

UDC 331

## THE ROLE OF SATISFACTION IN MEDIATING THE EFFECT OF SERVICE QUALITY AND TRUST ON WORD OF MOUTH

Ermayanthi Luh Ayu Alita\*, Setiawan Putu Yudi

Faculty of Economics and Business, Udayana University, Denpasar, Bali, Indonesia

\*E-mail: [alitaerma@gmail.com](mailto:alitaerma@gmail.com)

### ABSTRACT

Managing marketing communications properly is one of the activities of business mogul in achieving their goals because marketing communication serves as a liaison between entrepreneurs and consumers themselves. The number of gold jewelry entrepreneurs causes the competition between jewelry stores to get tougher. Sari Logam Jewelry Store faces a major challenge, namely building word of mouth communication to its customers, this is because recommendations from customers are usually considered more trustworthy than promotional activities originating from the company and can greatly influence the decisions of others. This research uses an associative quantitative approach. The population of this study were people who had bought gold jewelry at the Sari Logam Gianyar. The sampling technique in this research is purposive sampling. The sample size taken in the study was 130 respondents. The data analysis technique used is PLS and VAF. The results of this study are service quality and trust have a positive and significant effect on word of mouth. Customer satisfaction has a positive and significant effect on word of mouth. Customer satisfaction partially mediates the relationship between service quality and word of mouth and trust in word of mouth. The implication of this research can complement the marketing literature and add new knowledge about the evaluation of the relationship model of four variables, namely service quality, trust, customer satisfaction and word of mouth in the jewelry sales business. Sari Logam Gold shop needs to pay attention to things that can foster a positive word of mouth attitude from customers, such as providing convenience and comfort in transactions, building a sense of customer trust and increasing customer satisfaction so that customers tell the advantages of Sari Logam to their closest people.

### KEY WORDS

Service quality, trust, satisfaction, word of mouth.

The development of the Indonesian economy is growing rapidly, thus encouraging high competition in the business world. Times and technology are increasingly advanced, pushing business competition to become tighter due to the large number of businesses operating in the same field, thus triggering many obstacles and challenges that must be faced by entrepreneurs today. Managing marketing communications properly is one of the activities of entrepreneurs in achieving their goals because marketing communication serves as a liaison between entrepreneurs and consumers themselves. One of the important communication tools is word of mouth or word of mouth marketing. Research conducted by Nielsen, said that about 88% of the most trusted sources of marketing or advertising communications in Southeast Asia came from consumer word of mouth.

One of the businesses or industries that is growing rapidly recently is gold jewelry. Indonesia is a lucrative market for the jewelry industry in Southeast Asia due to the large number of middle class with adequate income. According to Nurdiyana (2013) gold jewelry is loved by the public because buying gold jewelry is a form of investment where the value is relatively stable and tends to increase in price. Buying gold jewelry has become a culture in Indonesian society because since ancient times all levels of society have been taught to buy gold as a protective asset when they need funds. The Euromonitor International study revealed that the domestic jewelry industry is predicted to grow 7.8 percent in 2016-2021. According to World Gold Council data, Indonesia's gold demand for jewelry increased 8.6% to 41.9 tons in 2018. This number is in sixth place as the country with the world's largest gold

demand after Russia ([www.databoks.katadata.co.id](http://www.databoks.katadata.co.id), 2020).

The large number of gold jewelry businessmen causes the competition between jewelry stores to be tighter, especially in the Gianyar area which is one of the centers for providing gold jewelry crafts in Bali. One of the retail businesses that sells gold jewelry in Gianyar is the Sari Logam Gold Shop, which is located at the Gianyar Public Market. The business provides a variety of jewelry products ranging from various shapes and models that are currently trending. Jewelry is included in the category of luxury goods so that in deciding to buy, consumers will tend to be more considerate and rely on recommendations from those closest to them. Sari Logam Gold shop Jewelry Store faces a major challenge, namely building word of mouth communication from its customers, this is because recommendations from customers are usually considered more trustworthy than promotional activities originating from the company and can greatly influence the decisions of others. Creating positive word of mouth is done by entrepreneurs by convincing potential consumers that the products offered are of high quality so that they are worthy of being made into news. Widagdo's research (2011) explains that currently product quality and price are no longer the main thing in making purchasing decisions, such as gold jewelry trading businesses which mostly sell product variants and prices are relatively not much different. Gold jewelry store managers don't just stop focusing on producing jewelry products, but also need to create a word of mouth attitude from customers so that other consumers can find out a picture of a jewelry store that is suitable and comfortable to visit.

There is a case where there is a negative word of mouth attitude through social media where one of the customers of the Sari Logam Gianyar Gold Shop submits a complaint by making a status on his Facebook account with harsh words and giving a bad assessment to affect the ratings of other customers who are already loyal to the shop. This is due to complaints that are felt from the Sari Logam Gold shop service and feel that the store does not fulfill its promise when buying and selling transactions again. The account status also led to many comments from several customers who also submitted their complaints because they were not satisfied with the store's services. Some of the customer complaints that were conveyed in this status were the lack of friendliness of store employees in serving consumers, the store was not too large so it was a bit crowded during transactions, there was no large enough waiting room, some new gold models were still stored and not displayed in the window so they had to be ask the store clerk first, and the letter of guarantee is sometimes not clear in writing.

