

## Model Empowerment Development Through Relational Benefit Approach Based On Social Marketing Concept

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### ABSTRACT

Approximately 70% of East Java's economic growth comes from Small and Medium Enterprises (MSMEs), which are mostly craftsmen, among whom are artisans of songkok. But there are still many obstacles that exist with regard to marketing how marketers provide satisfaction to consumers with relational benefit based on the concept of marketing with social insight so that the realization of a repeat purchase (usage intention), because of the demands of consumers to provide satisfaction. To empower the artisans of the songkok, in this study aims to find the correlation of Relational Benefit how marketers relate to consumers providing confidence benefits, social benefits and special treatment benefits. The concept of social marketing is related to the social interaction relationship between marketers, consumers and society...

**Keywords:** Relations benefit, marketing concept, usage intention, customer satisfaction.

### INTRODUCTION

Approximately 70% of East Java's economic growth comes from Small and Medium Enterprises (MSMEs), which are mostly craftsmen, among whom are artisans of songkok. But there are still many obstacles that exist with regard to marketing how marketers provide satisfaction to consumers with relational benefit based on the concept of marketing with social insight so that the realization of a repeat purchase (usage intention), because of the demands of consumers to provide satisfaction. To empower the artisans of the songkok, in this study aims to find the correlation of Relational Benefit how marketers relate to consumers providing confidence benefits, social benefits and special treatment benefits. The concept of social marketing is related to the social interaction relationship between marketers, consumers and society.

This rescue function is immediately visible in the sectors of providing basic needs of the people through the production and normalization of distribution. The evidence has at least generated new optimism for most people who control a small portion of resources for their ability to be the driving force for economic recovery. Indonesia's 4-year economic journey through the 1997-2001 crisis provided an interesting development on the position of small businesses that are relatively increasingly contributing to the formation of GDP. This seems to suggest that the position of small businesses in Indonesia is getting stronger. This conclusion may need to be studied more deeply so as not to mislead us in formulating development strategies. This complexity will become more visible when it is associated with an increasingly strong support context for the need to maintain SMEs (Small and Medium Enterprises). In looking at the role

of small business in the future and the necessary prerequisites for achieving that position, there are at least two major questions to be answered: First, whether SMEs are able to become the growth engine expected by the SME movement in a world that has proved successful in developed countries; Secondly, can SMEs be the main instrument for Indonesia's economic recovery, especially solving the unemployment problem.

The majority of Indonesia's population is Islam. This has a great influence in the life of the Indonesian nation. One of the most prominent features of Islamic society is the use of songkok. Songkok is a symbol for a Muslim. Because of that songkok is a requirement that some of the Islamic community consider as the main requirement. From here, the songkok industry continues to emerge. Moreover now it is a symbol of Identity so many of them use National Songkok Indonesia. Non-Muslim People Along with the policy of encouraging non-sponsorship in the field of one of the existing opportunities of government in oil and gas, it is wrong that is songkok.

Since the majority of the ASEAN countries are Muslims, so that the making of songkok industry has an important role in getting additional foreign exchange for the country. Therefore, it is necessary to pay attention both from the government and the private sector, in order to develop the songkok industry Customer satisfaction is a very crucial thing in determining the success or failure of a business (Kau and Elizabeth, 2006). Giving customers consistent satisfaction is not the case easy. The changes that are happening now tend to make it easier for customers to make choices and make decisions, because it is easy to get information to make customers smarter, and able to evaluate which products meet their expectations of what marketers promise in marketing communications activities (Alrubaiee and Nazer, 2010). Faced with these challenges, companies must begin to make strategic adjustments, companies that were once more focused on transactional activities must now begin to shift to relationship activities to get closer to consumers and better know what the current needs and can provide benefits to consumers over relationships knitted by the company and consumers (Hennig Thurau et al., 2002).

Relationship marketing is one of the company's strategy by maintaining good relationship with customers in the long run. This strategy focuses more on how to maintain existing customers, so as not to move to competing products (Zeithaml et al., 2006). Relationship marketing is an effort to attract, maintain, and improve long-term relationships with customers. Therefore, it is important for the company to be more concerned with customers, because one of the key factors of the company to survive in the current market is to maintain and maintain long-term relationships with customers (Perrien and Richard, 1995). Relationship marketing is a philosophy in doing a strategic-oriented business, which focuses on maintaining and improving the quality of customer relationships today instead of focusing on efforts to acquire new customers (Palmatier et al., 2006). This philosophy assumes that many customers and business customers prefer to have a sustainable relationship with one company instead of having to move to another company, as long as the company is able to deliver value and meet the expectations of its customers, therefore keeping customers current will make the company cost much less than by trying to attract new customers using conventional marketing communications such as advertising (Sui and Baloglu, 2003). For that reason the company must be able to provide a benefit or benefit to the customer from the relationship built to the customer (Rauyruen and Miller, 2007). Successful marketers will work with using effective strategies to retain customers by continuing to provide long-term satisfaction (Hennig Thurau and Klee, 1997). Giving benefits from a relationship or relational benefit can actually benefit both parties, both customers and companies (Ruiz Molina et al, 2009).

