### AN ANALYSIS OF INFLUENCE ON SERVICE QUALITY TO THE CUSTOMER SATISFATION AND LOYALTY RELATING TO REPEAT ORDER IN PUTERA AGUNG MOBIL SURABAYA

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#### ABSTRACT

Applying the five dimensions of service quality is not easy as it seems since obstacles are there to encounter in the process. The obstacles in the five dimensions of service quality happened because there are gaps which causing the failure in the process of service delivery. SERVQUAL model is built on assumption that consumer compares the service attribute work with the ideal standard for each attribute. When the attribute work trascends the standard, perception of the whole service quality will be raising up. By giving service that exceeds the wish of the customers of five dimensions of SERVQUAL, the customer's satisfaction will be made up. This will lead to the loyalty of the cutomers and they will pay more.

This research is aimed to analyze influence of the service quality to the satisfaction and loyalty of customer to do repeat order in Putera Agung Mobil Jemursari Surabaya. Respondents are consumers who buy cars in Putera Agung Mobil. The variables of the research are service quality dimension as the independent variable and consumer satisfaction and loyalty variable as the dependent variable. Analysis technique used here is gap analysis, t test, and double linear regression.

The study on this research shows that there are gaps between customer expectation with the perception of service quality granted by the consumers of Putera Agung Mobil, Surabaya. Only partial quality service that really influences the consumer's satisfaction of Putera Agung Mobil, Surabaya, including *assurance* and *empathy*, while *tangibles*, *reliability*, and *responsiveness* do not really influential. It can be said that service quality influences the loyalty of the consumer in Putera Agung Mobil, Surabaya.

Keywords: SERVQUAL, consumer satisfaction, consumer loyalty

#### 1. Introduction

Globalisation that is happening these days is marked by the fast-moving change in technogy and information in which a company must be able to anticipate and keep on trying to give best service for the consumers. Company is expected to produce product or service that suits the wants keinginan from the people in general and consumers specifically that lead to consumer satisfaction.

The demand of palm oil plantation product is getting higher marked by the arrival of several new companies in the industry. Product which is a derivation of palm oil plantation includes cooking, margarine and shortening which are related with human living needs. Every company wants to keep the quality of product and service to gain good impression in front of the people and the society. A good service for the consumer can be defined as an effort of a company to appreciate the consumer rights that will drive consumer satisfaction to occur.

Putera Agung Mobil as one of the private companies in the field of secondhand car trading realizes and understand that the key of success to keep on exist int the business competition is by giving the best service to the consumer. The demand of of cooking oil, margarins and shortening is raising fast and consumer always wishes to have a high standard service with satisfaction orientation. Putera Agung Mobil as a private company whose goal is to gain maximum profit, focuses also on supporting the national economics activity. The needs of cooking oil, margarine and shortening will be raised up and customers are always demanding to get the best service as they hope so.

Service quality is relatively more difficult to conduct and measured objectively if we compare it with product. Service quality cannot be broadly defined easily. Parasuraman, Zeithalm, and Berry (1988), state that quality service is a concept which is hard to understand and is refractive. This may caused errors in determining the attribute of quality.

In the former research which is conducted by Brito and Aguilar (2007) entitled "Customer Choice Of A Car Maintenance Service Provider' discusses about the service of a company and the its attributes that influence customers in choosing car repair shop after the dealer expiry period. The research uses SERVQUAL model (Service Quality), according to the statement of Parasuramanet al. (1988). In order to give quality in service, the service provider may apply the five dimensions of service quality in the process of service delivery to consumer, including reliability, responsiveness, assurance, empathy, and tangibles.

Reliability correlates with the ability of a company to give accurate service that from the first time without any of error and also the delivery that must be timely. Responsiveness relates with the availability and ability of the employees to help consumers and respond what they want, which is also informing about when the service is given, and deliver the service fast. Assurance, is a behavioral thing of employee which may improve the trust among the consumers to the company that lead to the security to the consumers. Assurance can also be defined as the employees that always act in courteus who have knowledge and skills needed to handle any of question or problem of the customers. Empathy means that company understands the customers and acts for dan the sake of the customers too by giving attention personally. Tangibles relates with the interest in physical facility, tools, and material used by the company, including the look of the employees.

