



CIREBON INTERNATIONAL CONFERENCE ON EDUCATION AND ECONOMICS (CICEE)

THE EFFECT OF SATISFACTION AND TRUST ON THE LOYALTY OF CAR WASH CUSTOMERS OF LAMCINDO SURYA MAKMUR HYDRAULIC AUTOMOBILE COMPANY IN CIREBON CITY

Muhamad Nur Hari¹ Maidatul Kulwa², Dewi Melinda Fitri³
^{1,2,3} University of Swadaya Gunung Jati, Cirebon, Indonesia

*Corresponding author: Muhnurharihari@gmail.com

Abstract

This study aims to determine the effect of satisfaction and trust on customer loyalty in Lamcindo Surya Makmur Hydraulic Automobile Company in Wells Ribbon City. By employing a random sampling procedure, a sample of 100 respondents was chosen, and IBM SPSS 24 was used to analyze the data for validity, reliability, classical hypothesis testing, regression analysis, t-tests, and F-tests. The analysis' findings demonstrated a strong positive association between customer loyalty, trust, and satisfaction. Based on statistical research, customer loyalty is influenced by happiness and trust together in 20.9% of cases, with other factors not included in this study accounting for the remaining 79.1%. This indicates that retaining and raising customer satisfaction levels will be essential to bolstering patronage of Lamcindo Surya Makmur Hydraulic Automobile Company in Cirebon City.

Keywords: Satisfaction, Trust, Customer loyalty

INTRODUCTION

With the development of information technology, customer satisfaction and trust are becoming more and more important, and the competition between companies is becoming more and more intense. Customers are satisfied when the perceived value is equal to or greater than the expected value. If the expected value is not met, the customer is dissatisfied. In the automobile industry, the increasing number of four-wheelers presents a promising business opportunity, especially for car wash services. Vehicles that are constantly exposed to rainwater have the potential to damage the legs and paintwork. Salt-laden rainwater can lead to rusting of metals and scratching of the car's paintwork. The pH of rainwater is acidic and accelerates the rusting process of metals. As a result, car owners are looking for high quality car washes to maintain their vehicles. Hydraulic car washes may differ in terms of quality and customer satisfaction, although they are similar in terms of cleaning methods. Factors such as satisfaction and trust largely influence a customer's decision to use a car wash service. For example, Lamcindo Hydraulic Car Wash owned by Mr Sully was developed by analysing the factors that influence customer loyalty i.e. trust and satisfaction. A high level of customer trust increases their loyalty. The same is true for satisfaction, the higher the satisfaction level, the higher the customer loyalty.

Table 1.1 Customer Data of Lamcindo Surya Makmur Hydraulic Car Wash, Cirebon, 2018

months	visitor
January	75
February	63
March	50
fourth month (of the lunar year)	52
May	43
sixth month (of the lunar year)	40
seventh month (of the lunar year)	69
eighth month (of the lunar year)	61
September	54
October	59
eleventh month (of the lunar year)	67
twelfth month (of the lunar year)	69

Source: Lamcindo Surya Makmur Hidrolic Lamcindo Surya Makmur Hidrolic Car Wash Company Car Wash Client List Company. 2018 at Lamcindo Surya Makmur Mr.Suli in Cirebon.

As can be seen from the table, the number of visitors varies from month to month and is on an upward trend. Customer trust, which is the consumer's positive perception of the service used, increases customer satisfaction and loyalty. Car washes are becoming more and more competitive so the right satisfaction strategy is very important to attract customers. Lamcindo Surya Makmur Hydraulic Automotive creates satisfaction by communicating directly with customers. Trust is the willingness to rely on people we trust. Implementing a good trust support helps Lamcindo Surya Makmur to survive in the tough competition. When customers are satisfied and aware of the benefits, they will trust the washing results and thus increase their loyalty to the service. The phenomenon of competition between Lamcindo Surya Makmur and other companies in the field of car wash shows that customer satisfaction and trust largely affects loyalty and business profitability. The researcher wanted to know whether customer satisfaction and trust affects the number of stayovers or change of location by tourists. Consumers are still unsure of the certainty of washing their cars in a routine manner. Based on the above description, the authors are interested in conducting research under the title: "The Effect of Satisfaction and Trust on Customer Loyalty of Car Wash Customers of Lamcindo Surya Makmur Hydraulic Automobile Company in Cirebon City".

LITERATURE REVIEW

Satisfaction

According to Sangadji & Sopiah (2013), customer satisfaction as the customer's assessment of a good or service, i.e., if it fulfills their requirements and expectations. Customer loyalty will grow among happy customers of the good or service. According to Kotler (2005),

customer happiness is determined by how well a product fulfills the buyer's expectations. Consumer satisfaction is the degree to which a consumer's expectations of a product match the reality. A sense of pleasure or disapproval based on the overall quality of the goods and services and the relative outcomes that meet expectations is called satisfaction.

