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Analysis of Customer Satisfaction Level on Service Quality Price Service and Word of Mouth



Hadijah Budari [✉] Abdul Rasyid ² Yana Ameliana ³

[✉] Universitas Yapis Papua, Jayapura, Papua, 99113, Indonesia

^{2,3} Universitas Yapis Papua, Jayapura, Papua, 99113, Indonesia

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Corresponding author: Hadijah Budari

[✉] hadijahbudari17@gmail.com

KEYWORDS	ABSTRACT
<p>Keywords: Service Quality; Price; Word of Mouth; Customer Satisfaction; Automotive Repair Shop.</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 examines the effect of Service Quality, Price, and Word of Mouth (WOM) on Customer Satisfaction at the Cahaya Berkah Jayapura Workshop.</p> <p>Research Design and Methodology: This study uses a quantitative approach with a survey method. Data was collected through questionnaires distributed to 100 customers of Cahaya Berkah Workshop, which were selected using incidental techniques. Multiple linear regression analysis was used to test the effect of independent variables (Service Quality, Price, and WOM) on the dependent variable (Customer Satisfaction). Validity and reliability tests were conducted to ensure the research instruments were valid and consistent.</p> <p>Findings and Discussion: The results showed that Service Quality, Price, and WOM significantly affect Customer Satisfaction both partially and simultaneously. The three independent variables jointly affect customer satisfaction. These findings support classic marketing theory and align with previous research, suggesting that good service quality, competitive prices, and positive WOM can increase customer satisfaction.</p> <p>Implications: This research makes a significant contribution to marketing literature and business practice. From the scientific side, this research enriches the understanding of the determinants of customer satisfaction in the automotive industry. In terms of practice, the findings guide the management of the Cahaya Berkah Workshop and other workshops in increasing customer satisfaction through improved service quality, reasonable pricing, and effective utilization of WOM. Limitations of this study include the narrow geographical coverage and cross-sectional nature of the data, which provide opportunities for further research with a longitudinal approach and broader coverage.</p>

Introduction

In the automotive service industry, customer satisfaction is crucial to business sustainability and success. At Cahaya Berkah Jayapura Workshop, although the number of visitors is quite large, there are fluctuations in the number of customers every month, which indicates a problem that needs to be addressed. This fluctuation is caused by several factors, one of which is customer dissatisfaction with the quality of service provided by Agustin et al. (2021). Customer complaints such as incomplete spare parts availability are among the leading causes of this dissatisfaction. When customers cannot find the needed parts, they tend to look for alternatives, even if they have to visit other workshops that offer more competitive prices or more satisfactory services. In addition, the emergence of competing

workshops that provide lower prices exacerbates this condition. These competitors not only attract the attention of new customers but also have the potential to attract existing customers by offering lower prices or attractive promotional offers. This requires the workshop to take the necessary steps to ensure customers are satisfied with the service and price. For example, poor service quality can affect a customer's perception of the repair shop. When customers experience unsatisfactory service, such as long waiting times or unfriendly staff, they may feel that the value they receive is not worth the cost they spend. This can lead to dissatisfaction that negatively impacts customer loyalty. In addition, complaints about incomplete parts suggest that inventory management at the repair shop may need to be more effective. Poor inventory management can result in long waiting times for customers requiring specific parts, decreasing customer satisfaction. Competitive pricing is also an essential factor in attracting and retaining customers. If customers feel that the prices offered by Cahaya Berkah Jayapura Workshop are too high compared to competitors, they will move to other workshops that provide more affordable prices. Competitors that offer lower prices are often the first choice for price-sensitive customers. According to Kotler & Keller (2016), competitive pricing and transparency in pricing can increase customer trust and perceived value. Therefore, Bengkel Cahaya Berkah Jayapura needs to adjust its pricing strategy to be more competitive without sacrificing service quality. Furthermore, fierce competition with other workshops that offer lower prices requires the workshop to be more proactive in improving service quality and adjusting the prices offered. Steps that can be taken include staff training to increase professionalism and friendliness, improving inventory management to ensure adequate availability of spare parts, and adjusting pricing strategies to ensure that the price offered is proportional to the quality of service provided by Parasuraman et al. (1988). Thus, customers will feel satisfied with the services and prices Bengkel Cahaya Berkah Jayapura offers, which can increase customer loyalty and help workshops compete effectively in an increasingly competitive market. Through this research, an effective solution can be found to improve customer satisfaction and business sustainability of Bengkel Cahaya Berkah Jayapura.

