

**BUILDING CUSTOMER VALUE
TO INCREASE NUMBER OF TOURISTS**
(Implementing Five Basic Concepts in Increasing Customer Value by Kotler)

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ABSTRACT

Based on the customer is a king, so tourist destination should be able to increase tourist satisfaction. It is relation with tourist value; it means that to increase tourist satisfaction is the same with to increase tourist value. If the tourists get high value, with the high satisfaction, they will be able to visit tourist destination repeatedly. Referring to the statement that satisfaction should be able to increase by means of increasing value. The statement above is the basic in writing this research with the title "Building Customer Value to increase Number of Tourists" Implementing Basic Concept in Increasing Customer Value. The purpose of this research is how to describe the effort in increasing customer value in order to be able to increase number of tourists at tourist destinations. The research method used is literature review in implementing five basic concepts in increasing customer value by Kotler. The result achieved that there are five ways can be accomplished by tourist destinations in increasing tourist value, namely: (1) raise benefits; (2) reduce costs; (3) raise benefists and reduce costs; (4) raise benefits by more than the raise in costs; dan (5) lower benefits by less than the Reduction in Costs.

Keywords: *value, satisfaction, costs, benefits*

1. INTRODUCTION

Among several attempts to do by profit organizations, in maintaining its business is how to retain customers. These means that the customers do not have the chance to switch to another vendor on the same products. Other efforts are generally made by the company is to enhance the promotion frequency particularly by advertising. This is confirmed by Kotler (2007:187) as follows:

"Advertising can be used to build up a long-term image for a product, or trigger quick sales. Advertising can efficiently reach geographically dispersed buyers.

Through advertising activity, will have an impact on the construction of the old image of the product being advertised. By advertising to

boost sales, which means increased sales of these products can be easily implemented. This underlying the achievement of increased sales, because advertising has a level of efficiency is sufficient to reach prospective buyers are geographically, as long as affordable by the media used.

This explanation gives a message to companies that through advertising is not only able to maintain his business, but also can increase sales, and can grow the company.

Retaining customers is very important, because, the company can survive and even flourish. This is confirmed by Kotler (2007:205) about the customer, as follows:

1. *A customer is the most important person ever in this office . . . in person or by mail.*
2. *A customer is not dependent on us . . . we are dependent on him.*
3. *A customer is not an interrupting of our work . . . he is the purpose of it.*
4. *We are not doing a favor by serving him . . . he is doing us a favor by giving us the opportunity to do so.*
5. *A customer is not someone to argue or match wits with. Nobody ever won an argument with a customer.*
6. *A customer is a person who brings us his wants. It is our job to handle them profitably to him and to ourselves.*

What was delivered Kotler gives the message that customers are very important people in a company; they do not rely on the company, but, companies that depend on customers. Finally, the company must realize that what the customer wants, that what should be provided by the company.

Based on these explanations, it can be taken proposition that keeping customers is directly proportional to building the company. That is, the higher the company then it would potentially be able to retain customers, the higher for companies to be able to develop or otherwise, the lower the company can retain its customers, the lower is also for companies to be able to develop his company. In this regard, Kotler (2007:199) describes how to retain customers, namely:

1. *Basic Marketing (the sales person simply sells the products)*
2. *Reactive Marketing (the sales person simply sells the products and encourages the customers to call she or he has questions, comments, or complaints)*
3. *Accountable Marketing (the salesperson phones the customers a short time after the sale to check whether the products is meeting expectation.*
4. *Proactive Marketing (contact customer from time to time with suggestions about improved product uses or helpful new products)*
5. *Partnership Marketing (the company works continuously with the customer to discover ways to perform better.*

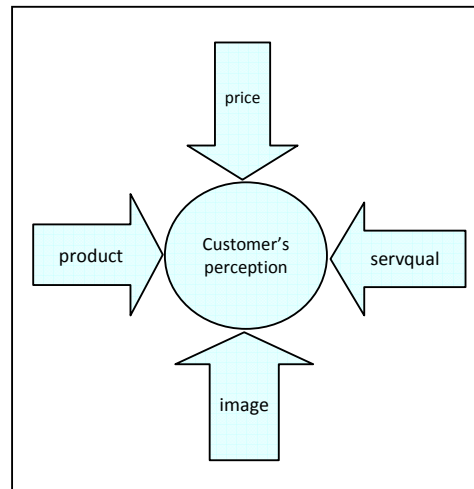
Kotler explanation indicates the stage of the process is usually done by the sellers related to efforts to maintain its customers from the aspect of improving the relationship between sellers with customers, which is expected to

provide a high level of effectiveness for its customers. Effectiveness for customers means increased value for customers, including the customers get the products in accordance with expectations. Associated with an increased value for customers, Kotler (2007:201) gives the notion of value and satisfaction.

