

CHAPTER V

RESEARCH RESULTS AND DISCUSSION

A. The Respondents

The selected customers were the pharmacies in central part of Java. Those 33 respondents were questioned regarding; period of being customers, frequency of ordering medicine per week, the way to find Citra Incorporation, and the kinds of medicines ordered.

1. The period of being customers

The respondents had the different answers of period of being customers which were divided into less than 1 year, 1 to 2 years, 2 to 3 years, and more than 3 years. The result was in the table 5:

Table 5:
The Period of Being Customer

No	The Name of Pharmacies	Period of Being Customer (year)			
		< 1	1-2	2-3	> 3
1	Delta				√
2	Griya Husada				√
3	Kimia Farma 18				√
4	Kimia Farma 178				√
5	Beringin				√
6	Mataram				√
7	Inamart		√		
8	Johar			√	
9	Pontjol				√
10	Mitra Medika				√
11	Asta				√
12	Fortuna		√		
13	Kembar Jaya				√
14	Pharmaca			√	
15	Eka Sakti			√	
16	Citarum			√	
17	Kebon Dalem				√

Continue: table 3					
18	Sehat Mulya				√
19	Depok Sejahtera	√			
20	Dargo				√
21	Rojo Sehat				√
22	Damai				√
23	Anti			√	
24	Budi			√	
25	Mulia				√
26	Penta Jaya				√
27	Sputnik				√
28	Ratu Utama			√	
29	Alam Sehat			√	
30	Ben Sehat			√	
31	Sehat				√
32	Sapta				√
33	Anyar				√
Total in Numbers		1	2	9	22
Total in percentage		0.3%	0.6%	27%	67%

Source of the data:

The primary data processed 2009

Based on the table, it is found that there was 1 pharmacies being a customer of Citra Inc. for less than 1 year, 2 pharmacies being customers for 1 to 2 years, 9 customers being customers for 2 to 3 years, and finally 22 pharmacies being customers for more than 3 years. It can be concluded that more pharmacies was loyal to Citra Inc., since 67% of all respondents had been customers for more than 3 years

2. The frequency of ordering medicines per week

The answers from respondents about the frequency of ordering medicines per week were:

Table 6:
The Frequency of Ordering Medicine Per Week

No	The Name of Pharmacies	Ordering Interval per Week	
		< 3	> 3
1	Delta		√
2	Griya Husada	√	
3	Kimia Farma 18	√	
4	Kimia Farma 178	√	
5	Beringin	√	
6	Mataram	√	
7	Inamart	√	
8	Johar		√
9	Pontjol		√
10	Mitra Medika		√
11	Asta		√
12	Fortuna	√	
13	Kembar Jaya		√
14	Pharmaca		√
15	Eka Sakti		√
16	Citarum	√	
17	Kebon Dalem		√
18	Sehat Mulya		√
19	Depok Sejahtera	√	
20	Dargo		√
21	Rojo Sehat		√
22	Damai		√
23	Anti		√
24	Budi		√
25	Mulia		√
26	Penta Jaya		√
27	Sputnik		√
28	Ratu Utama		√
29	Alam Sehat		√
30	Ben Sehat		√
31	Sehat		√
32	Sapta	√	
33	Anyar	√	
Total in Numbers		11	22
Total in percentage		33%	67%

Source of the data: The primary data processed 2009

Based on the table, it is found out that there were 11 pharmacies ordering for less than 3 times per week, and there were 22 pharmacies ordering more than 3 times per week. It can be concluded that more pharmacies frequently ordered medicine from Citra Incorporation, since 67% of all pharmacies had been ordering more 3 times per week.

3. The way the customers found Citra Incorporation.

The following is the result of how the respondents found Citra Incorporation:

Table 7
The Way the Customer Found Citra Incorporation

No	The Name of Pharmacies	The way to know Citra Incorporation		
		Friends in Pharmacy	Relatives	Others
1	Delta			√
2	Griya Husada	√		
3	Kimia Farma 18	√		
4	Kimia Farma 178	√		
5	Beringin			√
6	Mataram			√
7	Inamart	√		
8	Johar	√		
9	Pontjol	√		
10	Mitra Medika	√		
11	Asta	√		
12	Fortuna	√		
13	Kembar Jaya			√
14	Pharmaca	√		
15	Eka Sakti	√		
16	Citarum	√		
17	Kebon Dalem	√		
18	Sehat Mulya			√
19	Depok Sejahtera	√		
20	Dargo	√		
21	Rojo Sehat	√		
22	Damai			√
23	Anti	√		
24	Budi	√		
25	Mulia	√		
26	Penta Jaya	√		

Continue table 7			
27	Sputnik	√	
28	Ratu Utama	√	
29	Alam Sehat	√	
30	Ben Sehat	√	
31	Sehat	√	
32	Sapta	√	
33	Anyar	√	
Total in Numbers		27	0
Total in percentage		82%	18%

Source of the data: The primary data processed 2009.

