

***ANALYSIS OF SERVICE QUALITY AND TRUST ON CONSUMER LOYALTY
WITH SATISFACTION AS AN INTERVENING VARIABLE
(CASE STUDY OF P.O BORLINDO)***

¹Abdul Razak J. Sabara, ²Otto R. Payangan, ³Muhammad Ismail

¹Student of Magister Manajemen Fakultas Ekonomi dan Bisnis Universitas Hasanuddin
(razak_sabara@live.com)

²Magister Manajemen Fakultas Ekonomi dan Bisnis Universitas Hasanuddin
(ottopayangan@yahoo.com)

³Magister Manajemen Fakultas Ekonomi dan Bisnis Universitas Hasanuddin
(melph_ayie@yahoo.com)

Abstract

This research aims to determine the effect of service quality and trust on the consumers loyalty through consumer satisfaction directly and indirectly. The research was conducted at PO Borlindo by taking passengers as a research object. This research draft uses quantitative descriptive research with direct observation in the field. Research data forms primary and secondary data from the company. Data is processed and analyzed by path analysis methods with IBM-SPSS. The results showed that the Service quality and trust positively affect consumer satisfaction and consumer loyalty directly. Trust had appositive effect on the consumers loyalty through consumer satisfaction. From the hypothesis testing shows that the service quality variable is the variable with the lowest level of influence among other variables on consumer loyalty at PO Borlindo.

Keywords: service quality, trust, satisfaction and customer loyalty.

INTRODUCTION

Community Mobility today is one of the indicators of the country's economic turnover. With connections or transportation between one and the other areas will have a positive impact on the development of an area. Transportation is one important factor in supporting community activities or mobility every day so it must be well prepared and safe because it is very influential in activities such as economy, delivery of goods or services, passenger transport and so on. Broadly, the function and usefulness of transportation can be used to help someone either individually or in groups to achieve their goals and objectives.

The reason for the selection of land transportation by using bus as a major alternative in South Sulawesi province. With the increasing number of people using buses, the growing number of inter-city bus companies in South Sulawesi province. This is due to the lack of alternative in convenient ground transportation modes. With a journey in a long time span of course a traveler will choose a comfortable mode.

This is due to the increasing number of users of today's bus as well as increasing community activity. Supporting facilities include blankets, pillows, a captain seat that allows passengers to sleep during the trip and of course the exclusive class of sleeper buses. By providing various facilities such as the above, it is expected that passengers will feel comfortable during the trip that can eventually gain a sense of satisfaction for the various facilities that it acquired and of course build loyalty from consumers. In his research Kabu Khadka & Soniya Maharjan (2017) explained that customer satisfaction will have long term

impact on loyalty from consumers. Hopefully with the above circumstances, the loyalty will be formed by having felt the satisfaction and will re-purchase in the future and preach his satisfaction to others for the quality of service that has been felt.

The company is supposed to be customer oriented with adequate level of service quality in order to win the competition. Research on Liza Agustina et. (2019) Experience was gained that the better the quality of service positively influential on the satisfaction of visitors. This means that by providing satisfaction to customers will build customer loyalty and eventually be able to create a close relationship between customers and the company. Customer satisfaction relies heavily on customer performance and expectation. Contentment is the level of one's feelings after comparing the performance (or outcome) that he perceived as compared to his expectations, Kotler (2012:178). Consumers who get high satisfaction will have a positive impact on the loyalty of the company's future customers, because the success of the company is on consumers and the Pelanggan.

According to Parasuraman, et al. (1993) that develops the concept of SERVQUAL, defines Service Quality or quality of service as how far the difference between reality and the expectation of its customers for the services they receive/acquire. Quality of service can be seen from five dimensions, among others, physical evidence (Tangibles), reliability, Responsiveness, assurance and empathy (Empathy). For companies engaged in service service, quality service or Service Quality becomes an important thing in satisfying customers. By understanding what is desired and expected by the customers of the quality of service provided, there will be an added value for a particular company.

High satisfaction is the insurance policy of something wrong, which will not be inevitable because of the diversity associated with the production of services (Lovelock 2010:105). Customer satisfaction is the difference between the level of importance and performance or perceived outcome (Rangkuti, 2015:56). Customer-provided assessments can be obtained from the quality results of the company's services received.