Various studies have examined the factors influencing customer satisfaction in the automotive industry. For example, research by Parasuraman et al. (1988) showed that service quality is one of the main factors affecting customer satisfaction. This study identified five dimensions of service quality, namely tangibles, reliability, responsiveness, assurance, and empathy, all of which contribute significantly to customer satisfaction. In addition, Kotler & Keller (2016) research confirms that competitive pricing and transparency also play an essential role in shaping customer perceptions and satisfaction. Transparent and fair pricing can increase customer trust in service providers. Furthermore, research by Gremler & Brown (1999) highlights the importance of word of mouth as an effective marketing tool in increasing customer satisfaction and loyalty. They found that word-of-mouth recommendations, whether from friends, family, or other trusted sources, can significantly influence purchasing decisions and customer loyalty. However, while much research has been conducted in this context, there are still limitations to these studies. Many studies focus more on different geographical contexts and need to examine how the three factors interact in the context of automotive repair shops in Indonesia, particularly in Jayapura. In addition, most previous studies used quantitative approaches, while qualitative approaches that can provide deeper insights into customer experiences and perceptions are often overlooked. Therefore, further research combining both approaches is needed to provide a more comprehensive picture of the factors influencing customer satisfaction. Various studies have explored the impact of multiple factors on customer satisfaction. Prakoso (2022) found that word of mouth, price, and service quality significantly influenced visitor decisions and satisfaction at Ragunan Wildlife Park. Similarly, Zaelani (2024) identified these factors as dominant factors in consumer purchasing decisions at Luwes Lojiwetan. However, Ahmudin & Ranto (2023) found that only customer satisfaction significantly affects loyalty to Telkomsel. In the context of product purchases, Mahendra et al. (2022) and Mulyanto (2022) found that price, word of mouth, and service quality significantly influence consumer decisions. Adilah et al. (2023) further confirmed the positive and significant impact of electronic word of mouth, price, and product quality on purchasing decisions. Finally, Cahya et al. (2021) and Perwithasari & Kurniawan (2022) found that service quality and word of mouth have a significant effect on consumer purchasing decisions at Bakpia Boomer Mas Raga SME and Bilik Tropical Sepatan Coffee Shop. The identification of gaps between

recent studies and current empirical and theoretical aspects shows that although service quality, price, and word of mouth have been recognized as essential factors in determining customer satisfaction, there is still a lack of research that examines the interaction of these three factors simultaneously in the context of automotive repair shops in Jayapura. In addition, many previous studies used quantitative approaches that needed more depth in exploring customers' subjective experiences. This suggests that there is still a need for research combining quantitative and qualitative methods to provide a more comprehensive understanding of the factors influencing customer satisfaction at the Cahaya Berkah Workshop in Jayapura.

Based on this gap analysis, the research questions posed in this study are: How do service quality, service price, and word of mouth affect customer satisfaction at Cahaya Berkah Jayapura Workshop? This study aims to analyze the effect of the three factors simultaneously and determine which factor is the most dominant in influencing customer satisfaction. The novelty of this research lies in the holistic approach that combines quantitative and qualitative analysis to provide a more comprehensive picture of the factors that influence customer satisfaction at Bengkel Cahaya Berkah Jayapura. In addition, this study also aims to provide practical recommendations for workshop management in improving customer satisfaction and facing increasingly fierce competition. This research uses a quantitative method with a survey approach to collect data from customers of the Jayapura Blessing Light Workshop. The questionnaire consists of several sections that measure service quality, service price, word of mouth, and the level of customer satisfaction. The data obtained was then analyzed using regression analysis techniques to identify the effect of each independent variable on the dependent variable. In addition, in-depth interviews were conducted with several randomly selected customers to provide a deeper understanding of customers' subjective experiences. The results of these interviews will be used to support the findings from the quantitative analysis.

This study is expected to make significant theoretical and practical contributions. Theoretically, this study will enrich the literature on factors influencing customer satisfaction in the context of automotive repair shops in Indonesia. In addition, this study is also expected to identify key factors that can be used as a basis for developing strategies to improve customer satisfaction. From a practical perspective, the results of this study will provide recommendations that can be implemented by the management of Cahaya Berkah Jayapura Workshop to improve service quality, set more competitive prices, and utilize word of mouth as an effective marketing tool. Thus, this research provides a better understanding of the factors that influence customer satisfaction at Bengkel Cahaya Berkah Jayapura and practical guidelines that can be used by workshops in the face of increasingly fierce competition. This research also underscores the importance of a holistic approach that combines quantitative and qualitative analysis in assessing customer satisfaction and the importance of tailoring business strategies to customer needs and expectations to achieve higher satisfaction and loyalty.

Literature Review

Service Quality

Service quality has long been recognized as a significant determinant of customer satisfaction. The definition of service quality refers to the ability of a service to meet or exceed customer expectations. According to Parasuraman et al. (1988), service quality can be measured through five primary dimensions: tangibles, reliability, responsiveness, assurance, and empathy. These dimensions cover various aspects that influence customers' perceptions of the service they receive. Tangibles refer to physical factors such as facilities, equipment, and staff appearance. Reliability is the ability to deliver the promised services reliably and accurately. Responsiveness refers to the willingness to help customers and provide services quickly. Assurance includes staff's knowledge and courtesy and ability to inspire trust and confidence. Empathy consists of the attention given to customers on an individual basis. Theories related to service quality also support the importance of these dimensions. Grönroos (1984) introduced a service quality model that distinguishes between technical quality (the outcome of the service) and functional quality (the process of service delivery). Technical quality includes adequate vehicle repair and maintenance, while functional quality involves the interaction between workshop staff and customers. This research shows that while technical quality is important, functional quality often significantly impacts the customer's overall perception of the service received.

