

Measuring the Service Quality of Elizabeth Local Brand to Know its Impact on Customer Satisfaction

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ABSTRACT

This study aims to analyze empirical evidence of the effect of service quality on customer satisfaction at the local brand Elizabeth in Bandar Lampung. The problem studied in this study is whether there is a positive relationship between service quality and customer satisfaction at the local brand Elizabeth in Bandar Lampung. The method used in this research is the correlation method. The population in this study were customers of the local Elizabeth brand in Bandar Lampung, where the sample was taken using Proportionate Stratified Random Sampling with a total sample of 122 customers. The instrument reveals the data in a structured scale with five answer choices. The measuring tool to collect data is a questionnaire with 71 item statements. Based on the results of hypothesis testing and simple linear regression, it was obtained that the t value was 38,586 with a significant level of 0.000, while the t table with $n = 122$ and $\alpha = 0.05$ received a value of -0.678. It can be assumed that $t_{count} \geq t_{table}$ ($38,586 > -0.678$ or $sig < 0.05$ ($0.000 \leq 0.05$), then H_a is accepted while H_o is rejected. While the R Square value in this study is 0.925, meaning that service quality is related to customer satisfaction by 93%. Based on the results of the data analysis that has been done, it is concluded that there is a relationship between service quality and customer satisfaction at the local brand Elizabeth in Bandar Lampung. The magnitude of the relationship is 93%, while other factors influence 7%.

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Introduction

Elizabeth is a local Indonesian brand that has been operating in the fashion industry since 1963, starting from the household owned by Handoko Subali and Elizabeth Halim, who sold bags they made. The first bag produced was a Travel Bag, which was very satisfying with the high demand for goods and was very well received by the market. Elizabeth has produced women's bags, briefcases, men's bags, suitcases, and wallets. Apart from that, Elizabeth also provides accessories for women in the form of watches and glasses and watches and glasses for men. Until now, Elizabeth has increased as the best bag seller and has more than 90 stores spread throughout Indonesia so that she can provide the best products for the community. Customer needs and customer expectations for the services of a local brand are increasingly complex and varied (Husnah et al., 2022). In this condition, the only differentiation that is very important and must be owned by a local brand is excellence in service to customers or consumers (Pradiatiningtyas 2022). There is no need to doubt that only local brands that have merit in service can emerge victorious in the competition while at the same time being able to provide satisfaction in efforts to improve service to customers, not only limited to essential service quality such as fast, safe and accurate service, but we also have to enhance

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comfort, both in terms of facilities, as well as the attitude and behavior of employees in serving customer needs. High responsiveness and enthusiasm, friendly smiles and polite greetings, and an orderly work environment are service standards that employees must deliver and are found in all local brands without exception. Many local brands have been established in cities such as Bandar Lampung district. Causing stronger local brand business competition, so local brand management is required to improve its services. In order to compete in the era of globalization. Local brands can compete in a very tight local brand business competition if the local brand can improve the service quality of its employee personnel in the form of competition to improve service quality, and in this case, the ability of its employees to provide services to customers is intensely felt. The service quality of local brands is very dependent on the quality of service of its employees, and the quality of service of employees is very reliant on the expertise of its employees; therefore, the skills of local brand employees must be improved if you want to improve the service quality of employee personnel. So the quality of service is essential for the ongoing local brand business and enhancing the performance of the local brand itself.

Theoretical Basis

Service Quality

Service quality is the action or actions of a person or organization aimed at satisfying customers or employees (Kasmir 2017). Of course, this satisfaction can be created if customer expectations are met. Service quality is a business that focuses on meeting the needs, requirements, and timeliness to meet customer expectations. Quality generally means a desired concept's form, form, or reality. Thus, service quality can also be interpreted as the embodiment or service provided. This embodiment means that it requires specific features and conditions that must be met to be able to satisfy customer needs. Service quality is the completeness of a product or service's features that can fulfill a need (Kotler, P and Keller, 2016). Service quality embodies efforts to satisfy various customer needs following timeliness, expectations, and components of customers' desires and other requirements.