Service quality plays important role in enhancing competitive differentiation in a fierce business game. The result of SERVQUAL research can be a reference for the operational management to arrange innovation in improving service quality for the customer.

SERVQUAL model is built with assumption that consumer compares service work attributes with ideal standard for each of the attribute. If the work of attibute get over the standard, then perception of the service quality will be raised up. This is in-line with the opinion of Kotler and Keller (2006), stating that quality must be started from the need of the consumer and ended up with the customer's perception, which means good impression of a quality doesn't come from one-side perception of the provider, but based on the consumer's perception.

By giving the service beyond the expectation of the consumer on the five dimensions of SERVQUAL, will be impacting to the creation of the customer satisfaction. It will lead to the loyalty, in which they customer will pay more. This research is aimed to analyze whether any difference between service quality on the certain order time in Putera Agung Mobil Surabaya.

### 2. Theoretical Foundation and Hypothesis Enhancement

#### **2.1 Service Quality Dimension**

On the next research conducted by Parasuraman et al. (1988) shows the overlapping between the dimensions above. Furthermore, they simplify the ten dimensions into five main dimensions. They are; competence, courtesy, credibility, and security which are stated as one; or *assurance*, while access, communication, and the ability to understand the customer is integrated becomes *emphaty*. Thus, there are five main dimensions arranged based on the relative urgence, which will be explained as follows:

- a) Reliability, relates to the ability in giving a service accurately since the first treatment without having any error in which the delivery is fit with the time previously agreed.
- b) Responsiveness, relates to the availability and ability of the employees to help customers and respond their wants, and also inform about when the service is given and give the service fast.
- c) Assurance, behavioral thing of employee which may improve the trust among the consumers to the company that lead to the security to the consumers. Assurance can also be defined as the employees that always act in courteus who have knowledge and skills needed to handle any of question or problem of the customers.
- d) Emphaty, means that company understands the customers and acts for dan the sake of the customers too by giving attention personally.
- e) Tangibles relates with the interest in physical facility, tools, and material used by the company, including the look of the employees.

# 2.2 Service Quality (SERVQUAL) and Satisfaction

Quality is an approach used for the business and industry which is started from the customer's point view aimed to generate product or service that goes beyond what is expected from the customer about the product or service and measure them until the success (Lupiyoadi, 2001). According Groonroos (2000), service quality is service delivery from the service provider in which it will get over the customer's need that can be valued from the outcome and process. Technique quality (outcome) is a result of the service delivery itself, while the service quality (process) is the quality that can be evaluated from the way the delivery is carrying out.

Citing Parasuraman et al. (1990), there are two factors that influence service quality; perceived service and expected service. If service is sensed fewer than the expectation, then customer becomes less interested with the service provider (the service quality is deemed as bad by customer). If service is sensed suitable with the expectation then the service quality will be deemed as good, and it might drive customer satisfaction. If service is sensed bigger than the expected service, it is possible that the customer will be loval and use the the service provider again (service quality is deemed as ideal by customer). Parasuraman et al. (1990) constructs service quality model which describe the main requirements that may give high quality service by idntifying the 5 gaps which resulting failure, as can be seen in the picture of 2.1.



Picture 2.1 Service Quality Gap Model.

#### **2.3 SERVQUAL Dimension**

Many researches done by experts to analyze service quality dimensions in detail, including determining on which is the most influential part in a certain service quality. When the contact is happening between service quality and the user, it is important to focus on the process of service delivery. It happens that way because the consumer is doing an interaction and evaluating the service quality. Quality dimension according to the explanation of Parasuraman et al. (1988) can be divided into five dimensions of service quality, they are:

- a) Reliability, which means the ability to give service that suits with the offer.
- Responsiveness, which means the respond or the agility of employees in helping customer and giving fast service, which includes the agility of employee doing service, the speed of

employee in handling transaction and complaints.

- c) Assurance, includes the ability of employee on the knowledge about product correctly, courtesy quality, attention and the manner in giving the service, skills in giving information ablility in giving the security in using the service offered, and the ability in drawing the trust to the company.
- d) Emphaty, means attention individually given by the company to the customer, such as the ease to contact the company, ability otf employee to communicate with customer, and the effort to understand wish and the need of customer.
- e) Tangible, includes physical appearance, like building, space, front office, availablility of parking lot, cleanness, tidyness, comfortableness, rooms, set of communication tools and employee's look.

