

## **The Roles of Service Quality and Customer Satisfaction toward Word Of Mouth in Surabaya Hang Tuah University Students**

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**Abstract:** The objectives of this study are: 1) Analyzing and knowing the magnitude of the influence of service quality which includes tangibles, reliability, responsiveness, assurance, and empathy towards the Word of Mouth of Hang Tuah University Surabaya students. 2) Analyzing and knowing the magnitude of the effect of customer satisfaction on the Word of Mouth of Hang Tuah University Surabaya students. 3) Analyzing and knowing the influence of service quality and customer satisfaction on the Word of Mouth of Hang Tuah University Surabaya students. By taking a sample questionnaire from 186 students at Hang Tuah University in Surabaya. Analysis of this research data using multiple linear regression using SPSS ve 16.0 software tools, the results obtained: that patient satisfaction has the greatest influence on word of mouth with a regression coefficient of 0.583, while service quality affects word of mouth at 0.551. While simultaneously producing a coefficient of determination (R square) of 0.453. These results prove that word of mouth students at the University of Hang Tuah Surabaya are strongly influenced by their satisfaction and the quality of services obtained by students from educators and education.

**Keywords:** Service quality, Customer Satisfaction, word of mouth

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### **I. INTRODUCTION**

One of the well-known educational institutions in Surabaya is University of Hang Tuah. Hang Tuah University (UHT) is private university that promotes itself as the “Blue Ocean Campus” or blue sea campus which means a campus with maritime base, becoming the center of Human Resource Department (HR) in Maritime Affairs and World Class Science, Technology and Art of Marine. Hang Tuah Unievrstiy has many faculties and study programs. However, only the Faculty of Medicine and Faculty of Dentistry that is capable of sticking to people’s minds. Surabaya community will always think that the student is majoring in Medicine or Dentistry when they mention that they are studying at “Hang Tuah University”. It is not uncommon for some people to be surprised when they just found out that Hang Tuah University has other faculties such as the Faculty of Social and Political Sciences (FISIP), Faculty of Law (FH), Faculty of Psychology, Faculty of Marine Science (FTIK) and Shipping Diploma Program (PDP). In addition, the University of Hang Tuah is also known to the public as an expensive university and new student enrolment process which seems complicated because there is an interview of parents to negotiate an increase in donations so that new student can be accepted. There are also UHT abbreviations which are set to become “Universitas Harapan Terakhir”, “Universitas Handai Tolan”, “Universitas Hamparan Tambak” and others. Hang Tuah University has 5628 active students (PDUHT Data 2018), expected to provide a view of customer satisfaction given especially 2018 batch.

Customer satisfaction is the level of customer feelings after comparing the performance that the customer feels with their expectations. Customer satisfaction is the perception of products or services that have fulfilled their expectations. There are 5 drivers of customer satisfaction, among others: product quality, price, service quality, emotional factor, and convenience. The explanation above shows that customers tend to do negative word of mouth towards the University of Hang Tuah. In another sense, that customers of the University of Hang Tuah have a high level of satisfaction yet. While the 2016-2017 Academic Year Student Satisfaction Analysis Data averages 2.97 with a category of Satisfied Enough. Based on the explanation above, this study specifically tries to examine further 1) Analyzing and knowing the magnitude of the influence of service quality which includes tangibles, reliability, responsiveness, assurance, and empathy towards the Word of Mouth, 2) Analyzing and knowing the magnitude of the effect of customer satisfaction on the Word of Mouth, 3)

Analyzing and knowing the influence of service quality and customer satisfaction on the Word of Mouth of Hang Tuah University Surabaya students.

## **II. MATERIAL AND METHODS**

### **Public Service Definition**

Human life can not be separated from service. Service is the process of fulfilling needs through other people's activity directly. There are two types of service that human basically need, namely physical services that are personal as human beings and administrative services provided by others as members of the organization, either it's organizations or masses or the State [1].

In line with this, Cristopher in [2] states that service can be interpreted as a management system, organized to provide continuous service relations between the time of order and the time when the goods or services are received and used in order to fulfil the needs or customer expectations in long term.

Whereas in Law No. 25 of 2009 concerning public services, it defines that public service is an activity or series of activities in order to fulfill service needs in accordance with legislation for every citizen and resident for the goods, services and / or administrative services provided by public service providers.

