



Service Quality and Trust on Customer Satisfaction

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KEYWORDS	ABSTRACT
<p>Keywords: Service Quality; Customer Satisfaction Trust; Digital Banking.</p> <p>Conflict of Interest Statement: The author(s) declares that the research was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.</p> <p>Copyright © 2024 AJEB. All rights reserved.</p>	<p>Purpose: This study aims to determine the relationship between service quality and trust in customer satisfaction of Livin Mandiri users in Jayapura City.</p> <p>Research Design and Methodology: This research methodology uses a quantitative approach. Customers were distributed questionnaires, and the collected data was analyzed using statistical techniques.</p> <p>Findings and Discussion: The research findings show that the main components of service quality—reliability, responsiveness, assurance, empathy, and physical evidence—and elements of trust, such as honesty, credibility, and reliability, significantly affect customer satisfaction. Good service quality creates a solid basis for building confidence, while high trust strengthens customers' perceptions of service quality.</p> <p>Implications: This study's practical implications are that digital banking companies must holistically integrate service quality improvement and trust-building strategies to increase customer satisfaction and loyalty. This research contributes to science by offering a comprehensive framework for analyzing customer satisfaction and demonstrating originality in an integrated service quality and trust approach.</p>

Introduction

In the growing digital era, service quality and trust are the main pillars in shaping customer satisfaction, especially in the banking industry. Livin Mandiri, one of Indonesia's leading digital banking services, offers an interesting case study on how these two factors interact and influence customer satisfaction in Jayapura City. Service quality in digital banking encompasses various aspects, ranging from ease of access and service speed to solving customer problems efficiently (Garbo, 2024). With its innovative features, Livin Mandiri strives to provide an intuitive and responsive user experience. Customers getting fast, secure, and reliable services tend to feel more satisfied. Conversely, if the service could be faster or more manageable with obstacles, this can significantly reduce their satisfaction levels. On the other hand, trust is an irreplaceable foundation in the relationship between customers and banks. Trust is built through consistency, transparency, and security. Customers must be confident that their data is well protected and that their transactions are conducted securely (Saputri, 2018). Livin Mandiri, with robust security protocols and transparent privacy policies, strives to build and maintain the trust of its customers. Combining superior service quality and high trust creates an environment where customers feel valued and secure. This increases customer satisfaction and encourages loyalty and positive recommendations, ultimately strengthening Livin Mandiri's

position in the digital banking market. Thus, research on the effect of service quality and trust on customer satisfaction of Livin Mandiri users in Jayapura City is very relevant and essential in understanding the dynamics of customer satisfaction in this digital era.

Recent studies have shown that service quality and trust are critical determinants of customer satisfaction in various digital service contexts. Research by Parasuraman et al. (1988) emphasizes the importance of five service quality dimensions: reliability, responsiveness, assurance, empathy, and physical evidence, which have been empirically proven to affect customer satisfaction. In the context of digital banking, transaction speed, system reliability, and ease of access are important factors that influence customer perceptions of service quality. In addition, research by Mayer et al. (1995) emphasizes that trust is built through customer perceptions of service providers' integrity, competence, and goodwill. Trust is becoming increasingly crucial in the digital age, where cybersecurity threats and personal data protection are major customer concerns. A series of studies have explored the impact of service quality and trust on customer satisfaction. Ayuningtyas (2021) found that these factors significantly influence customer satisfaction at Bank Mandiri. Pramesworo et al. (2024) highlighted the importance of service quality and cooperative image in customer satisfaction. Mirella et al. (2022) extended this by including product quality and price perception as additional factors. However, Umayasari (2018) focused on different aspects, such as compliance and understanding of performance quality regulations and using coconut shell charcoal in briquette quality. Putri (2024) explored the role of leadership commitment in asset management and the impact of training on career development, but these studies are not directly related to this research question.

However, while many studies have explored the relationship between service quality, trust, and customer satisfaction, there still needs to be a more in-depth understanding of how these factors interact in a specific context, such as digital banking in Jayapura. Previous studies focus on general contexts or metropolitan areas with more developed digital infrastructure. For example, research by Lee & Lin (2005) shows that e-service quality significantly affects customer satisfaction in large cities. However, the relevance of these findings in areas with different infrastructure needs to be further tested. In addition, research by Kim et al. (2008) suggests that trust is a critical factor in adopting digital banking services. However, more must be done to examine its impact in areas with unique demographic and economic dynamics, such as Jayapura. This gap requires more in-depth research on how service quality and trust affect customer satisfaction in digital banking in Jayapura. This study aims to fill this gap by combining theoretical approaches from the SERVQUAL model and Mayer et al. (1995) trust model and customizing these variables in the local context. Thus, this study will not only contribute to academic literature but also provide practical insights that can be used by Bank Mandiri and other digital banking service providers to improve service quality and build customer trust.

