Service Quality And Price On Customer Satisfaction With Electronic Word Of Mouth As Moderating Variables

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ABSTRACT
This study aims to examine the effect of service quality and price on Customer satisfaction with electronic word of mouth as a moderating variable. This research is a quantitative research with a descriptive approach. The sample in this study are Customers who make purchases at CV. Amelia SuksesMandiri Lamongan, totaling 100 respondents. The data used in this study are primary data collected through a questionnaire survey. Data analysis used Moderated Regression Analysis (MRA). The results showed that service quality had an effect on customer satisfaction. Price has an effect on Customer satisfaction. Electronic word of mouth is able to moderate the effect of service quality on Customer satisfaction, as well as electronic word of mouth is able to moderate the effect of price on Customer satisfaction.

Keywords: Service Quality, Price, Customer Satisfaction, Electronic Word of Mouth

1. Introduction
In the current era of globalization, more new things are popping up that occur in the business sector, the problem needs to be considered not only about how the business produces its products and how to market these products, but also what is no less important is how the business can survive and compete in the midst of the emergence of competitors with similar businesses. The thing that needs to be considered by the company is how the company's paradigm about Customers is. (Heri et al., 2017) explains that the company is customer orientation, which concerns what the company must satisfy its customers. By paying attention to these aspects, of course, every company or business also wants to achieve the desired goals so that they can be realized. One of them is to strive for high-quality service for customers, so that it can lead to a decision on the part of the customer to immediately buy the product or service offered at that time. Customer satisfaction plays an important role in the success of a business. Customer satisfaction is the expression of a feeling of satisfaction or not regarding the products or services that have been purchased by Customers. If the disclosure feels below expectations, Customers feel dissatisfied, if the disclosure of feelings meets expectations, Customers feel satisfied. If the expression of feelings exceeds expectations, Customers feel very satisfied or happy. Customer satisfaction is the key to the success of a company, if the company can retain Customers it will increase company profits.

The development of science and technology is progressing faster so that at this time the printing business is more complete and modern, even the printing business is a type of business that is starting to be taken into account. This can be seen from the emergence of new players in this business. CV. Amelia SuksesMandiri is a company engaged in sales and printing services such as photocopying, printing, laminating, scanning, binding and selling office stationery supplies and other services. Based on pre-survey data on 20 Customer respondents of CV Amelia SuksesMandiri, the following data were obtained:

<table>
<thead>
<tr>
<th>Table 1. Prasurvey data</th>
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<tbody>
<tr>
<td>Product Quality</td>
</tr>
<tr>
<td>Prosentase (%)</td>
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</table>
Based on the results in table 1, it can be seen that the lowest factors that affect customer satisfaction are service quality and price. Good service quality is a factor that affects customer satisfaction. This shows that to build customer satisfaction, companies need to pay attention to the quality of services provided. (Lukmana, 2013) explained that service failure still often occurs in every customer order. Service failure that occurs will cause a decrease in customer satisfaction. In the midst of the rapid growth of the printing industry and increasingly fierce competition, CV. Amelia SuksesMandiri is required to maintain the quality of its services so that it is not inferior to its competitors. So, it becomes the priority printing service of choice for its customers. Companies must start thinking about the importance of customer service more maturely. Service is a vital aspect in order to survive in business competition and be able to win it (Tjiptono&Fandy, 2015).

In addition to service quality, price also plays a role in creating customer satisfaction. Price is one of the factors that must be aligned with the targets that have been targeted by the company in order to achieve these targets. This is because all decisions regarding prices will have an impact on several aspects of the activities that exist in the company, especially on aspects of sales or aspects of profits that will be taken by the business actor.

Based on Figure 1, it shows that sales during the period January–March 2020 experienced an imbalance and in April–July 2020 it decreased and in August–October 2020 it increased. Pricing in the business is an important and complex matter. Pricing is a critical part, important in the marketing mix because it is related to the perception of quality, so price is an important contributor in positioning a product. Customers will agree to the price offered by the service provider if the price offered is a reasonable price. The price factor is very important for customers because it will be a guideline to measure the suitability between the benefits of the product received and the sacrifices that have been given in the form of money or certain sacrifices.

