WORD OF MOUTH IMPLICATIONS OF SERVICE QUALITY MEDIATED STUDENT SATISFACTION
Studies on One Private University in Bandung

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Abstract - Private universities are one of the institutions that provide educational services. Private universities in the practice of providing educational services are required to provide such services provided by public universities. Therefore, the service quality of private universities is required to provide satisfactory services. This study will reveal that *word of mouth* is the implication of service quality mediated by student satisfaction.

The results of this study will reveal how big the effect on the service quality of student satisfaction and it has implications of the *word of mouth* student.

Keywords: Service Quality, Customer Satisfaction, word of mouth and universities

I. INTRODUCTION

A Private university is an institution of education service providers are always required to be able to provide satisfactory service to its full potential as a user community service, which ultimately will drive the progress of the private university.

As one measure of the performance of private universities is the satisfaction felt by the students associated with the learning process and the services provided. University belong to the group of pure services, where the provision of services is supported by personnel and facilities.

When students enter university, the service process of interaction of the most frequently performed and felt directly by the students, beginning with a look at the physical appearance of the building, courtesy and friendliness of the employees academic in serving the needs of students, to the willingness of the employees of academic in helping students overcome the difficulties associated with academic problems. According Hanaysha, *et al.* (2011), the quality of services to the education industry declared as the overall evaluation of services received as part of the experience during the educational process, which includes activities for outdoors as well as in the classroom, such as classrooms provided by type of activity, interaction and student employees, the availability of facilities to support the learning process and student relationships with teachers.

If the student during the learning process at the university is not satisfied, it should be done by the University to provide a container that can accommodate all student complaints.

The effect is bad for the university if it is not the availability of facilities to accommodate student complaints, the university will not be able to assess and correct the error because the absence of means for student complaints. With the means to accommodate complaints from students, the university will be able to make improvements. According to Muhammaed, *et al.*(2010) that the physical form *(tangible)* of the facilities available in an institution is very important in order to create a good image of the institution. The following data presurvei results that have been conducted by researchers as described in Table 1.

Table 1.
Data Prasurvei Against 30 People Students

No.	Rated aspect	Positive response	Negative response
1	Provision of physical facilities such as: space tuition and equipment in classrooms, field parking, laboratories and libraries.	16 (53.3%)	14 (46.7%)
2	Provision of electronic facilities: OHP, in focus, wifi networks, computers.	13 (43.3%)	17 (56.7%)
3	The attitude of employees at the airport: professionalism, ability, friendliness, responsiveness and concern.	5 (16.7%)	25 (83.3%)
	Amount	30 (100%)	30 (100%)

From the table above shows that a negative response is still dominating the responses of respondents, namely academic employee attitudes in serving students. Students are not satisfied with the services because these services are not in accordance with the expectations of students. This dissatisfaction may be forwarded by showing the attitude negatively inform a lack of facilities and services available at private universities X to others.

Formulation of the problem
 1. What is the quality of service influence on student satisfaction?
2. How is the satisfaction of *the word of mouth* effect on students?
3. What is the quality of service to the indirect effect *of word of mouth* the students through the student satisfaction?

Research purposes
1. Determine the influence of service quality on student satisfaction?
2. Determine the influence of satisfaction on *word of mouth* student?
3. Knowing the impact of service quality indirectly to *word of mouth* the students through the.

Theoretical Study
Consumer satisfaction
Kotler (2009) states that, satisfaction is feeling happy or disappointed someone rising from comparing the performance of perceived product (or result) to their expectations. Meanwhile, according to Tse and Wilton in Tjiptono (2003) satisfaction is the customer response to the evaluation of the perception of the difference between the beginning before the purchase (or other performance standards) and the actual performance of the product as perceived.

From the above statement can be concluded that basically understanding customer satisfaction covering the difference between expectations and perceived performance or results. A customer can only feel varying degrees of satisfaction. If the performance of the product is not in accordance with the expectations of the customer, then the customer will be disappointed. But if the perceived performance in line with expectations, then the customer will be satisfied. Meanwhile, when performance exceeds expectations, then the customer will be very satisfied or will be very pleased.

Word of Mouth.
According Tjiptono (2002) *word of mouth* is a statement in a personal or non-personal delivered by someone other than the organization *(service provider)* to customers. *Word of mouth* is usually quickly accepted by the customer, if they are present it is they who can be trusted, such as the experts, friends, family, and mass media publications. In addition, *word of mo*uth also often taken as a reference for customer service because customer service is usually difficult to evaluate the services that have not been bought or have not felt alone.

While Lovelock (2011) stated that the recommendation of other customers, are generally seen as more credible (trustworthy) than the promotional activities of the company itself and have decision-making powers to another person to use or prohibit the use of a

service. Customers who know little about the information of a service to be more trusting than consumer WOM experts. WOM even attract customers during an exchange of services. When customers talk to others about aspects of the service, then this information can influence customer behavior and customer satisfaction with the service, so that WOM can be an important predictor for the company's growth.