The research of Thomas Kolawole (2014) states that there are 15 aspects that make consumers dissatisfied on public transport in Ghana. While the research on Sokhcan OK (2018) shows that consumers are disappointed at the quality of service from existing bus transportation, and if the other option will choose the mode of transportation. In the study of Putri Y. A et al (2018) suggests that trust has no important role in consumer loyalty. From the exposure of five earlier research researchers felt there was a relationship between service quality, trust, customer satisfaction and loyalty.

The use of inter-city bus transportation services, especially to travel to inter-city in South Sulawesi province, then in this research researchers chose the Transportation services company P. O Borlindo, with consideration on the transportation service is much in demand by the community that can be seen from the service factor and trust factor that can actually be perceived by passengers. It can be seen from the growth of the number of passengers each year from 2017 to 2019 choose P. O Borlindo, which is still classified as a new P. O established in 2017. The problem is how the P.O. Borlindo can provide quality service and trust to the passengers, given that competition with other P.O. companies is strict enough.

LITERATURE REVIEW

This research discusses the influence of service quality, trust, and satisfaction as independent variables or free variables as well as consumer loyalty as dependent or binding variables.

A. Marketing Services

In the service industry there are always aspects of interaction between the consumer and the service provider, although the parties involved are not always aware. Services are

also not goods, services are a process or activity, and such activities are intangible. Kotler (2012:42) says that service marketing is any act or performance that can be offered one party to another, which is essentially intangible and does not result in the possession of anything. The production may be related or may not be associated with physical products as well.

According to Griffin (2010) The services have the following characteristics: 1. Intangibility, means the service can not be seen, palpable, felt, heard, or kiss before the service was bought, 2. Unstorability, meaning the service does not need the inventory or storage of products that have been produced, and 3. Customization means services are also often designed specifically for customer needs as well as insurance and health services.

B. Trust

Trust involves a person's willingness to behave in particular because of the belief that his partners will give the satisfaction he expects and a hope that someone generally has that the word, promise, or statement of others can be trusted. Barnes (2011:148) trust is the belief that one will find what he wants on others, and not what he fear of. Consumer trust (Consument Beliefs) is all knowledge owned by consumers and all the conclusions made by consumers about the objects, attributes, and benefits. The indicator of the belief according to Barnes (2011:249) is: 1. Competence, is the ability to solve problems faced by consumers and try to solve it, 2. Integrity, is a consumer perception that the company can maintain ethics and honest with consumers, and 3. Goodness, is the amount of trust that consumers have in relation to the company at the time of commitment is not formed.

C. Service Quality

Service quality becomes a must for the company to be able to survive and still gain customer trust. Service quality can be known by comparing customer perceptions of the services they actually receive. According to Parasuraman, Zeithaml and Berry (1993), which develops the concept of SERVQUAL, defines the service quality as how far the difference is between reality and the expectations of the customers for the services they receive. According to Parasuraman, Zeithaml and Berry (1993), the service quality can be seen from five dimensions, namely: 1) Physical Evidence (Tangibles), 2) reliability, 3) responsiveness (Responsiveness), 4) assurance (Assurance) and 5) empathy (Empathy).

D. Customer Satisfaction

Customer satisfaction is the difference between the level of importance and performance or perceived results. Customers will be satisfied when the customer's wishes have been fulfilled by the company as expected. With the added value of a services, the customer becomes more satisfied and the possibility to become a loyal customer will be very large (Rangkuti, 2015:56). Then according to Kotler (2012:177) Customer satisfaction is a feeling of delight or disappointed someone who appears after comparing the performance (outcome) of products that are thought against the performance (or outcome) expected. If performance is under expectation, customers are not satisfied. If performance meets customer expectations satisfied. And if performance exceeds expectations, customers are very satisfied or happy.

According to Kotler (2012:41) There are four methods that can be used to measure customer satisfaction, namely: 1) system complaints and suggestions, 2) Customer satisfaction surveys, 3) Ghost Shopping and 4) analysis of lost customers. This method is done by the company by redialing its customers who have not visited or made another purchase in the company because it has moved to a competitor company. In addition, the company can ask the reasons for the move of customers to competitors.

E. Customer loyalty

Loyalty is a psychological condition related to the attitude of the product, the consumer will form beliefs, set likes and dislikes, and decide if they want to buy a product (Hasan, 2014:134). Customer loyalty is a behavior related to the brand of a product, including the possibility of renewing the brand contract in the future, how likely the customer is to change its support to the brand, how many customers desire to improve the positive image of a product. Loyalty is a customer's commitment to endure deeply to re-subscribe or repurchase selected products/services consistently in the future, although the influence of situations and marketing efforts has the potential to cause behavior change.