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Figure 2 is the implementation of Electronic Word of Mouth on CV. Amelia SuksesMandiri. When Customers used a product, Customers will evaluate the product and if a product is able to give satisfaction and a good impression to Customers, it is likely that there will be a positive Word of Mouth (WOM) among Customers and other potential Customers, and so on. On the other hand, recommendations from other customers are usually considered more trustworthy than promotions from the company and can influence the decision of others to use (or avoid) a service(Lovelock & Wirtz, 2011). WOM spreads faster with the internet. The existence of the internet allows a person to use communication either through websites, email or social networking sites to find or provide information about certain products, including information or products that include photos of these products. By utilizing the internet, word of mouth (WOM) has changed the term to e-WOM or electronic word of mouth. Based on the background described above, the purpose of this study is to analyze and provide empirical evidence regarding the effect of Quality of Service and Price on Customer Satisfaction with Electronic Word Of Mouth as Moderating Variables.

2. Literature Review

Customer Satisfaction

Customer satisfaction is the level of one’s feelings after comparing the performance (or results) that he perceives to his expectations (Kotler, 2014). According to (Tjiptono&Fandy, 2015) broadly, customer satisfaction provides two main benefits for the company, namely in the form of customer loyalty and word of mouth advertising or what can be called positive word of mouth. Customer satisfaction is a person's feeling of pleasure or disappointment that arises after comparing the perception of the performance (results) of the product with his expectations. Customer satisfaction is after removing the emotions from Customers after Customers use the product. Where customer expectations and needs are met (Putranto et al., 2019).

Indicators of the formation of Customer satisfaction are as (1) Conformity of Expectations where Customer expectations determine product quality and also Customer satisfaction. Customer expectations are Customer beliefs about what they receive. (2) Interest in revisiting, namely feeling satisfied with the product/service will lead to interest in repurchasing so that it will foster loyal behavior and have a commitment to the product/service. (3) Willingness to Recommend, which is a condition where the needs, desires and expectations of Customers can be fulfilled through the products/services that are consumed. So that Customers are willing to recommend products or services to other potential Customers (Hanwkins and Lonney in Tjiptono&Fandy, 2015).

There are factors that influence Customers, namely (1) Product Quality, Good product and meet Customer tastes and expectations. The basis for assessing product services includes: product type, quality or product quality. (2) Price is an inherent part of the product that reflects how much the quality of the product is. The basis for assessing the price includes the price level and conformity with the selling value of the product, variations or price choices for the product. (3) Service quality, is an attribute of service companies, Customers will feel satisfied if Customers get good service and as expected. (4) Cost, Customers do not need to incur additional costs and waste time to get a product or service when satisfied with the product or service. (5) Emotional, Customers will be proud and satisfied when using a product or service with a certain brand that tends to have a high level of satisfaction. The satisfaction obtained is not from the quality of the product but from the social value (self-esteem) that makes Customers satisfied with the brand(Lupiyoadi, 2018).

Service Quality

Service quality is the desire and need of Customers for a service that can fulfill it (Zeithaml et al, inSunyoto, 2012). Service quality is all forms of activities carried out by every company or business to meet the needs and expectations of Customers. In this case the quality of service can be interpreted as a service or service delivered by the service owner in the form of convenience, speed, relationship, ability and hospitality shown by the service owner or business employee through the attitude, nature of providing services and customer satisfaction.Service quality can be measured from: (1) Direct evidence (Tanglibes) includes physical facilities, equipment, employees and communication targets.
(2) Reliability, namely the ability to provide the promised service immediately, accurately, and satisfactorily. (3) Responsiveness, namely the desire of the staff to help customers and provide responsive service. (4) Assurance includes the knowledge, ability, courtesy, and trustworthiness of the staff, free from danger, risk or indecision. (5) Empathy includes ease in making relationships, good communication, personal attention, and understanding the needs of customers.

H₁: Service quality has a positive effect on customer satisfaction

Price

(P. Kotler & Keller, 2021) state that price is the amount of money determined by the product to be paid by the Customer or customer to cover the costs of production, distribution, and basic sales including the return that marks the effort and risk. Prices are all forms of monetary costs sacrificed by Customers to obtain, own, utilize a number of combinations of goods and services from a product. For companies, pricing is a way to differentiate their offerings from competitors (Hasan, 2013). According to (P. Kotler & Armstrong, 2013) the price indicators are (1) Price affordability, which is an aspect of pricing carried out by producers/sellers in accordance with the purchasing ability of customers. (2) Competitive price, the price offer given by the producer/seller is different and competitive with that given by other producers, for the same type of product. (3) Price compatibility with product quality, namely the determination of prices made by producers/sellers in accordance with the quality of products that can be obtained by customers. (4) Price compatibility with product benefits, namely aspects of pricing carried out by producers/sellers in accordance with benefits that can be obtained by customers.