The results of a pre-survey conducted on customers of the Sari Logam Gianyar Gold Shop also show that there are still many complaints from customers who experience inadequate service quality and a lack of trust from customers, thus making customers feel dissatisfied with buying and selling gold jewelry at Sari Logam Gold shop.

This survey was conducted randomly from 30 respondents who had made transactions at the Sari Logam Gold shop , Gianyar. The services provided by the store such as politeness and friendliness of the employees to customers to make customers feel comfortable, but there are 10% of customers experiencing poor service quality from both employees and managers. The remaining 40% said the quality of service was good and 50% said the quality of service provided was still standard. A high level of customer trust is 20%, low trust is 20% and trust is quite standard 60%. Some customers who are still dissatisfied with the services of the Sari Logam Gold shop said that the product information received was sometimes still unclear and difficult to understand, and there were still many customers who doubted the truth of the contents of the guarantee letter given because the Sari Logam Gold shop was not computer-based, so in the case of writing a letter of guarantee, the risk of error is greater than that which has been integrated into a system. Most of the customers of Toko Sari Logam also demand guarantees from the store, who are willing to be responsible for providing convenience during resale transactions, such as the product will still be accepted if the guarantee letter is lost and a discount is given that is not too high or is harmed when selling the jewelry again. Word of mouth communication in the marketing of a trading business is very important in the development of its business because of the existence of sustainable gold buying and selling transactions so that Sari Logam Gold shop is required to

improve service quality, especially in serving consumer needs and being more informative and fostering a sense of consumer confidence to carry out transactions. buying and selling jewelry at the store in order to produce a satisfaction from the customer which will lead to a positive word of mouth attitude from customers to other consumers.

Service quality is the basic reason that is important for customers to adopt a word of mouth attitude. Service is said to be of high quality if the services provided are able to meet the needs and desires of consumers. When the quality of service provided is in accordance with customer expectations, of course customers will think about doing a positive word of mouth attitude (Prasetyo, 2017).

The higher the level of service quality provided by the company, the occurrence of positive word of mouth attitudes from customers. This is reinforced by the results of a study conducted by Giovanis et al. (2013), Nikookar et al. (2015), Rifky (2015), Liu and Lee (2016) state that service quality has a significant positive effect on word of mouth attitudes. In contrast to the research results of Yee and Faziharudean (2010), Saputro (2012), Destari (2012) stated that service quality has no significant effect on word of mouth attitudes. The trust that customers have is one of the foundations of a business. Trust is an awareness and feeling owned by customers to trust a company and is used by service/goods providers as a tool to establish long-term relationships with customers Diza et al. (2016).

Trust is a belief that the statements of the other party can be relied on to fulfill their obligations. Trust will increase if the information received is judged to be accurate, relevant, and complete. This is reinforced by the research conducted by Rahayu (2011), Nguyen et al. (2013) and Chaipopopirutana (2014) state that consumer trust has a significant positive effect on word of mouth attitudes. On the other hand, there are still different research results conducted by Widiyanto and Toro (2012), Leonard et al. (2014), and Santi (2018) state that consumer trust has no significant effect on consumer loyalty. Loyalty is associated with word of mouth because each has the same attributes, namely referring others, loyal customers will recommend and have positive experiences about products and services from the company to their colleagues or other customers, so that they do not buy products and services from other companies.

Service quality and trust are one of the most important keys to establish good relationships with consumers and are also the most important variables in building long-term relationships between one party and another so that consumer behavior will arise to do positive word of mouth. Based on previous research, there are still inconsistencies from the results of previous studies. These contradictory results form a gap to build a research framework with other variables as variables that link service quality and trust with word of mouth, namely adding the customer satisfaction variable as an intervening variable. Consumer satisfaction is a condition that will occur if the desires, needs and expectations of consumers for a product or service can be fulfilled as expected.

Consumer satisfaction will be achieved if the quality of service provided is felt to meet expectations and there is a high sense of trust from the customer (Laely, 2016). Kotler and Keller (2016) found that higher customer satisfaction tends not only to make these customers stay and loyal to the product but also customers will talk about good things about the company and its products to others. Satisfied consumers will of course have a good effect on the company because it will indirectly encourage them to convey positive information to the people around them for their satisfaction in using a product so that it can lead to a positive word of mouth (WOM) attitude. This word of mouth will later be useful as a medium for companies to further increase their sales on the basis of experiences from previous customers.

Based on the description of the phenomenon that occurs, it is stated that the problem of this research was carried out at the Sari Logam Gold shop , Gianyar. This consideration is expected to be able to assist the company in retaining and increasing the number of customers by building positive word of mouth from its customers.