Based on the table, it is found that there were 27 pharmacies knew Citra Incorporation by acquaintance: friends of pharmacy, none of them knew by relatives, and finally 6 pharmacies knew by other ways which were through advertisements and by accident. It can be concluded that assurance and trust are important for customer loyalty, since the customers knew this firm through friends of pharmacies and pharmaceutical firms. It is shown by the percentage of 82%.

4. The kinds of medicines ordered

Regarding the kinds of medicines ordered, here is the result;

**Table 8:
The Kinds of Medicines Ordered**

No	The Name of Pharmacies	kinds of medicine ordered		
		Generic	Patent	OTC (Over the counter)
1	Delta	√		
2	Griya Husada		√	
3	Kimia Farma I8	√		
4	Kimia Farma 178		√	
5	Beringin		√	
6	Mataram			√
7	Inamart		√	
8	Johar		√	
9	Pontjol	√		
10	Mitra Medika	√		
11	Asta			√
12	Fortuna			√
13	Kembar Jaya	√		
14	Pharmaca	√		
15	Eka Sakti	√		
16	Citarum	√		
17	Kebon Dalem	√		
18	Sehat Mulya	√		
19	Depok Sejahtera			√
20	Dargo	√		
21	Rojo Sehat		√	
22	Damai	√		
23	Anti	√		
24	Budi	√		
25	Mulia	√		
26	Penta Jaya	√		
27	Sputnik	√		
28	Ratu Utama	√		
29	Alam Sehat	√		
30	Ben Sehat	√		
31	Sehat	√		
32	Sapta		√	
33	Anyar		√	
Total in Numbers		21	8	4
Total in percentage		64%	24%	12%

Source of the data: The primary data processed 2009

Based on the table, it can be seen that 21 pharmacies ordered generic medicines, 8 pharmacies ordered patent medicines, and 4 pharmacies ordered OTC (over the counter) medicines. By the percentage, a lot of respondents ordered generic medicine from Citra Incorporation, which took 64 % of all.

The above result shows the perspective of the respondents regarding factors of loyalty. More than 50% of the respondents as the customers had been loyal to Citra Incorporation by the duration to be customers for more than 3 years and the frequent order for more than 3 times per week. The way the customer found Citra Incorporation; by friends of pharmacies and pharmaceutical firms' recommendation indicates that the assurance and trust can support the customer loyalty. In fact, customer loyalty in Citra Incorporation is indicated by the duration being customers, the frequency to order per week and trust or assurance.

B. The perception of the respondents to the factors influencing the customer loyalty to Citra Incorporation.

The responds of the inquiries about customer loyalty are given in the following paragraph. The result of the strongly agree (SA), agree (A), unidentified (U), disagree (D), strongly disagree (SD) toward the loyalty factors are in the table 9.

