THE INFLUENCE OF SERVICE QUALITY AND PRODUCT QUALITY ON CUSTOMER SATISFACTION THAT IMPLICATIONS ON REPURCHASE INTEREST

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Abstract: The food industry is quite promising for businesses both large and small businesses, quality of service is an aspect that is often used by the business field of food and beverage, related to quality of service, must often associated more with the quality of products, it is thus an aspect that should considered by the company to get customer satisfaction and repurchase interest. This research will be more in-depth about mobile restaurants, or food trucks, because they are much in demand by novice entrepreneurs and are in great demand by fast food customers. This research is a quantitative study conducted to examine the effect of service quality and product quality from food trucks that affect customer satisfaction and repurchase interest by food truck customers. It took 120 respondents in the study who were randomly selected to answer the questionnaire.

Keywords: service quality, product quality, customer satisfaction, repurchase intention.

INTRODUCTION

The culinary business in Indonesia is quite diverse, ranging from traditional to modern, such as fast food, this is a positive thing because the economy in Indonesia is quite good, with good people's purchasing power, the food industry in Indonesia is a potential market for entrepreneurs. There are many modifications to the type of food that combines taste and presentation method, but it is still rare to innovate with a seller's style, such as selling on a car, or a food truck.

Service quality is one of the factors that affect customer satisfaction. (Garcia et al., 2020), then the next thing is to prioritize the quality of the product from the business itself because indeed, product quality is a supporting thing where the company can run sustainably, by improving the quality of the product, customer satisfaction will be obtained by the restaurant themselves (Ikhsani & Ali, 2017). This was also stated by previous research which explained that service quality and product quality were the key to how a company can get customer satisfaction (M & Ali,
2017). Which explains if the quality of service is improved and product quality is improved, customer satisfaction will increase simultaneously.

Continuity company will be acquired by line of business if found to be interest in buying back repeatedly, interest buy-back is a situation where customers menyembatkan money and time to buy a product or service repeatedly (Slack et al., 2020). A business will get repurchase interest if a business prioritizes the quality of service in their business, because with good service quality, repurchase interest will increase simultaneously (Kasiri et al., 2017).

Repurchase interest is something that is planned by the company, the high and low interest in repurchasing a product or service, it will be based on the quality of the product or service served by the restaurant, this is according to research from (Gök et al., 2019), which states that if the quality of the product will affect customer satisfaction and repurchase intention of the product. (Chinomona & Maziriri, 2017).

LITERATURE REVIEW

Service quality is defined as varied, such as being suitable for use by customers so that service quality meets customer desires, (Kotler & Keller, 2016), service quality as a feature of the characteristics of a product offered with its ability to meet the wishes of customers, implied or implied desires. In this case, the quality of service is truly customer-centered. With this definition, if the company has good quality, then customer needs will be exceeded. Companies usually meet the needs of almost all of their customers, both potential customers and not.

In the journal (Ikhsani & Ali, 2017) Product quality is an important thing that must be considered, with that product quality, the factors behind product quality include performance, reliability, conformance specifications, and durability, some of these things must be considered because with Combining these things can form a good product quality strategy.

In accordance with the journal (Wantara & Tambrin, 2019) product quality is something that is considered by companies to get customer satisfaction, so it becomes a consideration for companies how companies have concepts to make good product quality.

Customer satisfaction is an important factor supporting the success of a company, therefore, companies must be able to know and study the factors that can satisfy customers in order to measure customer satisfaction. According to (Kotler, 2012) in (Tjiptono & Fandy, 2015) there are several methods that companies can use to measure and monitor the satisfaction of their customers and competitors' customers,

Customer satisfaction is a situation where customer desires are achieved or exceeded, such a situation will be based on other factors behind it. Customer satisfaction is the company's achievement as a result of the combination of several strategies to get customer satisfaction (Huang et al., 2019).

