The effect of experience quality on achievement of training and its impact on customer loyalty: case study at training and learning center 'X' Institution in Local Government

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Abstract. This study aims to investigate the effect of experience quality on customer loyalty. This study's population is consumers who have studied and trained at training and learning center X from a local institution using the survey method and structural equation modeling (SEM). Structural Equation Modelling (SEM) investigates the effect of experience quality on the achievement of training and its impact on customer loyalty in the context of marketing, especially in training and learning center institution in local government. This study examined how to experience quality and achievement of training impact customer loyalty at training and learning center institutions. This study offered a conceptual model with three hypotheses as follows H1: Experience quality has a direct positive influence on customer loyalty, H2: Experience quality has a direct positive influence on achievement of training, and H3: Achievement of training has a direct positive influence on customer loyalty. This study found that experience quality has a significant and direct positive effect on customer loyalty and achievement of training, and achievement of training with its indicators has a significant and direct positive effect on customer loyalty.

Keywords: Experience quality, Achievement of training, and Customer loyalty.

1   Introduction

In the marketing field, especially in training and learning center, an institution that provides services are often faced with the challenges of business competition in attracting customers' attention to make and improve the long-term relationship, especially in customer loyalty. One of the key success factors to improve customer loyalty is experience quality. The experience quality is the consumer's overall impression of the relative inferiority/superiority of the organization and its services [1]. Some studies defined customer experience quality events that engage individuals in a personal way [2] and proposed a multidimensional view of the construct and identified five types of experiences:

sensory (sense), affective (feel), cognitive (think), physical (act), and social identity (relate) [3] Built on this perspective and regarded Customer Experience or CX as a reflection of a customer's holistic experiences through all interactions with the firm (i.e., pre-consumption, consumption, and post-consumption [4]. Customer experience quality in the services sector, especially at training and learning centers, is a tool for gaining customer loyalty. According to the stakeholder approach, businesses are valuable not only to stockholders but to all stakeholders, for example, suppliers, customers, the government, and the community. In this research, the stakeholder is the training and learning center X Institution at Local Government. The training and learning center needs to develop customer loyalty and create a competitive advantage.

According to this research, training and learning center institutions must consider the interests of all those who have stakes in their institution, and customers are among the most important stakeholders. In recent days, the customer loyalty construct has become a key topic in the marketing field and among researchers and practitioners [5]. Customer loyalty can be formed through experience quality, customer perceived value, etc. This can be seen from several previous studies conducted by [6] [7] [8] [9] [10].

Some previous studies have indicated that achievement of training or learning outcomes is related to perceived learning outcomes. The perceived learning outcomes were assessed by adapting the Course Outcomes scale [11].. This scale has three subscales aimed at measuring learners' general perceptions regarding the aspects of learning outcomes. This sub-scale has three items: (1) cognitive outcomes, (2) behavioural outcomes assess learners' perceptions of skills acquired from the course learning, and (3) effective outcomes refer to how learners are satisfied with what they have learned and their appreciation of interactions with instructors and trainee. This subscale can be developed into the achievement of training, as can be shown from the previous study by [12] [13].

The outcome that engagement in course assessments was a non-significant predictor of perceived learning outcomes contradicts the results from the previous study, which indicated that participants who actively engaged in assessments reported better final grades and higher course completion rates than their counterparts [14].. The findings from the previous study [14]. The current study suggested that there might be a gap between course completion/grades and perceived learning outcomes. To fill in the gap in this research, identify two indicators of achievement of training competency development and implementation, which have a relationship between experience quality and customer loyalty. Therefore, to bridge a research gap, we address below- mentioned questions in this study:

Do Customer Experience Quality initiatives affect customer loyalty?

Do Achievement of Training and its indicator of achievement of training have a relationship between Experience Quality and Customer Loyalty?