In the context of automotive repair shops, service quality involves technical repairs and interactions with customers. Parasuraman, Zeithaml, and Berry (1985), in their SERVQUAL model, emphasize that customers evaluate service quality based on the gap between their expectations and perceptions of the service received. If expectations exceed perceptions, then customers will feel dissatisfied. Conversely, customers will feel satisfied if service perceptions meet or exceed expectations. In an empirical study, Kotler & Keller (2016) stated that good service quality can increase customer loyalty and improve overall business reputation. Other studies also support the relationship between service quality and customer satisfaction. Bitner (1990) found that a good service environment, including physical appearance and ambiance, can improve customer perceptions of service quality. This suggests that tangibles play an essential role in shaping customer perceptions. Meanwhile, research by Ma'rufah (2023) shows that reliability and responsiveness are key factors in building customer trust and satisfaction. When customers feel that a service provider is reliable and responsive to their needs, they are more likely to return and use the service again.

Service Price

Price is a crucial element in the marketing mix that directly affects customer satisfaction. According to Kotler & Keller (2016), the price is the amount of money charged for a product or service or the value exchanged by customers to benefit from owning or using the product or service. In the automotive service industry, service prices are one of the main factors customers consider when choosing a repair shop. Competitive pricing and transparency in pricing can increase customer trust and perceived value. Customers feel more satisfied if they get services comparable to their costs. Research by Varki & Colgate (2001) shows that customer perceptions of price are influenced by the amount to be paid and price fairness. When customers feel that their price is fair and proportional to the quality of service received, they tend to be more satisfied. Conversely, dissatisfaction can arise if customers think the price needs to be lowered or match the service. Price fairness includes customer perceptions regarding whether the price charged is fair in the context of the service received and compared with the prices charged by competitors. Price theories relevant in this context include price fairness and customer value theories. According to Stefanie & Hasan (2023), perceived price fairness is related to the customer's evaluation of whether the price is proportional to the benefits received. Customer value theory, described by Zeithaml (1988), emphasizes that value is the customer's overall evaluation of the utility of a product or service based on perceptions of what is received versus what is given. In the context of automotive repair shops, customers evaluate whether the service fee is worth the quality of repairs and services received. Empirical research shows that competitive pricing and price transparency can increase customer satisfaction. Customers' experience of fair and reasonable pricing plays a vital role in their decision to remain loyal to a service provider. Research by Homburg et al. (2006) found that perceived fair prices significantly impact customer satisfaction and repurchase intentions. This research also shows that customers who feel they are treated fairly in terms of price tend to have higher loyalty to service providers. Research by Xia et al. (2004) suggests that price fairness affects customer satisfaction and their perception of service quality. When customers feel they are paying a fair price, they rate service quality higher. Conversely, the perception of unfair prices may lower customers' assessment of service quality, even if the service is adequate.

The relationship between service price and customer satisfaction is also influenced by contextual factors such as geographic location and customer demographic characteristics. Research by Bolton & Lemon (1999) shows that geographical context can influence price and value perceptions. For example, in areas with high levels of competition, customers may be more sensitive to minor price differences, while in areas with few competitors, price factors may be less influential. In addition, price perceptions are also influenced by previous customer experience and marketing communications made by the repair shop. Research by Grewal et al. (1998) suggests that clear and honest communication about prices can improve perceptions of price fairness and customer satisfaction. In the automotive industry, where repair costs can vary significantly, garages need to set transparent prices and provide adequate explanations to customers regarding cost components. Service prices are essential in determining customer satisfaction in the automotive service industry. Various factors, including price fairness, price transparency, and perceived value, influence customer perceptions of

price. Price fairness theory and customer value theory provide valuable frameworks for understanding how price affects customer satisfaction. Empirical research shows that competitive pricing and price transparency can increase customer satisfaction and loyalty. Therefore, automotive repair shops must set fair and transparent prices to maintain and increase customer satisfaction.