H₂: Price has a positive effect on Customer satisfaction

Electronic word of mouth

((Goyette et al., 2010) defines word of mouth as communication of information variables that occurs directly, via telephone, email, mailing list, or other communication methods. Word of mouth can also be interpreted as an effort that encourages forwarding of information from one Customer to another. Word of mouth has now developed into a new form of communication, called electronic word of mouth (eWOM) (Jalilvand & Samiei, 2012). The media on the internet used for eWOM communication is also diverse. Customers can submit opinions, comments, and product reviews on weblogs, discussion forums, review websites, retail websites, newsletters, newsgroups, and social networking sites (Kudeshia & Kumar, 2017). Customers who are driven by the need to obtain information related to purchases may adjust their buying behavior with the information they obtain from online platforms (Sindunata & Wahyudi, 2018). According to the theory, Electronic Word of Mouth indicators are (1) Reading online reviews of other Customer products. (2) Collecting information from Customer product reviews via the internet. (3) Consult online. (4) Feelings of worry if someone does not read online reviews before purchasing. (4) Increased self-confidence after reading online reviews (Jalilvand & Samiei, 2012).

H₃: Electronic word of mouth moderates the positive influence of service quality on Customer satisfaction

H₄: Electronic word of mouth moderates the positive effect of price on Customer satisfaction

Previous Research

(Mediti, 2020) examines the analysis of the effect of price and quality of electronic services on Customer satisfaction for Shopee application users. The population in this study were shopee application users aged 15 years and over and the sample in this study was 200 respondents by judgmental sampling. The results of this study are the price and quality of service have a positive effect on Customer satisfaction on shopee application users. (Heri, 2017) researched the effect of service quality and price on Customer satisfaction with word of mouth as a moderating variable at the travel agency Dewanggalil hajj wall Umrah Surakarta. The population in this study was Customers who used the services of a travel agency Dewanggalil hajj wall Umrah Surakarta in 2016 amounted to 429 pilgrims and the sample in this study was 86 respondents by accidental sampling. The results of this study are that there is a significant influence between service quality, price and word of mouth on

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Customer satisfaction, and word of mouth does not moderate the effect of service quality and price on Customer satisfaction. (Pramularso, 2019) examines the effect of service and price on customer satisfaction at PT. Setiajayamobilindo. The population in this study is all customers at PT. Setiajayamobilindo, and the sample in this study was 60 respondents by random sampling. The results of this study are the quality of service and price have a positive and significant effect on customer satisfaction at PT. Setiajayamobilindo. (Linardi, 2019) examines the effect of product quality, service quality, and price on Customer satisfaction in the RL-Watch online shop business. The population in this study were Customers of the online shop RL-Watch, and the sample used was 100 respondents. The results of this study are that there is an influence between the variables of product quality, service quality and price on Customer satisfaction at RL-Watch.

Based on the explanation above, a research model can be drawn as follows:

![Figure 3. Research model](source: Developed by the authors, 2021)

3. Methods

This research uses quantitative research, quantitative research is the method used to present research results in the form of numbers or statistics, qualitative research is used to test hypotheses. This research was conducted at CV. Amelia SuksesMandiriLamongan whose address is at Jl. Soewoko, PKPRI No. 5, Jetis, Lamongan. The population in this study were all Customers who made purchases at CV. Amelia SuksesMandiriLamongan whose number is unknown. The sample in this study were Customers who made purchases at CV. Amelia SuksesMandiriLamongan. Because the number of Customer population CV. Amelia SuksesMandiriLamongan whose number is unknown, so the determination of the sample size in this study uses the Lemeshow formula. The formula is as follows:

\[ n = \frac{Z_{\alpha}^2 \times P \times Q}{L^2} \]

Note:
- \( n \) = Minimum number of samples required
- \( Z_{\alpha} \) = The standard value of the distribution according to the value of \( \alpha = 5\% = 1, 96 \)
- \( P \) = Outcome prevalence, used 50%
- \( Q \) = 1 - P
- \( L \) = Accuracy level 10%

\[ n = \frac{1.96^2 \times 0.5 \times 0.5}{0.1^2} = 96.04 \]

Based on the Lemeshow formula, it can be seen that the minimum number of samples is 96.04, thus the sample in this study is rounded up to 100 respondents. In this study, the author uses simple random sampling, then according to (Sugiyono, 2010) simple random sampling is the taking of sample
members from the population that is carried out randomly without regard to the strata in the population.

