THE EFFECT OF SERVICE QUALITY AND TRUST ON CUSTOMER LOYALTY OF WARUNG APUNG RAHMAWATI OF MOJOKERTO BRANCH

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ABSTRACT

The development of the culinary business in Mojokerto which is increasingly rapid has led to increased competition. In the industrial world the success of a culinary business is reflected in its ability to provide satisfaction to customers. One way that can be used to achieve these advantages is by applying the right quality of service and trust so that it can create customer loyalty. This study is intended to analyze the effect of service quality and trust on customer loyalty in Warung Apung Rahmawati in Mojokerto. The research method used is qualitative with explanatory research. The sampling technique uses non probability sampling. The number of samples is 100 respondents. The analytical tool used is multiple linear regression analysis using SPSS 24.0 for Windows software. The results showed that service quality significantly influence customer loyalty. Trust has a significant effect on customer loyalty.

Keywords: service quality, trust, customer loyalty

ABSTRAK

Perkembangan bisnis kuliner di Mojokerto yang semakin pesat menyebabkan meningkatnya persaingan. Pada dunia industri keberhasilan suatu bisnis kuliner tercermin dari kemampuannya memberikan kepuasan kepada pelanggan. Salah satu cara yang dapat digunakan untuk mencapai keunggulan tersebut adalah dengan menerapkan kualitas layanan dan kepercayaan yang tepat sehingga dapat menciptakan loyalitas pelanggan. Penelitian ini dimaksudkan untuk menganalisis pengaruh kualitas layanan dan kepercayaan terhadap loyalitas pelanggan pada Warung Apung Rahmawati cabang Mojokerto. Metode penelitian yang digunakan adalah kualitatif dengan penelitian eksplanatory research. Teknik Pengambilan sampel menggunakan non probability sampling. Jumlah sampel sebanyak 100 responden. Alat analisis yang digunakan adalah analisis regresi linier berganda menggunakan software SPSS 24.0 for Windows. Hasil penelitian menunjukkan bahwa kualitas layanan berpengaruh signifikan terhadap loyalitas pelanggan. Kepercayaan berpengaruh signifikan terhadap loyalitas pelanggan.

Kata-kata kunci: kualitas layanan, kepercayaan, loyalitas pelanggan.

I. INTRODUCTION

Background

Restaurants as one of the businesses in the culinary field are involved in efforts to get new customers and form loyal customers. In general, the service of a restaurant business is to prepare food that is served and consumed on the spot. Changes that occur in all industrial lines cause the restaurant industry to develop more broadly in terms of services and products such as providing delivery order services or certain packages as a form of serving and retaining customers.

One restaurant in Mojokerto is Warung Apung Rahmawati, Mojokerto branch. Warung Apung Rahmawati has a form of its own strategy to attract customers, namely from a variety of food products along with their variants, tastes, forms of food presentation and attractive packaging forms. This is also an attempt to be more different from other competing restaurants. Another effort to have its own uniqueness in its services, Warung Apung Rahmawati also performs like by providing good quality service, different from others, such as friendliness, politeness, and cleanliness are all important to get loyal customers. In addition, it is to establish the trust of its customers, the restaurant must pay attention to complaints and suggestions on each customer's desires because then the customer will feel comfortable. Trust arises from a long process between restaurants and customers to trust each other. Variables that influence customer loyalty are trust (Rimawan *et al.*, 2017). Customers who are not loyal are caused by bad trust or customer expectations are not in accordance with reality. Loyalty is customer loyalty to the services offered. Loyalty for restaurants can be influenced by various factors including service quality, trust, customer satisfaction and brand image provided by Warung Apung Rahmawati in the Mojokerto branch. Customers who have not been loyal are caused by poor service or customer expectations that are not in line with reality and the quality of services is declining. Service quality variable is one of the factors that influence customer loyalty (Akhtar *et al.*, 2016). Service quality that meets customer expectations has the potential to shape loyalty. Based on the background of the problem, the authors are interested in conducting research with the title "The Effect of Service Quality and Trust in Customer Loyalty of Warung Apung Rahmawati of Mojokerto branch".

Research Objectives

Based on the problems described earlier, the objectives of this study can be determined as follows (1) to analyze and determine the effect of service quality on customer loyalty at Warung Apung Rahmawati, Mojokerto branch; and (2) to analyze and determine the effect of trust on customer loyalty at the Warung Apung Rahmawati branch in Mojokerto.