Table 9: The Respondent Perception toward the Factors of Loyalty

No	Statements	SA	A	U	D	SD	Total	Category Score
1	The medicine in Citra is legal and under the permission of Health Department.	12 (60)	21 (84)	0	0	0	144	Good
2	Citra has complete medicine with variety for item of medicine	6 (30)	25 (100)	1 (3)	1 (2)	0	135	Good
3	The number of order to Citra is always available	6 (30)	18 (72)	8 (24)	1 (2)	0	128	Good
4	Citra gives tolerance of payment, approximately 1 month	6 (30)	16 (64)	8 (24)	3 (6)	0	124	Good
5	Medicines in Citra is cheaper than the other pharmaceutical distributor	7 (35)	16 (64)	9 (27)	1 (2)	0	128	Good
6	The medicine in Citra is fast-sold	5 (25)	21 (84)	6 (18)	1 (2)	0	129	Good
7	It is a common thing to order to Citra.	8 (40)	16 (64)	8 (24)	0	1 (1)	129	Good
8	Citra has on time delivery	7 (35)	19 (76)	4 (12)	3 (6)	0	129	Good
9	Citra has a good service toward return	3 (15)	19 (76)	11 (33)	0	0	124	Good
10	The sales force of Citra has working hour flexibility to the customers.	4 (20)	22 (88)	6 (18)	1 (2)	0	128	Good
11	The sales force regularly visits the customers	7 (35)	14 (56)	11 (33)	1 (2)	0	126	Good
12	The owner of Citra builds a good relationship to the customer	8 (40)	20 (80)	4 (12)	1 (2)	0	134	Good
13	The sales force of Citra builds a good relationship to the customer	14 (70)	17 (68)	2 (6)	0	0	144	Good
14	The owner and the sales force know the customer well by getting acquaintance with the customer	5 (25)	21 (84)	7 (21)	0	0	130	Good
15	The sales force of Citra has good attention toward customer	4 (20)	20 (80)	7 (21)	1 (2)	1 (1)	124	Good
16	Citra is well known and has better reputation than others	10 (50)	13 (52)	8 (24)	2 (4)	0	130	Good
17	The name of Citra is easy to remember	8 (40)	23 (92)	1 (3)	1 (2)	0	137	Good
18	The sales forces have a good competency to communicate with customer and to sell the medicine.	6 (30)	17 (68)	9 (27)	1 (2)	0	127	Good
19	The sales forces have a good knowledge of medicine, so that they can offer and give alternative of unavailable medicine.	6 (30)	17 (68)	9 (27)	1 (2)	0	127	Good
20	The mean of communication of Citra to sell and purchase is convenient and affordable, such as telephone, fax, and mobile phone	5 (25)	23 (92)	4 (12)	1 (2)	0	131	Good
Mean score							130.4	Good
Source of the data: The primary data processed 2010								

The table shows that the service of Citra regarding medicine quality and guarantee, the completeness for each item, are very good. The medicine quality and guarantee are indicated by the registered number in every case. The completeness of the medicine is shown by the number of range of medicines in the ware house. The relationship between the customers and the sales person is shown by the close relationship of the customer and the sales person.

Citra Incorporation has a good service in providing numbers of ordered items, tolerance of payment for 1 month, easy to make profit medicine, cheap medicines, on time delivery, good service for return, good relationship between the owner or the sales force toward the customers, and the convenient means of communication, such as mobile phone, telephone and fax, are easy to reach. Citra Incorporation provides any economical cards of mobile phone such as IM3, XI., Simpati, Fren, etc, as the customers have.

The sales forces of Citra Incorporation also have a good service. First, they are patient in waiting for the owners of the pharmacy to order. Then they regularly visit the customer to ask about the order or the condition of the medicine ordered before. Third, their competency in promoting the products and the knowledge of the medicine and services from the sales force in giving consultation about the product are also regarded as 'good'.

The name of Citra Incorporation as well as its reputation is also determined to be good by the respondents. It is in line with the habit of the customer for ordering the medicine from Citra Incorporation which is regarded as good by the customers.

It can be concluded that all the services and quality of Citra Incorporation are good in the view of respondents. They are about:

1. the medicines. It is legal and guaranteed from the department of health, always completes in variety and each variety is always available in number ordered, cheaper than other pharmaceutical distributors, and fast moving products, or easy to sell.
2. the name. Citra Incorporation is well known and has an easy-name to remember.
3. the service. Citra Incorporation gives in time delivery and serves return well. When the medicines ordered are going to be returned, Citra Incorporation will accept or change as customer's desire, give tolerable time of payment for the customer to pay, and provide convenient means of communication.
4. the relationship. The owner and the sales force give a good relationship with the customers by being polite, patient, and frequent visits.
5. the sales forces. Citra Incorporation has good sales forces in knowledge and service.

C. The significant factors influencing the customer loyalty to Citra Incorporation

In order to find the significant factors influencing the customers to Citra Incorporation, the researcher used *Factor Analysis*. This analysis is used to reduce the data in which it is an extracting process of the variables to be smaller and named as factors. There are several steps in factor analysis: sorting the appropriate variable into factor analysis by the value from MSA dan Bartlett's Test, extracting number to be 1 or few factors using *Principal Component Analysis*. (PCA), factoring the existing factors. To make it clear, rotation should be done in order to clarify the factoring; one factor is different from the others, and finally naming the grouped factors based on the characters of the factors.