4. Result and Discussion

Responden Characteristic

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>Classification</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>Male</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>17-23</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>24-30</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt;30</td>
<td>37</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>Education Background</td>
<td>Junior High School</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior High School</td>
<td>35</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bachelor Degree</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>100</td>
</tr>
<tr>
<td>4</td>
<td>Purchase per 3 Months</td>
<td>1 time</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2-5 time</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt;5 time</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: computed Data, 2021

Based on table 2, it can be seen that the majority of respondents are female respondents, as many as 60 respondents with a percentage of 60% and 40 male respondents with a percentage of 40%. Most respondents are respondents aged > 30 years, 37 respondents with a percentage of 37%. Most respondents are respondents who have a bachelor's education as many as 57 respondents with a percentage of 57% and 8 respondents have a junior high school education with a percentage of 8%. Based on table 2, it can be seen that the majority of respondents are respondents who transact in CV. Amelia SuksesMandiriLamongan> 5 times, as many as 56 respondents with a percentage of 56%.

Moderated Regression Analysis (MRA)

This research has been tested for validity and reliability. The results showed that all questionnaire items were declared valid and reliable. This research has carried out classical assumption test consisting of normality test, multicollinearity, heteroscedasticity test and autocorrelation. The results show normal results and there are no symptoms of multicollinearity, heteroscedasticity and autocorrelation in the regression model, so this research is feasible to continue.

<table>
<thead>
<tr>
<th>Table 3. Result of Moderated Regression Analysis</th>
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<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>Dependent Variable: Customer Satisfaction</td>
</tr>
<tr>
<td>Service Quality (SQ)</td>
</tr>
<tr>
<td>Price (PR)</td>
</tr>
<tr>
<td>Elektronik Word of Mouth (EWOM)</td>
</tr>
<tr>
<td>Interaction (SQ*EWOM)</td>
</tr>
<tr>
<td>Interaction (PR*EWOM)</td>
</tr>
</tbody>
</table>

Source: computed Data, 2021
The results of testing the first hypothesis in table 3 obtained a significance value of Service Quality of 0.001<0.05. The coefficient value is 0.268. So it can be said that Service Quality has a positive effect on consumer satisfaction, so that it accepts the first hypothesis (H₁). The results of testing the second hypothesis in table 3 obtained a price significance value of 0.014<0.05. The coefficient value is 1.768. So it can be said that the price has a positive effect on consumer satisfaction so that it accepts the second hypothesis (H₂). The results of testing the third hypothesis in table 3 obtained a moderating significance value, the interaction between service quality and EWOM of 0.032<0.05. The coefficient value is 0.023. So it can be said that EWOM strengthens the effect of service quality on consumer satisfaction so that it accepts the third hypothesis (H₃). The results of testing the fourth hypothesis, the interaction between price and EWOM of 0.031<0.05. The coefficient value is 0.066. So it can be said that EWOM strengthens the effect of price on consumer satisfaction so that it accepts the fourth hypothesis (H₄).

The Effect of Service Quality on Customer Satisfaction.
Service quality has a positive and significant effect on Customer satisfaction. Service quality is one of the benchmarks of customer satisfaction. Quality of service provides encouragement to Customers to establish a good relationship with a company. Basically, when Customers have felt good service quality, it will create a customer satisfaction and loyalty to a product from the company. Service quality is the expected excellence to meet customer needs and desires, in other words the expected service quality and perceived service (Tjiptono & Fandy, 2015). Service quality is the desire and need of Customers for a service that can fulfill it (Zeithaml et al., in Sunyoto, 2012). The results of this study are the quality of service that has a significant influence on customer satisfaction. Based on the answers of respondents in the questionnaire, the highest average of these answers is in the Assurance indicator on the item statement of trust and confidence in every service provided by employees at CV. Amelia SukesMandiriLamongan, it means that every Customer feels that the service provided give by employees on CV. Amelia SukesMandiri has good quality so that every customer is satisfied with the quality of service provided. This shows that the quality of service in CV. Amelia SukesMandiri is good, so the Customer satisfaction of the community uses the product in CV. Amelia Success Mandiri will increase. The results of this study support the results of previous research conducted by (Heri, 2017) and (Linardi, 2019) who found that service quality had a positive effect on customer satisfaction which stated that the higher the service quality, the higher the level of customer satisfaction.

