EFFECT OF THE SERVICE QUALITY ON TUTORING CUSTOMER’S WORD OF MOUTH AND SATISFACTION IN MALANG CITY

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Abstract: The purpose of the study was to test and explain the effect of service quality on customer satisfaction and word of mouth customers, as well as the effect of service quality on customer word of mouth mediated by customer satisfaction tutoring in Malang. The study population was students at the three biggest tutorings in Malang City who would take part in preparation for college admission selection in 2016. The research sample was 69 people who were determined by purposive sampling. Data analysis techniques using Partial Least Square (PLS). The results showed that service quality had a significant effect on customer satisfaction and influenced the word of mouth of customers. However, customer satisfaction is not proven to mediate the influence of service quality on word of mouth because customer satisfaction does not have a significant effect on word of mouth. The quality of services provided by non-formal education in Malang City must be improved because it will have an impact on the increasing level of customer satisfaction.

Keywords: service quality, customer satisfaction, word of mouth customers.


Non-formal education has the same task as formal education in providing the best service for the community, especially the target community. Non-formal education functions to develop the potential of students in mastering knowledge and skills and personal development professionally. Tutoring in Malang City is currently competing towards the selection of students towards universities, such as SNMPTN and SBMPTN which are means or entry points for prospective students made by the government in collaboration with state universities in Indonesia.

The participants who enroll in the State University of Malang from year to year are increasing. Many activities are prepared by prospective students who enroll for exams, including learning from the SNMPTN problem exercise book from previous years, as well as following tutoring institutions that are considered capable of helping prospective study students. Learning guidance institutions are expected to be able to help prospective students focus more on taking SNMPTN. In a study con-
ducted by Aniek Indrawati (2011), the results of his research showed that the dimensions of empathy and the physical evidence had a positive, but no significant effect on customer satisfaction.

Efforts to complement the wishes of prospective students are one of the keys to success in winning a competition between tutoring. According to Indriastanti (2008), the majority of companies prioritize the development of strategies to maintain consumers through the quality of products and services, both in the consumer and business markets. According to data from the Ministry of Education and Culture (2015), the existence of industry in the field of education services has its place among the community, especially students who want academic achievement to increase and have a better provision to continue to further education. Mira Amelia (2012) states that indirectly, conditions like this can increase competition among similar educational institutions in terms of offering the best products to meet consumer needs.

The word of mouth phenomenon is believed to be able to encourage purchases by consumers, as well as efficient because it does not require a large capital. Khasali (2003) states that society is an oral community that uses its mouth more in communicating than hands and eyes to write and read. A satisfying form of consumer communication can be a recommendation for other potential customers, as well as an urge to do business with the tutoring institution. In general, word of mouth activities can provide benefits for the company, because there is consumer awareness of the product. This word of mouth activity is mostly done in Indonesia, one of them is in determining consumer decisions in choosing a tutoring institution in Malang city.

In this study, researchers did not assess in detail the dimensions of service quality in tutoring, but researchers wanted to examine the effect of service quality on customer word of mouth that was indirectly influenced by customer satisfaction. To overcome the phenomenon presented, the researcher tries to examine the quality dimensions of the service of tutoring institutions in the city of Malang to see how the quality of service affects consumer satisfaction. To find out about the services perceived by consumers is in accordance with expectations and the relationship with the words of mouth of consumers, namely consumers will continue to use and tell the tutoring services.

Tutoring generally acts as a place of service education for students carried out outside school hours and verypay attention to the needs of the community. Study guidance in Malang City is currently competing closely towards selection students go to universitiess a means or entrance for prospective students made bythe government that works with state universities in Indonesia. The purpose of this study was to examine and explain the effect of service quality on tutoring customer satisfaction in Malang, test and explain the effect of customer satisfaction on word of mouth tutoring customers in Malang, and test and explain the effect of service quality on customer word of mouth which is mediated by customer satisfaction tutoring in Malang.

**LITERATURE REVIEW**

**Service Quality**

Wyckof in Lovelock and Luaren (2007) defines that service quality is the expected excellence leveland control over the excellence levelto meet customer expectations.