Based on the gap analysis, the research questions are: "How do service quality and trust affect customer satisfaction of Livin Mandiri users in Jayapura City?" The main objective of this study is to measure and analyze the effect of service quality and trust on customer satisfaction. This research seeks to provide novelty by examining the specific context of Jayapura, which has yet to be widely explored in previous literature. The results of this study are expected to provide new insights that will help improve service quality and build customer trust in the digital era. By understanding and effectively managing these two factors, Livin Mandiri can strengthen its position as a digital banking leader in Jayapura and across Indonesia.

Literature Review

Service quality

Service quality refers to the extent to which a service meets or exceeds customer expectations (Amin et al., 2024). It encompasses various elements to ensure customers receive satisfactory, timely, and reliable services. In today's competitive business landscape, service quality is a key differentiator. High service quality enhances customer satisfaction, fosters long-term loyalty, and builds a positive reputation. In digital banking, the complexity increases as technology advances, and customers expect faster, safer, and more accessible services (Febriend & Qastharin, 2024). Therefore, banks must adapt to meet the demands of tech-savvy customers. Reliability is a crucial dimension of service quality, which refers to a bank's ability to consistently deliver services on time and without error (Purwati &

Hamzah, 2019). In digital banking, systems must be operational, transactions processed quickly, and technical errors minimized. Reliability builds trust and ensures smooth transactions. Another critical dimension is responsiveness, which is the bank's ability to promptly address customer inquiries and problems (Fatmawati, 2021). Customers expect immediate support through various communication channels, making responsiveness essential for maintaining satisfaction.

Assurance involves the bank's competence, courtesy, credibility, and security measures. In digital banking, this is closely tied to data security. Customers need to feel confident that their information and transactions are protected. Assurance also extends to the bank staff's professionalism in handling customer concerns. Empathy is the ability of the bank to understand and address customer needs. At the same time, digital banking limits face-to-face interactions, personalized communication, and proactive support can still build strong customer relationships (Amin et al., 2024). Although physical aspects are less prominent in digital banking, they still play a role. The design and usability of mobile apps and websites significantly influences customer experience. A well-designed platform enhances satisfaction by providing easy navigation and a professional appearance. Poor design can lead to frustration and negatively affect perceptions of service quality Parasuraman et al. (1988). In the digital era, seamless customer interactions are critical for maintaining satisfaction. The SERVQUAL model, developed by Parasuraman et al. (1988), is widely used to measure service quality based on five dimensions: reliability, responsiveness, assurance, empathy, and physical. These dimensions have been proven to influence customer satisfaction across various industries, including banking. Studies have shown that high service quality is critical to customer satisfaction and loyalty. Dam & Dam (2021) found that superior service quality directly increases customer satisfaction and loyalty.

In the fintech sector, reliability and security are critical factors for customer satisfaction. Susanto et al. (2023) emphasize that reliability and security significantly influence satisfaction with digital banking services. With the increasing use of technology in banking, ensuring reliable and secure services is essential for maintaining customer trust. Widyastuti et al. (2017) further highlighted that reliability and empathy are critical to customer satisfaction in Indonesia in digital banking. High quality of service enhances satisfaction and builds trust and loyalty, which are crucial for the long-term success of digital banking. Banks can establish strong customer relationships by consistently delivering high-quality services and creating a positive customer experience (Fernandes & Pinto, 2019). This holistic approach to service quality, integrating all dimensions of the SERVQUAL model, is essential for success in the digital marketplace. As competition in the digital banking sector intensifies, banks prioritizing service quality will be better positioned to meet customer expectations and thrive.