Word of Mouth

Word of Mouth (WOM) is a highly effective marketing tool and is often considered more credible than traditional forms of advertising. WOM is informal communication among consumers about the characteristics, benefits, or experiences related to a particular product or service. According to Brown & Reingen (1987), WOM strongly influences purchasing decisions because information obtained from trusted sources is considered more reliable. In the context of automotive repair shops, recommendations from friends, family, or other trusted sources can influence customers' perceptions of the quality and value of the services offered. These recommendations often provide more detailed and realistic insights compared to advertisements focusing only on positive aspects. In addition, WOM is also considered more honest and authentic because it comes from direct user experience. Customers who hear first-hand experiences from people they trust tend to be more confident and comfortable in making purchasing decisions. This is especially important in the automotive industry, where the decision to choose a repair shop is often based on trust in the quality of service and reliability of the technicians. WOM, therefore, plays a vital role in building a repair shop's reputation and attracting new customers. In this study, we explore how WOM influences customer satisfaction and purchase decisions in the context of automotive repair services. Studies by Gremler & Brown (1999) show that WOM can increase customer satisfaction and loyalty by providing more in-depth and personalized information about the services offered. WOM often provides more detailed and realistic insights compared to advertisements focusing only on positive aspects. Customers who hear first-hand experiences from people they trust tend to be more confident and comfortable in making purchasing decisions. Theories related to WOM include innovation diffusion theory and social influence theory. The diffusion of innovations theory, introduced by Sari (2012), explains how new ideas, products, or services spread in society. In this context, individuals who act as "early adopters" often spread information through WOM, influencing others in their social network to try the product or service. On the other hand, social influence theory emphasizes that individuals tend to be influenced by those around them when making purchase decisions. Research by Arndt (1967) found that WOM is more effective in influencing purchase decisions than advertising, mainly because the source of information is considered more credible.

The relationship between WOM and customer satisfaction is very close. Anderson (1998) found that satisfied customers are more likely to recommend services to others, creating a positive chain effect that can increase a business's customer base and reputation. When customers are satisfied with the service they receive, they are likely to share their positive experiences with others. Conversely, dissatisfied customers are also expected to spread negative experiences, damaging a business's reputation. Therefore, it is essential for companies to focus on the quality of service they provide and how they handle customer complaints and issues. Research by East et al. (2008) shows that WOM influences first-time purchase decisions and repeat purchases. Customers who hear positive reviews tend to be more loyal and return to using the same service in the future. This study also found that WOM can reduce the perceived risk that new customers with yet-to-gain experience with a particular service often face. Research by Chevalier & Mayzlin (2006) on online reviews shows that WOM in the digital world also significantly impacts purchasing decisions. Positive reviews on online platforms can increase sales and attract new customers, while negative reviews can have the opposite effect. In the automotive industry, online review platforms such as Google Reviews or Yelp allow customers to share their experiences widely, thus influencing potential customers looking for a trustworthy repair shop.

Interaction between Service Quality, Price, and Word of Mouth

The interaction between service quality, service price, and Word of Mouth (WOM) is vital in determining customer satisfaction. Service quality, defined as the ability to meet or exceed customer expectations, includes tangibles, reliability, responsiveness, assurance, and empathy Parasuraman et

al. (1988). Service price, as another critical factor, refers to the amount of money charged for the service provided and the perceived fairness of the cost (Varki & Colgate, 2001). WOM, defined as informal communication among consumers regarding a particular product or service's characteristics, benefits, or experiences, is often considered more credible than traditional advertising (Brown & Reingen, 1987). Research by Bolton & Drew (1991) shows that service quality and price directly influence customer satisfaction, which in turn affects customers' intention to recommend services to others. When customers feel they receive high-quality services at a reasonable price, they are likelier to share their positive experiences through WOM. This is due to the satisfaction that drives proactive behavior in recommending services to their friends, family, and social networks.

Zeithaml (1988) showed that WOM can mediate customer perceptions of service quality and price. For example, if customers hear positive reviews about a service station from a trusted source, they may have higher expectations of service quality and reasonable prices. Conversely, negative reviews may lower customers' expectations and satisfaction before using the service. Christy's diffusion of innovation theory (2022) supports this view, suggesting that adopting new services is often driven by information and recommendations from individuals who use the service first, which spreads through WOM. The relationship between these three variables suggests that improvements in one dimension may reinforce the others. For example, high quality of service can increase customers' perception of the value received, making the service price fairer. This, in turn, can increase positive WOM, where satisfied customers recommend the service to others. Gremler & Brown (1999) assert that positive WOM increases customer satisfaction and strengthens their loyalty to the service provider. Research by Homburg et al. (2006) adds insight into this interaction by showing that perceived price fairness significantly impacts customer satisfaction and repurchase intentions. If the price of a service is perceived as fair and in line with the quality of service received, customers will feel more satisfied and more likely to use the service again. Research by Xia et al. (2004) found that perceived fair prices can improve customers' assessment of service quality, which suggests that perceived fair prices can strengthen service quality perceptions. In digital marketing, Chevalier and Mayzlin (2006) showed that online WOM also plays an important role in influencing purchasing decisions. Positive online reviews can enhance a workshop's reputation and attract more new customers, while negative reviews can damage reputation and reduce the number of customers. This research suggests that WOM can serve as a strong mechanism of mediating between service quality, price, and customer satisfaction. Furthermore, research by Sweeney et al. (2008) shows that positive WOM can increase customers' perceived value, increasing satisfaction and loyalty. When customers hear that others are getting a high-quality service at a reasonable price, they are likelier to feel that they will also get good value from the service. This suggests that WOM serves as a bridge that strengthens the relationship between service quality, price, and customer satisfaction. The interaction between service quality, price, and WOM is crucial in determining customer satisfaction. High service quality and fair prices can encourage positive WOM, increasing customer satisfaction and loyalty.