II. LITERATURE REVIEW

Service Quality

According to Bitner (1992) states that service quality is the overall impression of the customer towards the inferiority or superiority of the argument along with the services offered. According to Liosa *et al.* (1998) which states that service quality is an instrument used by customers to assess services provided by service providers. According to Donald *et al.* (1998) service quality is a cognitive process and evaluation of an object. Whereas according to Parasuraman *et al.* (1988), service quality is defined as a form of attitude, related but not the same as satisfaction, as a result of comparison between expectations and performance. From this definition it can be concluded that service quality is all forms of activities carried out by restaurants to meet customer expectations. The quality of restaurant services in the form of convenience, speed, relationship, ability and friendliness is shown through the attitude given through service to get customer satisfaction so that customers can be loyal to the restaurant. Parasuraman *et al.* (1988) determine the dimensions of service quality, namely (1) reliability, (2) responsiveness, (3) assurance, (4) empathy, (5) tangibles. These five dimensions have become benchmarks to determine the level of service quality of a service provider.

Trust

Morgan and Hunt (1994) suggest that trust is a key variable to develop a long-lasting desire to continue to maintain long-term relationships. According to Mowen and Minor (2002), trust is all the knowledge possessed by customers and all conclusions made by customers about objects, attributes and benefits. Delgado and Munuera (2005) argue that brand trust is the brand's ability to be trusted, which is based on the customer's belief that the product is able to meet the promised and intensely good value of the brand based

on customer confidence that the brand is able to prioritize the interests of customers. From these definitions it can be concluded that trust is the most important thing for a restaurant because of a belief and trust or a promise for commitment that can only be realized if one day it will be useful. Therefore, commitment is another important factor for relationship marketing, and a variable that is useful for measuring the tendency of customers who will be loyal and can predict the frequency of purchases that will occur in the future. Customers who already have trust are expected to behave loyal to a service provider and this is very beneficial for service providers in the future. Tschannen (2001) suggest that there are five dimensions that shape customer trust, namely (1) benevolence; (2) reliabilty; (3) competence; (4) honesty; and (5) openness.

Customer Loyalty

Dick and Basu (1994) define customer loyalty as the strength of the relationship between the relative attitude of an individual to a unit (brand, service, shop, or supplier) and repurchase. According to Johnson (1997) customer loyalty is the tendency to buy and or use certain products, producers or service providers. Oliver (1997) states customer loyalty as a commitment to survive in depth by repurchasing or re-subscribing with selected products and services consistently in the future, even though the influence of the situation and marketing efforts has the potential to cause behavioral changes. From these statements, customer loyalty has a very important role for the restaurant, so it must be able to attract and retain every customer. Efforts to obtain loyal customers cannot be done all at once but through several processes namely, starting from finding potential customers to obtaining partners. The benefits will be obtained by those who have loyal customers including recommending the virtues that they feel as customers. According to Griffin (2005) the dimensions of customer loyalty can be explained as follows (1) making purchases regularly; (2) buying between product lines and services; (3) recommend products to others; and (4) show immunity to competitors' attraction.

Conceptual Framework and Research Hypothesis

Figure 1. Research Conceptual Framework

Effect of Service Quality on Customer Loyalty

Service providers in order to survive and be able to grow again, they are required to be able to provide quality services and can fulfill every customer's desires or needs. Products that cannot meet the quality of their services make it easy for customers to leave or switch to looking for other service providers. The solution to anticipate this would be to prioritize the expansion of products and services that are service-oriented and prioritize customer satisfaction because then the service providers such as the Warung Apung Rahmawati, Mojokerto branch will get loyal customers. The hypothesis proposed is as follows:

Ha1: Service quality has a significant effect on customer loyalty at the Warung Apung Rahmawati in the Mojokerto branch

Influence of Trust in Customer Loyalty

Trust can be valued by the customer by looking at the quality of services, benefits, and sacrifices given to get a customer's trust. A good service, such as solving customer problems and complaints as quickly as possible, will get good value, making customers feel comfortable with the trust made by service providers such as Warung Apung Rahmawati, Mojokerto branch. The hypothesis proposed is as follows:

Ha2: Trust has a significant effect on customer loyalty at Warung Apung Rahmawati in the Mojokerto branch

III. RESEARCH METHODS

Types of research

This study uses a type of qualitative descriptive analysis approach with explanatory research research. Explanatory research research is research that aims to test a theory or hypothesis to strengthen or even reject the theory or hypothesis of the results of existing research.

