

## **Analysis The Impact of Service Quality, Customer Satisfaction, Customer Commitment, On Word of Mouth**

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### **Abstract**

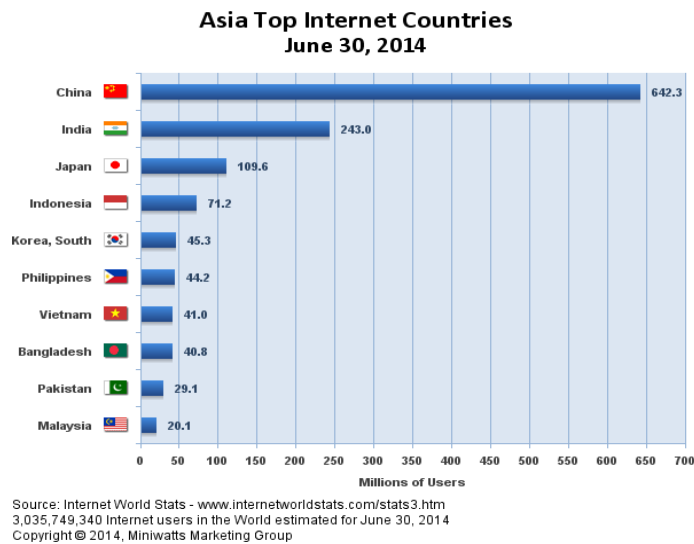
The development of an Internet service influenced by the quality of services provided and customer satisfaction that have an impact on customers who are committed to continue to subscribe to the impact to the customer to do word of mouth. The purpose of this study was to determine the effect of service quality and customer satisfaction, for customer commitment and its impact on word of mouth that is useful to get a promotion without charge on the internet located around Jakarta. The method used in this study is path analysis by distributing questionnaires and then tested for normality, validity, and reliability as evidence that the data obtained feasible to do research. Analysis of the results achieved is the influence of service quality and customer satisfaction that have an impact on customer commitment that influence word of mouth. From data processing, the quality of service and customer satisfaction affects customer commitment. While the quality of service, customer commitment and customer commitment influence word of mouth.

**Keyword:** *Service Quality, Customer Satisfaction, Customer Commitment, Word of Mouth*

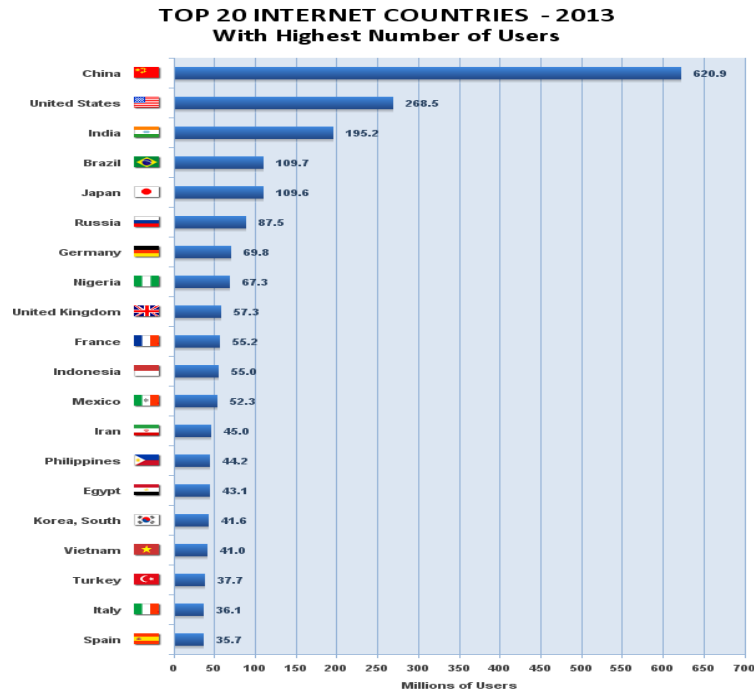
### **INTRODUCTION**

Currently, technological developments are increasingly sophisticated and facilitate most human work, starting from computer technology, the internet and other communication media. Without exception, the development of information technology is seen as the fastest growing. Beginning in the 1990s when personal computers (PCs) began to be widely used, it is still until the development of various mobile devices today. Starting with the creation of technology that allows two computers to communicate until the discovery of the internet that is able to connect all computer networks in the world. The development of information technology is also increasing rapidly due to the role of the internet. Through the internet media, people can find information from all fields of knowledge.