Factors Affecting Service Quality

Various factors can affect the quality of service. Related to this, according to (Kasmir 2017) the factors that affect service quality are as follows.

1. The total workforce is the number of employees in a company.
2. Labor quality; includes the knowledge and skills possessed by the workforce.
3. Employee motivation is an encouragement possessed by employees to carry out an activity or work.
4. Leadership; is the process of influencing individuals, usually carried out by superiors to subordinates so that they can act according to the superiors' wishes to achieve company goals.
5. Organizational culture is a system within a company that all organization members embrace and is a differentiator between one organization and another.
6. Employee welfare; fulfillment of employee needs by a company.
7. The work environment and other factors include the facilities and infrastructure used, technology, building and room *layouts*, product quality, etc.

Service Satisfaction Indicators

According to Heterogeneity (Mukarom, Zaenal & Laksana 2018), to measure the quality of service expected by customers, it is necessary to know the criteria, dimensions, or indicators used by customers in assessing the service, where the five arrows of service quality include: as follows.

1. *Tangibly*: physical appearance, equipment, personnel, and communication materials.
2. *Reliability*: namely, the ability to provide promised services accurately, on time, and reliably.
3. *Responsiveness*: the willingness to help customers by providing excellent and fast service.
4. *Empathy*: namely, trying to know and understand the needs of individual customers.
5. *Assurance*: namely, the knowledge, friendliness of personnel, and the ability of personnel to be trusted.

Customer Satisfaction

Satisfaction is a person's pleasure or disappointment that arises after comparing the product performance (result) that is thought of against the expected performance (or results). Satisfaction is an assessment of the characteristics or features of a product or service from the product itself, which provides a level of customer satisfaction related to meeting customer consumption needs. Customer satisfaction can be created through quality, service, and value. The key to producing customer satisfaction is to provide high service quality. According to Kotler & Keller quoted in (Tjiptono 2019), customer satisfaction is the level of one's feelings after comparing the performance (or results) he feels compared to his expectations. If performance exceeds expectations, the customer is dissatisfied, and if it matches expectations, the customer will be satisfied. If it exceeds expectations, the customer is very satisfied or happy. Oliver in (Indrasari 2019) states that customer satisfaction is a summary of the psychological conditions that result when the emotions surrounding expectations do not match and are multiplied by the feelings formed regarding the consumption experience. Westbrook and Reelly (Tjiptono 2019) suggest that customer satisfaction is an emotional response to incidents related to certain products or services purchased. Satisfied customers tend to stay loyal longer, buy more, and are less sensitive to price changes, and the conversation benefits the business. To create customer satisfaction, the quality of services and products a local brand company provides must be of high quality.

Factors Affecting Customer Satisfaction

According to (Indrasari 2019), in determining the level of customer satisfaction, there are five main factors that a company namely must consider:

1. Product quality, customers will be satisfied if their evaluation shows that the product they use is of high quality.
2. Quality of service, customers will feel satisfied if they get good service or as expected.
3. Emotional, customers will feel proud and believe that other people will be amazed by them when using certain products that tend to have a higher level of satisfaction.
4. Price, products with the same quality but relatively low prices offer great value to customers.
5. Customers who do not incur additional charges or do not need to waste time getting a product tend to be satisfied with the product.

Research Methods

In this study, researchers used a survey method with a descriptive quantitative approach and data processing techniques in the form of a questionnaire with 71 questions using a Likert scale in the answers. The number of samples in this study was 122 respondents. Researchers carried out the research design in this study, including making observations, compiling the