Trust

Trust is fundamental in the relationship between service providers and customers, especially in digital services and banking (Ngamal & Perajaka, 2022). In the digital world, where direct interactions are minimal, trust becomes the foundation for the success of a service. Customers must believe that the service is secure, reliable, and managed by a competent entity with high integrity. In digital banking, trust is built through three essential components: credibility, integrity, and reliability. Credibility refers to the customer's perception that the service provider has the knowledge, skills, and experience to deliver on its promises (Uruk, 2023). Banks must demonstrate their ability to manage financial transactions efficiently and effectively. Credibility is reinforced through industry certifications, awards, and recognitions that signal a bank's reliability and professionalism. For customers, this credibility fosters confidence in the bank's ability to meet their financial needs. Integrity is another critical component, representing the bank's commitment to ethical, honest, and transparent practices in all its interactions. In digital banking, this means ensuring that customer data is protected, there is no transaction fraud, and that information provided to customers is clear and accurate. Integrity also extends to how a bank prioritizes the well-being and security of its customers over merely financial gains. By doing so, banks create a sense of safety and comfort for customers, strengthening trust (Rahayu & Harsono, 2023).

Reliability, the third component, reflects the bank's ability to deliver services as promised consistently. In digital banking, systems should always be available, transactions processed quickly and accurately, and any technical issues addressed promptly (Astriyanti et al., 2023). A reliable bank

ensures that all aspects of its service, from digital platforms to customer support, function seamlessly to meet customer expectations. Reliability is crucial in building customer satisfaction and trust, demonstrating a bank's commitment to high service standards. Trust theory, particularly the theory of risk and trust, explains how trust is developed and maintained between service providers and customers. This theory posits that trust is formed when customers believe the risks they face, such as data security and system reliability, are minimized or effectively managed (Rahayu & Harsono, 2023). In digital banking, customers are often concerned about the safety of their personal and financial information. Therefore, trust becomes a determining factor in their decision to use and continue using digital banking services. Several studies have underscored the importance of trust in influencing customer satisfaction within the banking sector. Thaichon & Quach (2015) demonstrated that trust in online service providers significantly impacts on customer satisfaction and loyalty. Similarly, Widyastuti et al. (2017) found that trust, comprising credibility, integrity, and reliability, plays a vital role in customer satisfaction with digital banking services in Indonesia. These findings highlight trust as a critical factor in the relationship between customers and service providers in the digital realm.

High service quality and strong trust are essential in increasing customer satisfaction and loyalty. Banks that understand and implement the various dimensions of trust, as outlined in relevant theories, can create superior customer experience in the digital age (Bolton et al., 2018). A consistent focus on providing secure, reliable, and high-quality services allows banks to build lasting trust, which is essential for long-term success. This holistic approach ensures that banks meet and exceed customer expectations, fostering sustainable relationships that enhance customer loyalty (Ibe-enwo et al., 2019). In an increasingly competitive digital banking market, trust has long-term positive effects on a bank's business. Customers who trust their bank are likelier to be loyal, use its services more frequently, and recommend it to others. This loyalty, in turn, supports the bank's growth and sustainability in the market. Therefore, it is crucial for banks to continually build and maintain customer trust through ethical, transparent, and customer-centric practices. By doing so, they can create lasting value for their customers and ensure the long-term success of their business in the digital banking sector.

Customer Satisfaction

Customer satisfaction refers to the extent to which a service meets or exceeds customer expectations. It reflects a customer's feelings of pleasure or disappointment after comparing the perceived performance of a service with their initial expectations. In today's competitive business environment, customer satisfaction is crucial to a company's success. Satisfied customers are likelier to remain loyal, use the service frequently, and recommend it to others (Dea, 2022). Technology-driven services make customer satisfaction more complex in digital banking services. Digital banking utilizes technology to provide a wide range of financial services online, meaning that customers expect fast, secure, and user-friendly access. Satisfaction in digital banking is influenced by the quality of service and ease of navigating intuitive digital platforms, reliable technology, and responsive customer support (Hadid et al., 2020). These elements are essential in creating a positive customer experience. Key factors contribute to customer satisfaction: expectations, perceived quality, and perceived value. Customers' expectations are the standards or benchmarks to evaluate a service's performance (Utama, 2003). Expectations can be shaped by previous personal experiences, recommendations from others, or information provided by the service provider. In digital banking, customer expectations often revolve around the speed of access, data security, ease of use, and responsive customer support (Li et al., 2021). Customers will likely feel satisfied if the service meets or exceeds these expectations. For instance, a digital banking system that offers quick access and secure transactions meets the high expectations of tech-savvy users, enhancing their overall satisfaction.