In addition, this concept is carried out to assist entrepreneurs in providing quality services and foster a sense of customer trust in the Sari Logam Gold shop so that it can influence the interest of other consumers to participate in buying and selling transactions at the store. In

accordance with the purpose of this study, namely to determine the role of satisfaction in mediating service quality and trust in word of mouth, the conceptual framework can be described as follows:

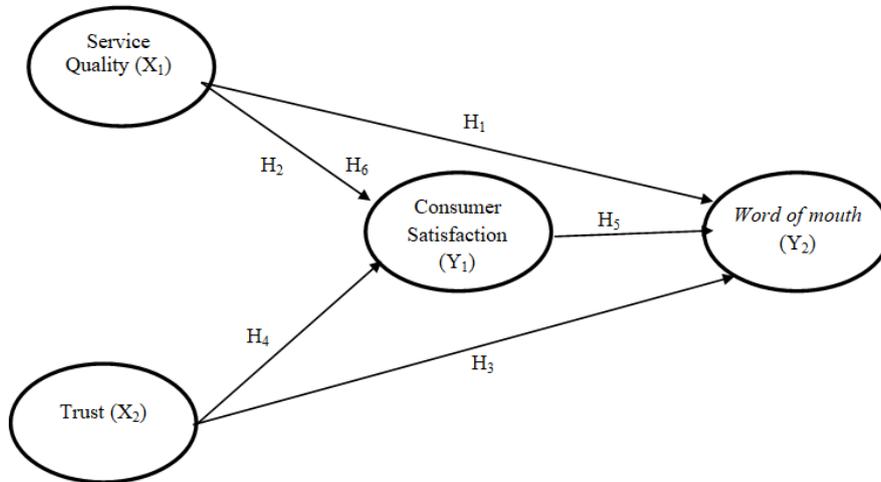


Figure 1 – Conceptual Framework

Source: Yee and Faziharudean (2010), Rahayu (2011), Hidayat et al., (2015)

- H1: Service quality has a positive and significant effect on word of mouth;
- H2: Service quality has a positive and significant effect on satisfaction;
- H3: Customer trust has a positive and significant effect on word of mouth;
- H4: Customer trust has a positive and significant effect on customer satisfaction;
- H5: Customer satisfaction has a positive and significant effect on word of mouth;
- H6: Customer satisfaction is able to mediate the effect of service quality on WOM;
- H7: Customer satisfaction is able to mediate trust in word of mouth.

## METHODS OF RESEARCH

This study was analyzed using quantitative methods that are associative. The quantitative data comes from the results of the answer scores given by the respondents from the question items contained in the questionnaire. This study analyzes and explains the effect of service quality and trust on word of mouth mediated by customer satisfaction. The sampling technique in this research is purposive sampling. The data collection technique was in the form of distributing questionnaires to customers who had bought gold jewelry at the Sari Logam Gold shop Gianyar Store. The population of this study were people who had bought gold jewelry at the Sari Logam Gianyar Gold Jewellery Shop. According to Sekaran (2011), a good sample size for filling out the questionnaire is based on 5-10 times the number of indicators. The number of indicators in this study were 26 indicators, so the appropriate sample size used in this study was 130 to 260 respondents. The number of samples to be taken in the study were 130 respondents. Data analysis in this study used the Partial Least Square (PLS) approach.

## RESULTS AND DISCUSSION

Based on the results of the questionnaire distribution, showing gender, it appears that there are more female respondents, namely 69.2 percent. This information indicates that women are more likely to have the intention to purchase gold at the Sari Logam Gold shop Gianyar Store. In terms of age characteristics, the respondent's age range from 35 to 42 years and the age range from 43 years to 50 years has the highest number, namely 34.62 percent. This indicates that respondents who are classified as adults aged 35 to 50 years have the intention to buy and visit gold shops more often than those aged 27 to 34 years.

Based on the characteristics of the latest education, it appears that respondents who have the last education of S1 more than 26.2 percent. This indicates that respondents tend to have a good education so they can decide to buy gold and/or visit a gold shop. Based on job characteristics, it appears that respondents with self-employed jobs have the largest number, namely 44.6 percent. This indicates that entrepreneurs tend to visit gold shops more often than others. Based on the characteristics of respondents with an income of IDR 6,000,001 to IDR 9,000,000, the highest number is 53.8% percent, this indicates that respondents with an income of IDR 6,000,001 to IDR 9,000,000 tend to visit gold shops more often and can think and decide. to buy gold, other than as jewelry can be as savings for investment in the future. The assessment of the model with PLS begins by looking at the R-square for each dependent latent variable.

Table 1 – R-Square

| Variable     | R Square |
|--------------|----------|
| Satisfaction | 0.507    |
| WOM          | 0.768    |

Source: Data processed, 2021.

Table 1 shows the R-square value of the satisfaction variables 0.507 and WOM 0.768. The higher the R-square value, the greater the ability of the exogenous variable to be explained by the endogenous variable so that the better the structural equation. The satisfaction variable has an R square value of 0.507 which means that 50.7% of the variance in service quality and trust can be explained by the satisfaction variable while the rest is explained by other variables outside the research model. The WOM variable has an R-square value of 0.768 meaning 76.8% variance in service quality, trust and satisfaction can be explained by the WOM variable while the rest is explained by other variables outside the research model.