Research Design and Methodology

This survey research aims to collect information by compiling a list of questions submitted to respondents (Sujarweni, 2014). This quantitative research design emphasizes aspects of objective measurement of social phenomena, which are described in several problem components, variables, and indicators. This study tests empirical paths and measurements based on existing theory, using a survey model and questionnaire instruments to obtain individual respondent opinion data. The research focuses on the effect of Service Quality and Price on Customer Satisfaction at the Jayapura Blessing Light Workshop. The research population is 2,068 customers of the Jayapura Cahaya Motor Workshop. Sampling was carried out using incidental techniques, which were based on chance, as Sugiyono (2017) defined. Determination of the number of samples using the Slovin Formula, resulting in a sample of 100 respondents after rounding. The independent variables in this study are Service Quality (X1) and Price (X2), while the dependent variable is Customer Satisfaction (Y). Service quality is measured based on five indicators, according to Tjiptono (2016): Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Price is measured by indicators such as affordability, compatibility with product quality, price competitiveness, and price compatibility with production

benefits (Kotler et al., 2015). WOM is defined by Tjiptono (2012) as word-of-mouth information about a company's services or brand. Customer satisfaction is measured by conformity to expectations, interest in visiting again, and willingness to recommend (Indrasari, 2019). Primary data was collected through a closed questionnaire using a Likert scale. Data analysis was carried out using multiple linear regression analysis to determine the effect of service quality and price on customer satisfaction, with validity and reliability tests to ensure that research instruments are valid and consistent. Hypothesis testing is carried out through partial tests (T-test) and simultaneous tests (F-test) to determine the effect of each independent variable on the dependent variable.

Findings and Discussion

Findings

In the validity test, the rule for concluding is valid if $r_{\text{count}} > r_{\text{table}}$ and invalid if $r_{\text{count}} < r_{\text{table}}$, with a significance level (α) = 0.05. For a validity value of 0.1966 (r_{table}), the question item is declared valid if $r_{\text{count}} > r_{\text{table}}$. Research is considered valid if the data collected is the actual data. Reliability testing is indicated by the Cronbach Alpha coefficient and processed with SPSS, which is declared reliable if the Cronbach Alpha is Based On Standardized Items value > 0.70 .

Table 1. Research Instrument Test Results

Variables	Item	r calculated	r table	p	Validity Description	Cronbach's Alpha Based on Standardized Items	Reliability Description
Service Quality	X1.1	0,866	0,1966	0,000	Valid	0,915	Reliable
	X1.2	0,871	0,1966	0,000	Valid		
	X1.3	0,895	0,1966	0,000	Valid		
	X1.4	0,866	0,1966	0,000	Valid		
	X1.5	0,825	0,1966	0,000	Valid		
Price	X2.1	0,937	0,1966	0,000	Valid	0,936	Reliable
	X2.2	0,946	0,1966	0,000	Valid		
	X2.3	0,863	0,1966	0,000	Valid		
	X2.4	0,917	0,1966	0,000	Valid		
WOM	X3.1	0,899	0,1966	0,000	Valid	0,819	Reliable
	X3.2	0,839	0,1966	0,000	Valid		
	X3.3	0,842	0,1966	0,000	Valid		
Customer Satisfaction	Y.1	0,916	0,1966	0,000	Valid	0,887	Reliable
	Y.2	0,925	0,1966	0,000	Valid		
	Y.3	0,870	0,1966	0,000	Valid		

Source: Processed Data Using SPSS 24 (2024)

Table 1 shows that all items of the Service Quality (X1), Price (X2), WOM (X3), and Customer Satisfaction (Y) variables have a calculated r value more significant than r table (0.1966) with a significance value (p) of 0.000, so all items are declared valid. The reliability test shows that all variables have a Cronbach's Alpha value above 0.70, meaning all constructs or research variables are declared reliable. Thus, this research instrument can be considered valid and consistent in measuring the variables studied, ensuring the reliability of the data obtained.

Based on Figure 1, the points spread around the diagonal line, and the direction of the spread follows the direction of the diagonal line. This shows that the regression model is suitable because it fulfills the normality assumption. Each independent variable has a positive and significant influence on the dependent variable, with a significance value below 0.05 and a coefficient of determination (R^2) of 0.909. This indicates that the independent variables can explain 90.9% of the variation in the dependent variable, while other variables influence 9.1%. In addition, the F-Ratio value of 329.435 with a significance level of 0.000 indicates that all independent variables significantly affect the dependent variable, indicating a strong relationship between these variables.