Perceived quality is another vital determinant of customer satisfaction. It refers to the customers' assessment of the actual performance of the service they receive. Perceived quality involves evaluating various service dimensions, such as reliability, responsiveness, assurance, and empathy (Suhma & Milla, 2024). In digital banking, perceived quality largely depends on the online system's functionality, the speed at which transactions are processed, and the ease of navigating the app or website. Customers who can complete transactions quickly and without technical issues will likely

view the service as high quality. Research shows that system reliability and usability in digital banking are critical drivers of perceived quality, affecting customer satisfaction (Singh, 2019). Customer perceived value is the third important factor in determining satisfaction. The value of the value compares the benefits customers receive from a service and the costs or efforts they must expend to obtain it (Samudro et al., 2020). This value can be functional, such as convenience and time efficiency, or emotional, such as feelings of security and trust. In digital banking, customers are satisfied when they perceive that the benefits they receive outweigh the efforts and costs they incur. For example, a bank that offers secure, no-fee transactions and seamless user experiences adds significant value for the customer. The ease of conducting financial operations without needing in-person visits also contributes to the high-value perception of digital banking services.

Banks that effectively meet or exceed customer expectations, provide high-quality services, and deliver substantial perceived value will enjoy higher levels of customer satisfaction. Satisfied customers are more likely to remain loyal, giving the bank a competitive advantage. Additionally, increased customer satisfaction strengthens a bank's reputation and contributes to long-term customer retention (Khan et al., 2022). By taking a holistic and integrated approach to improving customer satisfaction, banks can ensure they meet the evolving expectations of digital users and create sustainable relationships with their customers. Research supports that customer satisfaction in digital banking is critical for long-term success. Studies indicate that satisfied customers are more likely to engage with the service frequently, recommend it to others, and exhibit brand loyalty (Verma et al., 2022). Therefore, focusing on the core dimensions of customer expectations, perceived quality, and perceived value allows banks to create satisfying customer experience. As digital banking continues to evolve, maintaining customer satisfaction will remain essential to achieving a sustainable competitive advantage and long-term growth in the digital banking industry.

Digital Context and Livin Mandiri Users

The advancement of technology and the digitization of banking services have significantly transformed how banks interact with their customers. Through digitalization, banks can offer faster, more efficient, and accessible services, thereby enhancing service quality. With cutting-edge technology, banks can process transactions within seconds, provide 24/7 customer support, and offer a range of features that simplify financial management for customers. In this environment, service quality becomes more measurable and reliable as customers can access banking services anytime and anywhere via digital devices. Moreover, the technology employed strongly influences trust in digital banking services. According to Anam (2023), cybersecurity remains critical in determining customer trust. Banks that can showcase a robust security system, protecting customers' data and transactions from cyber threats, are more likely to earn their customers' trust. Operational transparency and easy access to financial information play a significant role in building this trust. When customers feel they have complete control over and access to their financial data, their confidence in the bank strengthens. An illustrative example of this relationship can be seen in Livin Mandiri users in Jayapura City, Indonesia. Jayapura, the capital of Papua Province, has unique demographic characteristics, a diverse population, and socioeconomic dynamics that differ from other major cities. Livin Mandiri users in this area come from various backgrounds, including civil servants, entrepreneurs, and students. Many of the users in Jayapura, especially millennials and Gen Z, are active technology users and are accustomed to digital devices in their daily lives. This demographic expects fast, easy, and reliable banking services that cater to their needs. As a digital banking platform, Livin Mandiri must meet these expectations by providing its users with intuitive, responsive, and secure features.

The behaviors of Livin Mandiri users in Jayapura further demonstrate the importance of digital services in managing finances. Users frequently rely on apps for transactions such as money transfers, bill payments, and purchasing financial products. They particularly value the convenience and accessibility of digital services. Thus, service quality, particularly in-app reliability, transaction speed, and practical customer support—is a crucial factor influencing their satisfaction and trust in the platform. Research has shown that these aspects are essential in building customer satisfaction in digital banking environments (Duc, 2022). However, digitizing banking services like Livin Mandiri also presents challenges, especially in ensuring that all users, including those with limited internet access,

can enjoy optimal services. This can be a significant obstacle in Jayapura, where technological infrastructure is uneven. Banks can mitigate this issue by offering user-friendly services and adequate technical support for those facing connectivity issues. Continuous innovation, particularly in security and privacy features, ensures customers feel secure when using digital services (Simatupang et al., 2024).