Davidow statement in Trarintya (2011) states that the actual relationship of the U-shaped mouth, which if someone satisfied then it will spread positive word of mouth, but if The complainant is not satisfied then he would deploy

Negative word of mouth. Experience less than satisfied *customer* can produce some response to the company. Potentially increasing *word of mouth* activity could provide an enormous influence on the company.

Results of research Reingen and Walker in Trarintya (2011) that research to produce research which shows WOM 7 (seven) times more effective than advertising in magazines and newspapers, 4 (four) times more effective than *personal selling* and 2 (two) times more effective of the ads on the radio in an attempt to influence the company's customers to switch to using that company's product. Positive WOM is recognized as the most appropriate way to promote products and services of a company. Because WOM could be a factor influencing the customer in making purchasing decisions.

Conceptual Framework and Hypotheses
According to Brown *et al.* In Arbainah (2010), claim that if a marketer is able to provide the maximum level of satisfaction to the consumer, then the consumer will have a tendency to positive *word of mouth (WOM)* by telling experience to others. Brown *et al* also noted that there are positive influence between customer satisfaction and *word of mouth.* Quality encourage customers to establish a strong relationship with the company. For the long term, this kind of bond allows the company to understand carefully the expectations and needs of customers. Thus, companies can improve customer satisfaction by maximizing a pleasant experience and minimize or eliminate customer experience less enjoyable. Based on the above, to clarify the relationship between the variables, then drafted the framework as shown in the following figure:

Figure 1. Conceptual Framework

The hypothesis of this study as follows:

1. Quality of care is positive and significant impact on student satisfaction?
2. Satisfaction positive and significant impact on student *word of mouth?*
3. Quality of care is indirectly positive and significant impact on students through the *word of mouth* of student satisfaction?

II. METHODOLOGY

The type of this research is descriptive quantitative research to measure the strength of the relationship between two or more variables which describe the properties (characteristics) of the object of research conducted through the collection and analysis of data. The population in this study was all students of a private university X from 2011 to 2013 as many as 485 people. Researchers used a sample size determination by taking 20% of the population is 97 people. Requirements for path analysis should use a minimum sample of 100 respondents, the researchers fulfill the sample size to 100 students.

The sampling technique used by the researchers is *purposive sampling* to establish criteria for students of private universities X minimal that are in the third semester and the current status of college because at minimum levels in the third semester, students are able to feel and assess the quality of service provided for at least one year of college.

III. RESULTS

Direct Impact *(Direct Effect)*

Furthermore, to determine the influence of direct *(Direct Effect* (DE)) can be seen in the value of S*tandardized Direct Effects* in Table 2.

Table. 2
Standardized Direct Effects

	X1	Y1
Y1	, 000	, 000
Y2	, 254	, 280

From Table. 2 showed the following results:
a. The influence of the variable quality of service to the student satisfaction X â + 'Y1 = 0,000
b. The influence of the variable quality of service to *the word of mouth* student X â + 'Y2 = 0254
c. Variables influencing of satisfaction on *word of mouth,* students Y1 â + 'Y2 = 0.280

Indirect Influence *(Indirect Effect)*

To determine the effect of indirect or *Indirect Effect* (IE) can be seen in the value of S*tandardized Indirect Effects* in Table 3.

Table 3.
Standardized Indirect Effects

	X1	Y1
Y1	, 835	, 000
Y2	, 393	, 282

The net effect is obtained by summing the direct and indirect influence in the model, than the sum of the effect of the above it can be seen the effect of total variable service quality to *word of mouth* student = 0393 + (0835 x 0282) = 0.628

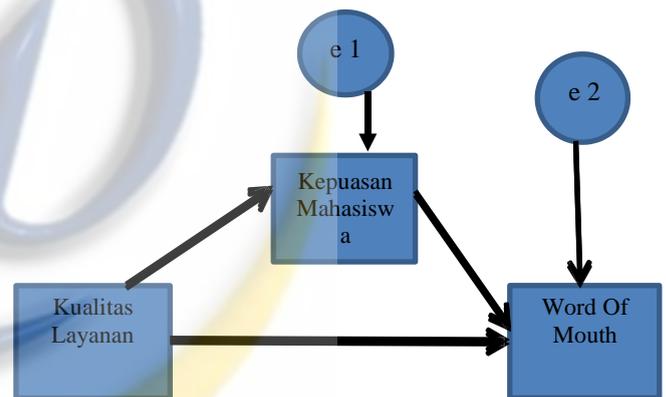Influence among variables that exist in this research model can be presented in the path diagram in Figure 2

Figure 2. Effect Between Variables In Model

Model Testing Results

The coefficient of determination (R^2) is used to measure the contribution of independent variables on the dependent variable.To measure the relationship between variables can be seen in Table 4.

