Peer Reviewed – International Journal

Vol-7, Issue-3, 2023 (IJEBAR)

E-ISSN: 2614-1280 P-ISSN 2622-4771

https://jurnal.stie-aas.ac.id/index.php/IJEBAR

THE EFFECTS OF SERVICE QUALITY, WORDS OF MOUTH, AND SATISFACTION ON CUSTOMER LOYALTY AT ULFA SUKSES TAYLOR

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Abstract: The purpose of this study was to test and analyze service quality, word of mouth and satisfaction with consumer loyalty at Ulfa Sukses Taylor, East Lampung. This study uses a quantitative approach. The population and sample in this study are Ulfa Sukses Taylor customers. The sample is 50 people. The sampling technique uses the Non Probability Sampling technique, namely Purposive Sampling. To obtain primary data, questionnaires were distributed and the data obtained was analyzed using the SPSS statistical program. The test results and analysis show that service quality and WOM positive but not significant effect on consumer loyalty. On the other hand, consumer satisfaction has a positive and significant effect on brand loyalty. Simultaneous test results obtained service quality, WOM, and satisfaction have a positive and significant effect on consumer loyalty. This study has limitations on the number of respondents, although the number of 50 people is sufficient to be analyzed, the more the number of respondents, the better the results of the analysis. Therefore this research can be tested again for future research by increasing the number of respondents. The influence between variables that is not yet significant can be retested in different types of businesses such as motorcycle and car repair service businesses, salons and spas, bridal make-up, and other service businesses. The results of this research are of practical or managerial use, especially for Ulfa Sukses Taylor's business in Braja Luhur Village, East Lampung and other types of businesses. In this case the owner and manager of Ulfa Sukses Taylor needs to pay attention to the quality of service quality, word of mouth to increase consumer loyalty.

Keywords: Comsumer loyalty, Consumer satisfaction, WOM, Service quality, Marketing Management

1. Introduction

Developments in business have progressed very rapidly, especially developments in the world of fashion. At this time there are many choices for people to get clothes, one of which is by choosing to use sewing services. The large number of businesses that offer services in sewing clothes makes sewing service entrepreneurs have to compete to understand the needs and desires of their consumers in order to win the competition in the business world. By choosing the right sewing service, consumers will get customer satisfaction from the quality of the sewing results of the clothes being sewn.

Product or service quality or is a form with the value of consumer satisfaction a product must have performance, reliability, additional features, conformance to specifications, durability,

Peer Reviewed - International Journal

Vol-7, Issue-3, 2023 (IJEBAR)

E-ISSN: 2614-1280 P-ISSN 2622-4771

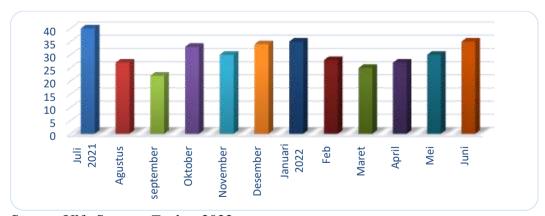
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service quality, beauty, and perceived quality. With these dimensions in a product, it is expected that the product has more value than competing products. Performance, reliability, additional features, and consumer perceived quality. Products will run well if there is good service quality in it. In this case consumers who are satisfied with the home sewing service business, inappropriate results, poor tailoring, and sometimes long sewing times lead to consumer dissatisfaction, so that the use of home sewing services is frowned upon, and many consumers are hesitant.

Perception of a product or service can create word of *mouth* (WOM) positive or negative which can make other potential customers interested or not interested in making an ordering transaction for the sewing services offered. Usually satisfied consumers will remain loyal for a long period of time, and will have an impact on others about the company or its products. Consumer satisfaction is seen as a multi-dimensional concept involving product, cost, convenience of facilities, technical (service quality) and interpersonal aspects. Highly satisfied customers will usually remain loyal for a long period of time, and will buy again when the company introduces new products and updates old products. In addition, consumers will talk about the company and its products to others, they do not pay too much attention to competing brands and are not too concerned with price. They even offer product and service ideas to companies, and the cost of service quality is cheaper than new customers because transactions become a routine matter.

One of the clothes sewing service businesses is Ulfa Sukses *Taylor*. The business, which is located in Braja Luhur 1 Village, Braja Selebah District, East Lampung Regency, has been running for about two years. In running its business, Ulfa Sukses *Taylor* always tries to provide the best quality service for its customers. Various attempts have been made to keep consumers loyal. Efforts to build consumer loyalty include improving the quality of service quality, which is expected to make consumers feel satisfied, then share good experiences with others.

Even though various efforts have been made, the development of this sewing business has failed still not as expected. The number of consumers who use services tends to decrease over time. This condition can be seen from the number of consumers in the last 1 year, namely from July 2021 to July 2022 as presented in Figure 1. below.