Technological developments and digitalization have transformed the banking landscape, improved service quality and increased customer trust. In the specific context of Jayapura City, Livin Mandiri users expect services that are fast, secure, and accessible, which align with their demographic characteristics and behavior patterns. Banks must prioritize reliability, responsiveness, and security in their digital offerings to ensure customer satisfaction and loyalty. Doing so can foster strong and sustainable customer relationships in this digital age. Research supports the idea that focusing on these dimensions improves customer satisfaction and strengthens customer loyalty. Studies by Tran (2021) found that customers who perceive high levels of security and convenience are more likely to continue using digital banking services. Similarly, studies on user behavior in digital banking environments have highlighted the importance of user-friendly interfaces and the reliability of services in maintaining trust and satisfaction (Li et al., 2021). In the competitive digital banking landscape, focusing on delivering high-quality services tailored to the needs of specific demographics, such as those in Jayapura, ensures a competitive advantage and long-term success.

Research Design and Methodology

This research uses a quantitative approach with a survey method, which relies on numbers and statistics in collecting and analyzing measurable data. The population studied was Mandiri customers using Livin Mandiri in Jayapura City, with a sample of 105 respondents taken based on the formula for the number of indicators multiplied by seven. The data collection technique involved a questionnaire as the main instrument, which was carefully designed to ensure the accuracy of the data. The data collected consisted of primary data obtained directly from respondents through questionnaires and secondary data derived from documents and other relevant sources. The variables studied include service quality and trust as independent variables and customer satisfaction as the dependent variable, measured using a Likert scale. The validity and reliability of the instruments were tested using SPSS to ensure that the data obtained were valid and consistent. In addition, data analysis involves classical assumption tests such as normality tests, multicollinearity tests, and heteroscedasticity tests to ensure the regression model used is BLUE (Best Linear Unbiased Estimator). Multiple linear regression tests are used to determine the effect of independent variables on the dependent variable, with hypothesis testing through the t-test and F-test to assess the significance of the relationship between these variables. The results are expected to provide a clear picture of the effect of service quality and trust on customer satisfaction of Livin Mandiri users in Jayapura City.

Findings and Discussion

Findings

In this validity test, the conclusion-making rule is valid if $R\text{-count} > R\text{-table}$ and invalid if $R\text{-count} < R\text{-table}$. The level of significance to be used (α) = 0.05. So, the validity value is $105 - 2 = 103$. By looking at the R-table, which is 0.1918, so if $R\text{-count} > R\text{-table}$, then the question item is declared valid. Research can be valid if there is a similarity between the data collected and the data that occurs on the object under study. Reliability testing is indicated by the Cronbach Alpha coefficient and processed with the help of SPSS. A construct or variable is said to be reliable if it provides a Cronbach Alpha Based on Standardized Items value > 0.70 .

The analysis results show that all items measured on the Service Quality (X1), Trust (X2), and Customer Satisfaction (Y) variables are valid, with the calculated r value exceeding r table (0.1918) and significance $p = 0.000$. The reliability of each variable is also very high, with Cronbach's Alpha value for Service Quality of 0.934, Trust of 0.927, and Customer Satisfaction of 0.903. This indicates that the instruments used in this study are consistent and accurate in measuring the variables in question, ensuring that the data collected can be trusted for further analysis.

Table 1. Results of Validity and Reability Tests of Research Variables

Variable	Item	r count	r table	p	Info	Cronbach's Alpha Based on Standardized Items	Description
Service quality	X1.1	0,837	0,1918	0,000	Valid	0,934	Reliable
	X1.2	0,901	0,1918	0,000	Valid		
	X1.3	0,890	0,1918	0,000	Valid		
	X1.4	0,801	0,1918	0,000	Valid		
	X1.5	0,813	0,1918	0,000	Valid		
Trust	X2.1	0,945	0,1918	0,000	Valid	0,927	Reliable
	X2.2	0,948	0,1918	0,000	Valid		
	X2.3	0,915	0,1918	0,000	Valid		
Customer satisfaction	Y.1	0,909	0,1918	0,000	Valid	0,903	Reliable
	Y.2	0,779	0,1918	0,000	Valid		
	Y.3	0,836	0,1918	0,000	Valid		
	Y.4	0,909	0,1918	0,000	Valid		
	Y.5	0,796	0,1918	0,000	Valid		
	Y.6	0,909	0,1918	0,000	Valid		
	Y.7	0,779	0,1918	0,000	Valid		

