THE IMPACT OF WORD-OF-MOUTH, LAYMAN'S INTEGRITY, AND LAYMAN'S CONSENT ON LAYMAN LOYALTY

[1]Nanik Hariyana, [2]Hendra Syahputra
[1]Faculty Economics and Business, UPN "Veteran" Jawa Timur, Indonesia
[2]Faculty Economics and Business, Universitas Abdurachman Saleh Situbondo, Indonesia

Article Info

ABSTRACT

This study aims to analyze the impact of public opinion, public integrity, and public policy regarding public loyalty. Word-of-mouth marketing is a very effective tool wherein recommendations and information shared by individuals to other people can shape consumers' perceptions and attitudes about a particular product or service. The research employs a quantitative approach by distributing questionnaires to thirty respondents who have used the product or service in question and completed the survey honestly. Data analysis is done using Linear Multiple regression to examine the relationship between independent variables (public opinion, integrity, and goal-setting) and dependent variables (public loyalty). The study's findings indicate that Word-of-Mouth has a positive and significant impact on Public Loyalty, as positive recommendations increase consumer loyalty. Additionally, integrity has been shown to have a significant impact on public loyalty, indicating that honesty and integrity in disseminating information maintain the integrity of the consumer's decision to become loyal. In addition, public policy has a significant moderating effect, whereby public policy can strengthen public sentiment for a product or service. This provides practical advice to businesses on how to develop effective marketing and communication strategies to increase customer loyalty. Promoting positive word-of-mouth, upholding communication integrity, and understanding public policy dynamics can all be crucial in building a devoted customer base.

Corresponding Author
Nanik Hariyana
Email: nanik.hariyana.ma@upnjatim.ac.id

INTRODUCTION

In the increasingly globalized business world, customer loyalty has become the most important factor for businesses, particularly those in the software industry. Customer loyalty extends beyond simply appreciating the company's success in providing value to customers; it also serves as a safeguard against short-term business declines. In this context, the three primary factors that frequently exhibit significant effects on customer loyalty are word-of-mouth (WOM), customer satisfaction, and consumer behavior. Word of Mouth (WOM) continues to be a crucial tool for shaping customer perceptions and attitudes. WOM, which is defined as informal consumer feedback about their experiences with products or services, is frequently more credible than company advertisements or promotions. Research indicates that recommendations from friends or family can significantly affect consumers' willingness to continue using a service or product. As a result, understanding how WOM affects customer loyalty is crucial for developing marketing strategies.

One aspect of service quality that undermines customer loyalty is another kind of corruption. Reliability, responsiveness, confidence, empathy, and other physical aspects that reflect the company's ability to meet or exceed customer expectations is one of the many aspects of quality control. High-quality customer service not only increases customer satisfaction but also fosters strong customer loyalty and trust in the company. Sensitivity Analysis of Consumers is the result of customers' evaluations of their experiences with products or services. This constraint determines how far a participant's ability to fall or rise. High swallowing and recommending services to others, immediately useful to make re-purchase. Conversely, a lack of confidence can lead to people becoming suspicious of others.

The purpose of this study is to analyze the impact of word-of-mouth, product quality, and consumer loyalty on customer loyalty. Businesses can develop more effective strategies to strengthen their customers and increase their loyalty by understanding the relationship between these four variables. It is hoped that this study would provide theoretical and practical insights for both marketing literature and business organizations seeking to develop more customer-focused marketing strategies.

In particular, this study will address the following questions:
1. In what ways does word-of-mouth affect customer loyalty?
2. In what ways does the quality of the service affect the customers' loyalty and sense of trust?
3. Does the consumer's loyalty have a lasting effect on the business?
4. How does the interaction between word-of-mouth, product quality, and consumer behavior affect the development of customer loyalty?

By answering these questions, it is hoped that the study will be able to provide further insight into the factors that influence customer loyalty and offer practical advice to businesses looking to improve employee productivity.

