

# Influences Analysis Internal, Marketing, Interactive Marketing and External Marketing Toward Service-Profit-Chain. (Case Study on Beauty Clinic in Jakarta, Indonesia)

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## Abstract

This study examines three aspects, namely the Internal Marketing, Interactive Marketing and External Marketing Toward Service-Profit-Chain. The population of this study is customer aesthetic beauty clinic, with a sample of 75 respondents. The data used is primary data, processing with program SPSS 20.0, as well as testing the questionnaire through the stages of test reliability and validity. Hypothesis testing using multiple linear regression with the classical assumption; normality test, Heteroskedasitas, Multicollinearity, and autocorrelation test. Of the t test (partially) and F test (simultaneously) received the results of both hypotheses. Therefore, it is suggested that companies in the service implements three types of marketing services, including interactive marketing, internal marketing and external marketing, in order to be successful marketing strategy, and has a loyal customer who is willing to promote their products through word of mouth, generating huge profits, and sustainable.

**Key Words:** Internal Marketing, Interactive Marketing and External Marketing, Service-Profit-Chain.

## 1. Introduction

Indonesia is ready to welcome the entry into force of the ASEAN Economic Community (AEC) in 2015, by prepare a strategy and a great resource. This also applies to marketing services, where businesses must be good at designing a marketing strategy services, where competition is getting tighter. With regard among other internal problems of marketing, interactive marketing and external.

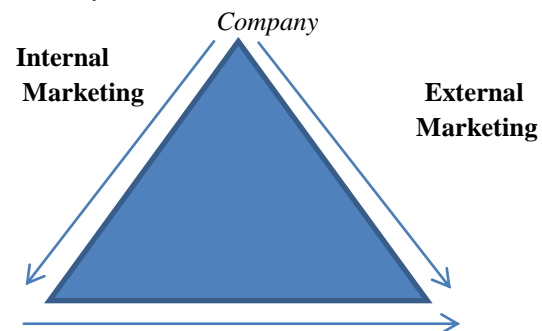
A service is any act or performance, one party can offer to another that is essentially intangible and does not result in the ownership of anything its production may or may not be tied to a physical product. Service includes all economic activities whose output is not a

physical product or construction, consumed at the time it is produced and provides added value in forms such as convenience, amusement, timeliness, comfort and health that are essentially intangible and it concerns of its first purchaser. Service Marketing triangle shows three interlinked group's customer, provider and the company that work together to develop, promote and deliver service to the satisfaction of the customer. Service marketing involves three types of marketing: a) External Marketing, b) Internal Marketing and c) Interactive Marketing, while when it comes to GAP model than there are four potential gaps Knowledge gap, Service design and standard gap, Service performance gap, communication gap within the service organization. If we talk about importance of service marketing in the Beauty Clinic industry so we come to know that break at any point whether it is in service marketing triangle or in GAP model can spoil relationship of beauty clinic with the existing and potential customer

## 2. Literature Study.

Holistic marketing for services requires external, internal, and interactive marketing. External marketing describes the normal work of preparing, pricing, distributing, and promoting the service to customer. Internal marketing describes training and motivating employee to serve customers well. Interactive marketing describes employee's skill in serving the client.

Figure: 1 Three Type of Marketing In Service Industry



*Employees    Interactive Marketing    Customers*

Source : Kottler Keller, 2006

**External Marketing** means "Setting the Promise" Marketing to End users that clients. Involves pricing strategy, promotional activities, and all communication with customers. Performed to capture the attention of the market, and arouse interest in the service. From the study point of view, In External marketing Beauty clinic should consider their clients as a marketer or promoter since better services in beauty clinic induces customers to promote the beauty clinic at least by word of mouth. Better services should be provided at low initial prices or price penetration strategy should be followed. Price can be used as a promotional tool in the market. Apart from pricing the team of well qualified doctors and behavioral beauty clinic staff contributes in promotional strategies. Once the awareness of beauty clinic spreads to the potential customers, automatically the footfall will be increased.

**Internal Marketing** means "Enabling the Promise" Marketing to employees that mean marketing of well qualified doctors team. Involves training, motivational, and teamwork programs, and all communication with all employees including doctors and other supporting staff of beauty clinic. Enable employees to perform the service effectively, and keep up the Promise made to the customer.