Source: Data processed (2024)

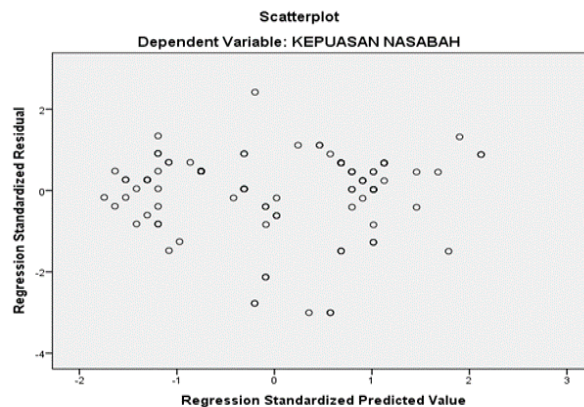


Figure 1. Heteroscedasticity results

Figure 1 shows that the dots spread randomly and both above and below the number 0 on the Y axis, so based on the Scatterplot graph, there are no symptoms of heteroscedasticity, and the model meets the rules to proceed to further testing.

Table 2. Multiple linear regression test results

Variable	Coefficient	T-Ratio	Probability significance	Decision
Service Quality	0,685	10,254	0,000	Significant
Trust	0,258	3,862	0,000	Significant
Constant	0,327			
F-Ratio	201,966			
(Prob-Sig)	0,000			

Source: Data processed 2024

Table 2 shows that each independent variable has a positive and significant effect on the dependent variable, with a substantial value below 0.05. This is reinforced by the data results obtained by the F-Ratio value of 201.966, which has a substantial level of 0.000. All independent variables in this study simultaneously affect the dependent variable.

Based on the regression analysis results, the Service Quality variable (X1) has a t-count of 10.254 with a significance of 0.000, indicating a significant effect on the dependent variable. Trust (X2) is also substantial, with a t-count of 3.862 and a significance of 0.000. ANOVA analysis shows an F-count value of 201.966 with a significance of 0.000, indicating an overall significant regression model. The regression sum of squares was 2148.465, residuals 542.525, and total 2690.990. The R-value of 0.894 indicates a strong correlation between the independent and dependent variables, with an R Square of 0.798, meaning 79.8% of the variability of the dependent variable is explained by the model. The

Adjusted R Square of 0.794 also supports the model's strength, with a Standard Error of the Estimate 2.306. These results confirm that Service Quality and Trust significantly affect the dependent variable, and the regression model used is strong and effective in explaining data variability.

Table 3. T, F and R2 Test Results

Variable	t-count	t-table	Sig.	Model	Sum of Squares	Df	Mean Square	F	R	R Square	Adjusted R Square	Std. Error of the Estimate
Service quality	10.254	1.65993	0.000									
Trust	3.862		0.000									
				Regression	2148.465	2	1074.233	201.966				
				Residual	542.525	102	5.319					
				Total	2690.990	104						
				1					0.894	0.798	0.794	2.306

Source: Data processed 2024

Discussion

The Effect of Service Quality on Customer Satisfaction

The study's findings demonstrate that service quality significantly impacts customer satisfaction, as reflected by the positive and significant regression coefficient. This result aligns with established theories, emphasizing that enhancing service quality directly increases customer satisfaction. Critical components of service quality, such as reliability, responsiveness, assurance, empathy, and physical evidence, all play crucial roles in influencing customer satisfaction. These findings support that high-quality service significantly shapes customer perceptions and experiences. When customers encounter reliable, responsive, and empathetic service, they feel valued and develop trust in the company, thereby boosting their overall satisfaction. Theoretical models like SERVQUAL, developed by Parasuraman et al. (1988), serve as the foundation for understanding the relationship between these service quality dimensions and customer satisfaction. The study's practical implications highlight the importance of continuous improvements in service quality to foster customer loyalty, satisfaction, and competitive advantage. The results support the research hypothesis that service quality positively influences customer satisfaction. Each service quality dimensionality, responsiveness, assurance, empathy, and physical evidence—has a significant impact. Reliability, or the consistent delivery of promised services, builds trust among customers, while responsiveness, or quick and efficient service, minimizes frustration, thereby enhancing satisfaction. Assurance, which reflects employees' knowledge and courtesy, contributes to a sense of security for customers, while empathy fosters a deeper emotional connection. Physical evidence, such as the cleanliness and organization of facilities, reinforces the company's professionalism. These findings validate the hypothesis and provide a clear understanding of how each service quality component contributes to customer satisfaction.

