Strategies to Build Customer Trust Based on Service Quality and Relationship Quality: Anchorage Study in Riau Islands

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ABSTRACT

Keywords: Customer trust, quality of service, quality of relationship.

This study examines the potential of anchor services in Riau Islands Province (Kepri), focusing on service quality and customer relationships that can affect the satisfaction of anchor service users. Data from a survey of 100 vessels using anchor berthing services in Kabil Kepri waters shows that the quality of service and customer relationships significantly affect customer satisfaction. The regression analysis results show that service quality and relationship quality simultaneously contribute significantly to customer satisfaction, with the value of the coefficient of determination reaching 68%. Service quality has a more significant influence than relationship quality on customer satisfaction. The implications of this study show that quality service and good customer relations can increase customer satisfaction when using anchor services. The conclusion of this study emphasises the need for a comprehensive strategy to improve service quality and customer relations in anchorage management in Riau Islands waters. Suggestions for further research are further exploration of more representative indicators of service quality and customer relations and increased academic studies in port marketing, primarily related to anchorage objects.



Introduction

Data from the Coordinating Ministry of Maritime Affairs and Investment (2020) states that Indonesia is an archipelagic country, with 70% of its area covering the ocean. Naturally, maritime becomes a mainstay for economic growth. Also, with the second longest coastline after Canada, Indonesian waters have the potential for maritime services as an international ship traffic flow. Meanwhile, there are 2154 ports in Indonesia, but they are still poorly managed. Source Belinda. Co. is based on data from the results of the 2023 Logistics Performance Index (LPI) release; Indonesia plunged 17 places from rank 46 (2018) to rank 63 (2023), with a decrease in score from 3.15 to 3.0. According to the World Bank, the LPI is an index based on survey results on perceptions of logistics actors worldwide.

The data above shows the potential of Indonesia's territorial waters as the world's leading shipping lane. However, with great work to improve port conditions, it can provide services that service users worldwide can trust. (Liu, Yang, & Liu, 2017) The density level of Indonesian shipping lanes on a reasonably dense scale, especially in the Malacca Strait service lanes, can be seen with thick red lines indicating dense shipping activities. The Strait of Malacca is in the contours of a narrow stretch of water, only 580 miles long, between Peninsular Malaysia and the Indonesian island of Sumatra. However, the strait is the main shipping lane between the Indian and Pacific oceans and, as such, is one of the most important and busiest shipping lanes in the world. The Strait of Malacca connects Asia's three largest economies: Arabia, China, Japan and Korea. It also plays a fundamental role in connecting Thailand, Indonesia, Malaysia, the Philippines, Singapore, Vietnam, Taiwan, and India. The Strait of Malacca serves a quarter of global ocean trade, handling about 50,000 ships a year.

The speed of ship traffic flow in the Malacca Strait is a potential for Riau Islands Province (Kepri) in the lane. This potential is supported legally by Law No. 32 of 2004 concerning Regional Government, which gives local governments authority in port management and divides government affairs in shipping to the Government, Provincial Government and Regency / City Government. Kepri Province, with almost 96% of its territory in the sea and small islands, has a relatively high regional income potential from receiving Labuh Anchorkar services. Some areas, including Batam (Galang Island), Nipah Island, and Tanjung Balai Karimun, are large business development areas for regional income. Heavy traffic and many ships need a particular sea space area for anchorage (ship parking) to carry out activities waiting for cargo contracts, making minor repairs, waiting for buyers (ships are sold), carrying out loading and loading activities between ships without going through the dock. The potential of anchor anchorage in Kepri Province is very high, reaching Rp 6 trillion.

The management of anchor berths in the marine sector itself is by the mandate of Law Number 23 of 2014 concerning Regional Government and Regional Regulation (PERDA) of Riau Islands Province Number 9 of 2017 concerning the second amendment to Regional Regulation Number 1 of 2012 concerning Regional Retribution of Riau Islands Province. Moreover, the management of anchor berths has been included in the Regional Regulations.

The Kepri Regional Government, as a relatively new anchor service manager, must be able to provide services that provide satisfaction. In this paper, the author proposes the importance of providing quality services and managing good relationships with customers to achieve customer satisfaction. Analysis of service quality and customer satisfaction is abundant in scientific journals, such as Yeo et al. (2015) research on ports in South Korea (Phan et al., 2021) in the context of ports in Vietnam (Najiyah & Dachyar, 2021) for port service analysis in Indonesia. However, customer relations are still minimal in the study.