Source: Ulfa Success Taylor, 2022

Figure 1. Consumers of Ulfa Sukses Taylor's

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Based on Figure 1. the number of consumers of Ulfa Sukses *Taylor* in Braja Selebah shows a fluctuating development but tends to decrease. The highest number of consumers occurred in July 2021 with 40 consumers, and the lowest was in September 2021 with 22 consumers. The condition of the number of consumers that tends to decrease indicates a problem, which needs to be investigated further. For this reason, the owner of the Ulfa Sukses *Taylor* business must try to find a solution to solve this problem by implementing the right marketing strategy in an effort to maintain his business. One strategy that can be done is to increase consumer loyalty.

Consumer loyalty is a core goal to be achieved by marketers (Rahayu & Harsono, 2018). The reason is because consumer loyalty can provide advantages and benefits for every business, both small and large scale (Rahayu et al., 2020). Besides that, having loyal customers will be beneficial for businesses to be able to maintain their business, provide opportunities to get new customers, and prevent old customers from switching to other businesses or products. To build consumer loyalty, various strategies are needed. Empirical research proves that to build consumer loyalty, it is necessary to build quality of service first (Naini et al., 2022).

Furthermore, (Astianita, A.D., Lusia, 2022); (Gustina & Teresa, 2022) stated that *word of mouth* (WOM) has a significant effect on consumer loyalty. Quality of service quality, consumer satisfaction can increase consumer loyalty (Masitoh et al., 2019; Faridah & Yoeliastuti, 2022). These various studies show that the strategy undertaken to build or increase consumer loyalty is to improve the quality of service quality, WOM, and consumer satisfaction. Several other empirical studies are in line with the theme of this research, namely (Valentama et al., 2022) argues that the quality of service quality affects *word of mouth* (WOM). Setiawan et al., (2020) the service quality affects consumer satisfaction.

Based on the description of the problem regarding the fluctuations in business development of Ulfa Sukses *Taylor* and previous research, The research aims to examine the effect of service quality, *word of mouth*, and consumer satisfaction on consumer loyalty. This research is expected to be useful theoretically and practically.

2. Literature Review

Previous studies about the effect of service quality, word of mouth, and consumer satisfaction on consumer loyalty have been carried out by various researchers. According Elizar et al., (2020) customer loyalty is largely determined by consumer perceptions and expectations of the service received. Service quality that can exceed expectations can lead to loyalty, such as making repeat visits to hospitals, children's polyclinics. Valentama et al., (2022) proved that service quality has an influence on word of mouth, then Setiawan et al., (2020) found that word of mouth and service quality have an effect on consumer satisfaction. Furthermore (Astianita, A.D., Lusia, 2022; Faridah & Yoeliastuti, 2022; Naini et al., 2022; Setiawan et al., 2020) which proves that service quality, word of mouth and consumer satisfaction affect consumer loyalty. Based on this description, hypotheses 1 and 2 can be proposed as follows.

H1: Service quality has a positive and significant effect on consumer loyalty

H2: Word of mouth has a positive and significant effect on consumer loyalty

Customer satisfaction is very important predictor to conduct customer Vespa's loyalty (Tannady & Purnamaningsih, 2023). Consumer satisfaction affects on Starbucks consumer loyalty (Devia et al., 2018). Supporting this opinion, Suntoro, W., Silintowe, (2020) states that

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E-ISSN: 2614-1280 P-ISSN 2622-4771

https://jurnal.stie-aas.ac.id/index.php/IJEBAR

satisfaction is an important factor for product loyalty for the Aqua Brand Mineral Water, and online food delivery (Koay et al., 2022). Some of these studies show that customer satisfaction is an important factor to increase customer loyalty, therefore hypotheses 2 and 3 are proposed as follows.

H2: Customer satisfaction has a positive and significant effect on consumer loyalty

H3: Service quality, word of mouth and customer satisfaction have a positive and significant effect on customer loyalty

Base this description it can be concluded that the quality of service quality, word of mouth and consumer satisfaction has an influence on consumer loyalty. The hypotheses and model of this research can be seen in Figure 2 below.

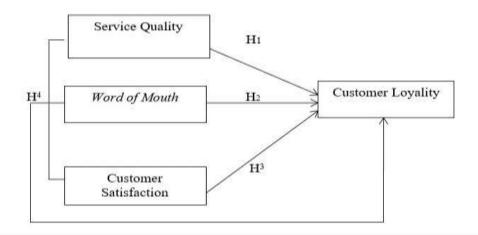


Figure 2. Model and Hyphotheses Research

3. Research Methods

The type of research used in this study is causal associative research because it analyzes causal relationships, namely the independent variables affect the dependent variable. The approach used in this research is a quantitative approach. Quantitative research is research by obtaining data in the form of numbers or qualitative data. The data collection technique in this study is to use a survey. The data collection instrument used in this study was a questionnaire (questionnaire). This study aims to determine the effect of product quality, price and service quality on consumer satisfaction.