Every public service provider must have service standards and be published as a guarantee of certainty for service recipients. Service standards are a measure that is standardized in the implementation of public services that must be obeyed by the giver and / or recipient of the service. According to [3] service standards include at least:

- 1) Standardized service : Standardized service procedures for providers and recipients of services including complaints
- 2) Settlement time: Settlement time determined from the time of filing the application to the completion of the service including complaints
- 3) Service fee: Service fees / rates include the details specified in the service delivery process
- 4) Service products: The service products that will received are in accordance with the stipulated conditions
- 5) Facilities and Infrastructure: Provision of adequate service facilities and infrastructure by public service providers
- 6) Competence of service delivery operator: Competence of service delivery operator must be determined based on the knowledge, skills, attitudes and behaviors needed.

### **Service Quality Definition**

According to Lewis & Booms (1983) in [4] service quality is used as a measure of how well the level of service provided is able to match consumer expectations. Based on this definition, the quality of services can be realized through meeting the needs and desires of consumers as well as the accuracy of delivery to offset consumer expectations. Thus there are two main factors that affect the quality of services: expected services and perceived services according to [5]. If the perceived service is in accordance with the expected service, then the quality of the service concerned will be perceived as good or positive. If the perceived service exceeds the expected service, then the service quality is perceived as the ideal quality. Conversely, if the perceived service is worse than the expected service, then the quality of services is perceived as negative or bad. Therefore, the good services quality depends on the ability of service providers to consistently meet consumer expectations.

### **Dimension of Service Quality**

There are several opinions regarding the dimensions of service quality, including Parasuraman, Zeithaml, and Berry [5] who conducted special research on several types of services and managed to identify ten main factors that determine the quality of services. The ten factors are:

- 1) Reliability, includes two main things, namely work consistency (performance) and the ability to be trusted. This means that the company provides its services right from the first moment. In addition, it also means that the company fulfill its promise, for example delivering its services in accordance with the agreed schedule.
- 2) Responsiveness, namely the willingness or readiness of employees to provide services needed by consumers.
- 3) Competence, means that everyone in a company has the skills and knowledge needed to be able to provide certain services.
- 4) Accessibility, including the ease of contacting and being met. This means the location of service facilities that are easily accessible, waiting times that are not too long, corporate communication channels are easily contacted, and so on.
- 5) Courtesy, including the attitude of courtesy, respect, attention, and friendliness of personal contacts.
- 6) Communication, means giving information to consumers in languages that they can understand, and always listening to consumer suggestions and complaints.

- 7) Credibility, which is honest and trustworthy. Credibility includes company names, company reputation, personal characteristics of personal contacts, and interactions with consumers
- 8) Security, which is safe from danger, risk, or doubt. This aspect includes physical safety, financial security, and confidentiality
- 9) Understanding / Knowing the Customer, which is an effort to understand consumer needs.
- 10) Tangibles, which are physical evidence of services, can be physical facilities, equipment used, or the appearance of personnel.

Subsequent developments, Zheithalm et al in [6] simplify the ten dimensions above into five main dimensions known as SERQUAL (service quality) which consists of:

1. Physical evidence (tangibles) is the ability of a company to show its existence to external parties. The appearance and ability of reliable facilities and physical infrastructure of the company and the state of the surrounding environment is one of the ways in which service companies present the quality of service to consumers. Among them include physical facilities (buildings, books, bookshelves, tables and chairs, etc.), technology (equipment and equipment used), and the appearance of employees.
2. Reliability is the ability of companies to provide services in accordance with what is promised accurately and reliably. Performance must be in accordance with consumer expectations reflected in punctuality, the same service for all consumers without errors, sympathetic attitudes and high accuracy.
3. Responsiveness is the willingness to help consumers and provide services quickly and precisely by delivering clear information. Ignoring and letting consumers wait for no apparent reason causes negative perceptions in service quality.
4. Assurance is knowledge, modesty and the ability of company employees to foster trust in consumers to the company. This includes several components, including:
  - a. Communication (communication), which is to continuously provide information to consumers in understandable language and clear words so that consumers can easily understand what is informed by employees and quickly and responsibly address complaints from consumers.
  - b. Credibility, the need of assurance for a trust given to consumers, believability or the nature of honesty, trust, providing good credibility for the company in the future.
  - c. Security (security), the existence of a high trust from consumers of services received. Indeed, the services provided are able to provide a guarantee of trust
  - d. Competence (competence) is a skill that is owned and needed so that in providing services to consumers optimally
  - e. Manners (courtesy), in the service of a moral value that is owned by the company in providing services to consumers. Guarantees will be courtesy offered to consumers in accordance with existing conditions and situations.
5. Empathy (empathy) is to give sincere and individual or personal attention given to consumers by trying to understand the desires of consumers where a company is expected to have an understanding and knowledge of consumers, understand consumer needs specifically, and have a comfortable operating time for consumers.