The significance of the estimated parameters provides very useful information about the relationship between the research variables. The basis used in testing the hypothesis is the value contained in the output result for inner weight. Table 2 provides the estimated output for structural model testing.

Table 2 – Result for Inner Weight

*Direct Effect Result*

| Variable                       | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ( O/STDEV ) | P Values |
|--------------------------------|---------------------|-----------------|----------------------------|--------------------------|----------|
| Service Quality → WOM          | 0.296               | 0.291           | 0.105                      | 2.811                    | 0.005    |
| Service Quality → Satisfaction | 0.425               | 0.417           | 0.097                      | 4.383                    | 0.000    |
| Trust → WOM                    | 0.295               | 0.291           | 0.086                      | 3.416                    | 0.001    |
| Trust → Satisfaction           | 0.337               | 0.347           | 0.086                      | 3.910                    | 0.000    |
| Satisfaction → WOM             | 0.394               | 0.400           | 0.108                      | 3.648                    | 0.000    |

Source: Data processed, 2021.

Table 3 – Indirect Effect Result

|                                      | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics ( O/STDEV ) | P Values |
|--------------------------------------|---------------------|-----------------|----------------------------|--------------------------|----------|
| Service Quality → Satisfaction → WOM | 0.168               | 0.170           | 0.069                      | 2.419                    | 0.016    |
| Trust → Satisfaction → WOM           | 0.133               | 0.140           | 0.054                      | 2.465                    | 0.014    |

Source: Data processed, 2021.

Table 4 – Variance Accounted For (VAF)

| Variable's effect              | Direct effect | Indirect Effect | Total Effect | VAF   |
|--------------------------------|---------------|-----------------|--------------|-------|
| Service Quality → WOM          | 0.296         | 0.168           | 0.464        | 0.362 |
| Service quality → satisfaction | 0.425         | -               | 0.425        |       |
| Trust → WOM                    | 0.295         | 0.133           | 0.428        | 0.311 |
| trust → satisfaction           | 0.337         | -               | 0.337        |       |
| satisfaction → WOM             | 0.394         | -               | 0.394        |       |

Source: Data processed, 2021.

VAF is a measure of how much the mediating variable is able to absorb the previously significant direct effect of the unmediated model. If the VAF value is above 80%, it can be declared fully mediating, and if the value is between 20% and 80%, it can be categorized as partial mediation, but if the VAF is less than 20% it can be concluded that there is almost no mediating effect. Based on the results from Table 5.14, it is obtained that VAF for satisfaction testing as a mediator of the relationship between trust in word of mouth and the relationship between service quality and word of mouth is worth between 20% to 80%, namely 31.1% and 36.2% so that it can be categorized as mediating. partially.

### **The Effect of Service Quality on Word of Mouth**

The results of data analysis show that service quality has a positive and significant effect on word of mouth. This means that the better the quality of service provided by the Sari Logam Gold shop to its customers, the more positive word of mouth occurs. The quality of service in this study consists of the dimensions of physical evidence, reliability, responsiveness, assurance, and empathy. The service provided by the Sari Logam Gold shop to its customers is highly optimized because Sari Logam Gold shop has adequate equipment such as reliable scales, so that there is a positive word of mouth attitude, namely customers encourage other people to carry out buying and selling transactions for gold jewelry at the Sari Logam Gold shop. The results of this study are in accordance with Nikookar et al. (2015) states that service quality is one of the variables that can affect word of mouth. His research states that the quality of service positively affects the tendency of customers to do word of mouth attitude. The perception of the company's service quality that is higher than consumer expectations will create a positive word of mouth. Yee and Faziharudean (2010) in their research found that service quality has a positive effect on loyalty and positive word of mouth attitudes. Based on research by Setyawati (2012), Giovanis et al. (2013), and Liu and Lee (2016) show that service quality has a significant influence on word of mouth. The conclusion from previous research is that to create word of mouth by customers, entrepreneurs must improve the quality of services provided so as to encourage customers to adopt a positive word of mouth attitude.

### **The Effect of Service Quality on Satisfaction**

The results of data analysis show that service quality has a positive and significant effect on customer satisfaction. This means that the better the quality of service provided by the Sari Logam Gold shop to its customers, the higher the customer satisfaction that occurs. The quality of service in this study consists of the dimensions of physical evidence, reliability, responsiveness, assurance, and empathy. The service that the Sari Logam Gold shop provides to its customers is optimized as well as possible because Sari Logam Gold shop has equipment such as scales that are trusted and meet customer expectations in buying and selling gold jewelry, this is able to increase customer satisfaction at the Sari Logam Gold shop. Theoretically, when the service provided is able to meet or exceed the expectations or expectations of consumers, the customer will feel satisfied. The results of this study are in accordance with research conducted by Saintz (2018) which states that service quality has a positive and significant effect on consumer satisfaction at fast food restaurants in Surabaya. This means that the study states that if the quality of service is improved, then customer satisfaction will also increase. Puspitasari (2011) states that service quality has a significant positive effect on customer satisfaction, so it can be concluded that the higher the service quality, the higher the customer satisfaction. Based on research by Akbar and Parvez (2011), Malik (2012), Putro et al. (2014), and Saintz (2018) show that service quality has a significant influence on customer satisfaction. The conclusion from previous research is that to increase customer satisfaction, companies must improve the quality of services provided.

