

The Impact of Service Quality and Customer Satisfaction on Trust of Students at University

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Abstract—This research aims to examine the effect of service quality and customer satisfaction on trust. Structural equation modeling was employed in the research, which was conducted in the State University of Jakarta. 255 students were selected as respondents of the research using stratified proportioned random sampling. Results of the research show that: 1) service quality has a direct positive effect on customer satisfaction; 2) service quality has a direct positive effect on trust; and 3) customer satisfaction has direct positive effect on trust.

Keywords—service quality; customer satisfaction; trust

I. INTRODUCTION

The best service quality of education should be given by all universities as a mandate of every academic university. The results of a survey of 100 students expected a score of 100% while the score received was 63%. The result showed there is a shortfall of 37%, which should be fulfilled by the State University of Jakarta (UNJ) as an institution of higher education that attempts to satisfy students as internal customers in the field of academia and administration [1]. If this is not fulfilled at 100% then the students' satisfaction with the service given is not 100%, so what about the students' trust in UNJ?

The customer's perceived satisfaction can lead customers to believe in the university's services. As a result, satisfaction is a variable that establishes trust. This research is a development of the research model of Loyalty Students Hennig-Thurau, et al which did not explore the variables that established trust [2]. In addition to service quality variables, satisfaction is a variable that can establish trust.

Based on this case, this research needs to be carried out in order to give theoretical contribution to the development of science because there is a connection between service quality, customer satisfaction, and trust; this encouraged me to examine the theoretical model of inter-variables empirically. This research also provides practical benefits for university leaders regarding the dominant indicators that establish the variables of service quality, customer satisfaction and trust.

II. LITERATURE REVIEW

A. Service Quality

Service quality is the score alignment between what customers expect and what they accept upon its dimensions [3]. It refers to the result of the evaluation of customers' perception regarding reliability, assurance, responsiveness, empathy and affordability of a service [4]. Service quality is the customers' perception of the services provided by service providers with the following indicators: 1) reliability; 2) responsiveness; 3) assurance; 4) empathy; 5) availability of facilities.

B. Customer Satisfaction

Customer satisfaction, as a main concept in the study of marketing Oliver is the contentment customers feel after comparing the perception of the result of a product/service and with their expectations [5,6]. It is also a feeling when expectation meets desire of service and a feeling of pride for getting a special service [3]. In other words, customers' perception having had the quality services can lead to customers' satisfaction. The service quality that has been provided will affect student satisfaction in higher education [4, 6-10]. Based on the above mentioned, it is assumed that a positive effect of service quality on customer satisfaction does exist (Hypothesis 1).

C. Trust

A gap between two parties is not supposed to exist. If it does, the university will not be able to meet the customers' desire [11]. Quality service is a condition and circumstance perceived by students with an impact on a decision on whether to trust the form and meet the needs of personnel who serve the students. When the condition and circumstance perceived by students are in accordance with the expectations and desires of the given prediction, the trust will be directly built with an organization. Based on this, it is assumed that a positive effect of service quality on trust does exist (Hypothesis 2).

Trust is a "thorough confidence towards the University to communicate and behave in a competent, open and honest, caring, trustworthy and viable manners, which identify goals, norms and values of the University" [12]. It arises because of the interaction between each party through communication that leads to participation based on relationships [13]. Trust is

customers' confidence customer thoroughly because of the evaluation that is based on knowledge and experience directly or indirectly perceived and formed due to a long-term interaction on the reputation of the university with indicators: (1) honesty; (2) openness; (3) capability; and (4) attention. The satisfaction perceived by customers after having the service may give rise to the belief that the customers will be satisfied with the service received [14]. Based on this, it is assumed that a positive effect of customers' satisfaction on trust does exist (Hypothesis 3).

III. RESEARCH METHOD

The research uses the survey method and quantitative approach. The analysis tool of the research is Structural Equation Modeling (SEM) using Lisrel program. SEM stages were performed based on Confirmatory Factor Analysis (CFA). Modifications were not performed to the model because the study was not intended to result a fit model. Fitness tests were based on Goodness fit of Index. The population target of the research amount 4,364 students, 255 students were selected as respondents of the research, using stratified proportioned random sampling.

IV. FINDINGS AND DISCUSSION

The results of prerequisites test: Data per indicator is distributed normally. There is no multicollinearity because the correlation value between construct variables is 0.3 to 0.8 (located under 0.9). There is no presence of outliers because the value for each indicator is between the score -2.50 and 2.50.

The score of CR is located between 0.81 to 0.89 > 0.70 and the score of VE are located between 0.51 to 0.73 > 0.50; indicates that the indicator which are from the variable of service quality, customer satisfaction, and trust is a reliable indicator.

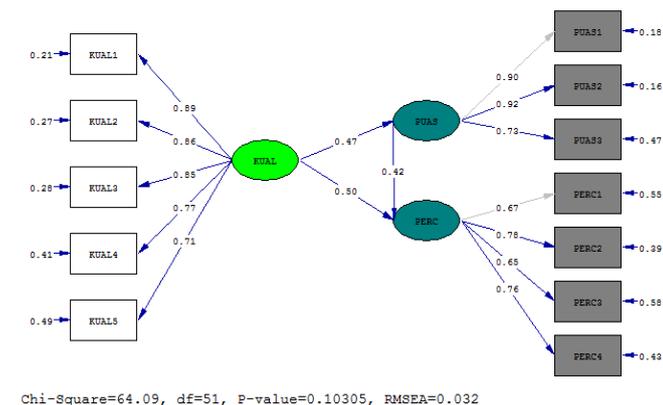


Fig. 1. The overall model based on loading factor.