### **Word of Mouth Definition**

Word of mouth (WOM) is a marketing effort that triggers consumers to discuss, promote, recommend, and sell products / brands to other consumers. Personal communication channels in the form of speech or word of mouth (word of mouth) can be an effective promotion method because it is generally delivered from consumers by consumers and to consumers, so that consumers or satisfied consumers can become advertising media for the company. In addition, the word of mouth personal communication channel does not require a large cost because through satisfied consumers, the reference to the product or service will be more easily spread to other consumers. The creation of satisfaction can provide several benefits, including the relationship between the company and its consumers so that provide a good basis for repurchasing and creating loyalty to the brand and making a word of mouth recommendation that is beneficial for the company [4].

According to Philip Kotler (2001) states that high loyalty is consumers who make purchases with percentages increasing at certain companies than other companies. From some of the definitions above, it can be concluded that loyalty is the commitment of consumers to a brand that is indicated by the existence of repurchase, giving recommendations to others, and will provide positive information about the goods consumed.

### **- Word of Mouth Characteristic**

Word of mouth is often referred to as free advertising. Many people think that word of mouth is advertising. Buttle (1998) in [7] states that word of mouth and advertising are two different things. Advertising can be interpreted as various forms of non-personal presentation of ideas, products or services financed by

sponsors (companies), while word of mouth emphasizes personal relationships between consumers and other consumers based on experience with a product that is communicated to other consumers. To make it easier to distinguish between advertising (advertising) and word of mouth, then word of mouth can be identified based on the characteristics it has. Buttle (1998) as quoted by [7] states that word of mouth has the following characteristics:

1. Valence

From a marketing point of view, word of mouth can be positive and negative. Positive word of mouth occurs when consumers are satisfied with the performance of a product or service, while negative word of mouth can occur when consumers feel disappointed with the performance of a product or service.

2. Focus

The company not only strives to create word of mouth among consumers, but also strives to create word of mouth for intermediaries, suppliers, employees, and referrals

3. Timing

Word of mouth referrals can occur before and after a purchase. Word of mouth can function as an important source of information during the pre-purchase process, this is referred to as word of mouth input. Consumers can also do word of mouth after the purchase process or after gaining experience after consuming a product or service, this is called output word of mouth.

4. Solicitations

Not all word of mouth comes from consumers, word of mouth can only be offered with or without request, it can be invisible. However, when information from an authorized or official party is visible, listeners will seek input from opinion leaders or influencers.

5. Interventions

Although word of mouth can be directly carried out by consumers, but the company does not necessarily let word of mouth happen by itself, the company proactively intervenes to stimulate and manage word of mouth activities. Managing word of mouth can be done at the level of individuals and organizations. Individuals can be parties who carry out word of mouth activities or as recipients then follow the message conveyed in word of mouth.

**- The Word of Mouth Variety**

According to [8], based on the process of occurring, word of mouth is divided into 2 types, namely:

1. Organic word of mouth is word of mouth that occurs naturally. Consumers who are satisfied after purchasing products or services have a natural desire to share their experiences and antusiasme with others. Either face to face or share it via social media like Instagram.
2. Amplified word of mouth is word of mouth that occurs because it has been designed by a company to accelerate communication by word of mouth by consumers.

According to Buttle (1998) in [8], based on the nature of the information delivered, word of mouth is divided into 2 types, namely:

1. Positive word of mouth is a positive message that is disseminated or recommended by consumers to other people after being satisfied with the product or service they use.
2. Negative word of mouth is a negative message that is disseminated by consumers to others because of dissatisfaction with a product or service. So that consumers tend to disseminate deterioration.

**- Word of Mouth Indicator**

According to [8], word of mouth indicators as follows:

1. Talking about, the willingness of someone to talk about positive things about products / services to others. Consumers hope to get maximum satisfaction and have interesting material to talk about with people.
2. Recommend, consumers want products that can be satisfying and have advantages compared to others, so that they can be recommended to others.
3. Encouraging, encouraging friends or relations to make transactions on products / services. Consumers want attractive feedback when influencing others to use the products or services they have told.