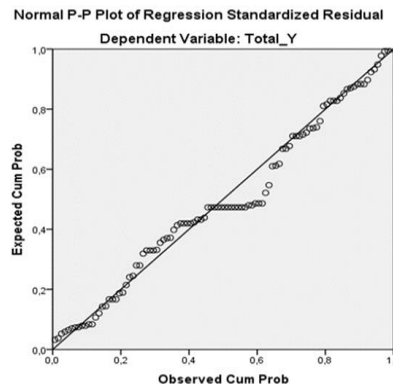


Figure 1. Normality Test Results

Table 2. T Results (Partial Hypothesis) and F Test (Simultaneous Hypothesis)

Variables	t-count	t-table	Sig.	F Test Results (Simultaneous Hypothesis)	Sum of Squares	df	Mean Square	F	Sig.
Service Quality (X1)	6,599	1,660	0,000	Total	514,895	3	171,632	329,435	0,000
Price (X2)	4,404	1,660	0,000	Residuals	50,015	96	0,521		
WOM (X3)	2,090	1,660	0,039	Total	564,910	99			

Source: Processed Data Using SPSS 24 (2024)

Table 2 shows that each independent variable significantly affects the dependent variable. The T-test results show that the Service Quality variable (X1) has a t-count value of 6.599 with a t-table of 1.660 and a significance of 0.000. This value indicates that Service Quality has a significant effect on Customer Satisfaction. The price variable (X2) has a t-count value of 4.404 with a significance of 0.000, which also shows a significant effect on customer satisfaction. The WOM variable (X3) has a t-count value of 2.090 with a significance of 0.039, which means that WOM also significantly affects Customer Satisfaction. The F test results show an F value of 329.435 with a significance of 0.000, which means that all independent variables simultaneously significantly affect the dependent variable. The Sum of Squares for the model is 514,895 with a df (degrees of freedom) of 3 and a Mean Square of 171,632. The Residual Sum of Squares is 50.015 with a pdf of 96 and a Mean Square of 0.521. The total Sum of Squares is 564,910 with a pdf of 99. These results indicate that the regression model used in this study is significant, with the independent service quality, price, and WOM contributing significantly to explaining variations in customer satisfaction. Thus, this study provides strong evidence that the three variables are important in determining customer satisfaction at Bengkel Cahaya Berkah Jayapura.

Discussion

Service Quality on Customer Satisfaction

The results of this study indicate that Service Quality has a significant effect on Customer Satisfaction. This finding supports the first hypothesis, which states that service quality positively affects customer satisfaction. This finding is consistent with the theory put forward by Kotler (2017), which states that service quality is a consumer assessment of the services they receive compared to their expectations. Service quality includes various aspects, such as reliability, responsiveness, assurance, empathy, and physical evidence. If the company can provide maximum service and totality in its work, it will positively impact on customer satisfaction. For example, Cahaya Berkah Workshop can improve service quality through trained and experienced technicians, ensuring sufficient spare parts stock, and maintaining workshop cleanliness. These steps meet customer needs and improve their perception of the quality of service provided. This finding also aligns with research conducted by Oktiani et al. (2023), which states that service quality positively affects customer satisfaction. Their research shows that good service quality will increase customer satisfaction, intention to return, and service use. Thus, the results of this study strengthen the empirical evidence that service quality is an important determinant of customer satisfaction.

The service quality theory proposed by Parasuraman, Zeithaml, and Berry (1985) also supports these findings. They identified five service quality dimensions: reliability, responsiveness, assurance,

empathy, and physical evidence. The findings of this study indicate that when workshops provide reliable services, are responsive to customer needs, provide guarantees for the services they provide, show empathy to customers, and maintain good physical evidence; then customers will feel satisfied. This is based on the SERVQUAL model, which emphasizes the importance of meeting or exceeding customer expectations to achieve satisfaction. The results of this study also highlight the importance of reliability and responsiveness in increasing customer satisfaction. When customers feel that the workshop is reliable in fulfilling service promises and responsive to their needs, they tend to feel satisfied. This suggests that interactive aspects of service quality, such as effective communication and responsiveness, are critical in building positive customer relationships. However, it is also important to compare the results of this study with those of previous research. A study by Cronin Jr & Taylor (1992) found that service quality significantly influences customer satisfaction in various service sectors, including automotive services. Their findings suggest that customers receiving high-quality service are more satisfied and more likely to return to the service. This is consistent with the findings of this study, which show that good service quality at Cahaya Berkah Workshop increases customer satisfaction. The practical implications of these findings are significant for the management. To increase customer satisfaction, workshops should focus on improving the quality of their services. This can be done by ensuring their technicians have adequate training and experience to handle different vehicle repairs. In addition, workshops should ensure that they have sufficient and quality spare parts in stock to meet customer needs. The cleanliness and comfort of the workshop are also important to create a positive environment for customers. Management should pay attention to customer feedback to continuously improve their service quality. Customers who feel heard and valued tend to be more satisfied with the service they receive. Therefore, workshops can implement an effective feedback system to identify areas for improvement.