In Internal marketing beauty clinic have to enable their promise that they have made to its existing as well as potential customer. Here a beauty clinic can hire a renowned doctor and by the worth of his name they can promote the beauty clinic. In this part all the employee of the organization gets the training for performing the prior made promise. Training enable employee to perform their work efficiently and effectively.

**Interactive Marketing** means "Delivering the promise" This is real time marketing and known as moment of Truth and Service Encounter This refers to the decisive moment of interaction between the front office employees and customers, i.e. delivery of service. This step is of utmost importance, because if the employee falters at this level, all prior efforts made towards establishing a relationship with the

customer, would be wasted and it creates negative brand image of the beauty clinic.

In Interactive marketing real service delivery takes place. This is the time when the employee gets in touch with potential customers.

This is the most critical and significant step when it comes to assess the quality of beauty clinic services. Beauty Clinic administration should be careful enough at this step because it shows the hospitality toward customers and generate and create brand image in the eye of potential customers.

### **Connecting the Service-Profit Chain**

Customer loyalty and drive profit growth. The service-profit chain research indicates that customer loyalty is a key determinant of profitability (Reichheld and Sasser Frederick W. Earl, Jr. "Zero defections: Quality Comes to Services" HBR September-October 1990). The same study showed that 5% increase in customer loyalty produces 25-85% increase in profits.

Customer loyalty drives customer satisfaction, There are two things about fidelity is important to pay attention. Customer satisfied is not automatically loyal customers. It's just a super satisfied customers who become loyal. That is why 'satisfied' is not enough in a world of abundance that is the situation for many companies today. Add to that the hard reality that what we considered to be a fantastic year ago is what we expect this year. Expectations are changing all the time. If a company wants to retain the loyalty should be better and better. Loyal customers are more likely to tell others about their loyalty rather than just satisfied customers. Customers eager to tell others about their experiences and create ambassadors for the company. They become loyal customers and they always come back. Customer satisfaction drives value, the main determinant of customer satisfaction perceived value – that customers have earned more than the product than he thinks it is worth it. Value often have an emotional aspect that makes a very memorable experience for customers. The key to creating value is the ability to bond emotionally with customers and create an emotional experience. Underlying this to be very clear about the concept of targeted services to targeted customers.

Hypothesis 1 is, Internal Marketing, Interactive Marketing and External Marketing significant effect partially to the Service-Profit-Chain.

Hypothesis 2 is, Internal Marketing, Interactive Marketing and External Marketing significant effect simultaneously to the Service-Profit-Chain.

### 3. Metode Research.

This study used primary data, the population of this study is the customer beauty Clinic, with a sample of 75 people. Questionnaires wear liqueur scale, by means of testing the reliability and validity. Analysis of data by multiple linear regression, with over classical assumption.

### 4. Analysis and Discussion

#### 4.1. Validity and Reliability.

Test reliability of each construct this study using Cronbach "s Alpha. According to Sekaran (2009; 311) Cronbach "s alpha coefficient which is quite acceptable is a value between 0.60 to 0.70 or more. SPSS.20.0 of reliability testing with the results obtained; Croanbach Alpha Internal Marketing 0,760 > 0.6 means Reliable. Croanbach Alpha External Marketing 0,827 > 0.6 means Reliable. Croanbach Alpha Interactive Marketing 0,726 > 0.6 means Reliable. Croanbach Alpha Service Profit Chain 0,897 > 0.6 means Reliable

#### 4.2. Classical Assumption Test.

Prior to testing multiple linear regression, necessary to test the assumptions of classical, to ensure that the model obtained truly fulfill the basic assumptions in the regression analysis that includes not multicollinearity, no autocorrelation, and there is no heteroscedasticity. The results of testing the Classic assumption, Acceptance all.

