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ABSTRACT

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Cause Related Marketing (CRM) affect on The Customer Loyalty of University of Indonesia's Graduate Students to Aqua.

xiii+ 107 pages+ 41 tables+ 1 picture+ 51 Attachments

Bibliography: 19 literature books, 28 journal, 5 articles (1985 – 2006)

Under heavy pressure to increase profit and be the noble among the crowd, a business entity should sharp-witted in selecting social issues as the cause of their corporate social responsibility (CSR) programme, to maintain customer and win the competition. *Satu Untuk Sepuluh* Programme is manifestation of Aqua's social responsibility, delivered in a unique cause related marketing (CRM) programme.

The main objective is to study the customer's perception on Aqua's CRM, how is Aqua's customer loyalty, correlate CRM to customer loyalty, and to study which of the necessary elements of CRM strongly effect customer loyalty. The study use the definition of CRM as stated by Landreth, in such the necessary elements to form the CRM are cause importance, cause proximity, participation effort, and cause congruency.

The research is descriptive with quantitative approach, using processing technique of questionnaire survey method with convenience sampling. Descriptive analysis is carried out to characterized the respondent, subsequently any auto correlated noise are screened by factor analysis. Finally, the effect of CRM to customer loyalty is measured employing multiple regression. During May to June 2008, as many as 120 students of University of Indonesia are selected as respondent to sample customer's opinion.

The result shows that in customer perception CRM is really appreciated and customer loyalty is at a good category. Customer loyalty effects the CRM. Cause proximity followed by cause congruency has factor highly effect customer loyalty. In view of this result, the CRM implemented by Aqua needs to continuously improve the existing CRM factor to serve the customers better CRM programme.