The advantages in question is when companies implement relationship marketing strategy, the company will be able to know in full and more complete about what the customer really needs so that the company will create solutions in the form of products to help customers in meet his needs. In the hope that it will make customers satisfied and be loyal to the company. On the one hand, customers through these relationships, will benefit satisfaction that all of their needs will be met by the company (Zeithaml et al., 2006). Estuary of this relationship is a mutually beneficial relationship between customers and companies. Some approaches can be used to provide benefits for a relationship or relational benefit, but the most common are confidence benefits, social benefits, and special impact benefits Social-oriented marketing can also be said to be a marketing process with a view on the social aspects. As explained above, the purpose of social insight is that marketers and individuals or groups are able to complement each other, in other words the marketer creates an offer to the community to meet the desired needs and then the public gets satisfaction with something offered by the marketer. Thus, a mutually beneficial relationship of social cooperation between communities and marketers is established. With this interconnection is expected both from marketers and the consumer can mutually cultivate social sensitivity which will be aimed to achieve the fulfillment of the expected needs.

## LITERATURE STUDY

### Marketing Strategy

Marketing as it is known, is the essence of a business. Without marketing there is no such thing as a company, but what is meant with the marketing itself people still feel confused. Understanding Kotler's marketing (1997: 8) is a social and managerial process within it individuals and groups get what they need and want by creating, offering and exchanging products with others. Many consider this field identical to or similar to the sales field. Truly, marketing has a broader meaning than sales. The sales field is part of the marketing field, as well as the most important part of the marketing field itself. Marketing means work with the market to realize potential exchanges with the intention of satisfying human needs and wants. If the company is paying more attention many to keep abreast of changing needs and new desires, they will have no trouble recognizing their opportunities. Because consumers are always looking for the best for their lives and of course at an affordable price and with good quality too, that's what triggers the increasingly keen competition that causes the sellers feel the more difficult it is to sell its products in the market.

On the contrary, the buyers feel much benefited because they are free to choose from any party with good quality and product quality this is what drives business experts to find the best way out. The phenomenon of the past is studied and compared with what is symptomatic at present, business tips in producing goods, pricing, promoting and distributing well-analyzed to fit market guidance. A very simple marketing theory always emphasizes that in marketing activities it should be clear who sells what, where, how, when, in what quantity and to whom. The existence of the right strategy will greatly support the marketing activities as a whole. The definition of Harper W (2000: 4) that Marketing is a social process involving important activities that allow individuals and companies to get what they need and want through exchange with other parties and to develop exchange relationships. This definition explains that marketing is a process of business activities to implement a strategic plan that leads to the fulfillment of consumer needs through exchange with other parties.

Basu Swastha (2002: 17) The concept of marketing is a business philosophy that states that satisfying the needs of consumers is a condition economic and social development for the company. The marketing concept is based on outward-looking views. This concept begins by

defining a market that clearly focuses on customer needs, integrating all system activities that will affect customers and generate profits through customer satisfaction.

Kotler and Keller (2009: 58), basically marketing activities include the concept of production, product concept, concept of marketing concept sales and concepts holistic marketing.

- The concept of production  
This concept is oriented towards the production process or operation. Manufacturers believe consumers will only buy cheap and easy products obtained. Managers assume that consumers are primarily interested in product availability and low prices. This orientation is useful when companies want to expand the market.
- Product concept  
In this concept, marketers assume that consumers prefer products that have superior quality, performance, features or appearance. Organizational managers focus on producing superior products and improving quality over time.
- The concept of sales  
This concept is sales-oriented, where marketers assume that consumers must be influenced in order to increase sales. Concept this assumes that consumers generally show reluctance or resistance to buy so it must be persuaded to buy.

The concept of customer-oriented marketing with the assumption that consumers will only be willing to buy products that can meet the needs and desires and provide satisfaction. Marketing concept consists of four pillars namely: target market, customer needs, integrated marketing or integrated and able to generate profits.