LITERATURE REVIEW
Understanding and Basic Principles of Word-of-mouth (WOM)
Word of Mouth (WOM) is a type of interpersonal communication that involves sharing information, recommendations, and experiences about products or services among customers. WOM is a very effective marketing tool since it has a high degree of trust

compared to other forms of marketing communication like advertisements or company promotions. As per Arndt (1967), word-of-mouth (WOM) refers to informal consumer-to-consumer communication regarding a product or service that does not have any affiliation with the company that produces the product or service in question.

Benchmarking Quality of Service
The quality of service, or service quality, is the whole picture of how customers feel about a certain product or service. According to Parasuraman, Zeithaml, and Berry (1985), the quality of service is the difference between the expectations of customers regarding the services they receive and their actual experiences with the services they receive.
Empirical Research on Product Quality: The empirical study has established a positive relationship between the quality of service and customer satisfaction. For example, research conducted by Zeithaml, Berry, and Parasuraman (1996) indicates that customer satisfaction is most significantly impacted by perceived reliability and assurance. Additional research by Cronin and Taylor (1992) discredits the SERVQUAL model and disproves the SERVPERF model, which only evaluates the quality of the work. This suggests that the quality of the work is more accurately evaluated by the service provider when compared to the sum of the percentages of the two variables.

Sensitivity Analysis of Consumers
Sensitivity Analysis of Consumers is a sense of usefulness or disappointment that is appropriate after being applied to a productive performance or service effectively targeted. Kotler and Keller (2012) state that a person's satisfaction is the point at which they compare their work performance (or results) to the expectations of their product. Customers will feel disappointed or very disappointed if work conditions are not up to par.
Empirical Study on Consumer Behavior: The empirical study has established a strong relationship between consumer behaviour and business operations. Oliver (1999) asserts that customer loyalty and repeated purchase intent are the primary predictors of consumer behavior. Zeithaml, Berry, and Parasuraman (1996) shown that customer loyalty, recommendations, and intention are positively correlated with consumer behavior.

Customer loyalty
Customer loyalty refers to the commitment made by customers to a particular brand, product, or service through consistent brand promotion and positive word-of-mouth recommendations to other customers. Customer loyalty, according to Oliver (1999), is "a deep commitment to consistently repurchase a preferred product or service in the future, despite situational influences and marketing efforts that have the potential to cause behavioral switching."

RESEARCH METHODS
Associative research is the type of research methodology used. The goal of associative research is to understand the relationship between two variables or more. Through this research, a theory that may be used to explain, characterise, and control a particular phenomenon in the study will be developed.

Primary and secondary data are the data collection techniques used in this study. The primary data in this study is derived from interview and questionnaire results. The secondary data used in this study came from books, journals, and articles. All customers in Surabaya are offered vouchers through the Shopee e-commerce platform. According to Sugiyono (2014:148), "population is defined as the generalized area that consists of: objects/sub-objects with specific qualities and characteristics that are noted by researchers for study and subsequent identification." The majority of respondents in this study are Shopee's online shoppers in Surabaya City. According to Sugiyono (2014:149), sample size is the portion of the population's characteristic that it possesses. The sample size that was chosen was about thirty respondents.

RESULTS AND DISCUSSION
Validity test
A valid questionnaire item is one that is able to fully disclose whatever that the questionnaire item intends to destroy. To determine the validity of the sample, the correlation between the corrected item-total correlation and the determined coefficient correlation is used in the analysis. According to Sugiyono and Wibowo (2004), Suyuthi (2005), and Sugiyono (2004) in Sujianto (2007:99), if every positive factor has a skew of less than 0.3 towards the top, it is considered a strong construct. In this way, the validity of the hypothesis is stated if the corrected item-total correlation is more than or equal to 0.3, and the validity of the hypothesis is stated if the corrected item-total correlation is less than or equal to 0.3.