1. Sorting the variable

The result of KMO and Bartlett's Test shows that the value of *Kaiser-Meyer-Olkin Measure of Sampling Adequacy* (K-M-O MSA) was 0,696 and which was higher than the value of *cut off* 0,5. The value of Bartlett's Test of Sphericity was 362,845 with the value of significance 0,000. It means that those variables were appropriate for factor analysis. Then the value of 362,845 shows the correlation value between the variables. (*Appendices 4*)

In order to assure that the variables are ready for being extracted, the *Anti-image Matrices* table in *appendices 5* is applied. The result in this table was higher than the value of *Measure of Sampling Adequacy* (MSA) in the row of *Anti-image Correlation* marked by letter 'a'. There were no values

under 0,5. It shows that those 19 variables were ready for being extracted to determine the number of factors which can be formed. Only question number 13 was not appropriate to be included for extracting since the value was not higher than 0.5.

2. Determining the number of factors.

After finding the appropriate variable, the next process was determining the number of factors by using *Principal Component Analysis (PCA)*. Employing SPSS 10th version, the result shows that the value in Initial Eigenvalues for each variable which were above 1 was 5 factors. It means that 73.219% of 20 questions can be extracted and formed into 5 factors, while the rest of the question cannot be extracted. (*Appendices 6*)

3. Forming the factors.

The next step is forming the factors. This process was based on the value of *loading factor* in *Component Matrix* resulted from the process of SPSS as in the table 13 (*Appendices 7*). *Tabel Component Matrix* shows that the value of loading factor of question 15 was under 0.5. It cannot reach the value of *cut off point*, so the rotation was needed in order to clarify the process of grouping the existing factors.

The result of the rotation in the Total Variance Explained table shows how the variables are grouped into 5 factors with the value of variable which are included in *varians kumulatif* for 73,219 %.

**Table 10:
Total Variance Explained**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.840	38.002	38.002	6.840	38.002	38.002	2.989	16.606	16.606
2	2.041	11.341	49.343	2.041	11.341	49.343	2.759	15.328	31.934
3	1.790	9.943	59.286	1.790	9.943	59.286	2.632	14.623	46.557
4	1.449	8.052	67.338	1.449	8.052	67.338	2.602	14.456	61.013
5	1.059	5.881	73.219	1.059	5.881	73.219	2.197	12.206	73.219
6	.966	5.365	78.584						
7	.825	4.584	83.168						
8	.689	3.827	86.995						
9	.570	3.165	90.161						
10	.496	2.753	92.914						
11	.330	1.831	94.745						
12	.296	1.645	96.390						
13	.181	1.003	97.393						
14	.154	.853	98.246						
15	.106	.588	98.834						
16	.085	.474	99.308						
17	.073	.404	99.712						
18	.052	.288	100.000						

The 18 variables were grouped into 5 factors based on the value of Initial Eigenvalues that is above 1. Those were variable 1 to 5 while variable 6 to 18 has the value of Initial Eigenvalues that is below 1. It can be concluded that those 18 variables only can be grouped into 5 factors.

Moreover, the result of the loading factor is higher than before, so the process of grouping into 5 factors is easier. The variables are grouped into 5 with total % variance 2,989, 2.759, 2.632, 2.602, & 2.197 (*appendices 8*)

The following table is a Rotated Component Matrix^a which shows the forming of the variable into 5 factors.

Table 11
Rotated Component Matrix^a

	Component				
	1	2	3	4	5
p1	.465	.070	.088	.375	.330
p2	.288	.001	.137	.661	.402
p3	.020	.776	.088	.348	-.032
p4	-.022	.231	.548	.648	-.043
p5	.102	.802	.105	.238	.193
p6	.366	.062	.455	.625	-.174
p7	.033	.154	.033	.797	.215
p8	.556	.591	.411	-.020	-.053
p10	.845	.278	.206	.087	-.203
p11	.141	.834	.081	-.143	.094
p12	.838	.133	-.037	.104	.319
p14	.630	-.164	.347	.098	.425
p15	-.007	.008	.145	.332	.671
p16	.248	.257	.267	-.060	.804
p17	.367	-.050	.587	.107	.316
p18	.000	.325	.620	.302	.441
p19	.439	.251	.532	.355	-.033
p20	.105	.158	.796	.091	.290

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 16 iterations.

In table 15, the first group of factors is cited by question 9, 10, 12, & 14.

Second factor is by question 3, 5, 8, & 11, third by question 17,18,19,20,

fourth by question 2, 4, 6, 7, and fifth by question 15, & 16.