## 2.4 The Gap Between Expectation and Perception

Parasuraman et al. (1990) state that there are two factors influencing service quality; perceived service and expected service. If service is sensed fewer than the expectation, then customer becomes less interested with the service provider (the service quality is deemed as bad by customer). If service is sensed suitable with the expectation then the service quality will be deemed as good, and it might drive customer satisfaction. If service is sensed bigger than the expected service, it is possible that the customer will be loyal and use the the service provider again (service quality is deemed as ideal by customer). So, company must know exactly about the expectation of the customers and the fact that they get. Hence, the hypothesis we may put here are as follows:

H1 : There is a gap between the expectation and the customer perception about the service quality obtained by the consumer in Putera Agung Mobil, Surabaya.

### 2.5 The Influence of Service Quality to the Consumer Satisfaction

In building consumer satisfaction, a company must improve its service quality. Consumer satisfaction can be build up through service quality given by the company. The better service, the higher consumer satisfaction to the company. The height of service quality cannot be separated from the internal support of the company, especially the support from the human resource (Chen, 2007).

Recently, service delivery that is qualified is deemed as an essential strategy to be success and sustainable. This is caused by the cutting-edge service that gives contribution to the consumer satisfaction, market, and profitability. Thus, attention from the company is prioritized on the understanding of the impact that comes from service quality to the benefit and financial outcome in the company (Fornel, 1992). Quality is the core element of sustainability in a company. Quality revolution movement through integrated quality management becomes a demand that cannot be ignored if a company wants to exist and improved. The fierce competition these days, drives company thath provides service to maintain the consumers by giving the best service. Consumers will find product from a company that will give the best service to them (Assauri, 2003).

If consumer gets a service that is able to fulfill or get over the expectation, then the consumer will say that the service is qualified and becomes the satisfaction on the service provider while otherwise, consumer will sense differently if the service is not qualified, which will affect the consumer satisfaction (Parasuraman et al., 1988).

Company must enhance the service quality to the consumer, because if the service quality given is getting better it may drive the beneficial behaviour of consumer toward the company. And othersiwe, if consumer does not get good service and feel dissatisfy, it may cause bad consumer behaviour, which leads the loss of the company (Zeithaml dan Bitner, 2003). From the explanation, we may state the hypotesis as follows:

H2 : Service quality influences the consumer satisfaction in Putera Agung Mobil, Surabaya

## 2.6 The Influemnce of Satisfaction Towards Loyalty

Bloemer et al. (1998) shows that the customer satisfaction is one of important elements in developing the customer loyalty. Customer loyalty is a behaviour after the final process of a buyint shaped psychologically based on the ratio of what is expected and the reality. Customer will choose service provider that is able to give satisfaction, both in the activity or the product itself (Meng dan Elliot, 2008).

H3 : Satisfaction influences towards consumer loyalty in Putera Agung Mobil, Surabaya.

Based on the problem background and the theoretical background, the conceptual framework can be put here, may be seen as follows:



Picture 2.2 Conceptual Framework

#### 3. Research Methodology

#### **3.1 Procedure and Sample**

The research is categorized as explanatory research. This type of research is related with data collection to give description or affirmation of a concept or a symptom as an answer of a question regarding with the research.

Research population is the consumers who buy car in Putera Agung Mobil Surabaya around 2012, since many complaints were found on that year report. Sampling technique used in this research is sample collection technique using accidental sampling method, which is a procedural sampling that chooses people or unit that is easy to meet or access.

## 3.2 Measurement Instrument and Operational Definition

To support the observation that is done when the survey is on-going, a clear and detail instrument is required. To keep things up, a concept of operationalitation is needed. According to Kerlinger (2000), concept of operationalitation is aimed to give details or giving border, which can also be said as an element of variable that can be used to observe things that are researched. Here are the operational definition from research variables:

#### Table 3.1 Table Variabel Operational

Variabel	Sumber	Dimensi	Atribut		
Kualitas	Parasuraman	Tangibles	<ol> <li>Lokasi strategis dan mudah dijangkau</li> </ol>		
Layanan Jasa	et al. (1988)	(Bukti Fisik)	2. Fasilitas yang memadai		
(X)			<ol> <li>Kenyamanan saat bertransaksi</li> </ol>		
			4. Karyawan yang berpenampilan baik dan rapi		
			5. Produk yang terawat baik, berkualitas dan		
			siap jual		
			6. Data dan kelengkapan dokumen kendaraan		
		Reliability	1. Dapat dipercaya dengan menyediakan produk		
		(Keandalan)	yang berkualitas dan terjamin		
			<ol><li>Pelayanan yang diberikan dengan cepat dan</li></ol>		
			tepat		
			<ol><li>Solusi problem yang tanggap, tepat dan cepat</li></ol>		
			<ol> <li>Mengutamakan kepentingan pelanggan</li> </ol>		
		Responsiveness	<ol> <li>Karyawan tanggap terhadap kebutuhan</li> </ol>		
		(Daya Tanggap)	pelanggan		
			<ol><li>Karyawan memberikan informasi yang</li></ol>		
			lengkap		
			<ol><li>Karyawan peduli terhadap pelanggan</li></ol>		
			4. Karyawan memiliki pengetahuan tentang		
			produk		
		Assurance	1. Lingkungan yang aman		
		(Jaminan)	2. Karyawan mampu menciptakan kepercayaan		
			pelanggan		
			3. Karyawan bertanggung jawab atas pelayanan		
			yang diberikan		
			4. Karyawan memberikan jawaban yang		
		Empathy	memuaskanterhadap pertanyaan pelanggan 1. Pelanggan mudah minta bantuan kepada		
		(Perhatian)			
		(Pernatian)	2. Karyawan 2. Karyawan sabar dalam melayani pelanggan		
			<ol> <li>Ratyawan sabar dalam melayam pelanggan</li> <li>Perhatian karyawan tinggi terhadap</li> </ol>		
			pelanggan karyawan unggi ternadap		
Kepuasan	Gronroos		1. Pelayanan yang diterima berdasarkan		
konsumen (Y <sub>1</sub> )	(2000)		pengalaman terakhir		
	(		2. Tingkat layanan yang diterima selama		
			pengalaman terakhir		
			<ol> <li>Service (pelayanan) yang dirasakan di</li> </ol>		
			showroom berdasarkan pengalaman		
			4. Kualitas layanan terbaik secara keseluruhan		
Loyalitas	Griffin		<ol> <li>Akan terus melakukan pembelian di tempat</li> </ol>		
Konsumen(Y2)	(2005)		yang sama		
			<ol><li>Akan merekomendasikan kepada orang lain</li></ol>		
			untuk melakukan pembelian		

To conduct research, the evaluation uses Likert scale, which is determined by score for each respondents answer with this category:

a)	Agree category	= skor 5
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- b) Agree category = skor 4
- c) Neutral category = skor 3
- d) Disagree category = skor 2
- e) Very Disagree category = skor 1

#### 4. Measurement Model Test

#### 4.1 Validity and Reliability Test

Validity is related with whether an indicator measures variable correctly or not. Validity test is carried out by seeing the coefficient value of Pearson Product Moment. Correlation coefficient of each statement item with the total score compared with the critical score r on the table of Pearson Product Moment, based on the independence degree and the level of significance in the number of 5%. When the score of Pearson correlation is bigger than the critical score in the number of 0,3 then the indicator that measures variable is valid, if it is failed (Sugiono, 1998).

#### Table 4.1 Validity and Reliability Test Result

(Consumer Wishes)

Construct	Factor Loading	Eigen Value	Cumulative %	Item - Total Correlation	Keterangan	Cronbach Alpha	
X <sub>1.1</sub>	0,894	4,808	80,140	0,838	Valid		
X1.2	0,825			0,751	Valid	0,941	
X1.3	0,965			0,942	Valid		
X1.4	0,873			0,822	Valid		
X1.5	0,941			0,906	Valid		
X1.6	0,865			0,802	Valid		
X <sub>2.1</sub>	0,628	3,042	76,048	0,477	Valid	0,886	
X <sub>2·2</sub>	0,951			0,874	Valid		
X <sub>2-3</sub>	0,917			0,817	Valid		
X <sub>2.4</sub>	0,951			0,874	Valid		
X <sub>3.1</sub>	0,908	3,009	75,230	0,813	Valid	0,887	
X3.2	0,851			0,742	Valid		
X3.3	0,915			0,828	Valid		
X3.4	0,791			0,649	Valid		
X4.1	0,815	2,594	64,857	0,642	Valid	0,815	
X4.2	0,673			0,479	Valid		
X4.3	0,919			0,819	Valid		
X4.4	0,795			0,617	Valid		
X <sub>5.1</sub>	0,890	2,404	80,126	0,735	Valid	0,867	
X5-2	0,955			0,870	Valid		
X5.3	0,836			0,669	Valid		