Berry et al. and Gronroos in Lovelock (2007), suggests that service quality is an overall assessment or attitude related to service and as a comparison result between customer expectations and actual service performance perceptions. From some definitions, the writer can conclude that the quality of service is an assessment carried out by the company to meet the expectations of its consumers. According to I Putu Andre Adnyana (2012), that service is defined as services provided by service owners in the form of speed, ease, ability, relationship, and hospitality aimed at attitudes and characteristics in providing services for customer satisfaction. One way that the sale of a company’s products or services will be superior to other competitors is to provide a service that is of high quality and good quality, and that can meet the level of consumer needs.
The size of service quality has

Different dimensions with the service quality in the form of goods. According to Parasuraman (2001) states that service quality has ten basic dimensions. Expected services and perceived services have the same dimensions, namely reliability, responsiveness, competence, manners, credibility, security, accessibility, communication, understanding of consumers, and physical facilities.

Customer Satisfaction

According to Bearden (2007), the assessment of feelings of satisfaction and dissatisfaction, in general, is the result of a comparison between one’s expectations of the product purchased and the actual performance of the product. Parasuraman (2001) stated that customer satisfaction is measured by comparing customer expectations of services and supporting products with the performance of the supporting products and services themselves. According to Swan, et al. (1980) in his book Fandy Tjiptono, 2004 define customer satisfaction as a cognitive appraisal or conscious evaluation of product performance that is relatively good/bad or the product matches does not fit the purpose/use.

According to Fornell (2011), many benefits received by companies are measured by achieving high levels of customer satisfaction. It can also prevent customer turnover, increase customer loyalty, reduce marketing failure costs, reduce customer sensitivity to prices, reduce operating costs because of an increase in the number of customers, improve the reputation of a business, and increase advertising effectiveness. Meanwhile, according to Barkelay and Saylor (1994), customer satisfaction is the focus of the consumer-oriented management process, even stated that customer satisfaction is quality. Juran (1993) also states that quality is customer satisfaction. According to Mohamad Igbal (2014) stated that customer satisfaction is the level of one’s feelings after comparing the perceived performance with their expectations. So, the level of satisfaction is a function of the difference between expectations and perceived performance.

According to Tjiptono (2001), methods that can be used are suggestion and complaint systems, ghost shopping, lost customer analysis, and customer satisfaction surveys. The level of satisfaction is a function of the difference between expectations and perceived performance. Customer expectations are different judgments about the background of two similar organizations in business. General expectations are customer trust or estimates of what they receive. Their hopes are shaped by friends’ comments, acquaintances, first-hand purchasing experiences, and company promises. This customer’s expectations will develop over time as the customer experience improves.

Word of Mouth Customer

According to Hasan (2010), word of mouth marketing is part of a promotional strategy in marketing activities that uses satisfied ‘person to person’ to increase product awareness and generate a certain level of sales, both from all Above The Line and Below The Line promotional media. Whereas Khasali (2003) said that the community is the community of the mouth, that is the community that uses its mouth more in communicating than the hands and eyes to write and read. According to Zeithmal (2009), word of mouth communication by satisfied consumers can take the form of recommendations to other potential customers, encourage colleagues to do business with providers where consumers are satisfied and say positive things about service providers where they are satisfied. According to Gremier and Brown (1997), from the satisfaction effect, satisfied consumers tend to consider service providers who can satisfy as the first consideration if they want to buy the same product or service. This is known as the cognitive factor caused by satisfaction.

According to Assael (1998), if marketers will encourage positive word of mouth communication towards a product. According to Iput (2007), when a consumer spends money to consume a product or service, it also directly consumes experience, which then has an effect on perception, and ends at the level of emotional satisfaction. Emotional satisfaction is what will result from word of mouth, which may often appear accidentally, but can be planned with the right strategy with the desired goals of the company.
CONCEPTUAL FRAMEWORK

According to Gusti Ayu Hendang Hartanti (2012), that satisfaction is a condition where the hopes, desires, and needs of customers can be met. A service is considered satisfactory if the service can meet customer expectations and needs. Measurement of student satisfaction is an important element in providing services that are more effective, more efficient, and better.

According to Heskett (2000), loyalty to a company means that the customer will make more transactions with the company. One way to increase customer loyalty is to provide good quality services, which are expected to make customers return to transactions with these vendors. Based on the theories and opinions of the experts mentioned above, a framework of thought can be prepared in this study below:

In the opinion of Juran (1998), stated that customer satisfaction can be seen if the quality of services provided to meet customer needs. The focus of retail services is the provision of good services by paying attention to what customers want. If the services provided are high, the number of customers will increase. Thus, it can be concluded while the research hypothesis is as follows:

$H_1$: Service quality has a significant effect on customer satisfaction.

