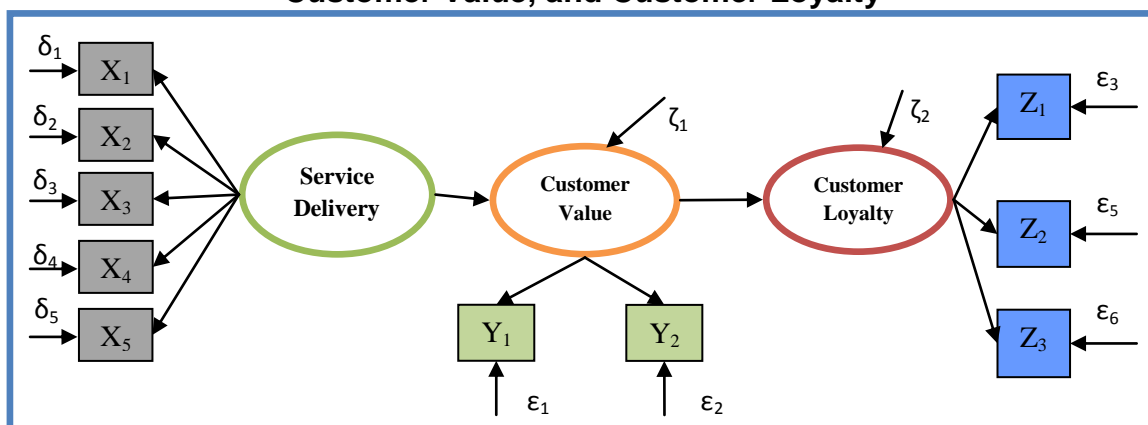
Table1: Population Number and Sample Number Per Regency

Regency	Population Number (N_i)	Sample Number (n_i)	Sample from Field
Ciparay	80	30	30
Ibun	57	22	22
Kertasari	4	$2 \approx 4$	4
Majalaya	308	119	120
Pacet	20	8	10
Paseh	83	32	34
Solokanjeruk	55	21	22
Sum	607	$234 \approx 236$	242

The type of data used are primary and secondary data. The techniques of data collecting used is field research through surveys completed by interviews of the CV. Rido Komunika customers in the related regencies and literature study from several journals and books. Most of the populations in these areas live on the mountains far or isolated from the center of the city which is about 2 hours from Majalaya itself, especially from CV. Rido Komunika. The farthest districts are Kertasari, Ibun, and Pacet. This has influenced the numbers of sample, as illustrated above, those districts have the lowest numbers of sample.

Based on the results of data processing using SPSS program, it is known that declaration point for all variables is greater than 0.3 so it can be stated that all items are valid. As for the reliability test, after being processed by using SPSS program that refers to **Guilford** provisions that can be said reliable above 0.5, then overall the value of service delivery performance customer value, and customer loyalty can be said to be reliable because the value of all of them is above 0.5. The data used in this study is measured by using ordinal scales, and the data is transformed into interval data by using the method of successive intervals to be used into the analysis of the structural equation (SEM). The structure of the relationship between variables based on hypothetical research as seen in Figure 1 :

Figure 1: Structural Model of Variable Relation of Service Delivery Performance, Customer Value, and Customer Loyalty



As illustrated in the diagram above, there are three variables in the structural model of variable relation. First is Variable X (Service Delivery), which has subvariables of : X₁ is customers involvement, X₂ is service process, X₃ is time and place of service delivery, X₄ is image and atmosphere given, X₅ is corporate responsibility. The second is variable Y (Customer Value), which has subvariables of : Y₁ is advantage,

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Y_2 is costs/sacrifices. And the last one is Variable Z (Customer Loyalty), which has subvariables are : Z_1 is repeat purchase, Z_2 is referral, and Z_3 is retention. Therefore, based on research hypothesis formulated before, the statistic hypothesis tests for the testing of each research hypothesis are as follows :

Hypothesis 1: The effect of service delivery performance to customer value of CV. Rido Komunika.

Ho: $\gamma_{11} = 0$: Service delivery performance does not affect the customer value of CV. Rido Komunika partially.

H₁: $\gamma_{11} \neq 0$: Service delivery performance affects the customer value of CV. Rido Komunika partially.

Hypothesis 2: The effect of customer value to customer loyalty of CV. Rido Komunika.

Ho : $\beta_{21} = 0$: Customer value does not affect the customer loyalty of CV. Rido Komunika partially

H₁ : $\beta_{21} \neq 0$: Customer value affects the customer loyalty of CV. Rido Komunika partially.