The large use of the internet as a communication medium does not only occur in developed countries. Developing countries like Indonesia also feel the benefits of using the internet. According to data compiled by Internet World Stats (IWS) on 30 June 2014, it was found that internet usage in Indonesia is the 4th largest in Asia, with 71,190,000 users.



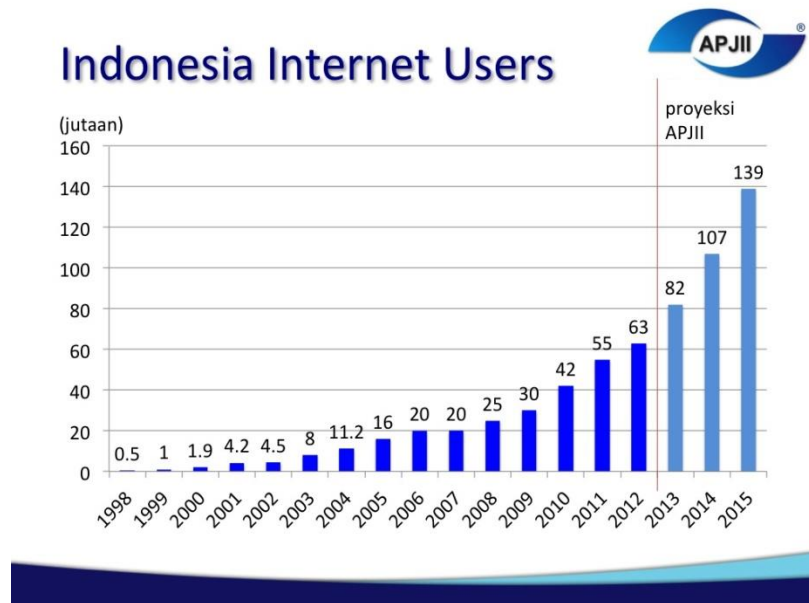
Meanwhile, on December 31, 2013, IWS noted that internet users in Indonesia are the 11th most of all countries in the world.



Source: Internet World Stats - [www.internetworldstats.com/top20.htm](http://www.internetworldstats.com/top20.htm)  
2,072,765,246 Internet users in the Top 20 countries in the Internet on December 31, 2013  
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### Worldwide Internet User Data Source: [www.internetworldstats.com](http://www.internetworldstats.com)

In developing countries like Indonesia, internet users show a graphic increase from year to year. The following shows a graph of internet users in Indonesia by the Association of Indonesian Internet Service Providers (APJII):



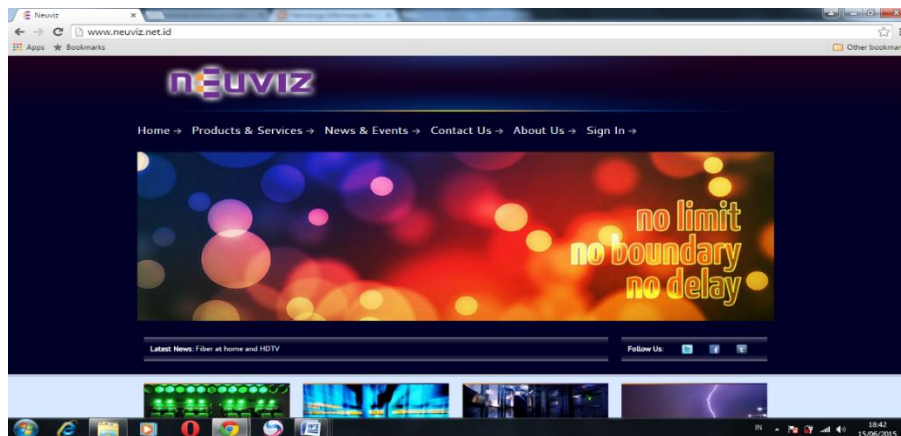
### Internet user data in Indonesia 2015