(Sarmento, Simões, & Farhangmehr, 2015), Managing interaction processes is very relevant in industrial marketing and business-to-business situations. Relational marketing (relationship marketing) is very relevant to be discussed in service marketing. Most

service businesses have high attachment and interaction between customers and service providers. So, the marketing approach that is only transactional marketing with the target of high sales in the short term becomes less supportive of service business practices. Relational marketing emphasises customer recruitment and maintenance (retention) through improving a company's relationship with its customers.

Anchorage is when a ship in berthing condition releases anchor with a specific purpose, such as waiting for a guide to enter the port or carrying out other tactical and emergency actions (Liu et al., 2017). In the condition of the anchor berth, the port manager performs services that are adjusted to the conditions or needs of the ship anchored. Here lies the importance of quality anchor anchor services and customer relationships that can provide service user satisfaction after accessing anchor anchor services.

Based on the above phenomenon, until now, for cases in Indonesia, it is still scarce to discuss how the Kepri Provincial Government government and anchor business actors utilise the potential of anchor services to be managed optimally to create ports providing consumer satisfaction with the quality of service reliability and shipping customer relationships in Indonesia.

Quality of Service

(Apriyanti, Surya, & Lutfi, 2017) Service is any action or activity offered by a party to another party that is intangible and does not result in any ownership. Service is the behaviour of producers in order to meet customer needs and desires and achieve customer satisfaction. Research in the field of quality services has produced very abundant scientific work based on the object of study of each researcher. Parasuraman and friends in 1985 sparked the famous concept of service quality, abbreviated as Servqual (Cetin, 2020).

The famous service quality model by Parasuraman et al. (1985), in its scientific research, raises a conceptual model of service quality that can be measured based on five dimensions, namely tangibles (physical evidence), reliability (reliability), responsiveness (quick response), assurance (assurance) and empathy (empathy). (Wibowo & Purnama, 2024). However, the study of Yeo et al. (2015) states that Servqual is not considered a universal instrument to test service quality, especially in the context of business-to-business services.

Thai (2008) developed and validated a measurement model (ROPMIS) to explore the quality of marine transportation services. The model comprises six dimensions: resources, outcomes, processes, management, and image and social responsibility. (Yeo, Thai, & Roh, 2015), (Phan et al., 2021). However, the researchers suggest that those factors could be revised for specific sub-sectors of the maritime industry, such as ports, although the model should apply generally to maritime transport services. The study adopted this model and revised the operationalised measurement items specific to the anchor berth sector. Regarding relief services newly presented by the Kepri local government, image and corporate social responsibility cannot be measured. Further, the

two constructs follow the researchers' arguments and are unrelated to customer satisfaction.

Research Methods

Research approach quantitatively. Data collection is carried out using surveys by distributing questionnaires to obtain information on the perception of business customers, namely shipping companies and cargo owners or their representatives such as shipping companies or logistics service provider companies. Samples were taken accidentally from as many as 100 representatives of ships that access anchor services in the waters of Kabil, Riau Islands Province. Based on data from the Maritime Ministry, ship visits per year in Kabil waters reached 4,447 Indonesian vessels and 1,945 foreign ships (Liu et al., 2017).

Data collection was done through questionnaires with closed questions on the Likert scale (5 scales) for each variable indicator of service quality (12 indicators), relationship quality (5 indicators), and customer satisfaction (5 indicators). A statistical analysis was used to test the hypothesis, and regression analysis was used with customer satisfaction as the dependent variable.

In item selection, 12 service quality indicators with the lowest item-total correlation of 0.416 were the highest at 0.743. The Cronbach- α value is 0.842. The relationship quality was assessed based on five indicators, with item-total correlation ranging from 0.68-0.799 and Cronbach- α of 0.776. Finally, the Customer Satisfaction variable was assessed based on five indicators with item-total correlation ranging from 0.881-0.916, Cronbach- α of 0.939. The results of the screening item indicator show that the question is feasible (representative) to be used to represent independent variables in research; the correlation of items with a total of > 0.3 can be used to measure variables (Azwar, 1997, p. 158). The Cronbach- α > value of 0.7 indicates that the research instrument is quite good in terms of internal consistency (reliable) (Kaplan & Saccuzzo, 1993, p. 126).

Results and Discussion

The results of data quality measurements obtained skewness and kurtosis values of each variable not greater than 1.0 and not smaller than -1.0. If the second value of statistics exceeds the threshold value, it is considered abnormal. (Hair, Hult, Ringle, & Sarstedt, 2017) mentioned that distributions with skewness and kurtosis values that exceed the benchmark value are considered non-normal." The average Service Quality and Customer Satisfaction score is pretty good, while the average Relationship Quality score is slightly low.