Repurchase is a step that occurs after a purchase is made. Repurchase is where consumers are satisfied with a product that matches expectations with the expected performance, will create a satisfaction that encourages the creation of repeat purchases of the same product or brand in the future and will tell good things about the brand (Kotler, 2012).
When consumers have felt the value of a product or company through positive experiences that have been obtained previously, they will feel happy and satisfied. This will make consumers intend to repurchase because of the emotional bond of the experience they have gained.

RESEARCH METHODS

The reason for using SEM analysis techniques in management research is that it can confirm the dimensions of a concept or factor (which is often used in management) and its ability to measure the theoretical effects of variables. The advantage of the application of SEM in management research is due to its ability to present a comprehensive model along with its ability to confirm the dimensions of a concept or factor (which is commonly used in management) and its ability to measure the influence of theoretical relationships. Usually SEM is seen as a combination of factor analysis and regression analysis, and of course it is applied separately only in confirmatory factor analysis or only in regression analysis.

The population is a generalization area consisting of: objects/subjects that have certain qualities and characteristics determined by researchers to study and then draw conclusions (Sugiyono, 2011, 61). The population in this study were people who had visited the restaurant.

To get the number of samples that match the criteria, the researchers took research samples from April 2019 to May 2019. The researcher with his judgment determines the sample population from the unknown number of visitors. Thus the number of samples that will be used for this research is 120 consumers or customers who eat meals come to restaurants.

The sample is part of the number and characteristics possessed by the population. (Leguina, 2015) states that the sample size that should be met in the SEM analysis technique is a minimum of 100 and a maximum of 200. (Sugiyono, 2014) suggests that the best sample size for multivariate sizes is 5 to 10. This study uses 13 indicators so that using estimation based on the number of parameters obtained a sample size of 100-200 respondents.

FINDINGS AND DISCUSSION

Evaluation of Measurement (Outer) Model
Convergent validity, discriminant validity and reliability of composite. This is something that must be considered in research using SEM with SmartPLS.

Convergent validity, the correlation between reflexive indicator scores and latent variable scores. This study uses a loading of 0.5 up to 0.6 is considered adequate.

Discriminant validity, measuring reflexive indicators based on cross loading with latent variables. Another method is to compare the value of the square root of average variance extracted (AVE) of each construct with the correlations between other constructs in the model.

Composite reliability, construct declared reliable if the value of composite reliability above 0.70 and Cronbach's alpha above 0.60 though not an absolute standard.

Convergent Validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Outer Loading</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>X1.1</td>
<td>0.856</td>
<td>Valid</td>
</tr>
<tr>
<td>quality</td>
<td>X1.2</td>
<td>0.738</td>
<td>Valid</td>
</tr>
</tbody>
</table>
The convergent validity of the measurement model using reflective indicators is assessed based on the outer loading factor indicator that measures the construct.

The validity test was also carried out by using a test method comparing the square root value of average variance extracted (AVE) in each construct with the correlations between other constructs contained in the model.

**Composite Reliability dan Cronbach’s Alpha**

**Table 2. AVE**

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality</td>
<td>0.610</td>
</tr>
<tr>
<td>Product quality</td>
<td>0.686</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>0.707</td>
</tr>
<tr>
<td>Repurchase interest</td>
<td>0.770</td>
</tr>
</tbody>
</table>

Source: Processed data

Sumber : Processed data

**Table 3. Composite Reliability dan Cronbach’s Alpha**

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality</td>
<td>0.844</td>
<td>0.886</td>
</tr>
<tr>
<td>Product quality</td>
<td>0.852</td>
<td>0.897</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>0.897</td>
<td>0.924</td>
</tr>
</tbody>
</table>
With reference to the results of smartPLS output above shows all of the output has a value greater than 0.70 to Cronbach's alpha and composite reliability 0.60. With this it is stated that each form of research forms results that are supported by good reliability.