2. LITERATURE REVIEW

Zeithaml (1990) defines customer value as the consumer's overall assessment of the utility of a product based on perceptions of what is acceptable and what is given. Monroe (cited by Tjiptono 2006) proposed that customer value is a trade off between customer perceptions of quality or product benefits and sacrifices made by the price paid.

While Butz and Goodstein (cited by Tjiptono 2006) asserted that customer value is the emotional bond that exists between the customer and the manufacturer after customers use the products or services produced by suppliers and found that the relevant value-added products. While confirmation of some of that sense that the concept of value consists of four components that cause the growth of the customer's perception of the value which was adapted from Earl Naumann , is as follows:



Picture: Customer's Perception

the customer value components are molded of product quality, image, price and service quality perceptions shape the customer. Appearance and corporate strategy in the area and incorporated into plans by the customer perception of value. It is very important for customers who first came. In a highly competitive business environment, customers will compare the taste of competitive bidding.

The main winners in the competition for customers is a company that can produce the best value from the customer point of view.

Nasution and Felix (2004) stated that customers value in world tourism is influenced by several factors and one of them is the quality of services provided, emage a prestigious company, and whether the company offers value in money for the visitors.

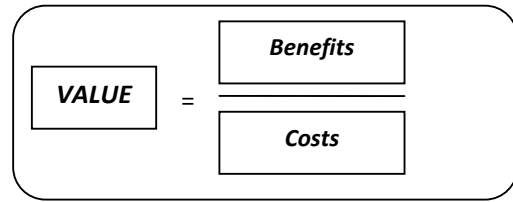
Holbrook (cited by Tjiptono, 2006) stated preference value as a relativistic with respect to the subject of experience in interacting with certain objects and in the context of customer value, the subject in question is the consumer, while the relevant object is products.

According to Buchari Alma (2004) customer value is the difference between the total added value compared to the total cost of consumers who have been issued.

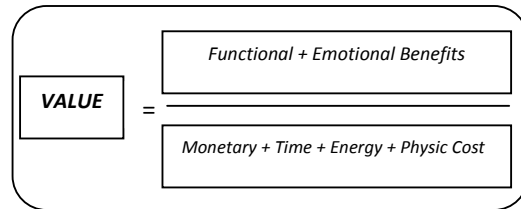
Kotler (2007:201):

"Value is a ratio between what the customer gets and what the customer gives. The customer gets benefits and assumes costs. Benefits are cost, energy cost, physical cost. Satisfaction is a person's feeling of pleasure and disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectation."

Explanation of some experts about customer value is very clear that it is a comparison between what the obligations that must be done by the customer and what benefits will be gained. When depicted in the formula, then obtained as follows:



Picture 1
Formula Increasing Value



Picture 2
Component Benefits and Costs

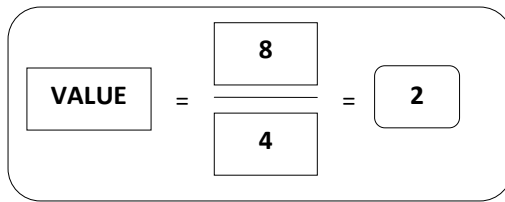
From the formula above can be explained on customer satisfaction. Customer satisfaction means speaking customer value, because satisfaction is directly proportional to customer value. The higher the customer value, the higher the potential for customers to get satisfaction, or "vice versa". The lower the value of customers, meaning the lower the potential for customers to get satisfaction. To improve customer satisfaction, meaning how organizations can enhance customer value. Below is how to increase customer value.

3. DISCUSSING

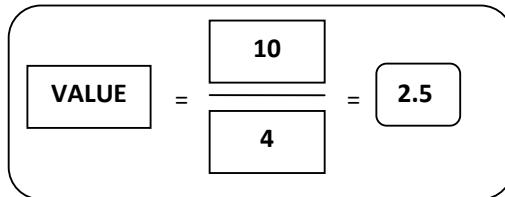
The discussion on improving customer value is based on the concept of increasing customer value delivered by Kotler, in the title how to increase of value, as follows:

(1) Raise Benefits

Raise benefits, is the increase in benefits for visitors without reducing or increasing the cost to be incurred by visitors, can be written by formula, as follows:



Picture 3
Benefits Remain



Picture 4
Benefits Added

Explanation of the formula above, that to enhance customer value, namely by increasing the benefits, without the need to reduce cost. Efforts that can be done is as follows:

- a. Increasing number of facilities in the neighborhood destination, such as (1) increase number of seats reserved for the visitors during their stay in the object. The chair can be used as a place to rest after the visitors conduct their activities within the object, (2) Expanding the size of the mosque or increase the number of small mosques, but must be adjusted by the number of visitors who came especially at prayer time arrived and the addition of such small mosques, should be placed in a location far apart.