Source: [www.apjii.or.id](http://www.apjii.or.id)

Based on the data above, it shows that the use of internet technology in Indonesia has started to grow since 1998. In 1998 there were only 0.5 million internet users. Continue to grow rapidly to reach 55 million in 2011 and 63 million users in 2012. It is projected to reach 139 million users in 2015.

Currently there are quite a few companies operating in the ISP (Internet Service Provider) sector, such as Telkom Speedy, BizNet, First Media, CBN, Linknet, and many others. All of them have similarities in terms of ISP services and have their respective advantages.

This internet service is perceived as a potential business and can generate good profits for the company. One of the internet service companies is PT. Information Device Achievement. This PT makes an internet service which operates in the field of internet provider services. Neuviz is a broadband internet access service that provides high quality internet services for companies, housing, and small medium enterprises.



Neuviz is one of the best ISPs in Indonesia, which has the motto "no limit, no boundary, no delay" by providing internet services without limits and without delay for its customers on the internet. Neuviz also provides several services such as; fiber gigabits networks, wireless broadband, fiber to home, disaster recovery, and several others according to what customers need.

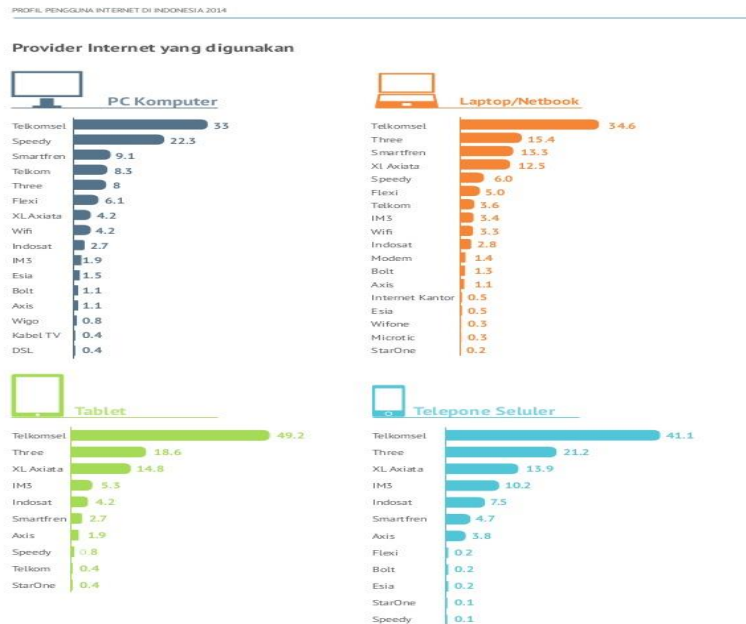
This is done by the Neuviz company so that its customers are satisfied with the services provided, and as much as possible to reduce the level of customer complaints received. Customer satisfaction is the main service priority for Neuviz. Customer satisfaction can be interpreted as the overall attitude shown by consumers for goods or services after the customer obtains and uses them.

**Number of Neuviz Customers from 2010-2014**

Year	Total Customer
2010	373
2011	576
2012	695
2013	827
2014	891

Source: Company Internal Data

From the table above it can be concluded that every year there is an increase in the number of customers who register with the internet service provider PT. Neuviz, and can be seen in table 1.2 where in 2014 it was known that the number of customers who registered the most on the internet was 26% or 891 customers.