RESEARCH METHOD

Location and Research Design

The object of this research is PO Borlindo city of Makassar located in the representative office of PO. Borlindo. While the design of this research using quantitative methods, according to Sugiyono (2015:11) quantitative method is interpreted as a research method based on the philosophy of positivism, used to allow for the population or certain samples, data collection using research instruments, data analysis is quantitative/statistic, with the aim to test the hypothesized hypothesis.

Population and Sample

The population in this research is a passenger of Bus Borlindo Makassar city. The samples according to Cooper and Emory (2008:122) are part of a carefully selected population to represent the population. Considering the number of populations is quite a lot, then used the formula Slovin according to Singarimbun (2011:96) so obtained the number of samples as many as 97 respondents. While the sample withdrawal technique uses Simple random sampling i.e. in selecting samples by giving the same opportunity to the entire population members to be set as samples.

Data Collection Method

The population in this research is a passenger of Bus Borlindo Makassar city. The samples according to Cooper and Emory (2008:122) are part of a carefully selected population to represent the population. Considering the number of populations is quite a lot, then used the formula Slovin according to Singarimbun (2011:96) so obtained the number of samples as many as 97 respondents. While the sample withdrawal technique uses Simple random sampling i.e. in selecting samples by giving the same opportunity to the entire population members to be set as samples.

Data Analysis Technique

Validity Test and Reliability Test

An absolute research instrument carried out the validity test (validity) and reliability before use in actual research. An instrument is said to be valid when able to measure what is to be measured (Qalby, Munir, & Jusni, 2018)). The validity of this test was used to calculate Product Moment Pearson's correlation. Reliability to deliver result alignment on repetition of measurements. Then the instrument reliability test is done by calculating the correlation using alpha coefficient measurement technique. The internal consistency of an instrument is determined to be reliable if the alpha coefficient is more than 0.06 (Malhotra, 2010:49).

Path Analysis Method

Ghozali (2013:249), stating that a pathway analysis is an extension of multiple linear analysis, or path analysis is the use of a regression analysis to assess causality relationships between variables (causal models) that have been predetermined Based on theory.

Coefficient of determination

After the path coefficient is further calculated a hypothesis test is performed to prove the independent variable being researched whether it has significant effect on the dependent variable. However, due to the complexity in calculating the line coefficient of researchers using the help of the software AMOS – SPSS 23 (Statistical Package for Social Science).

Hypothesis testing Partial Hypothesis Testing (Test F)

According to Ghozali (2012:78) The F test is essentially to indicate whether all independent or free variables included in the model have an influence in conjunction with the dependent variables.

Simultaneous Hypothesis Testing (T test)

According to Ghozali (2012:80) T test is used to test the difference of two population averages whose data is in the form of intervals. The T test is used to test the difference of two average fruits that can come from different distribution samples as well as related samples.

RESULT

Test Analysis Path I (Path Analysis)

Test path analysis I (path analysis) can be seen through the following table:

Table 1. Test Analysis Path I (Path Analysis)

Model	Standardized Coefficients
Service Quality	0.307
Trust	0.678

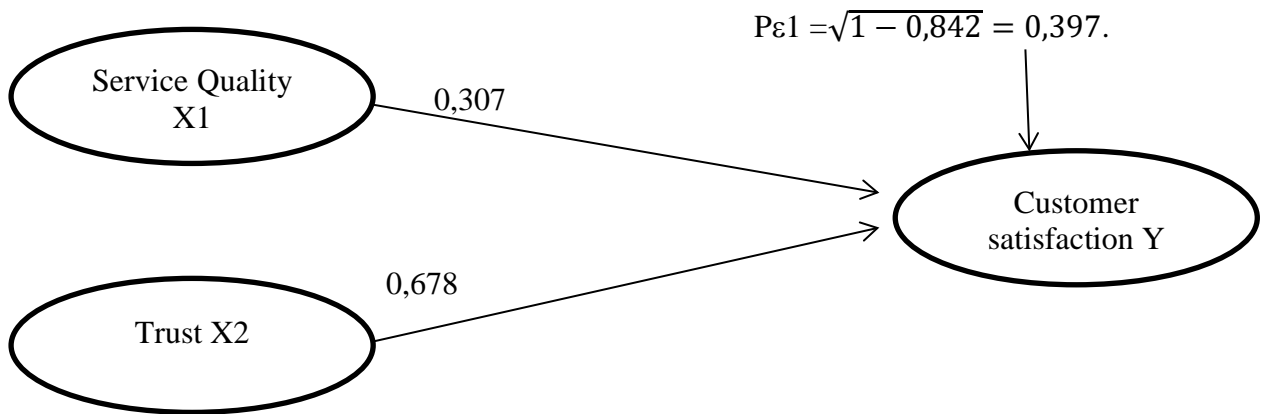
a. Dependent Variable: Customer Satisfaction