Population and Samples

Population is a combination of all the elements that form events, things or people that form similar characteristics and become the center of attention of researchers because it is seen as a research universe (Ferdinand, 2012). The population of this study was visitors and customers of Warung Apung Rahmawati, Mojokerto branch. The sampling technique used for this study used non-probability sampling technique, namely the accidental sampling method, where the researcher selects respondents by visiting the respondent and selecting the respondents who were accidentally encountered but the prospective respondents must have certain characteristics. The determination of the minimum number of samples in this study refers to the statement of Roscoe (1975) which states that the sample size should be between 30 and 500 elements. Champion (1981) said that most statistical tests always included sample size recommendations. In other words, the existing statistical tests will be very effective if applied to samples of 30 to 60 or from 120 to 250. If the sample is more than 500, it is not recommended to apply the statistical test. Based on this, the number of samples is 100 respondents.

Variable Operational Identification

In this study, all variables are grouped into two, namely independent variables and dependent variables. The independent variable is a type of variable that directly affects other variables, while the dependent variable is the result of the influence of the independent variable. The variables used for this study consisted of independent variables and dependent variables. Independent variables consist of two variables, namely service quality and trust. Service quality is all forms of activities carried out by service providers to meet customer expectations (Bitner, 1992; Liosa *et al.*, 1998; Donald *et al.*, 1998; Parasuraman *et al.*, 1988). According to Parasuraman *et al.* (1988), there are five dimensions of service quality, namely: (1) reliability; (2) responsiveness; (3) assurance; (4) empathy; and (5) tangibles. Trust is an important thing for restaurants to gain trust in realizing customer expectations (Morgan and Hunt, 1994; Mowen and Minor, 2002; Delgado and Munuera, 2005). Tschannen (2001) suggest that there are five dimensions that shape customer trust, namely (1) benevolence; (2) reliability; (3) competence; (4) honesty; and (5) openness. The dependent variable is customer loyalty. Customer loyalty has a very important role for restaurants to maintain loyal customers (Dick and Basu, 1994; Johnson, 1997; Oliver, 1997). According to Griffin (2005), there are four dimensions of customer loyalty that can be explained, namely: (1) making regular purchases; (2) buying between product lines and services; (3) recommend products to others; and (4) show immunity to competitors' attraction.

Operational Definition of Variables

The operational definitions of the variables for this study are as follows

1. Service quality All forms of activities carried out by restaurants in order to meet the expectations of customers in the form of convenience, speed, relationship, ability and friendliness are shown through the attitudes and traits that are given through service to get customer satisfaction to be loyal customers. The dimensions of measuring service quality include the following (a) reliability, namely the ability to provide services and be able to fulfill promised promises; (b) responsiveness, namely concern to help, willingness to fulfill and provide good service to customers; (c) assurance which is a guarantee of knowledge and attitudes (responsiveness, friendliness, politeness, friendliness) of service and the ability to guarantee every customer's desires; (d) empathy, namely the level of concern and attention of individual customers to the restaurant is highly coveted by the customer; and (e) tangibles, namely physical appearance of services (physical facilities such as: building architecture, how to dress restaurant staff).
2. Trust is the most important thing for a restaurant because of a belief and trust or a promise for commitment that can only be realized if one day it will be useful. The dimensions of the trust measure include the following (a) benevolence (virtue), namely the good ties and the belief that a party will be protected and will not be harmed by a trusted party; (b) reliability (reliability), namely the ability to be relied upon to fulfill something needed by a person or group if they need it; (c) competence (competence), namely the ability possessed by a party in terms of skills and knowledge possessed to meet customer needs; (d) honesty, namely the extent to which statements or expressions can be fulfilled. A statement will be considered correct if it can confirm what actually happened according to the customer's perspective and commitment to the promise is kept; and (e) openness, namely openness to report or provide information needed to customers.
3. Customer loyalty is to have a very important role for the restaurant so it must be able to attract and retain every customer. The dimensions of measuring customer loyalty include the following (a) making regular purchases; (b) buying between product lines and services; (c) recommend products to others; and (d) show immunity to competitors' attraction.

IV. ANALYSIS OF RESEARCH RESULTS AND DISCUSSION

Reliability test is a test to determine the extent to which a questionnaire can be trusted as an indicator of variables. The condition is that the Alpha coefficient must be greater than 0.6. If this is achieved, the questionnaire is declared reliable. If the opposite is achieved then the questionnaire is not reliable.