### **The Effect of Belief on the Word of Mouth**

The results of data analysis show that trust has a positive and significant effect on word of mouth. This means that the more customer trust in the Sari Logam Gold shop there is positive word of mouth. Trust in this study consists of the dimensions of integrity, kindness

and competence. The integrity of the Sari Logam Gold shop in providing correct information to customers can form positive word of mouth that influences Sari Logam Gold shop customers to invite other people to make transactions at the Sari Logam Gold shop. This is in accordance with the research results of Rahayu's study (2011) showing where consumer trust has a significant influence in the formation of word of mouth so that the higher the sense of trust that consumers have, the more word of mouth attitudes appear from these consumers. Trust is a belief caused by other people so that it causes an action from oneself which can be in the form of cognitive, affective, or conative. Based on research by Riana (2008), Ismail et al. (2012), Chandio et al. (2015) shows that trust has a significant influence on word of mouth attitudes. The conclusion from previous research is to form a positive word of mouth attitude from customers, companies must foster a sense of trust from customers. It can be said that the higher the trust held in a company, the higher the customer's desire to carry out a positive word of mouth attitude.

### **The Effect of Trust on Customer Satisfaction**

The results of data analysis show that trust has a positive and significant effect on customer satisfaction. This means that the more customer confidence in the Sari Logam Gold shop, the better customer satisfaction that occurs. Trust in this study consists of the dimensions of integrity, kindness and competence. The integrity of the Sari Logam Gold shop in providing correct information to customers can increase customer satisfaction so that it meets customer expectations when making transactions, this is able to increase customer satisfaction at Sari Logam Gold shop stores. Customer trust is defined as a thought, feeling, emotion, or behavior that is manifested when customers feel that the provider can be relied on to act in their best interests when they give up direct control (Leninkumar, 2017). This is in accordance with the research of Bricci et al. (2016) who examined customers from the cleaning and professional cleaning products sector at Viseu Portugal showed that customer trust has a direct positive effect on customer satisfaction in the distribution sector in Portugal. Based on the research of Diza et al. (2016) and Gul (2014) show that trust has a significant influence on the level of customer satisfaction. The conclusion from previous research is that to increase the incidence of customer satisfaction, companies must increase and foster a high sense of trust from customers. It can be said that the higher the trust held in the company, the higher the customer satisfaction that will be felt.

### **The Effect of Customer Satisfaction on Word of Mouth**

The results of data analysis show that satisfaction has a positive and significant effect on word of mouth. This means that the higher the customer satisfaction of the Sari Logam Gold shop, the positive word of mouth attitude occurs. Satisfaction in this study consists of dimensions of conformity to expectations, perceived performance, and customer ratings. The services provided by the Sari Logam Gold shop in conducting transactions can meet customer expectations and needs so as to realize positive word of mouth which will later influence Sari Logam Gold shop customers to make buying and selling transactions at the Sari Logam Gold shop. The results of this study are in accordance with the research of Pranastiti (2012), Saputro (2012), and Saraswlandari and Santika (2013) which show that customer satisfaction has a significant influence on the emergence of word of mouth attitudes from customers. The conclusion from previous research is to realize a positive word of mouth attitude from customers, companies must improve and grow customer satisfaction. It can be said that the higher the satisfaction felt by the customer towards a company, the higher the desire to do a positive word of mouth attitude from the customer.

### **The Role of Customer Satisfaction in Mediating the Effect of Service Quality on the Word of Mouth**

The results of data analysis indicate that customer satisfaction can mediate the effect of service quality on word of mouth. This means that the quality of service perceived by customers and supported by the satisfaction felt by customers will encourage word of mouth attitudes. When Sari Logam Gold shop customers feel that the quality of service provided by

the Sari Logam Gold shop is very good, such as providing reliable weighing tools and supported by customer satisfaction, such as meeting customer expectations and needs when making transactions at Sari Logam Gold shop , this will encourage word of mouth. where later customers will encourage other people to participate in transactions at the Sari Logam Gold shop store. The results of this study are in accordance with the results of research conducted by Hidayat (2015) proving that service quality is the most dominant factor in increasing customer satisfaction, which in the end will indirectly increase the loyalty of growing word of mouth attitudes. The results of research by Rigopoulou et al. (2008) concluded that service quality has a significant effect on customer satisfaction, and then customer satisfaction has a significant effect on word of mouth so that customer satisfaction is able to mediate service quality on word of mouth. Yonika's research (2018) states that customer satisfaction is able to be a connecting variable between service quality and word of mouth, so that the higher the customer's perception of the perceived service quality, the higher the customer satisfaction which will ultimately foster a positive word of mouth attitude. from that customer. The conclusion from previous research is to increase the emergence of positive word of mouth attitudes from customers, companies must improve and grow customer satisfaction by providing good service quality.