background of the problem, identifying the problem, formulating the problem, creating a theoretical basis that is used or looking for theories related to service quality and customer satisfaction, making research methods, determining variables research, making instrument grids, collecting data through questionnaires, analyzing data, and making conclusions and suggestions. Data analysis is a step that follows data collection from all respondents or other data sources (Sugiyono, 2019). Grouping data based on variables from all respondents, presenting data on each of the variables studied, carrying out calculations to overcome the problem formulation, and completing calculations to evaluate the hypotheses put forward are all activities included in data analysis. Simple linear Regression analysis to obtain higher and more reliable analytical results, this study used analysis and uses the SPSS (*Statistical Program for the Social Sciences*) data processing program. According to (Sugiyono 2019: 126), the population is a generalization area consisting of objects or subjects with specific quantities and characteristics set by researchers to study and then draw conclusions. In this study, the population studied was Elizabeth Bandar Lampung's customers aged 16-30 years, totaling 122. The sample is part of the population the researcher or subject will examine. In this study, the formula will be used as the basis for sampling is the Slovin formula (Prapitasari et al., 2019). The sampling technique in this study used the Proportionate Random Sampling method, which is used in conditions where the population consists of several layers or groups of individuals with different characteristics.

Results and Discussion

The instrument trial phase was conducted on 25 respondents and 80 item statement numbers. The validity test results for each variable at the trial stage can be seen, namely that there are invalid item numbers in variables (X) 2,5,9,15,22,23 and variable (Y) invalid item numbers, namely 48.72 and 79. These item numbers can be declared invalid because by comparing r tables on 25 respondents, a significance level of 0.05 is 0.3961. So the invalid data variables (X) and (Y) total 9 item numbers, and the invalid numbers are declared discarded. The second stage of the test instrument consisted of 71 question items for 122 respondents.

Table 1. Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.968	80

The reliability test results table above shows that the research instrument for service quality and customer satisfaction variables is reliable because the alpha value is more significant than 0.05. The Reliability Analysis Scala (Alpha) results using the IBM SPSS Statistics 22 program produce an alpha of 0.968 because $p > 0.05$ means the measuring instrument is declared reliable. This shows that this research instrument meets the requirements to be a measuring tool that can be used repeatedly. Based on the data analysis and hypothesis testing, it has been found that there is a positive and significant influence between service quality and customer satisfaction. The hypothesis testing results show that this study's hypothesis is acceptable. This means that research data support the assumptions underlying the theoretical assessment explained in the effect of service quality on customer satisfaction at the local brand Elizabeth in Bandar Lampung.

Normality test

Output results in the *One-Sample Kolmogorov Smirnov column* can be seen that the significant value for service quality is 0.713 and customer satisfaction of 0.500; it is concluded that the data population obtained from the distribution of instruments in the form of questionnaires is normally distributed or H_a is accepted.

Table 2. Normality Test

One-Sample Kolmogorov-Smirnov Test			
		X	Y
N		122	122
Normal Parameters ^a	Means	110.1393	116.5656
	Std. Deviation	11.87282	13.2969
Most Extreme Differences	Absolute	.063	.075
	Positive	.065	.075
	Negatives	-.050	-.045
Kolmogorov-Smirnov Z		.899	.994
Asymp. Sig. (2-tailed)		.713	.500
a. Test distribution is Normal.			

Homogeneity Test

The homogeneity test results from *the output test of homogeneity variance* between service quality and customer satisfaction are 0.137. These results indicate the significant value of service quality on customer satisfaction $0.334 > 0.05$. It can be said that the two data have normal *homogeneity*.

Table 3. Homogeneity Test

Test of Homogeneity of Variances			
Significant service quality on customer satisfaction			
Levene Statistics	df1	df2	Sig.
	1	242	.334
.900			

Simple Regression Analysis

Table 4. Regression Equation Output

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	-. 2,096	3,093		-.678	.499
	X	.1,077	.028	.962	38,586	.000

a. Dependent Variable: Y

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The coefficients are obtained by a constant value of -2,096, meaning that if the quality of service (X) is 0, customer satisfaction (Y) has a positive value of -2,096. Regression coefficient on the service quality variable (X) of 1,077 means if the quality of service experience an increase or development, the variable customer satisfaction (Y) will increase by 1.077 with the regression equation.