Established theories and previous studies strongly support this research. The SERVQUAL model, which forms the basis of this research, emphasizes the importance of the five service quality dimensions in driving customer satisfaction (Parasuraman et al., 1988). The findings also align with research by Yeong et al. (2022), which highlights the crucial role of empathy and assurance in shaping customer perceptions of service quality. Furthermore, numerous industry studies have demonstrated a positive correlation between service quality and customer satisfaction. However, some studies in specific cultural or sectoral contexts suggest that factors such as government regulations and economic conditions dominate customer satisfaction, particularly in developing economies. This indicates that a complex interplay of factors influences customer satisfaction, and further research may be necessary to explore the contextual variables that affect this relationship. Compared to previous studies, the results of this research are consistent with much of the existing literature, which supports the positive impact of service quality on customer satisfaction. For instance, Parasuraman et al. (1988) underscore the importance of reliability, responsiveness, assurance, empathy, and physical evidence in determining customer satisfaction. Factors like regulatory policies and macroeconomic conditions may overshadow service quality in specific sectors or economies. These variations may be due to differences in customer expectations and market conditions, highlighting the need for additional

research to understand how these factors interact in diverse contexts. Despite these variations, the literature consensus is that service quality improvements increase customer satisfaction.

Effect of Trust on Customer Satisfaction

The findings of this research highlight the significant influence of trust on Livin Mandiri customer satisfaction in Jayapura City. Trust, which encompasses the customer's belief in the service's reliability, honesty, and integrity, emerges as a critical determinant of satisfaction. Customers who feel confident in the quality and security of a service are more likely to be satisfied. Trust is built through consistent service delivery, transparent communication, and robust data security measures (Parasuraman et al., 1988). This study confirms that increasing trust should be a priority for service providers. As trust levels rise, so do customer satisfaction, ultimately fostering stronger long-term relationships. The findings support the hypothesis that trust has a direct positive impact on customer satisfaction. Customers who trust the service provider experience greater peace of mind, reduced concern about potential issues, and are more engaged with the service. This engagement manifests in increased service usage, more frequent feedback, and a higher likelihood of recommending the service to others, creating a virtuous cycle that further strengthens trust and satisfaction.

The components of trust analyzed in this research—honesty, credibility, and reliability—are critical in shaping customer perceptions and enhancing satisfaction. As a cornerstone of trust, honesty is essential in building a secure and transparent relationship between customers and service providers. When customers perceive honesty in every interaction, it creates a sense of safety, directly contributing to higher satisfaction. This finding is aligned with the SERVQUAL model, which emphasizes the role of transparency and integrity in improving customer perceptions (Parasuraman et al., 1988). Credibility, built through the service provider's consistent performance and strong reputation, reinforces customer trust. When customers believe in the service provider's competence and integrity, their confidence in the service increases, leading to greater satisfaction. Reliability, which refers to the consistent and error-free delivery of services, ensures that customers' needs are consistently met, fostering trust and satisfaction. This dimension is critical in digital banking, where customers rely on seamless transactions and secure systems to manage their finances.

The results of this study align closely with previous research emphasizing the importance of trust in driving customer satisfaction. For example, Ratiwi et al. (2024) found that trust is pivotal in strengthening the relationship between service providers and customers, enhancing satisfaction. Similarly, research by Parasuraman et al. (1988) supports the notion that trust is fundamental to building customer satisfaction in service-oriented industries. However, some studies have suggested that in contexts such as e-commerce, other factors—such as ease of use and price—can also play significant roles in determining customer satisfaction, sometimes diminishing the influence of trust. Differences in service contexts, user demographics, or cultural variations may explain these discrepancies. In industries where customers handle sensitive information, such as banking, trust remains a more dominant factor than other variables like pricing. The rapid evolution of technology and the increasing access to information have also changed how customers build trust in service providers, particularly in digital banking environments, where security and reliability are paramount. Despite some variations in previous findings, this study reinforces the importance of trust as a central determinant of customer satisfaction, particularly in digital banking. The growing reliance on technology in banking has only amplified the significance of trust as customers seek assurances of data security and reliable service delivery. Therefore, building and maintaining trust is essential to achieving high customer satisfaction in services like Livin Mandiri. This research confirms that trust remains vital in creating positive customer experiences and long-term relationships in the digital age.