This is done with the goal of providing ease and convenience for visitors who will perform their prayers, especially during *Sholat Duhur*. (3) Add facilities selling food and drinks, because in general the visitors relatively ready with funds specifically will they spend to enjoy food and drink in the sights visited.

It is considered important, because food and beverages is the main facility for the achievement of comfort, pleasure, and pleasure in tourist activities. (4) adding new types of food and beverages provided by the food court, with the consideration that the visitors in general have different tastes, (5) addition of travel products, such as when at the zoo, could be by adding the number of

species of animals, when in children's playground, can add a new game arena.

The addition of various types of facilities that performed by the object, will be at risk of increased funding should be spent, but the organization can allocate these funds as an investment, because the facilities are made, generally last a long time. The most major of the addition of purpose facility, is to give satisfaction to the visitors by increasing the value to be obtained by visitors. This means that the manager, did not increase in cost is charged to visitors, such as the price of entry rates to be increased, and so forth

b. **Adding Time for Ticket Sales Service**

Ticket sales in general, carried out for six hours every day, involve additional time ticket sales service, then it may be the addition of approximately 1 - 1.5 hours per day. So, when ticket sales to be 7 - 7.5 hours per day. This is done with the aim of providing a longer opportunity for potential visitors, it can be opened by opening up ticket sales early, or increase the hours of sale before the attraction was closed for visitors

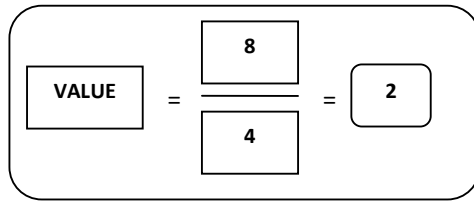
c. **Extending Parking Area**

Parking is a major facility, because the visitors using the facilities for vehicles up to the attraction, whether private or rental vehicle group. Vehicles are considered important, because the visitors not only from the surrounding area, but also from areas outside the city. Through the vehicles of visitors could reach the attraction.

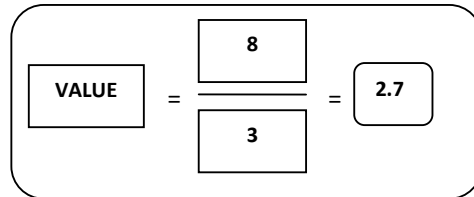
If two of the efforts mentioned above can be done, there will be an increase in value, from just two it would be 2.5, so it can be concluded that the value for visitors will be increased when the manager can increase the benefit at least two digits, by choosing two of the three options presented above

(2) **Reduce Costs**

Reduce costs, are reducing the costs to be incurred by the visitors, without any decrease or increase the benefits for visitors, who delivered the illustration below:



Picture 5. Benefits and Cost Remain



Picture 6. Reduce Cost

a. **Things You Can Do**

The easiest thing to do is to lower ticket prices, by not reducing the principal components and supporting products, such as restrictions on the amount of time visiting. But the decline in ticket prices could not be done at any time. Usually when tourist attraction, is a birthday, or the cooperation with schools that lets students visit to the object, at holiday time

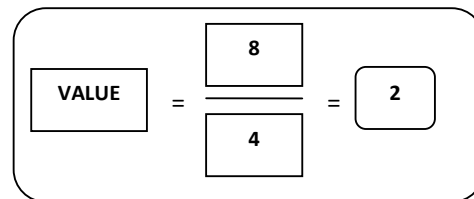
- b. Speeding ticket buying process, namely by increasing the number of ticket boxes, which should be provided, so that potential visitors did not longer waiting. The addition of the ticket box, can be deployed to several places around the object, or reproduced in the same location
- c. Expedite the parking process, meaning that the object manager should improve parking services, in order to accelerate the vehicle entered the parking environment, namely by expanding the parking area or add to the entrance
- d. Making easier access for the tourists to reach the destination. This is an effort that can be done by managers, in reducing the risk of energy costs to be incurred by the tourists. The easier the process of achieving a tourist attraction, the more light energy should be spent, or conversely, the more difficult process of reaching a tourist attraction, the higher the risk of energy that must be incurred by potential visitors. Things you can do is cooperate with the highway traffic agency,

to reduce congestion at certain hours, so that the tourists do not experience congestion is long enough.