Trust

According to Sumarwan (2004), trust is the intensity with which a product selects certain attributes, often referred to as object-attribute linkages, i.e., the consumer's beliefs about the possible relationship between the object and the associated attributes. Sangadji and Sopiah (2014) Consider all the information and judgments customers have regarding products, features, and advantages when defining consumer trust. Essentially, trust is the culmination of all the information and judgments that customers have about products, qualities, and interests. Products, people, businesses, or anything else that becomes the center of a person's views and ideas can all be considered objects, while attributes are features or characteristics that an object may or may not have.

Customer Loyalty

According to Griffin (2005), Sangadji and Sopiah (2014), loyalty is the decision to continue purchasing goods/services of a chosen company. Morais (2005) in Sangadji and Sopiah (2014) explains that a customer's persistent repurchase behavior is a sign of their dedication to a brand, retailer, or supplier. This perspective leads to the conclusion that the corporation values customer loyalty highly because retaining customers improves the financial performance and viability of the company. Loyalty is demonstrated through continued purchase of selected goods/services. Sugiyono (2017) states that quantitative research methods are based on positivist philosophy and are used to study a specific population or sample to test hypotheses through quantitative/statistical analysis of data. The association approach is applied in this study to ascertain the correlation between two or more variables.

RESEARCH METHOD

Type of study

Quantitative research is the methodology employed. Sugiyono (2016) claims that because this approach is grounded in positivist philosophy, it is known as positivism. Because it complies with scientific principles like being specific/empirical, objective, measurable, logical, and systematic, this approach is considered scientific. Additionally, according to Sugiyono (2016), quantitative research is a positivist-based methodology used to study a particular population or sample of people, gather data using a research tool, and conduct statistical and quantitative analyses in order to test pre-established hypotheses.

Sampling Technique

Sugiyono (2016: 154) states that a sample is a subset of the attributes that the aggregate possesses. One sampling method is a sampling method. Because the sample size could not be established and certain aspects needed to be taken into account while picking the sample, the non-probability sampling approach was employed in this study. Non-probability sampling, according to Sugiyono (2016: 154), is a sampling method that does not give every component or member of the population an equal chance or opportunity to be chosen as a sample.

Data analysis methods

According to Roscoe in his book Management Research Methods, non-probability sampling is a sampling method wherein not every member of the population has an equal chance of being chosen for inclusion in the sample. The sample taken for this study is the customers of Mr. Sully's Hydraulic Car Wash (Lamcindo Car Wash) in Wellibund. The method of data analysis used was descriptive, i.e. the examination of a group of individuals, items, circumstances, belief systems, or event categories in their current state.

In order to answer the question of the impact of satisfaction and trust on customer loyalty, qualitative data from the questionnaire were used and quantified through frequency distribution and percentages. SPSS (Statistical Programme for the Social Sciences) version 24.0 was used to statistically calculate the data that the respondents submitted. SPSS was chosen because of its ability to access a variety of data formats and to display data labels in textual form, thus providing more informative data, even though it uses numbers.

DISCUSSION

Impact of satisfaction (X1) on customer loyalty (Y)

According to the data analysis of SPSS statistical software 24.0, the t-value of satisfaction variable is 5.010, while the t-table with $df = 98$ and significant level of 0.05 is 1.984. Since the t-value of $5.010 > t\text{-table of } 1.984$, suggesting that contentment has a favorable and noteworthy impact on customer loyalty of Lamcindo Surya Makmur Hydraulic Automobile Company in Cirebon. influence. The findings of the questionnaire study conducted by 100 respondents showed that satisfaction affects customer loyalty. Customer satisfaction with car wash services increases their loyalty and makes them wash their cars again. In short, Customer loyalty increases with the car wash's level of satisfaction. The findings of this study are consistent with those of Nadhita Wahyu Pramesti and A.M.A. Suyanto (2019), who found that in the field of e-commerce, Customer loyalty is positively impacted by customer satisfaction, with a considerable value of $8.630 > 1.966$.