**Internet Providers Used in Indonesia in 2014**

Source: [www.apjii.or.id](http://www.apjii.or.id)

According to the data above, PT. Neuviz was not included in the frequently used internet provider in 2014. Therefore PT. Neuviz wants to develop a marketing strategy so that its providers can be recognized by the Indonesian people so that in 2015 PT. Neuviz was able to obtain a better position than in 2014. In 2014 there were many competitors from PT. Neuviz got better positioning, partly because of word of mouth. Consumers who are satisfied with a product will speak positively, thereby facilitating word of mouth. Companies must understand what the customer's main decision is in choosing to use the internet provider. Because it will have an impact on customer loyalty in the long term and will affect the sustainability of the company.

Success in competition will be achieved if the company can create and retain customers. By continuing to improve the quality of good service and maintaining customer satisfaction, it is expected to get customers who are committed to continuing to use the company's products to encourage customers to carry out a free promotion, namely word of mouth. Customer Commitment can be interpreted as a customer who takes deeply to re-subscribe or re-purchase a product or service.

In competition between companies, there are several things that will have an impact on word of mouth. The service quality of an internet and customer satisfaction are the main keys for a good word of mouth process to occur. Service Quality can be interpreted by how far the difference between the expectations and reality of customers for the services they receive. Therefore, companies must be able to be swift in maintaining the quality of service from their internet service providers and provide more to customers who have had bad experiences from previous internet provider companies. PT. Neuviz thinks it is important to evaluate the word of mouth that occurs in its products so that this free promotion can help raise the position of PT. Neuviz in its product

line competition. It is important to do research on the effect of ISP Service Quality and Customer Satisfaction on Customer Commitment and its impact on Word of Mouth at PT. Neuviz.

## **OBJECTIVES**

1. To determine the effect of Service Quality on Word of Mouth through Customer Commitment at PT. Neuviz
2. To know the effect of Customer Satisfaction on Word of Mouth through Customer Commitment at PT. Neuviz

## **METHOD**

The research method used is a quantitative research method. According to Sugiyono (2012) it is said that the quantitative method is research data in the form of numbers and analysis using statistics. Based on the formulation of the problem that has been mentioned that this study uses quantitative methods to measure the effect of service quality, customer satisfaction, customer commitment to word of mouth at PT. Neuviz.

This type of research uses descriptive research methods that are associative. The purpose of this type of research is to determine the relationship between two or more variables. The time horizon used is cross sectional, according to Sugiyono (2008) that cross sectional is the collection of information only once at a certain time.

Sampling used is by using Probability Sampling with the Simple Random Sampling method, namely sampling where each element of the population has the same opportunity to be selected as a member of the sample and samples are taken using table numbers. To determine the number of samples obtained from the number of internet subscribers PT. Neuviz who have subscribed for at least 3 years. So, the writer uses the Slovin formula (Riduwan and Kuncoro, 2013), which is as follows:

$$n = \frac{N}{N \cdot d^2 + 1}$$

Information:

n = Number of samples

N = Total Population

d2 = Fault Tolerance Level

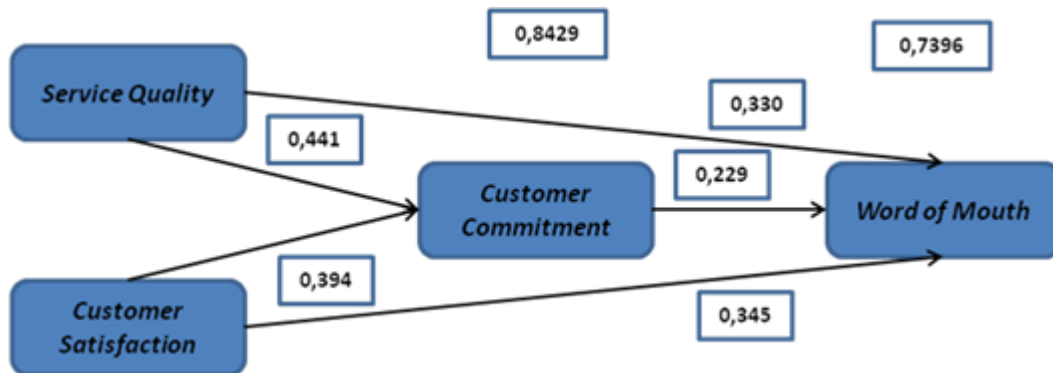
$$n = \frac{1644}{1644 \times (0.1)^2 + 1} = 94,26 = 100$$