Price on Customer Satisfaction

The results of this study indicate that prices have a significant effect on customer satisfaction. This finding supports the second hypothesis, which states that price positively affects customer satisfaction. This finding is consistent with the theory put forward by Permatasari et al. (2022), which states that price is the value contained in a product or service related to the benefits and use of the product or service. Price can describe the brand and provide a functional competitive advantage. This research shows that reasonable and affordable prices can increase customer satisfaction. Fair prices reflect the fair value perceived by customers, so they feel that the costs incurred are proportional to the benefits obtained. Setting affordable prices for all groups shows that they understand market needs and can offer quality services at competitive costs. This increases customer satisfaction as they feel they are getting good value for their money. The results of this study are also in line with the findings of Saputro & Jalari (2023), which state that price significantly affects customer satisfaction. Their research shows that fair and transparent pricing can increase customer perceptions of the value they receive, increasing customer satisfaction. This confirms that transparency in pricing and price fairness are important factors in building customer satisfaction.

Zeithaml (1988) theory of customer value supports this finding, which states that value is a customer's overall evaluation of the utility of a product based on perceptions of what is received versus what is given. In this context, a fair price reflects the high utility customers receive, increasing their satisfaction. Customers who feel they are getting quality service at a fair price are more likely to feel satisfied and loyal to the service provider. The study by Irnawati & Anggapratama (2023) also supports these findings, suggesting that perceived price fairness is important in determining customer satisfaction. When customers feel that their price is fair, they tend to be more satisfied with the service they receive. Conversely, if they feel that the price needs to be lowered or proportional to the quality of the service, their satisfaction will decrease. In this study, the prices set are considered fair and reasonable by customers, leading to higher satisfaction levels. Research by Varki & Colgate (2001) found that price perceptions are influenced by the amount to be paid and price fairness. The results of this study indicate that fair and transparent pricing increases customer satisfaction, as customers feel they are getting value for money. This shows the importance of fair and transparent pricing in building customer satisfaction. The practical implications of these findings are significant

for the management. To increase customer satisfaction, the workshop should maintain reasonable and transparent pricing. This can be done by setting competitive and transparent prices so that customers understand the costs they incur and feel they are getting good value for their money. In addition, workshops can provide transparent explanations of cost components to customers so that they feel more confident and satisfied with the services provided. Management should ensure that the price set is proportional to the quality of service provided. Customers who feel they are getting high-quality services at a fair price will be more satisfied and more likely to return. Therefore, it is important for workshops to continuously improve the quality of their services while maintaining competitive and fair pricing.

Word of Mouth on Customer Satisfaction

The results of this study indicate that Word of Mouth (WOM) significantly affects customer satisfaction. This finding supports the third hypothesis, which states that WOM positively affects customer satisfaction. This finding is consistent with the theory put forward by Nurhadi et al. (2023), which states that WOM is word-of-mouth communication about a product or service, which occurs when consumers are satisfied or very disappointed with the product or service. When consumers are satisfied, they tell others about their positive experiences, which can increase the reputation and satisfaction of other customers. In the context of this study, the positive WOM and good reputation received are proven to increase customer satisfaction. Customers who are satisfied with the services they receive tend to share their positive experiences with their friends, family, and social networks. This creates a chain effect that can increase the workshop's customer base and strengthen the workshop's reputation in the local community. Repair shops can tap into the potential of WOM by providing excellent service and maintaining positive relationships with customers. Motivating customers to share their experiences positively can be a very effective marketing strategy. This study's results align with research conducted by Pratiko and Bustanul (2022), which states that WOM significantly affects customer satisfaction. Their research shows positive word-of-mouth communication can increase perceived value and consumer satisfaction with a product or service. This confirms that WOM is a powerful marketing tool influencing purchasing decisions and customer satisfaction.

Rogers' (2003) diffusion of innovations theory also supports this finding, suggesting that adopting new services is often driven by information and recommendations from individuals who use the service first, which then spreads through WOM. When customers receive positive information about Blessing Light Workshop from trustworthy sources, they tend to have higher expectations and feel more satisfied when the service meets or exceeds their expectations. Research by Gremler & Brown (1999) shows that WOM can increase customer satisfaction and loyalty by providing more in-depth and personalized information about the services offered. Customers who hear positive reviews from people they trust tend to be more confident and comfortable in making purchasing decisions. The findings of this study show that positive WOM plays an important role in increasing customer satisfaction. Research by Chevalier and Mayzlin (2006) on online reviews shows that WOM in the digital world also significantly impacts purchasing decisions. Positive reviews on online platforms can increase sales and attract new customers, while negative reviews can have the opposite effect. In the automotive industry, online review platforms such as Google Reviews or Yelp allow customers to share their experiences widely, thus influencing potential customers looking for a trustworthy repair shop. To increase customer satisfaction, workshops should focus on providing high-quality services that can encourage positive WOM. This can be done by ensuring their technicians have adequate training and experience to handle different vehicle repairs. In addition, garages should maintain the cleanliness and comfort of their facilities to create a positive environment for customers. Management should also pay attention to customer feedback to continuously improve service quality. Customers who feel heard and valued tend to be more satisfied with the services they receive. Therefore, workshops can implement an effective feedback system to identify areas for improvement.