The Effect of Price on Customer Satisfaction.
Price has a positive and significant effect on Customer Satisfaction. The second factor that plays an important role in creating customer satisfaction is price. (K. Kotler, 2014) state that what is meant by price is the amount of money determined by the product to be paid by the Customer or customer to cover the costs of production, distribution, and basic sales including the return that marks the effort and risk. Therefore, the price set must be in accordance with the given performance so that there is no discrepancy between price and company performance. Based on the answers of respondents in the questionnaire, the highest average on the product price affordability indicator on the product price statement item at CV. Amelia SukesMandiriLamongan is relatively cheap or affordable. This means that the price of the products offered at CV.Amelia SukesMandiriLamongan is in accordance with the quality of the products and services provided by CV.Amelia SukesMandiriLamongan in accordance with Customer expectations. This shows that when the price is good then Customer satisfaction will also increase, and vice versa, if the higher the price of a product, the Customer satisfaction will decrease.

Electronic Word Of Mouth moderates the effect of Service Quality on Customer Satisfaction
(Goyette et al., 2010), defines word of mouth as communication of information variables that occurs directly, via telephone, email, mailing list, or other communication methods. Word of mouth is product information conveyed by individuals to other individuals (Boyer et al., 2015). This product information is conveyed by individuals who have previous experience in using a particular product. Compared to direct marketing by the company, word of mouth is considered more reliable. The more
positive the information that Customers receive about the product from their peers, the more they will tend to adopt the product (Boyer et al., 2015). From the results of these studies indicate that Electronic Word Of Mouth strengthens the influence of Service Quality on Customer satisfaction at CV. Amelia SuksesMandiriLamongan. Electronic word of mouth variable is able to strengthen the influence of service quality on Customer satisfaction because the respondents’ responses to indicators of content have the highest average, the reason is because most people prefer and decide to make purchases at CV. Amelia is successful independently because of recommendations from friends of social media users so that she is more confident and confident.

**Electronic Word Of Mouth moderates the effect of price on Customer satisfaction.**

Word of mouth (WOM) has now developed into a new form of communication, called electronic word of mouth (eWOM) (Jalilvand&Samiei, 2012). The media on the internet used for eWOM communication is also diverse. Customers can submit opinions, comments, and product reviews on weblogs, discussion forums, review websites, retail websites, newsletters, newsgroups, and social networking sites (Kudeshia& Kumar, 2017). In this study, electronic word of mouth still has potential in moderating the relationship between price variables and Customer satisfaction at CV. Amelia SuksesMandiriLamongan. Potential moderation meaning that the variable has the potential to be a moderating variable. From the results of these studies indicate that Electronic Word Of Mouth moderates the effect of price on Customer satisfaction. Electronic word of mouth strengthens the effect of price on Customer satisfaction due to the price of products offered at CV. Amelia SuksesMandiriLamongan is in accordance with the benefits of the product received so that this has an impact on Customer interest in buying products and services at CV. Amelia Success MandiriLamongan. The existence of information through electronic word of mouth such as social media or info from the internet makes the prices offered can be known by Customers and Customers can compare prices with other stores, so that Customers are more satisfied.

5. Conclusion

**Conclusion**

This study accepts all hypotheses. Service Quality has a positive effect on Customer Satisfaction. Price has a positive effect on Customer satisfaction. Electronic Word Of Mouth is able to be a moderating variable of Service Quality on Customer Satisfaction. Electronic Word Of Mouth is able to be a moderating variable of price on Customer satisfaction CV. Amelia Success Mandiri Lamongan.

**Suggestion**

For further researchers are expected to pay attention to the factors that can affect Customer satisfaction. Add other variables such as promotion variables, and product quality to be studied, because there are many factors that affect Customer satisfaction. Further research should replace the moderating variable with a stronger influence other than the Electronic Word Of Mouth variable such as the Customer confidence variable.

**Daftar Pustaka**