Hypothesis 3 : The effect of service delivery performance to customer value and its implication on customer loyalty of CV. Rido Komunika.

Ho : $\gamma_{11}, \beta_{21} = 0$: Service delivery performance does not affect the customer value and its implication to customer loyalty of CV. Rido Komunika simultaneously

H₁ : $\gamma_{11}, \beta_{21} \neq 0$: Service delivery performance affects the customer value and its implication to customer loyalty of CV. Rido Komunika simultaneously

4. Result and Discussion

Based on the research conducted with 242 CV. Rido Komunika customers using the research methods mentioned earlier, the testing of partial hypothesis was followed by simultaneous research model validation, the result can be illustrated in Table 2.

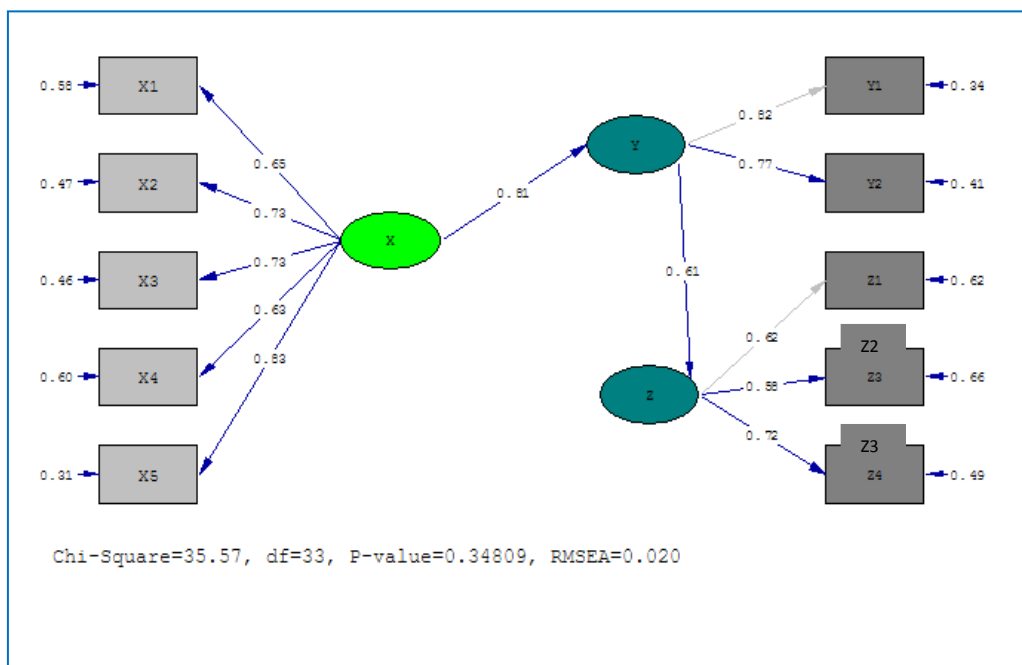
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Tabel 2: Testing of Research Model and Parameter Estimations

	Model
Goodness Of Fit	Testing of Research Model
Chi-Square (X^2)	35.57
P-Value	0.34809
GFI	0.97
RMSEA	0.020
Effect Model	Parameter Estimation (Loading Factor and Test of t)
X1	0.65 (9.63)
X2	0.73 (11.29)
X3	0,73 (11,38)
X4	0.63 (9.33)
X5	0.83 (13.54)
Y1	0.82 (5.74)
Y2	0.77(10.15)
Z1	0.62 (7.45)
Z2	0.58 (5.80)
Z3	0.72(6.21)

Furthermore, the first and second models can be seen in Figure 2 below :

Figure 2: Testing of Research Model



In Figure 2, the results of the calculation of Chi-Square for the third model is 35.57 with a p-value = 0.34809. It indicates that the model fits because the p-value > 0.05 (α). The GFI values close to 1 at 0.97 and RMSEA = 0.020 < 0.05 so that the second model can be said to fit. Theoretical models and concepts presented or the developed models are supported by research paradigm. Therefore, in table 1 above the three

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models show the estimated parameters of the measurement model of loading factor showing the validation of each indicator in measuring latent variables. Character is the greatest indicator building the service delivery performance on corporate responsibility with $\lambda = 0.83$. Then for the value of customers, benefits as subvariabel with the greatest validity is $\lambda = 0.82$. On customer loyalty, the interest in the competitors is the subvariable with the largest validity with $\lambda = 0.72$. The partial effect of each exogenous latent variables on endogenous latent variables is fully described in the succeeding sections, as illustrated in Tables 3 and 4.