**Methods**

The type of research used is descriptive research with a quantitative approach. According to [9], descriptive research is a form of research that is recorded describing existing phenomena, both natural and man-made phenomena. According to [10], descriptive research is a method in examining the status of a group of

people, objects, conditions, thinkers, or a class of events that have the purpose of making a factual and accurate description of the facts between the phenomena investigated. While quantitative research is research conducted by collecting data in the form of numbers generated through the distribution of questionnaires.

Population is a generalization area consisting of objects and research subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population in this study were all students of the University of Hang Tuah Undergraduate (S1) and Diploma (D3) who were still active for the year 2018, total 1111 students. From each number of students based on the faculty, the number of samples for each faculty was obtained as follows, the results the number of samples taken was 186 students from 1111 student populations. Next the researcher will describe the number of samples taken by each faculty. The random sampling method is used in conducting sampling [9], which is a technique of withdrawal from the number of active students in each faculty at the University of Hang Tuah randomly. The proportion of sampling is calculated by means of the population of each faculty divided by the total population in a whole, then multiplied by the number of samples to be taken from the population of the population.

### Statistical analysis

From the various theories referring to the formulation of the problem in this study, a hypothesis can be arranged which is the temporary answer of this research which will be analysis to answer the existing hypothesis.

1. It is assumed that service quality which includes tangibles, reliability, responsiveness, assurance, and empathy has a significant effect on the Word of Mouth of Hang Tuah University Surabaya students.
2. It is assumed that consumer satisfaction has a significant effect on the Word of Mouth of Hang Tuah University Surabaya students.
3. It is assumed that service quality and customer satisfaction have a significant effect on the positive Word of Mouth of Hang Tuah University Surabaya students.

This analysis of the influence of service quality and customer satisfaction on word of mouth at Hang Tuah University Surabaya. Hang Tuah University Surabaya is one of the well-known universities in Surabaya that prioritizes service quality in serving its students. That's why the University of Hang Tuah Surabaya has competitiveness with universities in the city of Surabaya with a large number of students every year.

In this study the author immediately conducted a questionnaire distribution and then collected it again, so as to obtain as many as 186 respondents. The number of respondents is considered to have fulfilled the requirements as sample research data on the effect of service quality and customer satisfaction on word of mouth. Furthermore, the respondent's data will be analysis by using multiple linear regression methods using SPSS version 16.0 software. Chi-square and Fisher exact tests were performed to test for differences in proportions of categorical variables between two or more groups. The level  $P < 0.05$  was considered as the cutoff value or significance.

### III. RESULT

The regression results show the direction of effect for each independent variable on changes in the dependent variable. Service quality and customer satisfaction have an effect on word of mouth. This means that any increase or decrease in service quality variables will be followed by increasing or decreasing word of mouth.

Regression coefficient value of service quality of 0.551 indicates that assuming other variables are constant, increasing service quality by 1 point will result in an increase in word of mouth by 0.551 points. Consumer satisfaction regression coefficient value of 0.583 shows that assuming other variables are constant, increasing customer satisfaction by 1 point will cause an increase in word of mouth by 0.583 points.

The results also showed the coefficient of determination ( $R^2$ ) of 0.453, this means that the variability of service quality and customer satisfaction factors explained the variability of word of mouth changes by 45.3% while the remaining 54.7% was caused by other variables not included in the model or not analyzed in this study. Furthermore, before the regression results above are used as interpreters of this study in more depth, it is necessary to test the symptoms of multicollinearity, heteroscedasticity and autocorrelation first.

**Table 1:** Result of SPSS

Variables	Coefficient Of Regression	Standard of Error	T. Statistic
Constant	3.466	22.428	2.756
Service Quality	0.551	0.088	3.868
Costumers Satisfaction	0.583	0.255	1.028

**Table 2:** Summary of Multiple Linear Regression Result

Multiple R	0.673
R square	0.453
Adjusted R. Square	0.424
Standart Error	60.676
F. Ratio	15.539
Durbin Watson Test	1.857

From Table 2 can be made multiple linear regression equations as follows:

$$Y = 3.466 + 0,551X1 + 0,583X2 + e$$

#### IV. DISCUSSION

##### Quality of Service has Significant Effect on Word of Mouth

The service quality referred to in this study is; the value of the work of educators and education includes tangibles, reliability, responsiveness, assurance, and empathy, which are obtained and felt by students while studying at Hang Tuah University Surabaya. [11] states that service quality is a feeling that supports or does not support consumers / students related to the results of the work of others and themselves. The benchmark used to measure service quality variables at the University of Hang Tuah Surabaya is all the results of work / services provided by educators and education which include tangibles, reliability, responsiveness, assurance, and empathy.