To answer these questions, we developed and examined a research model that suggests that customer experience initiatives allow learning center institutions to build and make existing customers more loyal. Thus, in this research, a conceptual model, including

mediators, is used to examine the relationship between the constructs in the training and learning center sector. With the clear objective of extending the prior literature, this study examines the association between customer experience quality and customer loyalty by incorporating the achievement of training. Some previous study to fill this extant literature gap, this research makes several contributions to the extant literature. Firstly, the present research proposes a conceptual model based on the stakeholder and resource-based view to explore the underlying mechanism of customer experience influences on consumer loyalty. Especially the customers from the local government. Second, this research explores the scope of past literature by examining and validating the theoretical framework (service-dominant logic theory) through two indicators of achievement of training. Finally, the Training and Learning Center Institution was selected as an analysis unit as a research context in the current research. This study first examines the significance of customer experience quality influencing customer loyalty in the context of training center institutions.

2   Research Methods

This research used a survey method. The survey method was carried out among customers at training and learning center institutions in one of the research institutions in Jakarta. The survey used a five-point Likert scale, ranging from 1 = strongly disagree to 5 = Strongly agree, from 182 participants at the training and learning center at the 'X' Institution in Government.

This research used a Smart PLS application that consisted of SEM or Structured Equatation Model. SEM is used for the analysis of the proposed model because it is a multivariate data analysis technique that is commonly used in the social sciences [15]. This research performs Confirmatory Factor Analysis and the goodness of the model fit, then calculates composite reliability, Cronbach alpha, and average variance extracted. In the structural model, this research examines the relationship between the constructs and estimates the coefficient of the hypothesis.

3   Results

In conducting path analysis using Structural Equation Modelling (SEM) in a smart pls statistical package was used to investigate the hypothesized causal relationship between the different constructs of the proposed model exhibited in Figure 1.
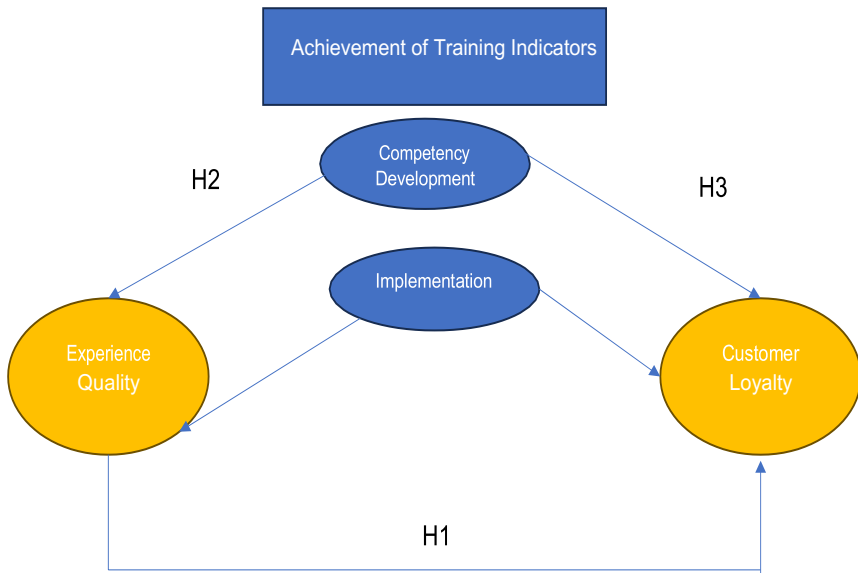
Fig. 1. Proposed model for the relationship between experience quality, achievement of training, and customer loyalty. Source: Ramatun et.al

Based on Figure 1. The hypotheses suggested to be empirically tested are as follows:
    H1: Experience quality has a direct positive influence on customer loyalty.
    H2: Experience quality has a direct positive influence on the achievement of training.
    H3: Achievement of training has a direct   positive   influence   on customer loyalty

    The results from H1 to H3 using SEM through SMART PLS applications are as follows:
    Convergent Validity
    Convergent validity aims to evaluate the results of the validity test in each latent variable with its indicators. The rule of evaluation with the SEM measurement model is that the value of the loading factor is to be expected to be >0,7. The value of the loading factor in this model shows that experience quality has a loading factor of 0,805; achievement of

training with its two indicators, competency development, has a loading factor of 0,799, and implementation has a loading factor of 0,893. Customer loyalty has a loading factor of 0,954. Those variables have loading factors indicated to have high validity.