To answer Hypothesis 1, after structural equation method model (SEM) results are gained, it can be concluded that service delivery performance variable (X) is an internal exogen variable that affect the customer variable (Y) as internal endogen based on Figure 2 above. The complete calculations can be seen in the table below.

Table 3: Service Delivery Performance Path Coefficient Owards Customer Value

Variable	Path Coefficient (p)	T Calculation	R ²
Service Delivery Performance	0.81	10.06	0.66

Source : Processed primary data, 2010

Based on the above table, performance of service delivery has a path coefficient (γ) of 0.81, which means the path coefficients or t value is greater than t table where $\alpha = 0.025$ for a sample of more than 200 or infinity is equal to 2.24. So it can be said that the effect of the performance of the service delivery to the customers is a significant value. In other words, H_0 is rejected and H_1 accepted. The coefficient of Determination R² of 0.66 shows the contribution of the service delivery performance to customers value of 66% while the rest is influenced by other factors. The value of 66% service delivery performance influence towards customer value is quite significant. The factors of service delivery performance that influence customer value are customer involvement, service process, place and time of service delivery, image and atmosphere given, and company responsibility. Thus, the the quality of service delivery performance can be identified based on those five factors which will eventually create the value. This is in line with the research conducted by Trevisen, et al (2012) who states that service delivery is one of the factors that enhances the value creation. In relation to CV. Rido Komunika as a company that runs its business in the Business To Business manner, it is necessary to maintain good relations with customers and focus on the customer value aspect to get better company and customers relations as mentioned by Menon et. al (2005), that a strong focus on customer value can have significant impact on business market management.

To answer Hypothesis 2, after structural equation method model (SEM) results are gained, it is shown that customer value variable (Y) is the internal endogen variable that affects customer loyalty variable (Z) as the other internal endogen according to Figure 2 above. The complete calculations can be seen below.

Table 4: Customer Value Path Coefficient Towards Customer Loyalty

Variable	Path Coefficient (p)	T Calculation	R ²
Customer Value	0.62	5.52	0.32

Source : Processed primary data , 2010

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In relation to Table 4 above, customer value has path coefficient (γ) of 0.62, which means the path coefficient sort value is greater than t table, which is $\alpha = 0.025$ for a sample of more than 200 or infinity of 2.24. Therefore, It can be concluded that the effect of customer value to customer loyalty is significant. In other words, H_0 is rejected and H_1 accepted. The coefficient of determination R^2 of 0.38 shows the contribution of customer value is a customer loyalty by 38% while the rest is influenced by other factors. The effect of customer value towards customer loyalty is 38% which means that customer value is one of the factors that influence customer loyalty. This results is in accordance with the research results by Yang & Peterson (2004), that is *perceived value* is another key driver of customer loyalty and the customer value is one of the powerful predictors of customer loyalty. Basically, customer value is one of the factors that forms customer loyalty based on a company's service delivery performance as indicated by Kotler & Keller (2009), the key to gain high customer loyalty depends on high customer value. As a result, it is necessary for a company to have customers who are satisfied with the company's products or services.

The structural equation of effect between service delivery performance on customer value and customer value on customer loyalty value are as follows.

Model of Structural Equation:

$$Z = 0.62 * Y, \text{ Errorvar.} = 0.62, R^2 = 0.38$$

(0.11)	(0.17)
5.52	3.60

$$Y = 0.81 * X, \text{ Errorvar.} = 0.33, R^2 = 0.66$$

(0.080)	(0.083)
10.06	4.01

The effect of each value is quite strong, this showed that H_0 is rejected and H_1 accepted, but the effect of the value of the customer on customer loyalty is only 38% and the remaining 62% is influenced by other factors. However, on the whole each significant effect and the variable of customer value successfully become the intervening variable or the link between the service delivery performance and customer loyalty.

As illustrated by the data there is a significant effect of service delivery in the customer loyalty through customer value, resulting in the customer value becoming an intervening variable for increasing loyalty. Unfortunately, the service delivery performance provided by vouchers reloading subdealers vouchers is still not optimal in Indonesia. Thus, companies will need to optimize their service delivery performance to create a superior value. Therefore, the effective service delivery performance will create customer value, and this customer value can build customer loyalty. This coincides with Saleh & Ryan in Nasution & Mavondo (2005) who argues that companies which are effective in delivering services can create an expected superior delivery of customer value to give satisfaction which in the end will lead to customer loyalty. Likewise, Minghetti (2003) states that "Customer value is what builds loyalty" which means that loyalty can be built by the customer value. As a result, a reloading subdealer company needs to give a superior to its customers to create good customer value. Unfortunately, in Indonesia in general and in Majalaya District in Bandung Regency in particular, many companies neglect the importance of customer value in creating Customer loyalty. This value aspect is compulsory to

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create customer loyalty if a company is running business to business. This is caused by the fact that business to business needs a strong connection between the producers with the agents or the agents with the suppliers to maintain good business relations.