### Table 4. Path Coefficients (Mean, STDEV, t-Value)

<table>
<thead>
<tr>
<th>Variabel</th>
<th>Original Sample Mean (O)</th>
<th>T-Statistics</th>
<th>P Values</th>
<th>Significance Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service quality -&gt; customer satisfaction</td>
<td>0.529</td>
<td>5.416</td>
<td>0.000</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Product quality -&gt; customer satisfaction</td>
<td>0.974</td>
<td>3.912</td>
<td>0.006</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Quality of service -&gt; interest in repurchasing</td>
<td>0.449</td>
<td>6.006</td>
<td>0.003</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Product quality -&gt; repeat purchase interest</td>
<td>0.281</td>
<td>2.772</td>
<td>0.006</td>
<td>&lt;0.05</td>
</tr>
<tr>
<td>Customer satisfaction -&gt; repeat purchase interest</td>
<td>0.284</td>
<td>3.128</td>
<td>0.002</td>
<td>&lt;0.05</td>
</tr>
</tbody>
</table>

Based on the table above, it can be seen that the measurement model formed is the Equation Model as below:
Y1 = 0.529X1 + 0.374X2
Y2 = 0.449X1 + 0.281X2 + 0.284Y2

Where,

X1 = service quality
X2 = product quality
Y1 = customer satisfaction
Y2 = repurchase interest

Hypothesis test

The table above provides proof of the research hypothesis on the effect given on product quality and price. Customer satisfaction affects customer loyalty.

a) The first hypothesis which states that service quality affects customer satisfaction can be proven true. This can be seen from the t-statistical value of 5.416 which is greater than the value of t table = 1.96, and the probability value of 0.000 which is smaller than the specified critical value limit of 0.05. Thus it is stated that service quality has a significant and significant effect on customer satisfaction.

   There is an influence generated through the service quality variable on customer satisfaction, service quality has a role in the increase or decrease in customer satisfaction, this becomes a benchmark that is generated if the dominant service quality has an increase then customer satisfaction also tends to increase, this is because the results of research is positive, in this case customer satisfaction is influenced by service quality. This is in accordance with research conducted by, (Shamsudin et al., 2019), (M & Ali, 2017), (Huang et al., 2019).

b) The second hypothesis which states that product quality affects customer satisfaction can be proven true. This can be seen from the t-statistical value of 3.912 which is greater than the t-table value = 1.96, and the probability value of 0.000 which is smaller than the specified critical value limit of 0.05. Thus it is stated that product quality has a significant effect on customer satisfaction.

   The results of the study show that there is an influence resulting from price on customer satisfaction, price as a variable chosen by researchers shows the existence of properties that can affect customer satisfaction, prices which include the application of perceptions of a study of consumers before they buy will have an impact on customer satisfaction, because satisfaction will increase in the minds of consumers, if the price offered really fits the perceptions that exist in consumers, this is in accordance with research conducted by (Nguyen et al., 2019), (Rama, 2020), (Suhailly & Soelasih, 2017), (Surjaatmadja & Purnawan, 2018).

c) The third hypothesis which states that service quality has an effect on repurchase interest can be proven true. This can be seen from the statistical t value of 6,006 which is smaller than the value of t table = 1.96, and the probability value of 0.000 which is smaller than the specified critical value limit of 0.05. Thus it is stated that service quality has a significant and significant effect on repurchase intention.

   Good product quality will have an impact on customer loyalty, because if the product quality is good, the quality is in accordance with customer expectations, the better product quality will have an impact on customer loyalty, customer loyalty is very important for a business, because with customer loyalty, the company will be able to run sustainably, this is in accordance with
research conducted by, (M & Ali, 2017), (Hudaya, 2018), (Hoe & Mansori, 2018), (Waluya et al., 2019).

d) The fourth hypothesis which states that product quality has an effect on repurchase interest is proven to be true. This can be seen from the t-statistical value of 2.772 which is greater than the t-table value = 1.96, and the probability value of 0.006 which is smaller than the specified critical value limit of 0.05. Thus it is stated that product quality has a significant effect on repurchase intention.