Source: Processed by SPSS 23

Result of data processing, then obtained regression equation as follows: $Y = 1.703 + 0.307 X_1 + 0.678 X_2$. From the equation of the regression, obtained a constant value of 1.703. The service quality variable (X_1) amounted to 0.307 and the Trust (X_2) of 0.678.

From the analysis of the pathway then obtained a correlation value and a coefficient of determination (R) of 0.918 indicating that the relationship between the independent and dependent variables is very strong because it has a positive R value and is close to one. Then the coefficient of determination (R Square) amounted to 0.842 indicating that the percentage of contributions influenced by independent variables of the dependent variable of 84.2%, this means that any change in customer satisfaction, can be explained by The X_1 and X_2 variables are 84.2% and the rest of 16.8% is explained by other factors not described in this study. Meanwhile, for value $E_1 = \sqrt{1-0.842} = 0.397$. Thus acquired model structure line diagram I as follows:

Figure 1. Path Chart I



Based on the diagram above we can know the effect of variable X1 and X2 against Y. The meaning of the diagram above can be explained as follows:

- A. Analysis of influence of X1 (service quality) to Y: Known direct influence given X 1.1 (Quality of service) to Y (consumer satisfaction) of 0.307.
- B. Analysis of the influence of X2 (belief) on Y: Known direct influence given X2 (trust) against Y (consumer satisfaction) amounted to 0.678.

Test Analysis Path II (Path Analysis)

Table 2. Path Analysis II

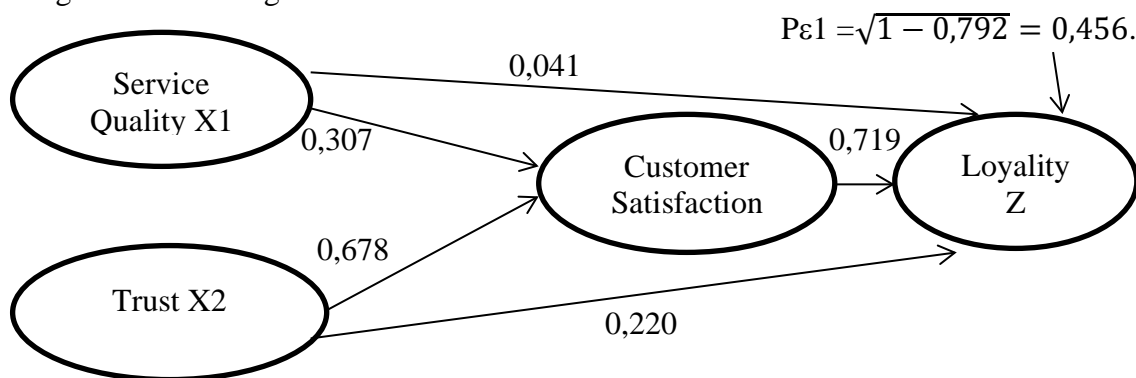
Model	Standardized Coefficients
Service Quality	0.041
Trust	0.020
Customer Satisfaction	0,719

a. Dependent Variable: Consumer Loyalty
 Source: SPSS Output 23

Based on the results of data processing, then obtained regression equation as follows: $Z = 1.709 + 0.041 X1 + 0.0220 X2 + 0.719 Y$. From the equation of the regression, obtained a constant value of 1,709. Service quality variable (X1) of 0041, Trust (X2) of 0220, and customer satisfaction (Y) of 0.719.