The population and sample in this research are consumers of Ulfa Sukses Taylor services, *Braja* Luhur Village, Braja Selebah District, whose number is unlimited or unknown. sampling technique using Purposive Sampling. Purposive Sampling is a sample determination technique with certain considerations (Sugiyono, 2013). Respondent criteria are male and female, at least 15 years old, and have been a consumer in Ulfa Sukses Taylor's business at *least* 2 times and live in Braja Luhur Village, Kab . East Lampung.

Data collection techniques using survey methods through distributing questionnaires. The data analysis technique uses multiple linear regression with the help of SPSS software.

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Operational definitions of research variables are used to limit the scope or understanding of the observed/studied variables, it is necessary that these variables are given boundaries or "operational definitions". This operational definition is also useful for directing to measurement of variables as well as the development of instruments (measuring instruments).

The definition of service quality is the overall quality and characteristics of a product that affect its ability to maintain the quality of its service quality and meet the needs and desires of consumers. Word of Mouth (WOM) is information on a product that is circulated by word of mouth which can generate positive or negative comments. Consumer satisfaction is a feeling of pleasure or displeasure that arises from a person because they have used or consumed a product they have purchased so that consumers can assess whether the product is of good quality or suitable for reuse. Consumer loyalty is how often consumers make repeat purchases, are willing to pay a premium price and are willing to recommend other people to buy the product.

Variable **Indicators** Word Of Mouth (WOM) • Price Affordability • Price Compatibility with Benefits • Price Competitiveness • Discounts • Price Compatibility with • Friendliness of Staff Quality of service Service quality Performance Consumer Satisfaction • Effective Accuracy • Reliability • Product quality Speed **Consumer Loyalty** • Willingness to Recommend • Interest in Repurchase • Conformity of Expectations • Cost and Convenience Provision of Good Service

Table 1. Research Instruments

4. Result and a Discussion

Based on Table 2. it can be explained the results of the partial test (t test) of each variable, namely the calculated t value for the variable quality of service quality is 1.138 and the value in the 5% distribution is 2.011 then t count 1.138 <t table 2.011 and also the value the significance of 0.261 is greater than 0.05 (0.261>0.05). This means that the quality of service quality has a positive but not significant effect on consumer loyalty. The t-count value for the *word of mouth variable* is 0.595 and the value at 5% distribution is 2.011, so t-count is 1.138 <t-table 2.011 and also a significance value of 0.554 is greater than 0.05 (0.554>0.05). This means that *word of*

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E-ISSN: 2614-1280 P-ISSN 2622-4771

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mouth has a positive but not significant influence on consumer loyalty. The t value for the variable customer satisfaction, service quality is 3.344 and the value at 5% distribution is 2.011, so t count is 3.344 < t table 2.011 and also a significance value of 0.002 is less than 0.05 (0.002 <0.05). This means that service quality satisfaction has a positive and significant influence on consumer loyalty.

Table 2. Multiple Linear Regression Test Results

Coefficients ^a												
				Standardize								
		Unstandardized		d								
		Coefficients		Coefficients			Collinearity Statistics					
			std.									
Model		В	Error	Betas	t	Sig.	tolerance	VIF				
1	(Constant)	1,721	1,239		1,389	0.171						
	SERVICE QUALITY	0.222	,195	,252	1.138	0.261	0.101	9,939				
	WOM	0.084	,141	,106	0.595	0.554	0.157	6,363				
	SATISFAC TION	0.524	, 157	,549	3,344	0.002	0.183	5,464				

The result of test simultan effect between independent variables and dependent variable using the F test. The F test is carried out by comparing the calculated F value with the F table value if F count > F table then there is a simultaneous effect (together), otherwise if F count <F table, it can be concluded that there is no simultaneous influence between the independent variables and the dependent variable. The results of simultaneous regression calculations are obtained as follows:

F table = F(k-1;nk)= F(4-1;100-4)= F(3;96) = 2.70

Table 3. The Result of Simultaneous Test

ANOVA a									
Model		Sum of Squares	Df	MeanSquare	F	Sig.			
1	Regression	183,965	3	61,322	52.203	,000 b			
	residual	54,035	46	1.175					
	Total	238,000	49						
a. Dep	Total pendent Variable	· · · · · · · · · · · · · · · · · · ·	49						

b. Predictors: (Constant), Satisfaction, WOM, Service Quality

Source: SPSS data processing results Version 22.0 (2023)

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Table 3. shows that F count is greater than F table, namely 52.203> F table 2.81 and also a significant value of 0.000 is less than 0.05 (0.000 <0.05). This means that in this study the independent variables (service quality, WOM, and satisfaction) simultaneously have a significant influence on the dependent variable (loyalty).