### **The Role of Customer Satisfaction Mediates the Effect of Trust on the Word of Mouth**

The results of data analysis indicate that customer satisfaction can mediate the effect of trust on word of mouth. This means that the trust felt by the customer and supported by the satisfaction felt by the customer will encourage word of mouth. When the customer of the Sari Logam Gold shop feels that the Sari Logam Gold shop conveys information properly and correctly and is supported by customer satisfaction such as the fulfillment of customer expectations and needs when making transactions at the Sari Logam Gold shop , this will encourage positive word of mouth where the customer will will encourage other people to make buying and selling transactions at the Sari Logam Gold shop. Customer trust is closely related to customer satisfaction. The results of this study are in accordance with the results of research conducted by Hidayat (2015) proving that trust is one of the most dominant factors in increasing customer satisfaction, which in the end will indirectly increase the loyalty of growing word of mouth attitudes. The results of research conducted by Bricci et al. (2016) show that customer trust has a direct positive effect on satisfaction. Rahayu's study (2011) in his article shows that consumer satisfaction has a significant influence in the formation of customer loyalty, where there is a satisfaction relationship that is influenced by customer trust in word of mouth communication so that the higher the sense of trust felt by consumers in a company, the higher the trust. customer satisfaction which in turn will foster a positive word of mouth attitude from these customers. Research conducted by Ranaweera and Prabhu (2013) states that the high sense of trust possessed by customers affects the level of perceived satisfaction so that it has an effect on encouraging customers to make positive comments so that consumer satisfaction is able to mediate the influence of trust on word of mouth. Research conducted by Wijayanti (2016) states that customer satisfaction is able to be a connecting variable between trust in word of mouth, so that the higher the customer's sense of trust in the expectations he wants is achieved, the greater the perceived customer satisfaction so that in the end it will foster a word of mouth attitude. positive of mouth from the customer. The conclusion from previous research is to increase the emergence of positive word of mouth attitudes from customers, companies must improve and grow customer satisfaction by strengthening the sense of trust held by customers.

## **CONCLUSION**

Service quality has a positive and significant effect on word of mouth. This means that the better the quality of service provided by the Sari Logam Gold shop to its customers, the more positive word of mouth occurs from customers. Service quality has a positive and significant effect on customer satisfaction. This means that the better the quality of service provided by the Sari Logam Gold shop to its customers, the higher the satisfaction felt by the

customer. Trust has a positive and significant effect on word of mouth. This means that the higher the trust that the Sari Logam Gold shop customers have, the more positive word of mouth will occur from customers. Trust has a positive and significant effect on customer satisfaction. This means that the higher the trust that the Sari Logam Gold shop customer has, the higher the satisfaction felt by the customer. Satisfaction has a positive and significant effect on word of mouth. This means that the higher the satisfaction felt by the Sari Logam Gold shop customers, the more positive word of mouth occurs from customers. Customer satisfaction can mediate the effect of service quality on word of mouth. This means that the better the quality of service felt by customers and supported by the high satisfaction felt by customers, it encourages positive word of mouth. Customer satisfaction can mediate the effect of trust on word of mouth. This means that the higher the level of trust held by customers and supported by the satisfaction felt by customers, it encourages positive word of mouth.

Based on the conclusions that have been described, the suggestions that can be given are for the company. Based on the service quality variable, the indicator that gets the lowest score is "Sari Logam serves me in a friendly manner", so what can be suggested to the Sari Logam Gold shop is that the store should be an employee and the owner always provides good service, from greeting the first time to after sales service. Because even when that person visits the Sari Logam Gold shop store, they don't make buying and selling transactions, it also affects the word of mouth that will arise later. Based on the trust variable, the indicator that has the lowest value is "I believe Sari Logam Gold shop can respond to customer complaints", this needs to be considered by the Sari Logam Gold shop to always listen more to various customer complaints and be able to overcome all complaints when buying and selling transactions at the Sari Logam Gold shop and is always responsible to its customers, so this will help in building positive word of mouth related to the Sari Logam Gold shop. Based on the satisfaction variable, the lowest indicator is "I feel satisfied after buying and selling jewelry at Sari Logam Gold shop Gianyar", the satisfaction of a customer must always be considered, a customer's satisfaction can come from the quality of service and the level of trust that the customer has, the Sari Logam Gold shop should pay more attention to customer satisfaction, both when conducting transactions and/or after sales, so as to help generate positive word of mouth for customers in the future. Based on the word of mouth variable, the indicator with the lowest value is "I will tell other people about the advantages of trading at Sari Logam Gold shop ". A customer will be said to give positive word of mouth if he tells his shopping experience at a place and can encourage other people to do shopping at the previously recommended places, this needs to be considered by the Sari Logam Gold shop store by providing good service, building a sense of customer trust and increasing customer satisfaction will assist customers in telling the advantages of making transactions at the Sari Logam Gold shop store. For further research, it is expected to add other variables that might affect word of mouth such as company image and perceived value. Further research can compare word of mouth on similar products at two different companies or in different demographics.