Based on the calculations using the SPSS program, it is obtained the value of the correlation coefficient (R) as much as 0.890 indicating that the relationship between the independent and dependent variables is very strong because it has a positive R value and approaches One. The R2 or R Square value contained in the model summary is 0.792 This indicates that the contribution of X1, X2, and Y against Z is 79.2% while the remaining 21.8% is contributed by other variables that are not researched. While for the value of $Z = \sqrt{1-0.792} = 0.456$. Thereby obtained the model II structure line diagram as follows:

Figure 2. Path Diagram II



Based on the diagram above we can find out the influence of variable X through Y against Z. The meaning of the diagram above can be explained as follows:

- A. Analysis of the influence of X1 (quality of service) through Y against Z: Known direct influence given X1 (Service Quality) to Z (consumer loyalty) of 0.041. While indirect influence X1 (Service Quality) through Y against Z is a multiplication between the beta value of X1 against Y with a beta value of Y against Z namely: $0.307 \times 0.719 = 0.220$. So the total effect that is given X1 against Z is the direct influence in the added indirect effect of $= 0.041 + 0.220 = 0.261$. Based on the results of this calculation it is known that the direct influence value 0.041 and the indirect influence of 0.220 means that the value of direct influence is less than the indirect influence, these results indicate that UN X1 Direct has significant effect on Z.
- B. Analysis of the influence of X2 (belief) by Y against Z: Known direct influence given X2 (trust) against Z (consumer loyalty) of 0.220. While the indirect influence of X2 (trust) via Y against Z is the multiplication between the beta X2 value against Y with the value of Y beta against Z i.e.: $0.678 \times 0.719 = 0.487$. So the total effect that is given X2 against Z is the direct influence in the indirect influence of the $= 0.220 + 0.487 = 0.707$. Based on the results of this calculation it is known that the direct influence value of 0.220 and the indirect influence of 0.487 means that the value of indirect influence is greater than the direct influence, these results indicate that unnecessarily Direct X 2.1 has significant effect on Z.

DISCUSSION

The influence of service quality to loyalty

Data analysis results show that service quality has a positive and insignificant impact on P. O Borlindo consumer loyalty. It can be seen at a probability value with a significant rate of $0.090 > 0.05$. From the research results in the field indicates that the dimension of Service quality (X1) is worth 0.041 or 4.1%. Directly the beta value of service quality on loyalty is 0.041 and the indirect influence of service quality towards loyalty is 0.220 as well as a total influence of 0.261. Indirect influence of service quality is higher than the direct influence value. This means that the quality of service has no significant effect on consumer loyalty variables. The research was supported by the previous research: Novitasari, E. & Prakoso, B. (2016). The quality of Bus services City Tour Jakarta Tour as a special transportation tourism in the city of Jakarta.

The influence of trust on loyalty

Data analysis results show that trust has a positive and insignificant influence on P. O Borlindo Consumer Loyalty. It can be seen in coefficients table with a significant rate of $0.070 > 0.05$. The results of the research field indicate that the dimension of Trust (X2) is worth 0.220 or 22.0%. This means that trust increases the customer loyalty variable will increase as well. The research was supported by the previous research: Putri, Y. A (2018).). The effect of service quality and brand trust on loyalty through customer satisfaction in transportation service Go-Jek (Go-Ride) in Palembang City

Customer satisfaction effect on loyalty

Trust variables include 3 indicators, as, quality of service, price suitability, value of service, and convenience. The average questionnaire score of the consumer satisfaction variable is 373. With the lowest indicator value of service value with a score of 346.5 and the highest score value of the convenience indicator with a score of 385. Data analysis results show that consumer satisfaction has a positive and significant influence on P. O Borlindo Consumer Loyalty. It can be seen in coefficients table with a significant rate of $0.000 < 0.05$. The results of the research field indicate that the loyalty dimension (Y) is worth 0.719 or 71.9%. The beta value of the effect of customer satisfaction on direct loyalty of 0,719, with T calculate of 6.047. This means that consumer satisfaction has increased the customer's loyalty variable will increase as well. So expectations of travel must be met in order to generate loyalty.

Influence of quality of service, trust and customer satisfaction towards consumer loyalty

From the results of the T test, get a value of Thitung greater than ttable with the significance level of 5% or 0.05 on each dimension, the dimension of service quality has a negative influence on consumer loyalty. While consumer trust and satisfaction has a partial influence on consumer loyalty. While F test obtained in this research is counting $f > F$ tabel with a significant tariff used 5% (0.000). It can be explained that the dimension of service quality, trust and consumer satisfaction jointly positively affect consumer loyalty. From the coefficient of test result table determination that the Adjusted value of R Square is 0.874 magnitude of the value can be explained that the variable bound or consumer loyalty (Z) can be explained by the dimension of Service quality (X1), trust (X2), and consumer satisfaction (Y), with a value of 0.890 or 89% and the remaining 11% described in other variables not contained in this research.