Source: Attachment of Validity and Reliability Test Result

 Table 4.2 Validity and Reliability Test Result

(Consumer Perception)

Construct	Factor Loading	Eigen Value	Cumulative %	Item - Total Correlation	Keterangan	Cronbach Alpha
X1.1	0,706	3,512	58,527	0,578	Valid	
X1-2	0,576			0,450	Valid	0,851
X1-3	0,794			0,674	Valid	
X1.4	0,773			0,662	Valid	
X1-5	0,840			0,729	Valid	
X1-6	0,865			0,756	Valid	
X <sub>2.1</sub>	0,804	2,738	68,450	0,647	Valid	
X <sub>2-2</sub>	0,852			0,717	Valid	0,843
X2-3	0,801			0,654	Valid	
X <sub>2-4</sub>	0,850			0,717	Valid	
X <sub>3.1</sub>	0,830	2,917	72,936	0,697	Valid	
X3-2	0,874			0,765	Valid	0,875
X3.3	0,862			0,741	Valid	
X3.4	0,849			0,733	Valid	
X <sub>4-1</sub>	0,835	2,915	72,880	0,705	Valid	
X4.2	0,880			0,775	Valid	0,874
X4-3	0,906			0,819	Valid	
X4.4	0,789			0,645	Valid	
X <sub>5.1</sub>	0,815	2,360	78,681	0,630	Valid	
X5.2	0,920			0,793	Valid	0,858
X5-3	0,922			0,791	Valid	
Y <sub>1.1</sub>	0,870	4,150	69,163	0,801	Valid	
Y <sub>1.2</sub>	0,864	-		0,792	Valid	0,911
Y <sub>13</sub>	0,891			0,828	Valid	
Y <sub>1.4</sub>	0,728			0.627	Valid	
Y <sub>1.5</sub>	0,814			0,731	Valid	
Y <sub>1.6</sub>	0,813			0,727	Valid	
Y <sub>21</sub>	0,882	1,556	77,807	0,556	Valid	0.700
Y <sub>2.2</sub>	0,882		í.	0,556	Valid	0,709

Source: Attachment of Validity and Reliability Test Result

Factor analysis is measured by using factor loading, eigen value and percentage of variance explained for each construct. Loading factor mush have bigger score than 0,5 (Malhotra, 2007). The result of the test shows that all indicators expose bigger score than 0,5, so we may conclude that relationship between variables and the contribution toward relationship matrix has been maintained well.

Eigen value shows tha total variance that can be explained by each variable. The score of eigen value that is bigger than 1 (one) shows that the factor is dominant. It can also be said that the more consistent the factor is, the strong it represents the variable. The test result shows that all variables have bigger eigen value score than 1 (one). Percentage of variance shows the variance that explains a variable to the factor. Percentage of variance explained score that is expected is bigger than 60% (Malhotra, 2007). That score shows that indicator identified can explain or represent variable. The result of the test shows that all of variables have percentage of variance explained score above 60%, except the indicators in X1 variable on consumer perception, which is 58,527%. Nevertheless, since all of the factors have factor loading above 0,5 in which the eigen value score above 1 (one), where percentage of variance explained score is closer with 60%, so it is still accepted.

#### 5. Hypothesis Test

#### **5.1 First Hypothesis Test**

To find out whether any of significant difference between perception consumer wish on the service quality in Putera Agung Mobil, a t analysis is needed for each dimension, and simultaneously. If significance score of t is smaller than significance level ( $\alpha$ ) 5% or 0,05 then there is a significant difference, while if significant socre of t is bigger from the significant level ( $\alpha$ ) 5% or 0,05 then there is no significant difference between perception and consumer wish on the service quality. The result of t test analysis can be seen on the Table of 5.1.