The concept of holistic marketing is an approach to a marketing that tries to recognize and reconcile the scope and complexity of marketing activities. Holistic marketing recognizes that everything something can happen to marketing and marketing a broad and perspective integrated often required four components of holistic marketing, namely:

- a. Relationship Marketing, has the goal of building a long relationship long satisfactory with the parties that have the main interests (customers, suppliers and distributors) in order gain and maintain business preference and long-term sustainability.
- b. Internal Marketing, the internal marketing task is to recruit, train and motivate employees who are able to serve customers with good. Internal marketing takes place on two levels, the first serves as a sales force marketing, advertising, customer service product management, and marketing research. The second marketing takes place by other departments, the department requires thought marketing that customers think, which can penetrate the whole company.
- c. Social Responsibility Marketing, a community marketing concept that is demanding marketers to incorporate social and ethical considerations into their marketing practices. Marketers must balance and set the criteria that often conflict with corporate earnings, satisfaction of consumer desires and the public interest.
- d. Integrated Marketing, more planning marketing activities and assemble a fully integrated marketing program to create, communicating and delivering value to consumers. In other words, the design and application of a marketing activity is by doing business thoroughly in management demand, resource management and network management.

### **Social Marketing Concept**

The concept of social-oriented marketing states that the task of the organization is to determine the needs, wants, and interests of the target market and to provide the desired satisfaction more effectively and efficiently than competitors by maintaining and improving the

welfare of consumers and society. The concept of social insight invites marketers to build social and ethical considerations in their marketing practices. They must balance and align the three factors that often become disputes namely corporate profits, consumer satisfaction, public interest (Philip Kotler, 1997).

Social-minded marketing is a process for influencing human behavior on a large scale, using marketing principles for the sake of community satisfaction not for the benefit of business (Goldman, 2001). Companies must have a sense of moral responsibility, to serve the community as well as possible. This social responsibility in the broad sense, must produce products that can meet the satisfaction of consumers and companies that can improve people's welfare. All this must be in order to create an atmosphere of life that, good and serene with full sense of responsibility is not concerned with corporate profits alone.

According to Zheithaml et al., (2006) relational benefit is what customers will experience when they receive services from companies that have a higher value than what they expect / get from other companies. When a company is able to consistently deliver value from the customer's point of view, then one benefit will be perceived by customers more clearly that will encourage them to maintain relationships. Relational benefits consist of confidence benefits, social benefits, and special treatment benefits (Maria Eugenia et al., 2009).

Customers who feel the value or benefits (relational benefits) of the relationship marketing program, will feel a satisfaction. Kotler (2006, 61) argues that customer satisfaction is the level of one's feelings after comparing the perceived performance with hope. Customers experience varying degrees of satisfaction and dissatisfaction, having experienced or perceived each service in accordance with so far where their expectations are met or exceeded (Ndubisi & Chan, 2005; Kim, 2005). Furthermore, the satisfaction of the consumer will have an effect on his loyalty. According Hurriyati (2005) loyalty refers to the form of behavior of the decision-making units to make a continuous purchase of the product of a selected company. According to Leverin and Liljander (2006); customer loyalty is demonstrated by the behavior of making the company the first choice, always using the company's products, always telling positive things about the company's products, and will not turn to competitors.

### **RESEARCH METHODOLOGY**

This research uses qualitative approach. The definition of qualitative research is an approach that process data derived from the field and then presented in the form of description in accordance with the actual situation. In this qualitative approach the authors use case study strategies, considering that this study provides a very small chance for researchers to control the symptoms or social events under study, in spite of the research being conducted on contemporary events or phenomena in real life (Yin 1996).

Baedhowi (2001) states the case study approach as an approach to study, explain, and interpret a case in its natural context without any outside intervention. Through case study strategy, researcher try to know the condition of songkok SMEs and obstacles faced. It is hoped that with this strategy, the researcher can more easily understand the research problem more deeply and thoroughly, so that it can determine the concepts of promotion strategy planning according to the SMEs.

### **Population**

The research in this study is a qualitative research triangulation among the sources of different data to improve the accuracy of a different data to improve the accuracy of a study. Triangulation is a process of strengthening the evidence from different individuals, the type of

data in the description and themes in qualitative research, Emzir (2012). Population according Sugiyono (2014: 49) is a generalization region consisting of the objects / subjects that have certain qualities and characteristics specified in the research to be studied and then drawn conclusions. In qualitative research because the population does not use qualitative research departs from particular cases that exist in certain social situations and the study results will not be applied to the population but transferred to another place on the social situation has similarities with the social situation in the cases studied.

### **Research Samples**

Sugiyono (2014: 49) explains that the samples are part of the population. Samples in qualitative research is not named respondent but as resource persons or participants, informants, friends and teachers in research. The determination of the sample unit is considered adequate if it had been up to the level of "redundancy" (data has been saturated, plus samples again does not provide new information), it means that by using the next respondent may be said again obtained new information means.