With the calculation of sampling that has been done, the author will distribute questionnaires to 100 internet customers of PT. Neuviz. The method of analysis was carried out by conducting validity tests, reliability tests, Pearson correlation tests and Path Analysis on the distributed questionnaires.



**RESULTS AND DISCUSSION**

Variable	Path Coefficient	Effect			Mutual Influence
		Direct	Indirect	Total	
X <sub>1</sub> directly to Y	0,441	0,441	-	0,441	-
X <sub>2</sub> directly to Y	0,394	0,394	-	0,394	-
X <sub>1</sub> directly to Z	0,330	0,330	0,441 x 0,229 = 0,1009	0,430	-
X <sub>2</sub> directly to Z	0,345	0,345	0,394 x 0,229 = 0,09	0,435	-
Y directly to Z	0,229	0,229	-	0,229	-
X <sub>1</sub> and X <sub>2</sub> directly to Y	-	-	-	-	0,538 (53,8%)
X <sub>1</sub> , X <sub>2</sub> and Y directly to Z	-	-	-	-	0,637 (63,7%)
ε <sub>1</sub>	0,8429	-	-	0,8429	-
ε <sub>2</sub>	0,7396	-	-	0,7396	-



- Simultaneously or simultaneously Service Quality (X<sub>1</sub>) and Customer Satisfaction (X<sub>2</sub>) have a significant effect on Customer Commitment (Y) by 53.8%. The remaining 46.2% is the influence that comes from other factors outside the scope of this study.

- Simultaneously or simultaneously Service Quality (X1), Customer Satisfaction (X2) and Customer Commitment (Y) have a significant influence on Word of Mouth (Z) by 63.7% and the remaining 36.3% is the influence that comes from other factors outside the scope of this study.

- The following is a complete description of the direct effect, indirect effect, total effect, and joint effect between variables:

1. The direct effect of Service Quality (X1) on Customer Commitment (Y) is 0.441.
2. The direct effect of Service Quality (X1) on the Word of Mouth (Z) process is 0.330.
3. The indirect effect of the Service Quality (X1) variable on the Word of Mouth (Z) process is 0.1009.
4. The total effect of Service Quality (X1) on the Word of Mouth (Z) process is 0.430.
5. The direct effect of Customer Satisfaction (X2) on Customer Commitment (Y) is 0.394.
6. The direct effect of Customer Satisfaction (X2) on the Word of Mouth (Z) process is 0.345.
7. The indirect effect of Customer Satisfaction (X2) on the Word of Mouth (Z) process is 0.09.
8. The total effect of Customer Satisfaction (X2) on the Word of Mouth (Z) process is 0.435.
9. The direct effect of Customer Commitment (Y) on the Word of Mouth (Z) process is 0.229.

## **SUMMARY**

Based on the research the conclusions are:

1. It can be concluded that there is a strong and significant influence between Service Quality (product) and Customer Satisfaction on Customer Commitment.
2. It can be concluded that there is a strong and significant influence between Service Quality (product) and Customer Satisfaction on Word of Mouth through Customer Commitment.

3. Customer Commitment mediates the relationship between Service Quality and Word of mouth, which means that the role of individuals who want to survive as customers of PT Neuviz can increase the effect of perceived superiority of ISP services on the willingness of individuals to provide information about the company PT Neuviz to others.
4. Customer Commitment mediates the relationship between Customer Satisfaction and Word of mouth, which means that the role of individuals who want to survive as customers of PT. Neuviz can increase positive perceptions of ISP performance compared to their expectations so that it affects the willingness of individuals to provide information about the company PT. Neuviz to others.

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