Composite reliability

Composite reliability is the evaluation of measurement results that are obtained by comparing the Average Variance Extracted (AVE) value with the correlation value between the constructs. To measure the AVE, first, the measurement item loading for each of the variables used in this study is at least 0,5 or > 0,5. If the value ranges between 0,5 and up to 0,5 or > 0,5, it can be determined to have good reliability [16]. Second, the variable verified composite reliability scores for each of the modeled constructs used [17]. The result shows that the value of composite reliability in experience quality is 0,599, followed by 0,641 in achievement of training and 0,910 in customer loyalty. Therefore, it can be said that each variable has high reliability.

Confirmatory Factor Analysis and Structural model evaluation

A structural equation model (SEM) was used to conduct confirmatory factor analysis [18]. Based on the results of the structural evaluation model (SEM), this study can be said to have a good goodness of fit because the value of the Normal Fit Index (NFI) is 0,842. It can be said this study has the good Goodness of Fit because the value of NFI ranges from 0 to 1. If the NFI is closer to 1, it shows the model of this study is good and acceptable.

Hypothesis testing and discussion

According to the results of the hypothesis test, it can be known that experience quality has a positive significant influence on customer loyalty from H1, with a p-value of 0,000. The experience quality has a positive significance on the achievement of training, which can be shown from H2 with a p-value of 0,000. The achievement of training has a direct positive significant influence on customer loyalty from H3 with a p-value of 0,000.

The results indicate two indicators of achievement of training, competency development and implementation, and a relationship between experience quality and customer loyalty. Customer loyalty, achievement of training, and customer loyalty support for all the causal relationships are significant. Therefore, this study has shown that customer experience quality impacts customer loyalty, and achievement of training indicators impacts experience quality and customer loyalty.

4   Conclusions

This research contributes to the literature of service marketing in the general and training and learning institution in the context of experience quality to customer loyalty through achievement of training in several contexts: first, it enhances our understanding of customer experience quality Institution impact on customer loyalty. This should persuade training and learning center managers to develop and maintain training and learning center services, especially in terms of experience quality, achievement of training and customer loyalty,

such as infrastructure, instructor, and hospitality environment that delivers the range of two indicators (competency development and implementation) of achievement of training considered in this research.

This research could further examine other types of engagement, such as cognitive, emotional, social, and agentic engagement, to extend the evidence for the impact of learners' engagement on perceived learning outcomes [19]. Additionally, user data is a gigantic potential resource for exploring the learning processes, which could visualize learning engagement through data mining and learning analytic techniques [20]. Understanding how multi-dimensional engagement can affect perceived learning outcomes is a meaningful direction to be explored in the future. This research has not related perceived learning outcomes to actual training outcomes, which might mean that it could not offer evidence to explain how the actual achievement of learning outcomes is presented in the perceived learning outcomes. The relationships between perceived learning, perceived learning outcomes, and actual training learning outcomes need to be further examined.

Some of the research paid attention to learner factors that affect perceived learning outcomes. Benefiting from the previous review work [21] [22] [23]. It is necessary to examine variables related to teaching contexts, such as learning environment, trainers and trainee communication, infrastructure of learning, teaching environment, etc.

Second, This research offers a better understanding of the relationship between customer experience quality, achievement of training, and loyalty in the service sector, especially in the training and learning context, since we found considerable support for the hypotheses posited in this study. This study also supports the proposed research [24] [25] [26] [27].

Third, the model findings indicate that experience quality significantly and positively affected customer satisfaction, and also the two indicators of achievement of training that consist of two items significantly and positively to experience quality and impact customer loyalty.

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