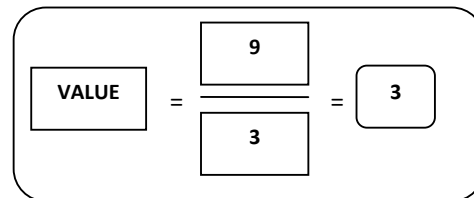
If one of the four attempts can be made, then as illustrated in the above formula, the value will increase, because the original cost is worth four, reduced to 3, so the end result is 2.7. means that the value to be gained visitors into 2.7, up from number 2.

(3) **Raise Benefits and Reduce Costs**

Increasing benefits for customers and reduce costs to be incurred by prospective visitors. This means that at the same attractions that potential visitors will get increased benefits, will also get the usual reduction in issuance costs. If this happens, this is an effort of the most spectacular or unusual, because in particular the financial risk will be borne entirely by the manager of a tourist attraction. Below are illustrations, which are described as follows



Picture 5. Benefits dan Cost Remain



Picture 6. Benefits added, Cost Down

Managers will not take the financial risk of high policy, meaning that the seller will consider carefully in order to reduce the risk, but can provide increased value to customers through increased benefits and reduced cost

Things you can do is take the policy with the lowest risk, such as adding ticket box at times crowded, with the hope the tourists do not linger have to wait to get tickets. As well as provide additional time to visit, for example, which had time to visit only the "duration" of three hours, you can add a single hour, so time becomes a four-hour visit

If the above efforts can be made, then the value for visitors will be increased from two to three-digit numbers

(4) Raise Benefits by more than the Raise in Costs

Increasing benefits, greater than the increased cost of customers. As depicted in the illustration below

$$\text{VALUE} = \frac{8}{4} = 2$$

Picture 9
Benefits and Cost Remain

$$\text{VALUE} = \frac{8}{4} = 2$$

Picture 11
Benefits and Cost Remain

$$\text{VALUE} = \frac{7}{2} = 3.5$$

Picture 12
Benefits down 1 Digit and Cost down 2 Digit

$$\text{VALUE} = \frac{11}{5} = 2.2$$

Picture 10
Benefits Added 3 Digit and Cost Added 1

It can increase the price of entry ticket, but the seller provides increased benefits for tourists, such as increased ticket prices of about Rp. 1,000, but tourists will get increased benefits, such as increased speed of service, the addition amount of time to visit, and the provision of the waiting room when buying tickets.

If this can be done, then the prospective visitors will get the value that used only two digits, it will be 2.2

(5) Lower Benefits by less than the Reduction in Costs

Lowering benefits, but not greater than cost reduction for customers, by providing an illustration as below

Decrease in benefits is usually done on an object can be in the form of reduced travel time of a visit, perhaps coupled with a reduction in the price of admission. But this is rare, as their decline, did not significantly provide maximum benefit for the object. This can be done if the attraction is a field trip such as birthdays and the like. Reduction policy benefits and greater cost reduction, the relatively common practice in an object. If the view illustration as described above, there will be an increase in value reached 3.5, the only two

4. CONCLUSION

Theoretical studies concerning efforts to increase the number of visitors to tourist destinations, can also be done by increasing the frequency of advertising. But advertising will be consequential to the increase in the number of funds that must be provided, meaning that the object manager must be prepared with a large fund, which probably will not get maximum results, so the object manager will not get the maximum number of visitors.

Other efforts that can be done to increase the number of tourists is increasing customer value, namely: (1) increase benefits, namely by increasing the benefits to prospective visitors without having to reduce costs, (2) reduce cost, which is to reduce costs visitors without increasing or reducing the benefits to be derived visitors, (3) increase benefits and reduce cost, meaning that at the same time managing to increase benefits and reduce the

cost to be incurred by visitors; (4) raise benefits by more than the raise in cost, meaning that managers increased benefits for visitors with a greater amount than the increase in cost for visitors, and (5) lower benefits by less than the reduction in cost, meaning that managers do cost reduction, but much larger with a decrease in benefits. Fifth efforts to increase value, not all of them must be adapted to the conditions and situations that occur in the attraction. In essence the manager can deliver increased value to the visitor

without having to experience the financial consequences, which is quite large

Building the visitor value is a long process that must be done by an organization, including attractions, which will give positive impact that long to prospective visitors. From the description it can be concluded that building a visitor value is the maximum effort that must be done by the attraction without having to spend big money, but the process is long.

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