#### Tabel 5.1 t Test Analysis Result

	Levene's Test j	for Equality of	t test for equality of Means		
Keterangan	Varia	ances			
_	F	Sig	t	Sig. (2-tailed)	
Tangible (X1)	14,440	0,000	-10,897	0,000	
Reliability (X <sub>2</sub> )	64,818	0,000	-11,566	0,000	
Responsiveness (X3)	80,871	0,000	-12,174	0,000	
Assurance (X4)	80,655	0,000	-12,147	0,000	
Empathy (X5)	49,116	0,000	-12,761	0,000	
Kualitas Layanan	57,925	0,000	-13,239	0,000	

Based on the t two tailed test result with the significance ( $\alpha$ ) 5%, it can be explained with the statements below:

- a) Perception and consumer wish over tangible (X1) has significant difference, because the signifikan t score is 0,000 < significance level (□) 5% or 0,05.</li>
- b) Perception and consumer wish over dimension of reliability (X2) has significant difference, because t significant score is at 0,000 < significant level (α) 5% or 0,05.</li>
- c) Perception and consumer wish over dimension of responsiveness (X3) has significant difference, because t significant score is at 0,000 < significant level (α) 5% or 0,05.</li>
- d) Perception and consumer wish over dimension of assurance (X4) has significant difference, because t significant score is at 0,000 < significant level (α) 5% or 0,05.</li>
- e) Perception and consumer wish over dimension of empathy (X5) has significant difference, because t significant score is at 0,000 < significant level (α) 5% or 0,05.
- f) Perception and consumer wish over the service quality simultaneously has significant difference, because t significant level is at 0,000 < significance level ( $\alpha$ ) 5% or 0,05.

According to the t test analysis result, can be concluded that perception and consumer wish

on service quality in Putera Agung Mobil has significant difference. So, the first hypothesis stating that there is a gap between the wish level or expectation with the consumer perception toward service quality accepted by the consumers of Putera Agung Mobil, Surabaya, is proven.

Analysis result that has been done shows that all quality dimensions consists of tangible, reliability, responsiveness, assurance, and empathy in Putera Agung Mobil, Jemursari, Surabaya has the significant gap between wish and consumer perception. Especially on the empathy dimension which has difference highest average score between wish and perception, at 4,10 and 4,88, so the gap score is the highest one compared with the other four dimensions.

#### 5.2 Second and Third Hypothesis Test

Data normality test is used to identify whether a data follows normal distribution or not. To identify the data we use Kolmogorov Smirnov method. If the recidual significant score (error probability or sig.) is bigger than 5% or 0,05, then the data is deemed as normally distributed.

According to the calculation result can be known that statistic value of Kolmogorov Smirnov that is obtained for the regression model with the dependent variable of consumer satisfaction (Y1) and consumer loyalty (Y2) that each has bigger significant score from 0,05 which are 0,416 and 0,897, where those scores are already suited with the criteria stating out that all the data has been normally distributed (Ghozali, 2009 : 77). In the use of regression model, there are basic assumption which generates best linear estimator from regression model which is obtained from the squared method (Ordinary Least Square). With the assumption fulfillment, the result obtained may be more accurate and is close or same with reality. Those basic assumptions are well-known as classical assumption, which is described below:

- a) There is no multicolinearity among the independent variables.
- b) Varians from all the errors is similar or not at all (heteroskedastisitas/homoskedastisitas).

Multicolinearity states that there is correlation among independent variable with the another independent variable in regression model . Hair et. al. (1998:193) cites that to identify whether multicolinearity is there on the data or not, can be seen from the score of VIF value (Variance Inflation Factor). If VIF is more than 10, that variable indicates a multicolinearity.

According to the calculation, can be seen that the whole VIF value of dependent variable for the regression model with customer satisfaction variable (Y1) and consumer loyalty (Y2) which is less than critical VIF score at 10, so it may be concluded that in every regression model conducted there is no such multicolinearity symptom. The next test is, heteroscedasticity. Heteroscedasticity means varians in which variable is not the same for all observation. In heteroscedasticity, error can be occured not in random way, but it shows systematical relationship based on the score in one of more dependent variables.