4. Naming the Factors

The result of SPSS process and the factors grouping based on the factor loading, value of eigenvalue, and % of Variance are described in the table 12:

**Table 12:
Table of Interpretation and Naming the Factors**

No	Item of statements	Loading	Eigenvalue	% of Variance	Nama
p10	Time flexibility of the sales force	0,845	6,480	16,606	Factor 1 (communication of Citra Incorporation)
p12	The owner getting good relationship with customers	0,838			
p14	The sales force getting good relationship with customers	0,630			
p11	The frequent visit of the sales force	0,834	2,041	15,328	Factor 2 (Product & Price of Citra Incorporation)
p5	Customer easily making profit form product sold by PT Citra.	0,802			
p3	The availability of ordered medicines	0,776			
p8	On time delivery	0,591			
p20	PT. Citra having convenient means of communications	0,796	1,790	14,623	Factor 3 (Facility of Citra Incorporation)
p18	The good competency of sales force in selling the product	0,620			
p17	The easily name of PT 'Citra ' to remember	0,587			
p19	The good knowledge of medicine from the sales force	0,532			
p7	A getting used to order by the customers	0,797	1,449	14,456	Factor 4 (Performance of Citra Incorporation)
p2	PT. Citra having complete medicine per item	0,661			
p4	The tolerable time of payment	0,648			
p6	A fast-sold product	0,625			
p16	The well-known and good reputation of PT Citra	0,804	1,059	12,206	Factor 5 (service of Citra Incorporation)
p15	He sales force moral service and attention to the customer.	0,671			

Source of the data: The primary data analyzed 2010

Variable 1 was not included in the factor since no value reached the *cut off point* for 0,5 so it cannot be inserted in to any group of factors.

The factoring shows the most to the least influencing factors of customer loyalty. They were communication (Loading factor 0.845 – 0.630, Eigenvalue 6.480 and Variance 16.606%), the superiority (Loading factor 0.834 – 0.591, Eigenvalue 2.041 and Variance 15.328 %), the performance (Loading factor 0.796 – 0.532, Eigenvalue 1.790 and Variance 14.623%), the product completeness (Loading factor 0.797 – 0.625, Eigenvalue 1.449 and Variance 14.456%), and the service of Citra (Loading factor 0.804 – 0.671, Eigenvalue 1.059 and Variance 12.206%).

Factors included in communication were time flexibility from the sales person of Citra Incorporation with loading factor 0.845, in which they were patient in waiting for the owner of pharmacies. Since the owner and the staff are still serving the customer, the sales forces are still waiting for the time available to take the order. The second factor was the way the owner of Citra Incorporation as well as the sales forces (loading factor 0.838) bind a good relationship with the pharmacies (loading factor 0.630). In fact this way makes the customers feel being taken care of. Thus communication is very important for customer loyalty, since there is a mutual intention between the owner as well as the sales force and the customers.

Factors included in the superiority were the sales forces visit the customers regularly, which was at least 4 times per week (loading factor 0.834). Medicines stocked in the pharmacy were fast moving products,

since those are essential for life. Thus by regular visit, the owner of the pharmacies will be easily and quickly order. The second factor included was about the easy way of making profit from products in Citra Incorporation (loading factor 0.802). Since Citra Incorporation is well known for the cheaper medicines form the other pharmaceutical firms, the pharmacies will be easily to make determine the reasonable price of the medicine. The third factor was the available numbers of product per item requested by the pharmacies (loading factor 0.776). The commitment of the owner of Citra Incorporation is trying to provide number of requested item. The last was about the on time delivery. Sometimes the end user will sacrifice their time to wait for the medicine in the pharmacies, so Citra Incorporation is trying to be on time in sending the needed medicine (0.591).

Next is about the performance of Citra Incorporation. The first factor is about the convenient means of communication (loading factor 0.795). These days there are many cards used with different fee; from the most expensive with a good service to the least. Thus Citra Incorporation wants to make the customer easy to contact. These are home telephone, fax, and mobile phones. Next is the good competency in selling the products (loading factor 0.620). Persuading is the important thing the sales force to have, since they should be successful to make the customer to buy the product. The third is the easily-remembered name of Citra Incorporation (loading factor 0.587). 'Citra' is a simple name and ordinary name.

Finally it was the knowledge of medicine the sales forces have (0.532). Their competency helps the customer to chose, order and consult.