The impact of consumer loyalty (Y) on trust (X2)

Based on the data analysis using SPSS statistical software 24.0, the influence of trust (X2) on customer loyalty (Y) has a t-value of 3.567 and a t-table with a significant level of 0.05 and a df of 98 of 1.984. Trust has a favorable and considerable impact on the customer loyalty of the Hydraulic Company of Lamcindo Surya Makmur in the city of Inlebon, as evidenced by the t-value of $3.567 > t\text{-table of } 1.984$. Customer loyalty is positively and significantly impacted by Automobile Company. The findings of a questionnaire study with one hundred participants indicated that customer loyalty is impacted by trust. This is because patrons typically select establishments, they feel comfortable with, and businesses that project a positive image are more likely to trust. These findings are supported by a study by Sasha Dwi Haruni (2016) which showed that Customer loyalty is significantly impacted by trust in laundry companies with an R^2 value of 0.052 and $p = 0.009$ ($p < 0.05$).

Effect of satisfaction (X1) and trust (X2) on customer loyalty (Y)

According to the data analysis using SPSS Statistic 24.0 the variables of trust (X2) and advertising (X1) have a 20.9% impact on consumer loyalty (Y). This suggests that the impact of trust and satisfaction on the loyalty of PT Lamcindo Surya Makmur Hydraulics Company in Cirebon City is positive and significant. The beta value of car wash promotion variable is $0.375 > 0.165$, which is more influential than trust. Trust is considered to be an effective measurement tool to build customer loyalty. These findings are supported by the study of

Zhafiri Luthfi (2011) It demonstrated that customer loyalty is impacted by satisfaction and trust at a significant level that concurrently displays a strong effect.

CONCLUSION

The following are the study's conclusions:

- There is a strong and favorable correlation between patron loyalty and satisfaction at Lamcindo Surya Makmur Hydraulic Automotive Company Car Wash in Cirebon.
- There is a strong and favorable correlation between client loyalty and trust at Lamcindo Surya Makmur Hydraulic Automobile Company Car Wash in Cirebon.
- Satisfaction and trust have a substantial and favorable influence on client loyalty at Lamcindo Surya Makmur Hydraulic Automotive Car Wash in Cirebon.

REFERENCES

Asmai, Isaac Zhafiri Luthfi. 2011. The Effect of Customer Satisfaction and Trust on Loyalty: a Study on the Role of Meditation Conversion Costs".

Fandy Tjiptono. 2014. Marketing Strategy. Yogyakarta

Griffin, Jill. 2005. Customer Loyalty: developing and retaining customers. Volume I. Jakarta: Jakarta: Erlangga.

Hatch, E., & Farhady, H. (1981). Research Design & Statistics for Applied Linguistics. Tehran: Rahnama Publishing House

Harumi, Dwi Sasha. 2016. The effect of trust and customer satisfaction on customer loyalty":Seiko Laundry Medan Company".scientific journal of management and entrepreneurship, vol. 1, NO.1, NO.1, April 2016, pp. 1- 10. international organisation for standardisation: 2502-4590

Husein, Umar. 2009. Research Methodology for Business Dissertation. 1st Printing. Jakarta: Rajawali Persada.

Ishak, Asmai. 2011. The effect of satisfaction and consumer trust on loyalty. Journal of Economics and Business, vol. 2, no.2, december 2011, pp.1-10. International Organisation for Standardisation: 0353-7665

Kim, E., and Tadisina, S., (2003), Customer Initial Trust in E-Commerce: How to Measure Customer Initial Trust, Proceedings of the Nibth Americas Conference on Information Systems. Morais, Duarte B. 2005. Fostering Loyal Customer Relationships. University Park: School of Restaurant and Entertainment Management.

Nadhita, Suyanto. 2019. Analysis of the impact of trust and customer satisfaction on customer loyalty. ISSN: 2355-9357

Philip Kotler, 2005, Marketing Management, Volume I and II, PT Indeks Publishing House, Jakarta.

Pramesti, Wahyu Naditha. 2018. Analysis of the Impact of Trust and Customer Satisfaction on Customer Loyalty. International Organisation for Standardisation: 2355-9357.

Roscoe. 1982. Research Methods For Business. New York. Mc Graw Hill. Royan, Frans M. Saifuddin Azwar. 2012. Compilation of Psychological Scales 2nd Edition: Yogyakarta. Pustaka Pelajar. Sangadji. Sopiah. 2014. Consumer Behavior, Yogyakarta.

Santoso, Singgih. 2004. Solving Various Statistical Problems with SPSS. Jakarta: Jakarta: Elex Media Komputindo

Sasha Dwi Haruni. 2016. The Effect of Trust and Customer Satisfaction on Customer Loyalty. Company: Seiko Laudi: Medan. ISSN: 2085-6601

Sofyan Yamin, Heri Kurniawan. SPSS COMPLETE Statistical Analysis Techniques with SPSS Full Version

Sugiyono. 2016. Management Research Methods. Bandung: Alfabeta.

Sumarwan, Ujang. 2004. Consumer Behavior Consumer Behaviour: Theory and Application Its Application in Marketing. Bogo