This also shows that University management should pay more attention to service quality which includes tangibles, reliability, responsiveness, assurance, and empathy. With good service and high quality, it can be ensured that students who study at the University of Hang Tuah Surabaya will feel satisfied. The students will feel that the costs they incur will be proportional to the service they receive. Increasing the quality of University services, in this case also means increasing the speed and accuracy of educators in providing services to students without increasing costs. It cannot be denied if the University is an organization whose main product is service provided to consumers. Consumers from these universities are students who study at Hang Tuah University Surabaya.

Therefore, the quality services provided by the University, will provide greater satisfaction to the students. If students feel the costs they incur are proportional to the satisfaction they receive, then certainly there are no complaints / complaints from students. This needs to be strengthened or maybe even enhanced by the University's management from time to time, given the many other universities in the city of Surabaya as competitors in Hang Tuah University Surabaya.

##### Customer Satisfaction has Significant Effect on Word of Mouth

Consumer satisfaction is matters relating to the efforts of educators to take the initiative, have maximum loyalty and totality of work in the work. Consumer satisfaction is also identification of taste, involvement of loyalty that is shown by workers to their organization or organizational unit (Dessler, 1998) in [12]. The factor used to measure the variable of customer satisfaction with the organization / university is the willingness of educators and education staff to carry out their duties to serve students.

The results of the study show that the two factors proved to significantly form the variable of customer satisfaction. The biggest influence in shaping customer satisfaction is the willingness or motivation of the educator and education staff, meaning that the educator and education staff who work with motivation are ensured that the educator and education staff will have good performance. Educators who have good performance will not have the thought of moving to another company or university, and will always prioritize tasks assigned to them rather than other needs. Another factor is that the University should always strive to maintain the loyalty of the teaching staff and education, so that the teaching staff and education will remain proud to be one part of the University where he works.

The results of the research hypothesis test showed a strong and significant influence between customer satisfaction on word of mouth as indicated by the regression coefficient of 0.583. Even the value of the influence of consumer satisfaction on word of mouth has the greatest effect compared to the influence of service quality and commitment of educators on word of mouth. The regression coefficient of that amount means, every time there is an increase in customer satisfaction by 1 point, it will increase word of mouth by 0.583 points, and vice versa. This shows that University leaders should pay more attention to customer satisfaction, because with the increase in consumer satisfaction, they must work with all their heart, full of awareness and responsibility in carrying out their duties in providing services to students, thus encouraging the rise of word of mouth.

## V. CONCLUSION

From the results of testing on the model in this study, being able to explain the influence between the quality of service of educators and customer satisfaction on word of mouth has resulted in the conclusion that the research model is the right model to describe word of mouth at Hang Tuah University Surabaya. The results in this study are very important because there are stages of influence of each variable, namely the variable quality of service educator and customer satisfaction positively influence the independent variable word of mouth as the dependent variable.

Based on the results of the analysis and the hypothesis of the research that has been done before, the conclusions can be drawn as follows:

1. Service quality has a significant effect on word of mouth at Hang Tuah University Surabaya, with a regression coefficient of 0.551. This shows that direct service quality has a large effect on word of mouth at Hang Tuah University, Surabaya. With the increase in service quality, it will encourage the rise of word of mouth students at Hang Tuah University Surabaya.
2. Consumer satisfaction significantly affects word of mouth at Hang Tuah University Surabaya, with a regression coefficient of 0.583. This shows that working customer satisfaction directly affects the word of mouth directly at the University of Hang Tuah Surabaya. With the increase in customer satisfaction, it will encourage the rise of word of mouth students at Hang Tuah University, Surabaya.
3. Consumer satisfaction has the greatest influence on word of mouth, compared to the effect of service quality on word of mouth Hang Tuah University Surabaya.
4. Simultaneously, service quality and consumer satisfaction have a significant effect on word of mouth at Hang Tuah University Surabaya.

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