To look deeper on whether heteroscedasticity happens or not, we may use correlation coefficient of Rank Spearman between dependent variables with the disturbance variable,. If the error probability (Sig) is bigger than significant level ( $\alpha$ ) 0,05, then heteroscedasticity doesn't happen.

Heteroscedasticity test result shows that all independent variables on regression with the dependent variable consumer satisfaction (Y1) and consumer loyalty (Y2) doesn't have significant relationship with the disturbance variable, where significant score of correlation coefficient Rank Spearman for all the independent variables are still above the significant level of ( $\alpha$ ) 5%.

After the normality test and classical assumption test the next test is double-regression analysis. Before conducting regression with quality variables which is tangible (X1), reliability (X2), responsiveness (X3), assurance (X4), and empathy (X5), there is a preceding regression test using control variables including gender, age, civil servant, private employee, entrepreneur, middle school student, high school student, bachelor, master, user, and transaction. Control variable on the latest educational background is divided into three; civil servant, private employees, and entrepreneur. Other jobs are not included because in dummy case with more than 3 (three) categories, we use (k - 1) procedure, k is the quantity of the category (Ghozali, 2009:165), and so it does with the latest educational bacground which are only middle school student, high school student, bachelor degree, and master degree, while elementary student is not included.

After the regression with only control variables we can use regression with both control variable and main variable. Regression analysis result with dependent variable of consumer satisfaction (Y1), and consumer loyalty (Y2). Model 1 (one) is regression with control variable, while model 2 (two) is regression with both control variable and the main one.

#### 5.2.1 Second Hypothetic Test

The second hypothesis states that service quality influences consumer satisfaction in Putera Agung Mobil, Surabaya. Regression analysis shows these results:

- a) Model 1 regression result with control variable shows that there is no control variable that influences the consumer satisfaction.
- b) Model 2 regression result with control variable and main variabel kontrol, shows that only civil servant variable that significantly influences toward the consumer satisfaction, with t significant score at 0,013. Positive regression coefficient shows that if civil servant consumer has significant number, it will raise the satisfaction.
- c) Tangible does not significantly influence the consumer satisfaction because it has t significant score at 0,615 which is bigger than the significant level of ( $\alpha$ ) 5% or 0,05.

- d) Reliability does not significantly influence toward the consumer satisfaction because the t significant score is at 0,231 which is bigger than the significant level of ( $\alpha$ ) 5% or 0,05.
- e) Responsiveness does not significantly influence toward the consumer satisfaction because the t significant score is at 0,412 which is bigger than the significant level of ( $\alpha$ ) 5% or 0,05.
- f) Assurance significantly positive influences toward the consumer satisfaction because it has positive regression coefficient and t significant score at 0,015 which is smaller than significant level of ( $\alpha$ ) 5% or 0,05.
- g) Empathy significantly positive influences toward the consumer satisfaction because it has positive regression coefficient and t significant score at 0,000 which is smaller than the significant level of ( $\alpha$ ) 5% or 0,05.

h) Regression analysis result also shows the contribution of the main variables; yaitu tangible (X1), reliability (X2). responsiveness (X3), assurance (X4), and empathy (X5) and also control variable which is consumer satisfaction (Y2), which can be seen from the adjusted R square score at 0,792. This means 79,2% of consumer satisfaaction is determined by the change of all independent variables. The rest of 20,8% consumer satisfaction is still determined by the other variables which are not involved in this research.

According to the regression analysis can be concluded that service quality dimensions that influence the consumer satisfaction in Putera Agung Mobil, Surabaya are only assurance and perhatian empathy, while tangibles, reliability, and responsiveness do not count as influential variables to the consumer satisfaction. This means that the second hypothesis stating that service quality influences the consumer satisfaction in Putera Agung Mobil, Surabaya, is partially proven.

Analysis result shows that only dimensions of assurance and empathy that significantly influence, while dimension of tangibles, reliability, and responsiveness do not influence significantly toward consumer satisfaction. This shows that consumer satisfaction is only determined by dimension of assurance and empathy. Consumer satisfaction will be descending if one of those two factors also go descending on the service quality, while factor of the tangibles, reliability, responsiveness does not determine the consumer satisfaction. Moreover, civil servant job is also proven posititively influential toward the consumer satisfaction. So, it all shows that the job of the consumer is civil servant, then the satisfaction will raise.