Table 5. The output of ANOVA analysis

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5196010	1	5196010	59,867	.000 ^a
	residual	2864.161	33	86,793		
	Total	8060.171	34			

a. Predictors: (Constant), X
b. Dependent Variable: Y

Based on the ANOVA output, the calculated F value is 59,867 and is significant at 0.000, so there is no need to match Table F because SPSS has facilitated it with a considerable discount. Implementing the results, namely a significant 0.000 < 5%, means that H_0 is rejected and H_a is accepted. It implies service quality influences customer satisfaction.

Table 6. Residual Statistik

Residuals Statistics ^a					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	92.7132	170.2842	1.165	12.79148	122
Residual	-6.58194	9.43568	.0000	3.63150	122
Std. Predicted Value	-1.865	4.200	.000	1.000	122
Std. Residual	-1.805	2.588	.000	.996	122

a. Dependent Variable: Y

The minimum residue of service quality and customer satisfaction is -6.58194, the maximum value is 9.43568, the mean value (*mean*) is 0.000, and the *standard deviation* is 3.63150 with 122 respondents.

Table 7. Coefficient of determination R Square (model summary)

Summary Model ^b				
Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.962 ^a	.925	.925	3.64660

a. Predictors: (Constant), X
b. Dependent Variable: Y

The correlation value (R) between the service quality variable (X) and the subject variable (Y) is 0.962. This value means that the relationship between the two variables tested is included in the extreme category. The R-squared value or the coefficient of determination shows how well the interaction of the independent and dependent variables forms the regression model. The coefficient of determination value obtained is 0.925. This shows that independent variables influence 93% of the related variables, and the remaining 7% are influenced by other factors unrelated to the research. Thus it can be explained that the service quality variable (X) has a 93% contribution to the customer satisfaction variable (Y).

The results of the data analysis show that the better the quality of service, the better the level of customer satisfaction. The study results accurately establish a significant relationship between the service quality variable and the local brand Elizabeth customer satisfaction in Bandar Lampung. If t is the number of tables, the criterion for testing the hypothesis is to reject H_0 , and vice versa. For the t distribution, use $dk = (n-2)$ and $\alpha = 0.05$. Based on data analysis, t count = 38,586, and -0.678 for t^{table} with $n = 122$ and $\alpha = 0.05$. It can be seen that t count $> t$ table ($38.586 > -0.678$) or sig ($0.000 < 0.05$), so it can be concluded that H_0 is rejected and H_a is accepted, so there is a relationship between customer satisfaction and local brand Elizabeth.

Conclusions, Limitations, & Recommendations

Based on the research and discussion regarding the effect of service quality on customer satisfaction at the local brand, it can be concluded that there is a positive and significant influence between service quality on customer satisfaction. The coefficient of determination value obtained is 0.925. This shows that independent variables influence 93% of the related variables, and the remaining 7% are influenced by other factors unrelated to the research. Thus it can be explained that the service quality variable (X) has a 93% contribution to the customer satisfaction variable (Y). The results of this research show that there is a positive and significant influence between service quality and customer satisfaction. Therefore, it is necessary to formulate implications in this regard. The study results show that service quality's effect on customer satisfaction is very significant. This study implies that service quality plays an essential role in customer satisfaction. With its increasing popularity, service quality has become a crucial channel in marketing strategy to increase brand awareness, sales, and customer satisfaction. The results of this study have a significant impact on the context of life. In the process of data collection, the information provided by respondents through questionnaires sometimes did not address the actual opinions of respondents; this happened because sometimes different thoughts, assumptions, and understandings were different for each respondent, as well as other factors such as the honesty factor in filling out the respondents' opinions and the questionnaire. Respondents' limited time in filling out the questionnaire. The results of this study indicate the influence of service quality on customer satisfaction. The researcher realizes there are still deficiencies in this study, so the researcher gives suggestions: this research is expected to provide a good picture so readers can find out the quality of service on customer satisfaction. Future researchers are expected to be able to develop and measure each of these variables in more depth and improve existing research supported by the latest information, following what is experienced so that the benefits and results of the research can be felt directly by researchers and readers.

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