The fourth factor was about the completeness of the products in Citra Incorporation. It included the habit of ordering (loading factor 0.797). The customer feels easy in order by this simple and name of 'Citra'. Then it included the variety medicine per item, such as diabetes medicine from several pharmaceutical producers (0.661). It makes the customer easy to choose since they contain the same substance. Next was the tolerable payment for 1 month from Citra Incorporation. (0.648). The last one is that Citra Incorporation has fast-moving product since it provides only products which were frequently and mostly needed (loading factor 0.625).

The final factor is about the service of PT Citra. First was that Citra Incorporation was well-known and has a good reputation among pharmaceutical business (0.804). It has stand for more than 20 years and as the pioneer among others. It also always provided legal medicine. The second was the sales force gave moral service and take cares of customer necessity in terms of medicine (loading factor 0.671). The sales forces tried the best in responding the question from the customers and provide the medicine. It shows that the most to the least influencing factors of customer loyalty are communication, superiority, performance, product completeness, and service of Citra Incorporation.

In the view of respondents, all the services and quality of Citra Incorporation are good, since the means of score shows 'good' range. These are the reason why the customers are loyal to Citra Incorporation.

1. The medicines. It is legal and guaranteed from the Department of Health, always complete in variety and each variety is always available in number ordered, cheaper then other pharmaceutical distributors, and fast moving, or easy to sell.
2. The name of Citra Incorporation is well known and has an easy name to remember.
3. Service in Citra Incorporation. It gives in time delivery and serves return well. When the medicines ordered are going to be return, Citra Incorporation will accept or change as customer's desire, give tolerable time of payment for the customer to pay, and provide convenient means of communication.
4. Relationship between the owner and the sales force to the customers. The owner and the sales force give a good relationship with the customers by being polite, patient, and frequent visits.
5. Citra Incorporation has good sales forces in knowledge and service.

That is the reason why the customers loyal to Citra Incorporation.

From the factor analysis, it is shown that there are five groups of factors which are form the most to the least important for customer loyalty. They are communication, the superiority, the performance, the completeness of the products, and the service. The communication takes the highest influencing

customer loyalty. It is the way to interact with the customer. It includes time flexibility of the sales force, a good relationship between the owner and the sales forces of Citra Incorporation and the customers. In order to keep the customer loyalty, Citra Incorporation has to maintain the communication. That is patient in waiting for the owner of the pharmacies and a good relationship between the owner, salesperson and customers.

The second factor is about the superiority of Citra Incorporation. It includes the frequent visit at least 4 times per week, easy to make profit medicine, the available product requested, and on time delivery. To maintain this factor, Citra Inc. has to keep the sales person to regularly visit and give on time delivery. Finally, Citra Incorporation has to keep trying to keep up to the new product from pharmaceutical firms.

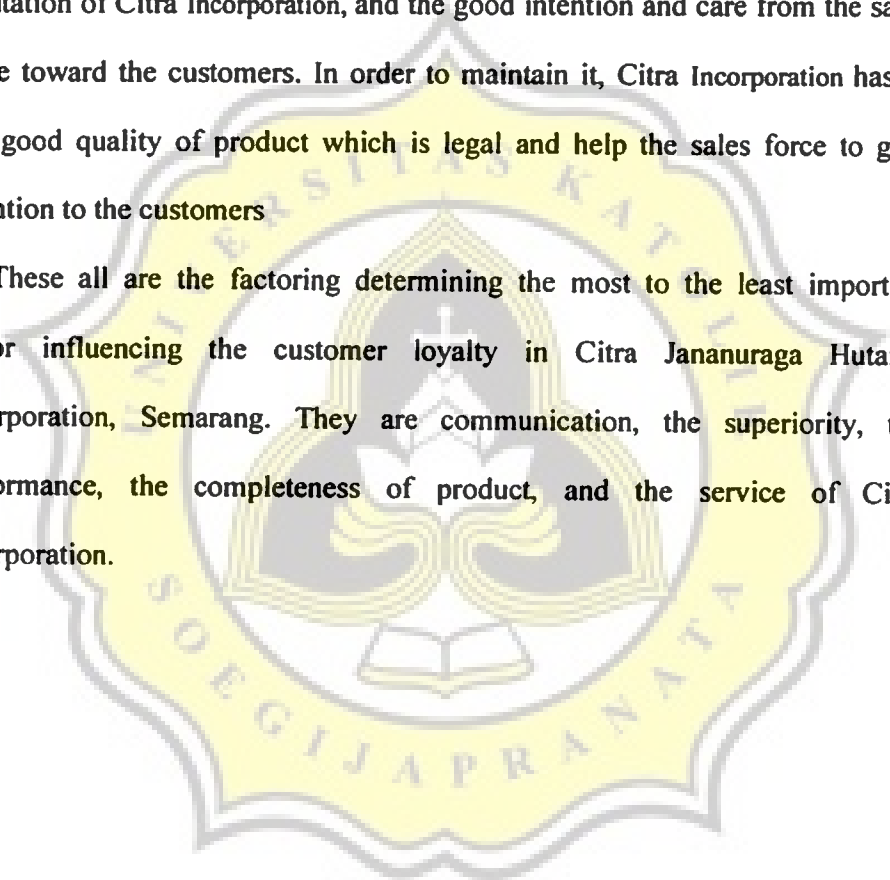
The third factor is the performance of Citra Incorporation. It includes the convenient means of communication, the good competency of sales force in selling the product as well as the good knowledge of medicine, and an easily to remember name of 'Citra'. In order to maintain the customer loyalty, Citra Incorporation has to train the sales force how to sell and learn the medicine.