#### **5.2.2. Third Hypothesis Test**

Third hypothesis test states that consumer satisfaction influences the consumer loyalty among consumers in Putera Agung Mobil, Surabaya. Regression analysis shows these result:

- a) Model 1 regression result with control variable shows that middle school student significantly negative influences with the t significant score at 0,019, which shows that latest educational backgrounds apart from middle school tend to influence significantly consumer loyalty. User variable also significantly positive influences toward the consumer satisfaction, with t significant score at 0,032, which shows that car user (owner) tends to have loyalty is higher than those who don't use (own) car.
- b) Model 2 regression result which is regression with control variable and the main one, shows that there is no control variable significantly influencing the consumer satisfaction.
- c) Consumer satisfaction (Y1) influences positive and significant toward the consumer satisfaction because it has positive regression coefficient and the t significant score at 0,000 ahich is smaller than the significant level of ( $\alpha$ ) 5% or 0,05.
- d) Regression analysis result also shows the contribution of consumer satisfaction variable (Y1) and the control variable toward consumer loyalty (Y2), which is shown by the adjusted R square score at 0,649. This means 64,9% of consumer loyalty is determined by the change of consumer satisfaction (Y1). The rest which is at the number of 35,1% of consumer satisfaction is still determined by the other variables which are not involved in this research.

Based on the regression analysis result, it can be concluded that consumer satisfaction influences the consumer loyalty of the consumers in Putera Agung Mobil, Surabaya. This means that the third hypothesis stating out that consumer satisfaction influences toward consumer loyalty among the consumers in Putera Agung Mobil, Surabaya, is proven.

The analysis result shows that consumer satisfaction influences the consumer loyalty. This outlines statement that consumer loyalty of car buyers stress their attention to the satisfaction over the service given. This means that the consumer satisfaction fulfilled with the service quality by the company will lead consumer becomes loyal to the company, and it is possible that the *"repeat order"* will raise too.

#### 6. Conclusion

According to the research study and result conducted, wa may state conclusion into several points:

a) The first hypothesis stating that there is a gap between consumer expectation with the service quality that is accepted by the consumers of Putera Agung Mobil, Surabaya, is proven. Because t test exposes difference among all dimensions of service quality, which are tangible, reliability, responsiveness, assurance, and empathy, in which there is a significant significant difference between wish and perception.

- b) The second hypothesis stating that service quality influences the consumer satisfaction in Putera Agung Mobil, Surabaya, is only proven partially influences, which are assurance and empathy, while tangible, reliability, and responsiveness do not influence the consumer satisfaction.
- c) The third hypothesis stating that service quality influences the consumer loyalty in Putera Agung Mobil, Surabaya, is proven.

#### 7. Suggestion

#### a) Managerial Implication

Service quality attributes which consist of tangible, reliability, responsiveness, assurance, and empathy are important things that need attention form the company in the improvement process of service quality. If one or some of those attributes have high gap value between wish and perception of consumer then it may influence both the consumer satisfaction and consumer loyalty.

Company must collect complaints and suggestions, and take them as media to evaluate service quality level that has been given. Afterward, a strategic marketing plan can be arranged in accordance with the standard service quality that suits consumer expectation, so it may minimize the gap between wish and perception that is still exist, and may increase buying decision, and better satisfaction and loyalty of the consumer.

b) Akademic Implication

This research shows the influence of factors service quality (servqual) toward consumer satisfaction and consumer loyalty. Eventhough, many researches have been conducted related with servqual, but they generally correlated with the consumer satisfaction only. There are still lack of researches that analyze relationship between service quality with consumer satisfaction and consumer loyalty. This research extends the research done by Brito et al. (2007) which only observes the influence of the service quality attributes toward car service repair shop that uses logistic regression analysis. With the study on the intention of buying, satisfaction, and consumer loyalty, can give the complete description on the buying process to the better one.

c) Limitation of the Research

This research has some limitations since it is only carried out to the consumers of Putera Agung Mobil located in Jemursari, while there are still many of branch showrooms of Putera Agung Mobil in Surabaya. Besides, there are still many of showroom in di Surabaya with different types, so it is better for the next research to focus on the broad respondents instead of consumers in Putera Agung Mobil so it might represent consumer evaluation regarding the service in car buying activities.

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