The Effect of Service Quality and Trust on Customer Satisfaction

This study's results demonstrate that service quality and trust significantly impact on customer satisfaction among Livin Mandiri users in Jayapura City. Service quality, encompassing reliability, responsiveness, assurance, empathy, and physical evidence, has strongly correlated with customer satisfaction. Customers who perceive superior service quality are likely to experience high satisfaction and continue using the service. In parallel, trust, built on consistency, honesty, and security in service

delivery, also plays a critical role in influencing customer satisfaction. Customers who trust the service provider, believing in the reliability and integrity of the services, feel more comfortable and secure, leading to higher satisfaction levels. The study supports the hypothesis that service quality and trust simultaneously and significantly affect customer satisfaction. Statistical analysis reveals that when these two factors are combined, their influence on customer satisfaction is more significant than when considered separately. This indicates that improving customer satisfaction must be holistic by focusing on service quality and trust. The synergy between these two factors provides a strong foundation for customer loyalty, reinforcing that service strategies should be comprehensive to yield optimal results. The findings align well with established theories, particularly the SERVQUAL model Parasuraman et al. (1988), which posits that service quality dimensions—reliability, responsiveness, assurance, empathy, and physical evidence—are fundamental in shaping customer satisfaction. In addition, the study by Simatupang et al. (2024) confirms that trust is a critical factor in building customer satisfaction in digital banking. The components of trust, such as honesty, credibility, and reliability, were essential in reinforcing the relationship between service quality and satisfaction. For instance, reliable service that consistently meets expectations satisfies customers and enhances their trust in the service provider, creating a virtuous cycle of positive feedback and engagement.

When comparing these findings to previous research, the results are broadly consistent. Similar studies in digital banking have shown that service quality and trust work in tandem to enhance customer satisfaction (Yu et al., 2015). However, in other contexts, such as e-commerce, factors like ease of use or pricing may have a more pronounced influence on satisfaction (Rahman et al., 2021). This suggests that while service quality and trust are key drivers in digital banking, the importance of these factors can vary depending on the industry and customer expectations. Nonetheless, in the context of Livin Mandiri users in Jayapura, the results confirm that trust and service quality are the primary drivers of customer satisfaction. Practically, these findings offer important implications for management. To increase customer satisfaction and loyalty, Livin Mandiri and other digital banking services should focus on improving service quality while simultaneously building and maintaining trust. Strategies for improving service quality include investing in employee training to enhance responsiveness and competence, upgrading digital platforms to ensure reliability, and improving the physical appearance of service touchpoints. For trust-building, transparent communication, honesty in all interactions, and robust security measures are essential. Ensuring that customers have access to accurate, clear information and that their data is secure is critical to fostering trust.

Conclusion

This study explored the significant relationship between service quality trust and customer satisfaction of Livin Mandiri users in Jayapura City. By examining key components of service quality—such as reliability, responsiveness, assurance, empathy, and physical evidence—and elements of trust, such as honesty, credibility, and reliability, this study highlights how these factors collectively affect customer satisfaction. This research emphasizes the importance of service quality and trust in shaping positive customer experiences in the digital banking sector.

The value of this research lies in its contribution to academic knowledge and practical application. Scholarly, this study provides an in-depth understanding of the dynamics between service quality and trust, offering a comprehensive framework for analyzing customer satisfaction. Practically, this study provides actionable insights for businesses looking to improve service quality and build more vital trust with their customers. The originality of this study is seen in its integrated approach, which combines the analysis of service quality and trust to provide a more holistic understanding of the factors driving customer satisfaction.

The study is geographically limited to Jayapura City, which may affect the generalizability of the findings to other regions. In addition, reliance on respondents' self-reported data may introduce bias. Future research should consider more comprehensive geographical coverage and use mixed methods to improve the robustness of the findings. Examining the role of technology and digital innovation in improving service quality and trust in different banking environments is also a valuable direction for future studies.

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