Table 1. Reliability and Validity Test

Variables	Item	Corrected Item-Total Correalation	Cronbach's α
Service Quality (X.1)	X.1.1	0,652	0,658
	X.1.2	0,674	
	X.1.3	0,673	
	X.1.4	0,642	
	X.1.5	0,633	
	X.1.6	0,712	
	X.1.7	0,722	
	X.1.8	0,847	
	X.1.9	0,882	
	X.1.10	0,606	

Trust (X.2)	X.2.1	0,643	0,734
	X.2.2	0,731	
	X.2.3	0,644	
	X.2.4	0,772	
	X.2.5	0,743	
	X.2.6	0,617	
	X.2.7	0,625	
	X.2.8	0,744	
	X.2.9	0,738	
	X.2.10	0,644	
Customer Loyalty (Y)	Y.1	0,754	0,768
	Y.2	0,668	
	Y.3	0,633	
	Y.4	0,686	
	Y.5	0,631	
	Y.6	0,628	
	Y.7	0,632	
	Y.8	0,771	

Source: SPSS results

From the service quality reliability test (X.1) it can be seen that the cronbach's alpha value is 0.658. Ten statements declared valid. Trust reliability test (X.2) obtained a value of 0.734. There are ten valid statement items. From the customer loyalty reliability test (Y), the cronbach's alpha value is 0.768. There are eight items that are valid statements so that the statement items for customer loyalty variables are declared reliable and valid. Next is testing the research hypothesis.

Table 2. t Test (Coefficients^a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.379	.972		1.418	.159
	X.1	.547	.112	.475	4.879	.000
	X.2	.325	.117	.269	2.764	.007

a. Dependent Variable : Y

Source: SPSS results

From Table 2 it can be seen that each independent variable (service quality and trust) has a significant effect on the dependent variable (customer loyalty). From the calculation of Table 2, the regression equation produced is $Y = 1.379 + 0.547 (X.1) + 0.325 (X.2)$.

Table 3. F Test (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	240.332	2	120.166	41.894	.000 ^b
	Residual	278.228	97	2.868		
	Total	518.560	99			

a. Dependent Variable: Y

b. Predictors: (Constant), X.2, X.1

Source: SPSS results

Calculation results Table 2 the previous multiple linear regression equation model shows that there is a significant effect of service quality variables (X.1) and trust (X.2) as independent variables on customer loyalty (Y) as the dependent variable. By doing the t test, the first and second hypotheses stating that service quality and trust have a significant effect on customer loyalty can be verified.

Supporters from the results of the research hypothesis testing carried out the F test. The F test was carried out from the results of the calculation of the data in Table 3. It can be seen that the calculated F value is 41,894 with a probability of 0,000. This means that the significance level $\alpha = 0.05$ can be stated that service quality variables and trust have a significant effect on customer loyalty.

Table 4. Coefficient of Determination (Model Summary^b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.681 ^a	.463	.452	1.694	1,947

a. Predictors: (Constant), X.2, X.1

Source: SPSS results

Based on the results of the calculation of Table 4 the R coefficient of 0.681 indicates a fairly strong relationship between the independent variable and the dependent variable. The determinant coefficient (R²) is 0.463 and the adjusted R squared of 0.452 indicates that this multiple regression model whose independent variables consist of service quality (X.1) and trust (X.2) has contributed 46.3% to the formation of the dependent variable namely loyalty customers, while the remaining 53.7% is determined by other variables.

There are also managerial implications, namely (1) The results of this study are supported by Unidha (2017) which states that service quality directly affects customer trust, service quality directly affects customer loyalty, and customer trust is able to mediate the effect of service quality on customer loyalty. Management is required to compete well and healthily which can be done by improving the quality of services provided by service providers. The results of this study are also supported by Caloza (2016) which proved that trust has a positive and significant effect on customer satisfaction. Management must pay more attention to the element of minimal trust, the company is doing an evaluation of customer complaints by finding the point of the problem and providing solutions to customers so that those things will increase the trust of the customers. Kotler and Keller (2009) state that customer trust in a company is one of the important factors when trying to build brand loyalty. This emphasizes the need for companies to build integrated marketing communications.

V. CONCLUSION

Based on the analysis of the results of research and discussion, this study concludes as follows (1) service quality has a significant effect on customer loyalty of Warung Apung Rahmawati, Mojokerto branch; and (2) trust has a significant effect on customer loyalty of Warung Apung Rahmawati, Mojokerto branch. Suggestions that can be given to the restaurant are to be able to be able to act to overcome each customer complaint so that it will get the trust of the customer. Cleanliness must also be considered which is always kept clean, customer facilities must also be fulfilled, and also have products at economical prices. The Warung Apung Rahmawati can also open a restaurant branch again for a wider area such as in East Java and outside East Java so as to strengthen the brand and increase its income.

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