Service quality that is expected by consumers is formed because of experience and the presence of word of mouth and advertising services for a company. After receiving the service, the consumers will compare the service they receive with the expected service. If the service received is not in accordance with the expectations of consumers, then consumers are less interested in repurchasing the company. Conversely, if the service received is in accordance with the expectations of consumers, then the consumer has a high probability of returning to use the service of the company. Word of mouth is a customer action that provides personal information to other customers (Ali Hasan, 2010). Information provided to other customers in the form of information about the brand, product, and services provided by the company. Thus, it can be concluded that the research hypothesis is as follows:

$H_2$: The quality of service affects the customer’s word of mouth.

According to Lin and Wang (2006), there is a linear relationship between customer satisfaction and customer loyalty. This led to an increase in customer satisfaction, followed by an increase in the word of mouth of the customer. Customers who feel satisfied after receiving services that are in line with their expectations will usually spread word of mouth positively, whereas customers who are dissatisfied with the services they receive will spread word of mouth negatively. Thus it can be concluded while through the research hypothesis are as follows:

$H_3$: Customer satisfaction affects customer word of mouth.

Research conducted by Stank et al. (1995), shows that there is a service quality that has a positive and indirect effect on customer loyalty. Where the customers determine to be loyal to a product or service caused by the process of feeling the service provided by a company is not only in accordance with the needs, but the service provided is in accordance with customer expectations. This is often referred to as excellent service. According to Kartajaya (2006), the presence of satisfied customers usually has the potential to be loyal to a product repeatedly. Meanwhile, Oliver (1999) revealed that there are six relationships between customer satisfaction and customer loyalty is satisfaction and loyalty are the same concepts; satisfaction is the main
concept of loyalty, where without satisfaction there will not be a loyalty, so satisfaction is the forming factor of loyalty; satisfaction has a role in the formation of loyalty, satisfaction is part of loyalty but only one component of loyalty; satisfaction and loyalty are components of absolute loyalty; a key to satisfaction can be found a loyalty, but not as a key part of the essence of loyalty; and satisfaction is the beginning of a transition to change in separate loyalties, loyalty is also able to be free of satisfaction so satisfaction will not affect loyalty. Thus it can be concluded while through the research hypothesis are as follows:

**H₄:** The quality of service affects customer word of mouth mediated by customer satisfaction.

**METHOD**

This type of research is quantitative research using primary data through questionnaires distributed to students who are tutoring customers in Malang City, as well as secondary data through a review of related theories. The methodology used in this study is the survey research method. This methodology is used to understand the phenomena that occur using data derived from samples or populations. The sample used in this study is smaller than the population, or larger than the population.

In this study, the independent variable is the service quality symbolized by X, and the dependent variable is satisfaction (Y₁) and customer word of mouth (Y₂). Some questions asked about the effect of service quality on satisfaction and customer word of mouth tutoring in Malang, such as physical evidence, responsiveness, assurance, empathy, and reliability of the tutoring. This study uses Partial Least Square (PLS) method, and the population is students who take the college entrance selection program at the three biggest tutoring courses in Malang city in 2016, namely Sony Sugema College, Ganesha Operation, and Primagama with 223 participants.

**RESULTS**

Tutoring is a process of assisting students by fostering their ability so that students avoid learning difficulties that might be faced to achieve optimal learning outcomes. Statistically, the number of tutoring found in Malang City cannot be known with certainty. This is because not all tutoring institutions have operational permits from the District / City Education Office. Research respondents were generally described by presenting characteristics that can be seen from demographics, namely: gender, age, majors, and tutoring options. The number of respondents used in this study was 69 students. In detail, the characteristics of respondents can be seen in the Table 1 below:

**Table 1 **Characteristics of Respondents

<table>
<thead>
<tr>
<th>No Characteristics of Respondents</th>
<th>N</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>39</td>
<td>56.5</td>
</tr>
<tr>
<td>Male</td>
<td>30</td>
<td>43.5</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>2 Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 Years</td>
<td>26</td>
<td>37.7</td>
</tr>
<tr>
<td>17 Years</td>
<td>39</td>
<td>56.5</td>
</tr>
<tr>
<td>18 Years</td>
<td>4</td>
<td>5.80</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>3 Majors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Science</td>
<td>48</td>
<td>69.5</td>
</tr>
<tr>
<td>Social</td>
<td>21</td>
<td>30.5</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>4 Tutoring Option</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friend</td>
<td>28</td>
<td>40.6</td>
</tr>
<tr>
<td>Social Media</td>
<td>16</td>
<td>23.2</td>
</tr>
<tr>
<td>School Promotion</td>
<td>17</td>
<td>24.6</td>
</tr>
<tr>
<td>Parents/Family</td>
<td>8</td>
<td>11.6</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

According to Nia Tresnawaty (2013), in the convergent validity evaluation of individual item reliability checks, it can be seen from the standardized loading factor. The standardized loading factor illustrates the magnitude of the correlation between measurement items (indicators) and the construct which can be seen in the figure below, which can show convergent validity values that measure to measure the magnitude of the correlation between constructs and latent variables ≥ 0.5.

In Figure 1, it can be seen that the output analysis of all constructs produce a loading factor value of ≥ 0.5, the results of factor validity test for service quality variables with several question items
found in the five dimensions of service quality, physical evidence, reliability, responsiveness, assurance, and empathy. In the value of loading, factor states that the five indicators have significant value. The following is also shown the correlation between each question indicator from the variable customer satisfaction with six-item statements or questions (KP 31 to KP 36) is significant, which has a loading factor 0.50. In the table above, it can be concluded that indicators of customer satisfaction affect customer satisfaction. Similarly, in the correlation between each question indicator of the customer word of mouth variable with three-item statements or questions (WOM 41 to WOM 43) is significant, which has a factor loading 0.50.

According to Komarudin (2018) that indicators are considered valid if the value of Average Variance Extracted (AVE) is above 0.5 or shows all variable outer loading dimensions have a loading value of > 0.5. Discriminant Validity can be seen as Table 2 follows:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Loading</th>
<th>AVE</th>
<th>Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality</td>
<td>0.774</td>
<td>≥ 0.5</td>
<td>Valid</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.75</td>
<td>≥ 0.5</td>
<td>Valid</td>
</tr>
<tr>
<td>Word of Mouth Customer</td>
<td>0.851</td>
<td>≥ 0.5</td>
<td>Valid</td>
</tr>
</tbody>
</table>

From the table above it can be concluded that the average variance extracted (AVE) value ≥ 0.5 indicates that all variable outer loading dimensions have a loading value of ≥ 0.5 so it can be concluded that these measurements meet the criteria of convergent validity.  

Based on Table 3 of The Result of Hypothesis Testing, the original sample estimate value is used
to determine the indirect effect value or t-statistic on the indirect relationship of service quality affecting customer word of mouth through customer satisfaction. The results of hypothesis testing show that the service quality parameter coefficient value is 0.873, and the t-statistic value is 24.066 greater than t-table (significant at 0.05). Then $H_1$ is accepted so that it can be concluded that service quality has a significant effect on customer satisfaction. On the results of hypothesis testing, it is known that the parameter value of the customer satisfaction coefficient is 0.390 and the t-statistic value is 2.066 greater than t-table, then $H_2$ is accepted, and it can be concluded that customer satisfaction has a significant effect on customer word of mouth. Hypothesis testing results are known that the coefficient of the word of mouth customer value is 0.113 and the t-statistic value is 0.677, so $H_3$ is rejected so that it can be concluded that customer satisfaction does not significantly influence customer word of mouth.

**DISCUSSION**

Research on customer word of mouth tutoring in Malang City has a hypothesis that will be directly influenced by the quality of service of tutoring, and is indirectly influenced through service quality on customer satisfaction and customer satisfaction with tutoring customers in Malang City, based Table 5.5 states that most respondents thought that the physical evidence indicators provided by tutoring had very good grades. Therefore it gives satisfaction to customers. This is also indicated by a comfortable study room, a complete study room that has air conditioning, a comfortable and safe vehicle parking area, interior and exterior cleanliness of tutoring, a sufficient number of teachers and employees, the ideal number of students in one classroom the availability of reference books is an indicator that affects customer satisfaction. This is in accordance with the statements of Zeithaml and Bitner (2004), regarding physical evidence is a matter that affects customer satisfaction in the use of services. Based on the results of hypothesis testing in Table 5.14, it shows that the quality of services that affect customer satisfaction. This confirms that the five dimensions of service quality also influence customer satisfaction. This is in accordance with previous research Ningsih (2008) states that the dimensions of physical evidence, assurance, responsiveness, reliability, and empathy simultaneously have a significant effect on customer satisfaction tutoring in Malang. The results of hypothesis testing are also in accordance with Oliver in Tjiptono (2007) that service quality is an antecedent for customer satisfaction.