Table 1 Validity test

Variable	Item	Corrected item-total correlation	Decision
Word of Mouth (XI)	X1.1	0.728	Valid
	X1.2	0.693	Valid
	X1.3	0.759	Valid
	X1.4	0.685	Valid
	X1.5	0.738	Valid
Benchmarking Quality of Service (X2)	X2.1	0.689	Valid
	X2.2	0.715	Valid
	X2.3	0.811	Valid
	X2.4	0.785	Valid
	X2.5	0.742	Valid
Sensitivity Analysis of Consumers (X3)	X3.1	0.794	Valid
	X3.2	0.798	Valid
	X3.3	0.505	Valid
	X3.4	0.661	Valid
	X3.5	0.733	Valid

Source: Processed Data, 2024

Table 2. Validity test

Variable	Item	Corrected item-total correlation	Decision
Customer loyalty (Y)	Y.1	0.693	Valid
	Y.2	0.828	Valid
	Y.3	0.763	Valid
	Y.4	0.763	Valid
	Y.5	0.703	Valid

Source: Processed Data, 2024

Reliability Test

Table 3. Variable Reliability Test Results

Variabel	Cronbach's Alpha	N of item	Reliability
Word of Mouth (XI)	0,92	5	Reliable
Benchmarking Quality of Service (X2)	0,78	5	Reliable
Sensitivity Analysis of Consumers (X3)	0,80	5	Reliable
Customer loyalty (Y)	0,93	5	Reliable

Source: Processed Data, 2024

Simple Linear Regression Analysis

Table 4. Partial Test

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	5.342	1.242		3.215	0.001
Word of Mouth (XI)	0.417	0.097	0.429	4.131	0.000
Benchmarking Quality of Service (X2)	0.465	0.093	0.307	3.273	0.001
Sensitivity Analysis of Consumers (X3)	0.432	0.079	0.539	4.729	0.000

Source: Processed Data, 2024

Analysis of the Coefficient of Determination (R2)

Table 5. Results of Determination Coefficient Analysis (R2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,793	0,630	0,602	4.198

Source: Processed Data, 2024

Regression Model Feasibility Test (F Test)

Table 6. Regression Model Feasibility Test Results (F Test)

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	808.962	2	404.481	22.951	.000b
1 Residual	475.838	27	17.624	Residual	475.838
Total	1284.800	29	Total	1284.800	29

Source: Processed Data, 2024

Based on table 7 above, it can be shown that there is a significant difference between word-of-mouth, benchmarking quality of service, and sensitivity analysis of consumers with regard to customer loyalty simultaneously. The sig. value is approximately 0,00, which means that sig $\alpha = 0.05$ due to this.

CONCLUSION

Based on the above analysis and results, the following may be said about this study's results:

1. There are significant effects of word-of-mouth marketing on customer loyalty. The impact of word-of-mouth on customer loyalty is shown in Table 5.(1,001 < 0,05 for ρ value). Due to ρ value less than α, there will be a significant impact on the customer loyalty rate.
2. There are notable effects of Benchmarking Quality of Service on Customer Loyalty. Table 5 shows the impact of benchmarking quality of service on customer loyalty (ρ-value = 0,001 < 0,05). Because ρ value is less than α, there is a significant impact of Benchmarking Quality of Service on customer loyalty.
3. There are factors that significantly impact consumer loyalty to the brand. Table 5 displays the Consumer Sensitivity Analysis's impact on customer loyalty (ρ-value = 0,000 < 0,05). Because ρ value is less than α, there will be a significant impact on customer loyalty according to Sensitivity Analysis of Consumers.
4. There are significant differences between customer loyalty and benchmarking quality of service and consumer sensitivity analysis. Table 7 displays the effects of word-of-mouth marketing, customer sensitivity analysis, and service benchmarking on customer loyalty (ρ-value = 0,000 < 0,05). When ρ value is less than α, there will be a significant impact on customer loyalty from Word of Mouth, Sensitivity Analysis of Consumers, and Benchmarking Quality of Service simultaneously.

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