The fourth factor is the completeness of the product item. It includes the habit of customers to order, the completeness of variable product items, the tolerable time of payment until 1 month, and the fast-sold product. In order to maintain the good working Citra Incorporation should keep up with up to date medicine from the firm so it can introduce the product to the customers.

Citra Incorporation should also learn what medicine is frequently bought and consumed by the end user for these products will be fast-sold products. As for the payment, Citra Incorporation can maintain the time until 1 month for the pharmacies to pay.

The fifth factor is about service. It includes the well known and good reputation of Citra Incorporation, and the good intention and care from the sales force toward the customers. In order to maintain it, Citra Incorporation has to sell good quality of product which is legal and help the sales force to give intention to the customers

These all are the factoring determining the most to the least important factor influencing the customer loyalty in Citra Jananuraga Hutama Incorporation, Semarang. They are communication, the superiority, the performance, the completeness of product, and the service of Citra Incorporation.



D. Strategy to Develop Customer loyalty

In order to find the strategy to develop the customer loyalty in Citra Incorporation, the five factors influencing customer loyalty in the following table is mapped based on the Ps of the marketing mix.

Table 13
Table of Strategy to develop customer loyalty through Marketing Mix

Marketing Mix	Product	Price	Place	Promotion
Factor 1 (communication of Citra Incorporation)			1. Time flexibility of the sales force	1. The owner getting good relationship with customers 2. The sales force getting good relationship with customers
Factor 2 (Product & Price of Citra Incorporation)	1. Customer easily making profit from product sold by Citra Incorporation 2. On time delivery 3. The availability of ordered medicines		1. The frequent visit of the sales force	
Factor 3 (Facility of Citra Incorporation)		1. The easily name of 'Citra Incorporation' to remember, 2. The good competency of sales force in selling the product 3. The good knowledge of medicine from the sales force		1. Citra Incorporation having convenient means of communications
Factor 4 (Performance of Citra Incorporation)	1. The tolerable time of payment 2. A fast-moving product			1. A getting used to order by the customers
Factor 5 (service of Citra Incorporation)				1. The sales force moral service and attention to the customer 2. The well-known and good reputation of Citra

Source of the data: The primary data analyzed 2010

The strategy to develop the customer loyalty through marketing mix in Citra Incorporation is based on the table above. The first factor influencing customer loyalty in Citra Incorporation, *Communication*, is part of **Place** and **Promotion** in marketing mix. They are time flexibility of the sales force in waiting the customer while the sales forces visit the pharmacies. Second is the owner and the sales force getting good relationship with the customers.

Second factor influencing the customer loyalty in Citra Incorporation, **Product** and **price**, are part of **Price** and **Place** in marketing mix. They are the cheap price of the product, on time delivery, the frequent visit of the sales forces, and the availability of the product order.