It can be concluded that the level of customer loyalty of reloading subdealer CV. Rido Komunika needs to consider more than just the service delivery performance as customer value is also required because it relates to the benefit customers get and spend which is influenced by the service delivery performance provided by CV. Rido Komunika to its customers. Additionally, a company needs to conduct a research to identify 'the true drivers of customers value which will affect the business performance (Nasution & Mavondo, 2008) in evaluating its business performance.

5. Conclusions and Recommendations

Based on the research result, the core problem of this research is to obtain analytical verificative results. The results from the structural equation show that the service delivery performance has a significant effect on value of customers of CV. Rido Komunika partially. This shows that the value accepted by the customers depends on the service delivery performance of the company, in this case it is CV. Rido Komunika, which means there is balance between the use accepted by the customers and the sacrifice done the them based on the service delivery performance of the vouchers itself. Therefore, the better the service delivery performance is, the higher the customer value will be. There are several elements of the service delivery performance that need to considered, namely Customer involvement, Service process, Place and Time of service delivery, Image and Atmosphere given, and Company Responsibility.

It also illustrates how customer value has a significant effect on value of customers although it is only 38%. is one of the influential aspect in the creation of the customer loyalty although the influence is not very significant. In the service business, good relations between the subdealers and the retailers are compulsory because the better the value accepted by the customers, the higher the level of customer loyalty will be. For the purpose of this research, loyalty aspect will only consider three aspects which are repeat purchase, referral, and retention. The aspect of purchase across product line can not be included because there are only sales of reload vouchers (there are no other product sales) in the reloading subdealer business.

Finally, the result of hypothesis testing with structural equation shows that the service delivery performance has a significant effect of the value of customers and the implications on customers loyalty simultaneously from CV. Rido Komunika. Hence, it can be stated that service delivery performance and customer value are equal to customer loyalty.

In general, each variable have significant influence and the customer value variable is able to be an intervening or connecting variable between service delivery performance and customer loyalty. Hence, it can be concluded that customer value as an intervening variable in the creation of customer loyalty based on the aspect service delivery performance. In reloading sub-dealer business, especially, that runs the company in a Business To Business manner, customer value aspect is one of the most influential aspects in building the customer loyalty because good relations between sub-dealer and customers will result in the company growth in the future. In

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the other words, the better the service delivery performance provided by CV. Rido Komunika the higher the customer value accepted by the customers. Therefore, it will lead to more loyal customers to the company especially to CV. Rido Komunika.

This study illustrates how good service delivery performance will create a good customer value too, and in the end the customers will be loyal to the company, other factors that will create customer loyalty other than customer value are needed because customer value is only one of the factors that can create customer loyalty. In this reloading business, it is compulsory for all sub-dealers to maintain good relations with the customers, namely retails or in the other words business to business, and focus on the customer value aspect by providing quality service delivery which will lead to increased customer loyalty.

Additionally, I would like to give several recommendations which are, (1) that further research can be developed on how to increase customers loyalty by finding other factors that maybe more influential to create customer loyalty, especially in Business To Business markets. (2) They can do the reasearch in other companies, especially the research about customer value, customer loyalty, and service delivery performance. more comprehensive researches on service delivery performance are needed with full coverage of its five main elements, namely Customer involvement, Service Process, Place and Time of service delivery, Image and Atmosphere given, and the last is Company Responsibility, (4) further researches on service business and its relations to customer loyalty and its complete characteristics are needed as this researched only focused on three characteristics excluding the purchase accross product line because reloading subdealer business only deals with the reload vouchers sales, Moreover, (5) as this research only focused on 7 districts in Bandung Regency, it would be more beneficial for the improvement of cellular business in general if researchers could study other areas including Bandung city. (6) additionally, in depth reseaches are recommended, especially to study more subdealers and their retailers or customers to provide more comprehensive explanations on how service delivery performance, customer value, and customer loyalty variables influence each other, finally, (7) comprehensive researches are required by assuming that service delivery performance can influence customer loyalty directly without including customer value variable as the intervening atau connecting variables between service delivery performance and customer loyalty.

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