Prices that have an influence on customer loyalty. The results of the study show that there is an influence produced by price on customer loyalty, price is a focus for some companies because price is indeed one of the factors to get customer loyalty, this will be sustainable because a good price will have an impact on customer loyalty. The results of the research are in accordance with those conducted by, (Sunaryo, 2019), (Shamsudin et al., 2019), (Hudaya, 2020), (Slack et al., 2020).

e) The fifth hypothesis which states that customer satisfaction has an effect on repurchase interest can be proven true. This can be seen from the t-statistical value of 3.128 which is greater than the t-table value = 1.96, and the probability value of 0.002 which is smaller than the specified critical value limit of 0.05. Thus it is stated that customer satisfaction has a significant and significant effect on repurchase interest.

The results of the study indicate that there is an influence resulting from customer satisfaction on customer loyalty. This shows that customer satisfaction will make customers come back and buy products again, with this customer satisfaction must be properly maintained, with high customer satisfaction customers will not hesitate to buy products again and talk about good things to others. (Djumarno et al., 2018), (M & Ali, 2017), (Wibowo, 2015)

CONCLUSION

1. Quality of service affects customer satisfaction. In this study, it is proven that service quality is one of the important roles to get customer satisfaction for food truck snacks. Food truck snacks are becoming a trend, especially for teenagers, therefore the quality of service in the form of direct services and online services plays a role in getting customer satisfaction. Many people who order products directly, must be served well, and services in the form of places to eat to eat in and food to take home are considerations that must be considered. Online ordering is also a second focus for the restaurant because pakagin has become a matter of concern lately, all services carried out must be optimal, because with optimal service, customer satisfaction will increase in tandem.

2. The quality of food truck snacks must be considered because it is proven that good product quality will get more and more customer satisfaction. Customers tend to be satisfied, with the food paid, satisfied customers are customers who feel the product exceeds previous expectations, customers who are satisfied with the product will buy the product repeatedly, customers who feel satisfied with the product will have a positive perception of other products, therefore product quality will be improved to get increased customer satisfaction.

3. The quality of service will be improved to get maximum customer loyalty, customer loyalty is a goal for the company because with loyal customers, the company will be able to run sustainably, a company that runs sustainably, is a company that has a long life in business, service quality will have a long impact on foodtruck hawker customers, because with that, good customers are customers who have a positive mind for the company or restaurant with the products they have

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purchased, customers who are loyal to service will buy the same product from one company. Because this research is proven by improving service, customer loyalty will increase.

4. Good product quality will give a feeling of loyalty to the company from customers who have bought their products. Because with the quality of the product, whether or not it will have an impact on loyal customers or not, it would be better if the products from food truck hawker restaurants were paid more attention to get loyal customers, this would create feelings for customers, with that. Good product quality will have an impact on loyal customers.

5. A reflection of loyal customers are customers who feel satisfied with the company both in terms of service quality or product quality, customer satisfaction becomes a bridge for companies to get customer loyalty, companies often compete to get satisfaction for customers, because with customers who Satisfied will get high loyalty, and loyal customers will have a positive effect on the company. Because with loyal customers the company can continue to grow and be sustainable.

RECOMMENDATION

1. The quality of service becomes a focus for the restaurant because the quality of service that is considered will have an impact on the progress or decline of the company or restaurant, with this the quality of restaurant service is good, but must be maintained either in person or online, the ease of ordering will be a strong focus the restaurant should pay attention.

2. The quality of food truck snacks is good, with this the researcher urges to maintain product quality, and develop product quality to be even better, both in terms of flavor variants and product development, because with good product quality, customer satisfaction and loyalty will be obtained by company.

3. Customer satisfaction will be created automatically if the aspects behind it are considered, for example, service quality and product quality, these two aspects become a benchmark for customers to be satisfied or not by the restaurant from the point of view of service quality and product quality point of view, high customer satisfaction. good will have an impact on loyalty afterwards, therefore customer satisfaction must be maintained properly.

4. Customer loyalty will be the picture received by consumers of the products or services they have purchased, customer loyalty in this case is influenced by customer satisfaction, service quality and product quality, therefore the loyalty that has been obtained will have an impact on the progress or decline of a business. Because loyalty is an achievement obtained by the company through its customers, through trust in the restaurant. Loyalty is a situation where customers can buy products continuously.

BIBLIOGRAPHY