Service Quality, Price and Word of Mouth on Customer Satisfaction

The results of this study indicate that Service Quality, Price, and Word of Mouth (WOM) have a simultaneous influence on Customer Satisfaction. This finding supports the fourth hypothesis, which states that the three variables jointly affect customer satisfaction. The combination of Service Quality, Price, and WOM significantly affects customer satisfaction. This means that increasing these three variables will simultaneously increase customer satisfaction. This finding is consistent with the theory proposed by Kotler and Armstrong (2017), which states that customer satisfaction results from a comparison between customer expectations and the perceived performance of a product or service. When service quality is high, prices are reasonable, and positive reviews from WOM are received, customers tend to feel more satisfied because their expectations are met or even exceeded. Combining these three variables creates a strong synergistic effect in increasing customer satisfaction. This research is also in line with the findings of Salsabila (2019), which shows that Service Quality, Price, and WOM simultaneously affect customer satisfaction. This study confirms that customers who receive high-quality service at a reasonable price and hear positive reviews from others are more satisfied with their experience. This shows that customer satisfaction is not only influenced by a single factor but is the result of the interaction of various interrelated factors.

The service quality theory proposed by Parasuraman, Zeithaml, and Berry (1985) supports these findings by identifying five dimensions of service quality: reliability, responsiveness, assurance, empathy, and physical evidence. When the services provided expectations in these five dimensions, customer satisfaction increases. In addition, Zeithaml (1988) theory of customer value, which states that value is a customer's overall evaluation of the utility of a product based on perceptions of what is received versus what is given, also supports these findings. A fair price increases the perception of value received by customers, which in turn increases their satisfaction. Research by Gremler & Brown (1999) on the influence of WOM shows that positive word-of-mouth communication can increase customer satisfaction and loyalty by providing more in-depth and personalized information about the services offered. This finding is consistent with the results of this study, which show that WOM plays an important role in shaping customers' positive perceptions. When customers hear positive reviews from people they trust, they are more likely to feel satisfied with the service they receive. The study by Homburg et al. (2006) also confirms that perceived price fairness significantly impacts customer satisfaction. When the prices set are perceived as fair and transparent, customers feel that they are getting good value for their money, which increases their satisfaction. This research shows that fair and transparent prices contribute positively to customer satisfaction.

The practical implications of these findings are significant for the management. To increase customer satisfaction, workshops should focus on improving service quality, setting fair and transparent prices, and utilizing WOM effectively. First, the management should ensure their technicians have adequate training and experience to provide high-quality services. In addition, ensuring the availability of sufficient and quality spare parts and maintaining the cleanliness and comfort of the workshop will help improve customers' positive perceptions. Second, setting competitive and straightforward prices and providing transparent explanations of cost components to customers will improve price fairness perceptions. Customers who feel they are getting quality service at a fair price will be more satisfied and more likely to return to the service. Third, management should capitalize on WOM by encouraging satisfied customers to share their positive experiences. This can be done by requesting reviews from satisfied customers directly or through online review platforms such as Google Reviews or Yelp. Customers who feel heard and valued are more satisfied and more likely to recommend the workshop to their friends and family. A good reputation will attract more customers and increase the loyalty of existing customers. Customers who are satisfied with the services they receive are likely to recommend the workshop to others, which will increase the workshop's overall customer base.

Conclusion

This study examines the effect of Service Quality, Price, and Word of Mouth (WOM) on Customer Satisfaction at the Cahaya Berkah Jayapura Workshop. Regression analysis and statistical tests showed that the three variables significantly affect customer satisfaction both partially and simultaneously.

High Service Quality, Price, and WOM are proven to increase customer satisfaction, supporting the hypothesis proposed in this study. This study confirms the importance of these three factors in creating higher customer satisfaction in the automotive service industry.

The value of this research lies in its contribution to expanding the understanding of the factors that influence customer satisfaction in the automotive repair sector. Scientifically, this study confirms the relevance of classical marketing theories and enriches literature with the latest empirical evidence. In terms of practice, the findings guide the management of the Cahaya Berkah Workshop and other workshops in formulating effective strategies to improve customer satisfaction. This research also shows that good service quality, competitive pricing, and positive WOM are the keys to achieving optimal customer satisfaction.

However, this study has some limitations. First, this study was only conducted in one automotive repair shop in Jayapura, so the results may need to be generalized to other regions or industries. Second, the data collected is cross-sectional, so it cannot capture changes in customer satisfaction over time. Future research agendas could include longitudinal studies to look at the dynamics of customer satisfaction over the long term and expanding geographic coverage and industry sectors. Researchers are also advised to consider additional variables, such as customer loyalty and relationship quality, to provide more comprehensive insights.

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