CONCLUSIONS AND RECOMMENDATIONS

Based on research on service quality and consumer trust towards loyalty through customer satisfaction, the authors can conclude that: directly the quality of service P. O Borlindo influence positive and insignificant P. O Borlindo Loyalty (Toraja and Palopo routes). P. O Borlindo trust variable directly positively and insignificant to consumer satisfaction P. O Borlindo (Route Toraja and Palopo). The trust of P. O Borlindo is significantly positive and significant towards consumer satisfaction and consumer loyalty of P. O Borlindo (Toraja and Palopo routes). In indirect service quality P. O Borlindo positively and insignificant influence on consumer satisfaction and consumer loyalty P. O Borlindo (Route Toraja and Palopo). In the researcher hypothesis test found that the dimensions with the lowest value were in variables with the calculated T value and the lowest significance value found in the service quality variable. It is concluded that the service quality variable is the variable with the lowest value impact on customer loyalty. Therefore, it is recommended

that P. O Borlindo still maintains the quality of service and trust that is now owned. From the results of the study showed that the response from consumers is good enough in terms of service applied by P. O Borlindo now to achieve consumer satisfaction. But the company should also pay more attention to the indicator of reliability. Reliability indicators have the lowest scoring value among other indicators in the service quality variable. A statement about hearing complaints and finding solutions to be more enhanced. P. O Borlindo in terms of trust also shows a positive response from the results of this study. Consumers demonstrate trust in staff and drivers who serve them. From the competency side, the passengers demonstrate a confident attitude towards the drivers who serve them with good experience and integrity. From here it is hoped that P. O Borlindo maintain the experienced drivers to keep the trust given by the consumer. But the goodness indicator shows a low score so it is hoped that P. O Borlindo pays more attention to the advantages of P. O Borlindo than any other P. O. In terms of customer satisfaction indicates the level of satisfaction is good. But P. O Borlindo is expected to pay attention to the value received by consumers so that customer satisfaction can increase. And maintain a convenient indicator that indicates consumer satisfaction is quite high. At the reward variable the buyback indicator level shows the lowest average score of the other indicators in the loyalty variable. This should also be a consideration to be fixed in the future. The competitor rejection indicator is an indicator that shows the highest scoring, this is expected to be maintained by P. O Borlindo. For further researchers in the future hopefully this research can be used as one of the data sources for subsequent research and conducted research that remains related to the quality of service and confidence in Increase consumer satisfaction and customer loyalty in different places with more sample counts.

REFERENCES

- Cooper, D. R., & Emory, C. W. (2008). *Business research methods*. Jakarta: Erlangga.
- Ghozali, I. (2014). *Econometrics: Theory, Concepts and Applications with IBM SPSS 22*. Semarang: Undip Publishing Agency.
- Hasan, A. (2014). *Marketing and Second Choice Printing Cases*. Yogyakarta: CAPS.
- Khadka, K., & Maharjan, S. (2017). *Customer satisfaction and customer loyalty*. Centria University of Applied Sciences Pietarsaari.
- Kotler, P., & lane Keller, K. (2012). *Marketing Management*, 14e Global Edition, Person. Jakarta: PT. Gramedia Group Index.
- Malhotra, N. K. (2010). *Marketing Research: An Applied Orientation* Sixth Edition Pearson Education.
- Qalby, A. N., Munir, A. R., & Jusni, J. (2018). Pengaruh Relationship Marketing dan Brand Image terhadap Loyalitas Pelanggan (Studi Kasus Pelanggan Astinet Segmen Bisni PT.Telkom Witel Makassar). *Hasanuddin Journal of Applied Business and Entrepreneurship*, 1(2), 61-72.
- Novitasari, E., & Prakoso, B. S. (2016). Quality of Jakarta City Tour Level Tour Service as a Special Transportation Tourism in the City of Jakarta. *Jurnal Bumi Indonesia*, 5 (3).
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of marketing*, 49 (4), 41-50.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1996). The behavioral consequences of service quality. *Journal of marketing*, 60 (2), 31-46.

- Putri, Y. A., Wahab, Z., Shihab, M. S., & Hanafi, A. (2018). The effect of service quality and brand trust on loyalty through customer satisfaction in transportation services Go-jek (go-ride) in Palembang City. *Journal of Motivation Management*, 14 (1), 24-31.
- Rangkuti, Freddy 2011, *Marketing Research*, Tenth Edition, Publisher of PT Gramedia Pustaka Utama.
- Singarimbun, M., & Effendi, S. (1995). *Revised Edition Survey Research Methods*. Jakarta: LP3ES.
- Sugiyono, P. (2015). *Combined research methods (mixed methods)*. Bandung: Alfabeta.