Table 1
Descriptive Statistics

| Descriptive Statistics | | | | | | |
|------------------------|---------|----------|----------|--|--|--|
| Variable | Average | Skewness | Kurtosis | | | |
| Quality of Service | 3,78 | -0,61 | 0,06 | | | |
| Relationship Quality | 3,45 | -0,14 | -0,14 | | | |
| Customer Satisfaction | 3,75 | -0,09 | -0,16 | | | |

Multiple regression analysis is performed to determine the presence or absence of influence between independent variables on dependents. The regression model of this study, as shown in Figure 1, has two independent variables, namely service quality and relationship quality, while the dependent variable is customer satisfaction. The relationship between two variables whose data is obtained from several samples can be approached by regression analysis. Regression analysis is an equation that looks for straight lines (linear) representing a number of independent and dependent variable data obtained from a sample.

Table 2
Regression Analysis Results

| Regression Analysis Results | | | | | | | | |
|-----------------------------|------------|-----------|-------|---------|-------|--|--|--|
| Independent Variables | Coefficien | Koefisien | T | p-value | R2 | | | |
| | t | Beta | | | | | | |
| Quality of Service | 0.456 | 0.573 | 8,853 | 0.000 | 0.682 | | | |
| Relationship Quality | 0.498 | 0.384 | 5.926 | 0.000 | X | | | |
| Quality of Service x | 0.467 | X | X | 0.000 | X | | | |
| Quality of | | | | | | | | |
| Relationship | | | | | | | | |

Based on Table 2 above, service and relationship quality result in a p-value of 0.000 (significant) for each. Similarly, the relationship between Quality of Service and Quality of Relationship results in a significant relationship. These two variables contribute significantly to customer satisfaction, marked by a value coefficient of determination of more than 68%. A significant standardised coefficient (beta) value indicates that the influence of an independent variable is relatively more significant than that of other independent variables. Based on the multiple regression equation above, it can be seen that the influence of service quality is greater than the influence of relationship quality on customer satisfaction. Service quality is a significant factor in achieving business customer satisfaction at ports. This quality of service and quality relationships complement each other for customer satisfaction.

The results of this study present the validation of the Thai service quality measurement model (2008), namely the service quality measurement model (ROPMIS), to explore the concept of sea transportation service quality. This study's results align with the research of (Yeo et al., 2015), (Phan et al., 2021). The service quality of the ROPMIS model developed by Thai (2008) is based on constructs: resources, outcomes, processes, management, and image and corporate social responsibility. The ROPMIS service quality model is also valid for the anchor anchorage service strategy that is the object of this study, without image and CSR constructs.

This study shows that the argument of the quality of service received by customers will directly produce customer satisfaction. The quality customers receive for the services they access provides a trust or distrust experience for the service features offered by anchor managers, namely anchor berthing resources, reliable service results, and reliable management and management staff. The service received (perceived service) by anchor business customers, thus, as they expected, the implication is that the quality of service is

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perceived as good so that customers are satisfied with the service capabilities of anchor managers.

Customer satisfaction with anchor anchorage businesses in Kepri is not only determined by quality service but also by the quality of business relationship management. In the context of the relational marketing business customer from the study of (Izakova, Kapustina, & Vozmilov, 2019), the focus is on building business processes to ensure results as expected by customers. To ensure the purpose of the business process, port managers should ensure the quality of business relations, not only economic benefits but also social relations problems, such as satisfactory relationship duration or reducing conflicts that occur from misunderstandings in service.

Conclusion

The conclusion of this study resulted in a model of the influence of service quality variables and the quality of business-to-business customer relationships on anchor anchorage customer satisfaction in the waters of Kabil, Riau Islands. The quality of service and the quality of relationships positively affect customer satisfaction. Whether it is the service process received by customers and quality business relationships related to anchor services directly cause service experiences that can provide satisfaction. Users of anchor anchor services quite well feel the quality of the service the port manager provides, and so is the customer relationship management factor.

Based on these conclusions, a necessary suggestion is the existence of a comprehensive strategy for anchor anchorage services in the Riau Islands regarding service quality and business-customer relationship quality. The implication is that suggestions from the academic aspect need deeper exploration to bring up more representative indicators of service quality and customer relationship quality that can be applied in anchorage management. Considering that the anchor object in academic studies in port marketing is still limited.

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