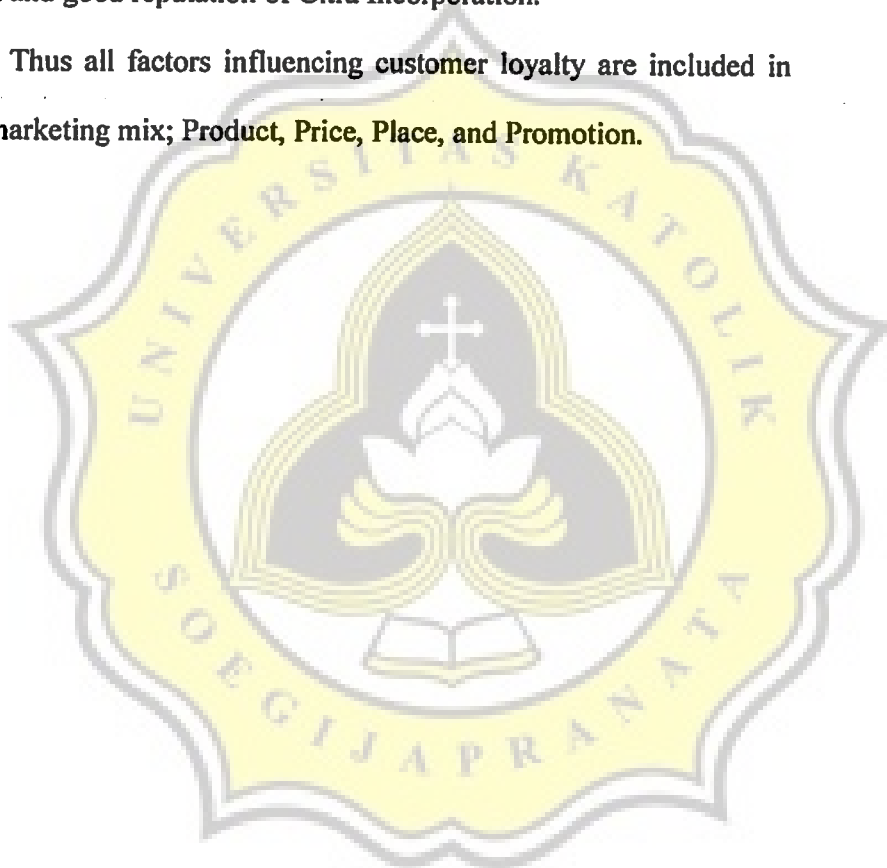
Third factor influencing customer loyalty in Citra incorporation is part of **product** and **promotion** in marketing mix. They are the easily name of 'Citra Incorporation 'to remember, the good competency of sales force in selling the product, the good knowledge of medicine from the sales force, and Citra Incorporation having convenient means of communications.

Fourth factor influencing customer loyalty in Citra Corporation is part of **Price**, **Product** and, **Promotion** in marketing mix. They are the tolerable time of payment, a fast-moving product,

Citra Incorporation having complete medicine per item, and a getting used to order by the customers.

The final factor influencing customer loyalty in Citra Incorporation is part of **promotion** in marketing mix. They are the sales force moral service and attention to the customers and the well-known and good reputation of Citra Incorporation.

Thus all factors influencing customer loyalty are included in **Ps** in marketing mix; **Product, Price, Place, and Promotion.**



CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

A. Conclusion

In order to be successful in running out the business, marketers should plan or maintain and even increase the strategy to build the customer loyalty. Customer loyalty is indicated by the persistent purchasing process after buying and being satisfied with the product. This is the opportunity to develop and maintain the customer loyalty in order to overcome the next competition and to continue the life of company. The strategy to develop customer loyalty is also made through marketing mix.

As what happen in Citra Incorporation, the result of the research shows that the most significant factor influencing customer loyalty in Citra Incorporation is communication. The communication includes time flexibility from the sales person of Citra Incorporation, the way the owner of Citra Incorporation as well as the sales forces bind a good relationship with the pharmacies. Communication is very important for customer loyalty, since there is a vice versa intention from the owner as well as the sales force to the customers. The next factors are regarding the product and price, facility such as various types of telephone, performance and the service.

The strategy to develop customer loyalty through marketing mix is proved by the all factors included in Ps; Product, Price, place, and promotion.

B. Recommendations

The recommendations for this research are

1. To build a good relationship through communication, the owner and the sales forces can learn how to build emotional superiority such as how to compose sentences while interact with customers who are in anger.
2. Citra Incorporation can combine the strategy of effective service as well as the risk, meaning giving parcels for each event based on the customer's belief will need a cost which the company should concern. A pharmacy, whose owner is Moslem, usually should be delivered a parcel for Idul Fitri to attract their attention.
3. All services should meet the standard from the company in order to maintain the service quality.
4. Citra Incorporation can give loyalty reward in terms of financial, non-financial, extra service, recognition and appreciation. Take for example an oral appreciation for the targeted product pharmacy can sell.
5. Citra Incorporation can conduct a survey to the customers periodically in order to find the degree of customer loyalty and follow up their suggestions.