## **REFERENCES**

1. Agia, M.I. 2014. Studi Mengenai Gambaran Aspek-aspek Brand Image Kosmetik Organik Jenis Skin Care Merek The Body Shop pada Mahasiswi Universitas Padjadjaran. Jurnal. Fakultas Psikologi Universitas Padjadjaran, Bandung.
2. Akbar M.M and Parvez. 2011. Impact of Service Quality, Trust, and Customer Satisfaction Loyalty. ABAC Journal. Vol. 29, No.1, pp. 24-38.
3. Anuwichanont, J., and Mechinda, P. 2009. The Impact Of Perceived Value On Spa Loyalty and Its Moderating Effect of Destination Equity. Journal of Business & Economics Research. Vol. 7, No. 12, pp. 73-90.
4. Ardani, W. and Suprapti, N.W.S. 2012. Pengaruh Kualitas Pelayanan Terhadap Kepuasan and WOM (Pada RSUD Wangaya Denpasar). E-Jurnal Manajemen Universitas Udayana. Vol.1 No.2

5. Assalafy, A. 2019. "Pengaruh Islamic Banking Service Quality, Trust and Customer Value Terhadap Kepuasan Nasabah (Studi Kasus Pada Bank Muamalat Indonesia Di Tangerang Selatan)". Skripsi. Fakultas Ekonomi and Bisnis, Universitas Islam Negeri Syarif Hidayatullah Jakarta.
6. Bilson, S. 2001. *Memenangkan Pasar dengan Pemasaran Efektif and profitable*. Edisi Pertama. Jakarta: PT. Gramedia Pustaka Utama
7. Bricci, L., Fragata, A., and Antunes, J. 2016. The effects of trust, commitment and satisfaction on customer loyalty in the distribution sector. *Journal of Economics, Business and Management*, 4(2), 173–177.
8. Chandio, Z.U., Qureshi, M. A. and Ahmed,S. 2015. Brand Trust, Customer Satisfaction and Brand Loyalty – A Cross Examination. *Journal of Business Strategies*, Vo. 9, No. 1, pp. 63 – 82..
9. Danesh, S. N., Nasab, S. A., and Ling, K. C. 2012. The study of customer satisfaction, customer trust and switching barriers on customer retention in malaysia hypermarkets. *International Journal of Business and Management*, 7(7), 141–150.
10. Destari, F. 2012. Dampak upaya relasional and kualitas pelayanan terhadap wom positif melalui outcome relational retail skala besar di Jember. *Jurnal STIE Mahardika Vol. 10 No 3*
11. Diza, F., Moniharapon, S., and Ogi, I. W. J. 2016. Pengaruh kualitas pelayanan, kualitas produk and kepercayaan terhadap kepuasan konsumen (studi pada PT fifgroup cabang manado). *Jurnal EMBA*, 4(1), 109–119.
12. Giovanis, A. N., Tomaras, P., and Zondiros, D. 2013. Suppliers logistics service quality performance and its effect on retailers' behavioral intentions. *ProcediaSocial and Behavioral Sciences*, 73, 302- 309.
13. Gul, R. 2014. The relationship between reputation, customer satisfaction, trust, and loyalty. *Journal of Public Administration and Governance*, 4(3), 368–387
14. Haghghi, M., Dorosti, A., Rahnama, A. and Hoseinpour, A. 2012. Evaluation of factors affecting customer loyalty in the restaurant industry. *African Journal of Business Management*. Vol. 6, No. 14, pp. 5039-5046.
15. Hasan, Ali. 2013. *Marketing and Kasus-Kasus Pilihan*. PT. Buku Seru. Jakarta
16. Hidayat, R., Akhmad, S., Machmud. 2015. Effects Of Service Quality, Customer Trust And Customer Religious Commitment On Customer Satisfaction And Loyalty Of Islamic Banks In East Java. *Journal University of Trunojoyo, Department of Islamic Education, STI Al-Karimiyah*. Vol. VII No. 2, pp 151-164
17. <https://industri.kontan.co.id/news/industri-perhiasan-tumbuh-78>
18. Ismail R., C.L., Boye, and Muth, A. 2012. Customer Brand Relationship: An Empirical Study of Customer's Perception of Brand Experience, Brand Satisfaction, Brand Trust and How They Affect Brand Loyalty. Thesis. School of Business and Economics, Linnaeus University, Swedia.
19. John C. Mowen, Michel Minor. 2002. *Prilaku Konsumen (Jilid 1)*, Edisi Kelima, Erlangga, Jakarta
20. Kotler, P., and Armstrong, G. 2012. *Prinsip-prinsip Pemasaran*. Edisi. 13. Jilid 1. Jakarta: Erlangga.
21. Kotler, P., and Keller, K.L. 2016. *Marketing Managemen*. 15th Edition. Pearson Education,Inc.
22. Laely, N. 2016. Analisis pengaruh kepercayaan and harga terhadap loyalitas pelanggan dimediasi kepuasan pada pt. telkomsel di kota kediri. *Jurnal Ilmu Ekonomi & Manajemen*, 3(2), 61–74.
23. Leninkumar, V. 2017. The relationship between customer satisfaction and customer trust on customer loyalty. *International Journal of Academic Research in Business and Social Sciences*, 7(4).
24. Liu, C. H. S., and Lee, T. 2016. Service quality and price perception of service: Influence on word-of-mouth and revisit intention. *Journal of Air Transport Management*, 52, 42-54
25. Lupiyoadi, R., and Hamdani, A. 2006. *Manajemen Pemasaran*. Edisi Kedua. Jakarta: Salemba Empat.