Figure 1 shows that the overall model in general has a fit model. The values are as follows:

TABLE I. THE OVERALL VALUES OF MODEL

No	Index	Standard Score	Result Score	Conclusion
1	$\rho(X^2)$	> 0.05	0.103	Fit
2	GFI	≥ 0.80	0.96	Fit
3	RMSEA	≤ 0.08	0.032	Fit

The results of the overall research hypothetical model are based on the value of the loading factor below.

Hypothesis testing is further conducted to examine the structural model. This is performed because the relationship having been demonstrated through the magnitude of the coefficient cannot deduce the existing influence among these variables.

Hypothesis 1: Service quality has a direct positive effect on customer satisfaction. Statistic hypothesis:

$$H_0 = \gamma_{11} \leq 0$$

$$H_1 = \gamma_{11} > 0$$

The calculation result shows that Ho was rejected because the path coefficient of service quality on customer satisfaction = 0.42; $t_{\text{value}} = 6.16$ larger than $t_{\text{table}} (0.05; 254) = 1.97$. This means that there is a direct positive of quality service on customer satisfaction.

The accuracy of setting up the semester final exam schedule has the highest factor forming the charge indicators timeliness of service. This indicator also has the highest factor of payload that forms the variable of service quality. Fitzsimmons & Mona suggested that the service quality based on the cycle of service quality is measured with the absence of gap between the expected and received services [3]. If this happens, the customers will have the feeling of love for the service as well as correspondence between expectation and desire of service. Both are a form of customers' satisfaction indicators, in this case the students'. The exact setting up of final exam schedule can give students satisfaction when the exam results are good. This is because they have been well prepared for the exam prior to the implementation of the schedule. The accuracy of the variables that make up the service quality has a direct positive effect on feeling satisfaction and fitness between expectation and desire of the services that make up the variable of customers' satisfaction. This is supported by a research of Gabarino & Johnson that suggests that service quality is a factor affecting satisfaction [15].

Hypothesis 2: Service quality has a direct positive effect on trust. Statistic hypothesis:

$$H_0 = \gamma_{21} \leq 0$$

$$H_1 = \gamma_{21} > 0$$

The calculation result shows that Ho was rejected because the path coefficient of service quality on trust = 0.42; $t_{\text{value}} = 6.16$ larger than $t_{\text{table}} (0.05; 254) = 1.97$. This means that there is a direct positive influence of customer satisfaction on trust.

Inaccuracy of a given service, such as changes in the schedule of final exam (either set preceding or following the Academic Handbook), may cause discontent of students about

the quality of the services provided. If it is preceding set up, the students may fail to prepare for the exam to the maximum. The inaccuracy of the schedule shows that the services received are not qualified so that the students will not believe in the schedule set up in the Academic Handbook.

Empirical results demonstrate the appropriateness of the service toward the setting up of final exam schedule has been assessed by the students nearly good indicating that the schedule of follows the one set. This means that students will have confidence in the university if they judge the quality of the service as good. The higher the assessment of good category for the quality of the service, the more feelings of trust. In other words, UNJ will have met the requirements of the students as customers to the maximum [3]. Thus, students will not get disappointed with the services provided by UNJ. This is supported by a research of Wong & Ho and Sultan & Yin suggesting that the service quality is a factor affecting trust [9,16].

Hypothesis 3: Customer satisfaction has a direct positive effect on trust. Statistic hypothesis:

$$\begin{aligned} H_0 &= \beta_{21} \leq 0 \\ H_1 &= \beta_{21} > 0 \end{aligned}$$

The calculation result shows that H_0 was rejected because the path coefficient of customer satisfaction on trust = 0.42; $t_{\text{value}} = 6.16$ larger than $t_{\text{table}} (0.05; 254) = 1.97$. This means that there is a direct positive influence of customers' satisfaction on trust.

One definition of customer satisfaction from a customer viewpoint is the need for avoiding a wrong decision [5]. Students' discontent about the inappropriateness of given services may give rise to the distrusts to UNJ from students. It means that there is a gap between the expected and provided services. The highest value of loading factor is on feelings of love to the service as well as of the happiness due to the expectations of service corresponding to the services provided; meaning that students will feel satisfied, thereby increasing the confidence of students in the university.

The empirical results of students' satisfaction as customers exist because they feel that what students receive matches what they desire so that they will feel satisfied with services received [11,14,15]. If the needs are met, there will be no disappointment and it will affect the students trust in the university. This is supported by the research of Gabarino & Johnson and Chumpitaz & Paparoidamis suggesting that the student satisfaction is a factor affecting trust [14,15].

V. CONCLUSION

Results of the research show that: 1) Service quality has a direct positive effect on customer satisfaction; 2) Service quality has a direct positive effect on trust; and 3) Customer satisfaction has direct positive effect on trust.

The loading factor of each of the variables is: 1) The accuracy of the service is an indicator that it is the highest loading factors making up the variable of service quality; 2) The highest indicator of customers' satisfaction is a happy feeling with the services and the scores on services expected by students is the same as the services they receive; and 3) The highest indicator of trust is openness.

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