Effect of Service Quality on Consumer Loyalty

The results of the research that has been carried out by researchers can be concluded that the variable quality of service quality is tested partially on consumer loyalty in the Ulfa Sukses *Taylor business* in Braja Luhur Village resulting in a t test of 1.138 and a value in the 5% distribution of 2.011, so t count 1.138 <t table 2.011 and also a significant value of 0.261 greater than 0.05 (0.261> 0.05). This means that brand trust has a positive but not significant effect on consumer loyalty. This positive and insignificant effect implies that when the quality of service quality increases, consumer loyalty will increase but not significantly. The results of this study are not in line with previous research on the quality of service quality which has a positive and significant effect on consumer loyalty (Astianita, A.D., Lusia, 2022; Faridah & Yoeliastuti, 2022; Gustina & Teresa, 2022; Naini et al., 2022; Setiawan et al., 2020; Valentama et al., 2022)

The Effect of Word of Mouth (WOM) on Consumer Loyalty.

The results of the research that has been carried out by researchers show that word of mouth on consumer loyalty produces a t test of 0.595 and a value at 5% distribution of 2.011, so t count 0.595 < t table 2.011 and also a significance value of 0.554 is greater than 0.05 (0.949 > 0.05). This means that WOM has no significant influence on consumer loyalty. This insignificant effect implies that if *Word of Mouth* then the increase in consumer loyalty is not significant. The results of this study are not in line with previous research that brand personality has a positive and significant effect on consumer loyalty (Ali et al., 2023; Astianita, A.D., Lusia, 2022; Faridah & Yoeliastuti, 2022; Gustina & Teresa, 2022; Masitoh et al., 2019; Setiawan et al., 2020).

The Effect of Consumer Satisfaction on Consumer Loyalty.

The results showed that customer satisfaction was tested partially on consumer loyalty in the Ulfa Sukses *Taylor* business in Braja Luhur Village it produces a t test of 3.344 and a value at 5% distribution of 2.011, so t count 3.344 > t table 2.011 and also a significant value of 0.002 less than 0.05 (0.002 <0.05). This means that customer satisfaction has a significant influence on consumer loyalty. This positive and significant influence implies that if customer satisfaction increases, consumer loyalty will also increase as well. The results of this study are in line with previous studies that consumer satisfaction has a positive and significant effect on consumer loyalty (Astianita, A.D., Lusia, 2022; Faridah & Yoeliastuti, 2022; Setiawan et al., 2020).

The Influence of Service Quality, Words of Mouth, and Consumer Satisfaction on Consumer Loyalty.

The results of this study indicate that the quality of service quality, word of mouth and consumer satisfaction simultaneously on consumer loyalty produces a calculated F value that is greater than the F table value, namely F count 52.203 > F table 2.81 and also a significant value of $0.00\ 0$ smaller than $0.05\ (0.00\ 0 > 0.05)$. This shows that the quality of service quality, word of mouth and consumer satisfaction simultaneously positive and significant effect on consumer

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loyalty. Improvements in the quality of service quality, word of mouth, and consumer satisfaction will automatically increase consumer loyalty. The results of this study support previous research that service quality, word of mouth, and consumer satisfaction have a positive and significant effect on consumer loyalty (Ali et al., 2023; Astianita, A.D., Lusia, 2022; Faridah & Yoeliastuti, 2022; Gustina & Teresa, 2022; Masitoh et al., 2019; Naini et al., 2022; Setiawan et al., 2020; Valentama et al., 2022).

5. Conclusion

This study found that the quality of service quality and *Word of mouth (WOM)* has a positive but not significant effect on consumer loyalty. Consumer satisfaction has a positive and significant effect on consumer loyalty. Simultaneously the quality of service quality, *word of mouth*, and customer satisfaction have a significant effect on customer loyalty at Ulfa Sukses *Taylor*.

The results of this research are of practical or managerial use, especially for Ulfa Sukses *Taylor's* business in Braja Luhur Village, East Lampung and other types of businesses. In this case the owner and manager of Ulfa Sukses *Taylor* needs to pay attention to the quality of service quality, *word of mouth* to increase consumer loyalty. Likewise with consumer satisfaction must continue to be considered and improved so that consumer loyalty continues to increase and be maintained. It is hoped that these efforts will make Ulfa *Taylor a success* more successful and growing.

This study has limitations on the number of respondents, although the number of 50 people is sufficient to be analyzed, the more the number of respondents, the better the results of the analysis. Therefore this research can be tested again for future research by increasing the number of respondents. The influence between variables that is not yet significant can be retested in different types of businesses such as motorcycle and car repair service businesses, salons and spas, bridal make-up, and other service businesses. The future research can also research in the field of business that produces goods such as food, drinks, children's toys, and others.

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Vol-7, Issue-3, 2023 (IJEBAR)

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