26. Nguyen, N., Leclerc, A., and LeBlanc, G. 2013. The Mediating Role of Customer Trust on Customer Loyalty. *Journal of Service Science and Management*. Vol. 6, No. 1, pp. 96-109.
27. Nikookar, G., Rahrovy, E., Razi, S., and Ghassemi, R. A. 2015. Investigating influential factors on word of mouth in service industries: the case of Iran Airline company. *Procedia-Social and Behavioral Sciences*. Journal.177, 217-222.
28. Nurdiyana, S. 2013. Effect of Marketing Mix Decisions Against Buying Gold Jewelry In Gold Store Jaya In Samarinda. *E-Jurnal Ekonomi*
29. Pranastiti, W.2012. "Hubungan Antara Kualitas Produk and Kepuasan Konsumen dengan Word of Mouth Communication pada Mahasiswa Pengguna Blackberry di Universitas Surabaya".*Jurnal Ilmiah Mahasiswa Universitas Surabaya, Fakultas Psikologi*.Universitas Surabaya.
30. Pratiwi, N.P.L and Seminari, N.K. 2015. "Pengaruh Kualitas Pelayanan , Kepercayaan and Nilai Nasabah Terhadap Kepuasan Nasabah". *E-Jurnal Manajemen Unud*, Vol. 4, No. 5, 2015 : 1422-1433.
31. Rahayu, S. 2011. Internal Customer Satisfaction And Service Quality Toward Trust And Word Of Mouth. *Asean marketing journal*, Vol.III, No.2.
32. Rahmawati,D. 2015. Pengaruh Kualitas Pelayanan, Kualitas Produk and Promosi Terhadap Kepuasan Konsumen di Wedding Organizer (Studi kasus Pixtora Salon di Desa Gampengrejo Kabupaten Kediri). *Jurnal. Universitas Nusantara PGRI*.
33. Rahyuda, K. 2016. *Metode Penelitian Bisnis*. Udayana University Press:Bali
34. Ranaweera, C and Prabhu, J. 2013. The Influence of Satisfaction, Trust, and Switching Barriers on Customer Retention in a Continuous Purchasing setting.*International Journal of Service Industry Management*, 14(4), pp: 374-395.
35. Riana, G. 2008.Pengaruh Trust In A Brand Terhadap Brand Loyalty Pada Konsumen Air Minum Aqua Di Kota Denpasar. *Buletin Studi Ekonomi* Vol.13 No.2
36. Rifky,N. 2015. Pengaruh Kualitas Layanan Terhadap Word of Mouth (WOM) melalui Kepuasan Sebagai Variabel Intervening. *Jurnal Ilmu Manajemen*, 1 (1), 1-11
37. Sahanggamu, S., Mananeke, L., and Sepang, J. 2015. Analisis kualitas layanan, servicescape, and kepercayaan terhadap kepuasan nasabah pada pt bank sinarmas bitung. *Jurnal EMBA*, 3(1), 1084–1095.
38. Santi, A. 2018. "Analisis Pengaruh Kepercayaan and Nilai Jasa Terhadap Kepuasan Peserta Didik Pada Lembaga Pendidikan and Keterampilan Kharisma Banjarmasin". *Jurnal Ekonomi and Bisnis* Vol.11 No.1 Maret 2018.
39. Saraswulandari. K.I., and Santika, I.W. 2014. Keterlibatan Produk and Keterlibatan Situasional dalam Memoderasi Pengaruh Kepuasan Konsumen terhadap Word of Mouth. *E-Jurnal Manajemen pada Fakultas Ekonomi and Bisnis*, 3(6) : 1552 - 1570.
40. Schiffman, L.G., and Kanuk, L.L. 2007. *Consumer Behavior*. 7th edition. New Jersey: Prentice Hall International.
41. Sugiyono. 2013. *Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif, and R&D*. Bandung: Alfabeta.
42. Sunyoto, D. 2013.*Teori, Kuesioner, & Analisis Data*. Yogyakarta: Graha Ilmu.
43. Suprpti, N.W.S. 2010. *Perilaku Konsumen : Pemahaman Dasar and Aplikasinya dalam Strategi Pemasaran*. Bali:Universitas Udayana Bali.
44. Tjiptono,F and Chandra, G. 2016. *Service, Quality & satisfaction*. Yogyakarta. Andi.
45. Widiyanto and Toro, J. S. 2012. Analysis Of Influence Of Service Quality And Price On Faieness With Customer Satisfaction Customer Loyalty, Corporate Image And Variable Trust As Mediation: Studies In Consumer PO. Rosalia Indah Surakarta. *Fokus Manajerial*. Vol. 11, No. 2, pp. 195-212.
46. Yee, Y. and Faziharudean, T. M. 2010. Factors Affecting Costumer Loyalty of Using Internet Banking. *Journal Of Electronic Banking System Facoultly of Business and Accountancy*. Vol. 1, No.1, pp. 1-21.