According to Oliver in Bearden (2007), customer satisfaction, in general, is the result of a comparison between someone's expectations of the product purchased with the actual performance of the product. According to Phillip Kotler (2000), customer satisfaction is the result felt by customers who receive and experience the performance of a company that is in line with their expectations. On the results of the hypothesis test stated that customer satisfaction with customer word of mouth does not significantly influence because the value of T-statistic customer satisfaction with customer word of mouth is 0.677 smaller than 1.96. To find out the hypothetical t-value of indirect influence on customer service quality through customer satisfaction

### Table 3  The Result of Hypothesis Testing

<table>
<thead>
<tr>
<th>Influences</th>
<th>Original Sample Estimate</th>
<th>Mean of Subsamples</th>
<th>Standard Deviation</th>
<th>T-Statistic</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>KL → KP</td>
<td>0.873</td>
<td>0.874</td>
<td>0.036</td>
<td>24.066</td>
<td>Accepted</td>
</tr>
<tr>
<td>KL → WOM</td>
<td>0.39</td>
<td>0.471</td>
<td>0.189</td>
<td>2.066</td>
<td>Accepted</td>
</tr>
<tr>
<td>KP → WOM</td>
<td>0.113</td>
<td>0.042</td>
<td>0.166</td>
<td>0.677</td>
<td>Rejected</td>
</tr>
</tbody>
</table>

Sourced: processed data (2016)
(H4) can use the following calculations, namely the value of the direct effect of service quality on customers from mouth tutors in Malang City is 0.390, and the indirect effect of the quality of word of mouth service mediated by the customer satisfaction in Malang is 0.098. Based on these calculations, the service quality hypothesis affects customer word of mouth through customer satisfaction is not significant because the t-statistic value of direct influence is greater than the t-statistic value of indirect influence. Then H4 can be concluded that service quality has no significant effect on customer word of mouth through customer satisfaction.

Furthermore, although this finding is said that nonformal education in Malang City has not fully satisfied consumers, but it can be seen from the percentage value of satisfaction has shown a high average value. When assessed, all dimensions of service quality are of value above 50%. This means that the service is long. This is given by non-formal education in Malang City, which has led to service good or satisfying consumers.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

With dimensions of service quality dimensions, which is physical evidence, responsiveness, reliability, assurance, and empathy significant effect on customer satisfaction guidance in Malang. The increasing quality of service, then this can lead to an increase in satisfaction of students of tutoring in Malang. The dimensions of reliability in service quality based on research results is one of the most dominant dimensions to provide a significant influence on customer satisfaction tutoring in Malang city. Service quality also significantly affects word of mouth tutoring customers in Malang City. This can be interpreted by increasing the quality of service so word of mouth tutoring customers in Malang city will also increase. Customer satisfaction does not significantly affect word of mouth, tutoring customers in Malang City. If the customer feels satisfied, then not necessarily the tutoring customers in Malang will always do word of mouth to other customers.

The quality of service to customer word of mouth mediated by customer satisfaction has no significant effect. If the tutoring customer is satisfied with the quality of service received, it is not certain that the customer will carry out word of mouth regarding the tutoring that is followed.

Recommendations

The tutoring in Malang city should improve and maintain the quality of service that has been done so far to improve customer satisfaction tutoring. Improve and improve the interior and exterior conditions of the building of tutoring, physical evidence. In this case, a relationship is also needed to establish good communication with students and parents of students

Service quality has a significant effect on customers’ word of mouth. Therefore, in a study guide, it is necessary to improve the quality of service so that customers voluntarily recommend recommendations that are followed to others, and are willing to provide criticism and suggestions on tutoring.

REFERENCES