The subject of the research is the source of data asked for the information according to the research problem. The intended source data in the study is the subject from which the data obtained (Suharsimi Arikunto, 2002: 107). To get the right data then it is necessary to determine the informants who have competence and in accordance with data needs (purposive). Therefore it is required that subjects who meet the parameters that can reveal the condition of SMEs songkok so that data can be obtained

### **Data Analysis Technique**

This research is descriptive research, with more descriptive of interview result and documentation study. The data have been obtained will be analyzed qualitatively and described in the form of descriptive. According to Patton (Moleong, 2001: 103), data analysis is "the process of arranging the order of data, organizing it into a pattern, category and basic description". The definition provides an overview of how important the position of data analysis is viewed in terms of research objectives. The main principle of qualitative research is to find the theory of data. Data analysis techniques used in this study is to use the steps as proposed by Burhan Bungin (2003: 70), as follows:

a. Data Collection

Data collection is an integral part of data analysis activities. The data collection activity in this research is by using interview and documentation study.

b. Data Reduction

Data reduction, defined as the selection process, concentrates attention on simplification and transformation of coarse data arising from written records of records in the field. Reduction is done since data collection begins by making a summary, and editing irrelevant information.

c. Display Data

The data display is a batch description arranged information that provides the possibility of conclusion and action taking. The presentation of qualitative data is presented in the form of narrative text. The presentation can also be in the form of matrices, diagrams, tables and charts.

d. Verification and Confirmation Conclusion

This is the final activity of data analysis. The conclusion of the conclusion of the activities of interpretation, namely finding the meaning of data that has been presented between the display data and conclusion there is activity data analysis that exists. In this sense the analysis of qualitative data is an ongoing, repetitive and ongoing effort.

Data reduction issues, data presentation and conclusions or verification are success stories in sequence as a series of related analytical activities.

## RESULT AND DISCUSSION

In Songkok SMEs dealing with relational benefit has been applied in the marketing process. In terms of consumer confidence (confidence benefit) to the product by providing good quality, more varied models, affordable price is a form of increasing the level of consumer confidence. In terms of social relations (social benefit) by lifting employees from the surrounding community so as to improve the standard of life of the surrounding community with mebuka employment so that the unemployment rate is reduced. In terms of more treatment to the consumer (special treatment benefit) by providing service ordering products via online so as to facilitate consumers order the desired product and able to reach the market from all over the city

Based on the results of research and discussion conducted it can be concluded as follows:

1. According to Zheithaml et al. (2006) relational benefit is what customers will experience when they receive services that have a higher value than they expect and get from other companies, and Consumer Satisfaction is the feeling of someone after comparing the performance or the results felt in the hope (Philip Kotler, 2007). The influence of relational benefit to customer satisfaction according to Ndubisi and Chan, (2005) are companies capable of consistently delivering value from the customer's point of view, one benefit that customers will feel more clearly that will encourage them to maintain relationships. Based on the results of research with observation techniques, interviews and documentation conducted in SMEs songkok can be concluded that the relational benefit has a positive and significant impact on customer satisfaction on SMEs songkok. This shows that the better the benefits of trust that customers get from the company, will be directly proportional to the level of customer satisfaction.
2. Consumer Satisfaction is the feeling of someone after comparing the performance or the results that feel in his hope (Philip Kotler, 2007). Customer satisfaction is a thing that very crucial in determining the success or failure of a business (Kau and Elizabeth, 2006). Social-oriented concepts invite marketing to build social and ethical considerations in marketing practices they. They must balance and align the three factors that often become disputes namely corporate profits, desire consumer satisfaction, public interest (Philip Kotler, 1997). The Effect of Consumer Satisfaction on Social Marketing Concept by Alrubaiee and Nahla (2010) The success of social marketing concept of a business can be achieved if customer satisfaction has been fulfilled. But for get customer satisfaction is not easy, because each customer has a different level of satisfaction, although requires the same product Based on the results of research can be concluded that the SMEs songkok The process of fulfilling customer satisfaction requires not only quality products or services, but also requires a supportive service system. So that the customers will feel happy with the product or service needed, and comfortable with the services provided so that the concept of marketing with social insight can be run well.
3. Customer satisfaction is a very crucial thing in determining the success or not of a business (Kau and Elizabeth, 2006), Consumer loyalty is customer commitment to a brand, shop or supplier based on the very positive nature of long-term purchases (Tjiptono, 2000). Influence The level of satisfaction with customer loyalty is Customer experiencing various levels of satisfaction and dissatisfaction, after experiencing or perceiving each service according to the extent to which their expectations are met or exceeded (Ndubisi & Chan, 2005; Kim, 2005). Next, the satisfied feeling of the consumer will be has an effect on his loyalty, customer loyalty is shown by the behavior of making

the company as the first choice, will always use the company's products, always tell the positive things about the company's products, and will not switch to competitors. Based on the results of research on SMEs songkok can be concluded that the satisfaction is the core concept of loyalty, where without satisfaction there will be no loyalty, so the satisfaction is a loyalty-building factor.

### ACKNOWLEDGMENTS

This community empowering program is funded by research and technology ministry, using community partnership schemes 2017.

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