Tabel 1 VIF variables

Variable	VIF
International Marketing	1.808
External Marketing	2.557
Interactive Marketing	4.685

#### 4.3. Test Hypothesis.

Number R showed a correlation or relationship between the dependent variable with the dependent

variable with the independent variable. Adjusted R square pays great attention to the presentation of the dependent variable that can be explained by the independent variable (adjusted R square)

Table : 2 R Square Adjusted.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868 <sup>a</sup>	.753	.742	.30650

a. Predictors: (Constant), External\_Marketing, Interactive\_Marketing, Internal\_Marketing

From the table above is obtained R Square of 0,753 meaning Internal marketing, external marketing, and Interactive marketing. Contributed 75.3 % towards Service-Profit-Chain Beauty Clinic Esthetical Jakarta Indonesia, while 24.7 % is influenced by variables outside of the variables studied.

#### 4.4. Parcyal Test (T test)

Hypothesis: If the number probability of significance <0.05, then H0 is rejected. If the number of significance probability > 0.05, H0 is accepted. From the table above, the number probability Internal marketing significance 0.000 <0.05. then H0 is rejected, Ha accepted

Table : 3 Partial test

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.274	1.196		2.737	.008
	Internal_Marketing	.432	.089	.534	4.384	.000
	Interactive_Marketing	.883	.070	.797	12.641	.000
	External_Marketing	.495	.096	.622	5.155	.000

a. Dependent Variable: Service\_Profit\_Chain\_Beauty\_Clinic

From the table above, the number probability Internal Marketing significance 0.00 <0.05. then H0 is rejected, Ha accepted, concluded External marketing partially significant effect, to Service-Profit-Chain Beauty Clinic . Figures External marketing

significance probability of  $0.00 < 0.05$ . then  $H_0$  is rejected,  $H_a$  accepted, concluded Interactive marketing partially significant effect, to Service-Profit-Chain Beauty Clinic.

hypothesis; When the significance probability figures,  $> 0.05$ ,  $H_0$  is rejected. If the number of significance probability  $> 0.05$ ,  $H_0$  is accepted. From the results of Table 4 obtained. Figures significance

**Table 4: Simoustanly Test.**

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.317	3	6.772	72.089	.000 <sup>a</sup>
	Residual	6.670	71	.094		
	Total	26.987	74			

a. Predictors: (Constant), External\_Marketing, Interactive\_Marketing, Internal\_Marketing

b. Dependent Variable: Service\_Profit\_Chain\_Beauty\_Clinic

## 5. Conclusion

Based on internal marketing research, external marketing and interactive marketing simultaneously significant effect on the Business Services-Chain. Therefore, all variables must be considered together. From the research, the partial internal marketing, external marketing and marketing Interactive significant effect on the service chain profit. this as a priority consideration Beauty Clinic management, which should take precedence if the funds for the development of a limited company. Priority can be seen from the significance probability variable.

Service-profit chain establishes the relationship between profitability, customer loyalty, and employee satisfaction, loyalty. Link in the chain that should be considered as a proposition is as follows: Profit and growth are stimulated primarily by customer loyalty. Loyalty is a direct result of customer satisfaction. Satisfaction is strongly influenced by the value of services provided to customers. Value / value created by a sense of satisfaction that makes employees productive. Internal marketing is related to employee satisfaction, which have a positive impact on results achieved Beauty Clinic.

## 4.5. Test F.

probability 0.000 Thus it can be concluded that, Internal marketing, External marketing and Interactive marketing simultaneously significant effect on Service-Profit-Chain.

The service-profit chain is also determined by a special kind of leadership that emphasizes the importance of each employee and customer. therefore Interactive marketing should not be abandoned, but should be improved.

## Recommendation

Based on research; Internal marketing, marketing and Interactive marketing External simultaneously significant effect on Service-Profit-Chain. Because the service-profit chain can establish the relationship between profitability, customer loyalty, and employee satisfaction, the indicator indicators of internal marketing, marketing External and Interactive Marketing, which affect the service-profit chain, must be considered by the management Aesthetics Beauty Clinic.

Beauty Clinic management should improve internal marketing to strengthen the power and advantages that have been owned by the company.

Profit and business growth obtained as stimulated by customer loyalty. Therefore, the Interactive marketing should be improved, through learning to employees, through training and on the job training for new employees. Threats and opportunities should be anticipated, therefore, external marketing should always be empowered by management Aesthetics Beauty Clinic.

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