Table 4.
Squared Multiple Correlations

	Estimate
Y1	, 698
Y2	, 419

Based on Table 4. The viewable estimated value of the *Squared Multiple Correlations* shows that the variable quality of service (X) has a close relationship that is equal to 69.8% *(estimate* = 0.698) in explaining the student satisfaction. The variable quality of service and satisfaction has a fairly close relationship that is equal to 41.9% *(estimate* 0.419) in explaining *word of mouth* student.

Based on the results table *output variances* (attached) it can be seen the value of the variance in the structural equation that can't be explained by the model, namely e 1 and e 2.

Table 5.
Results *Variances* Value

	Value Variance
e 1	**0.22**
e 2	**0.34**

Furthermore, it can be examined in relation to the accuracy of the model predictions can use the coefficient of determination total. It can be calculated by the formula:

$$R^2 m = 1 â € "1^2 Pe\ Pe\ 2^2$$
$$= 1 â € "[(0.22)^2 \times (0.34)^2]$$
$$= 1 â € "[x\ 0.109560\ 0.042438]$$
$$= 1 â € "(0153)$$
$$R^2 m = 0,849$$

Which means that, the diversity of data that can be explained by the model is 84.9%, or in other words, the information contained in the data amounted to 84.9% can be explained by the model, while the remaining 15.3% is explained by other variables (not included in The model) and error.

Hypothesis Testing Results
While based on the *output table* can know the probability of *regression weight* and value *Critical Ratio* (CR) which is the value of t-value. From these results are used to test the hypothesis.

Table 6.
Results *Regression* Output *Weight*

	Estimate	SE	CR	P	Label
Y1 <--- X	1.149,	, 076	15.168 1	***	par_1
Y2 <--- Y1	, 256	, 127	2.011	, 044	par_2
Y2 <--- X,	, 493	, 175	2,817	, 005	par_3

From Table 2 shows the following results:
1. Quality of service (X) positive and significant impact on student satisfaction (Y1) with a probability value of 0.001 and the value of CR 15.168.1
2. Student Satisfaction (Y1) and a significant positive effect on *word of mouth* student (Y2) with a probability value of 0.044 and 2.011 CR value.
3. Quality of care (X) positive and significant impact on student *word of mouth* (Y2) with a probability value of 0.005 and 2.817 CR value.

Then the structural equations in this study are:
Quality Service Satisfaction = 0,836 + e 1
Word of Mouth = 0.393 + 0.282 Quality Service Satisfaction + e 2

IV. DISCUSSION

The first hypothesis which states that service quality and significant positive effect on student satisfaction. This is indicated by the values of a probability of 0.000 or less than 0.05 and the value of CR 15.168 â ‰ ¥ 2, this means that the first hypothesis is proven and accepted.

This means more and better quality of service, it will increase student satisfaction. The direct effect of the variable quality of service to the student satisfaction for 0836, or 83.6%, while the remaining 16.4% is influenced by other factors beyond the quality of service. Quality of service is a measure of how good a given level of service capability meets the expectations of students. These results are consistent with that proposed by Tjiptono (2002), states that customer satisfaction has a strong relationship with quality. Quality gives an impetus to the customer to establish a strong relationship with the company. The second hypothesis which states that satisfaction and significant positive effect on *word of mouth* student. This is indicated by the probability value of 0.044 <0.05 and 2.011 CR value â ‰ ¥ 2.

Positive effect here means that if a student satisfaction increases, so *word of mouth*, students will also be increased. This means that the second hypothesis is also proven and accepted. The direct effect of the variable satisfaction with the *word of mouth* of students amounted to 0,282, or 28.2%, while the remaining 71.9% is influenced by other factors outside the student satisfaction.

Consumer satisfaction is an important asset for the company because it can be used as an indicator of quality and corporate earnings in the future. Consumer satisfaction can lead to the growth of the desire to re-purchase and would gladly recommend the product to others. The third hypothesis states that service quality does not directly affect positively and significantly on *word of mouth* students through student satisfaction.

This is indicated by a probability of 0.005 <0.05 and value CR 2,817 â ‰ ¥ 2.

This means that the third hypothesis is also proved and accepted. The Indirect influence of the variable quality of service to students through *word of mouth,* student satisfaction is equal to 0.235 or 23.5%, while the direct effect of service quality on *word of mouth,* students of 0.394 or 39.4%. If the comparison between the direct path coefficients and indirect pathways (0.394> 0.235), then the direct influence of the quality of service is greater than its indirect effect through satisfaction. Pleasure and proud to be students of private universities that already have a good name and is known, be a positive thing for the student even if the student is no dissatisfied with the service it receives, but for the sake of maintaining the reputation university private X, and students will tell you things that positive to others.

Satisfaction need to be considered to improve student *word of mouth,* at least for himself if he is satisfied that the student will be interested to go back to continue studying at private universities X. So far the quality of services provided has been able to form for student satisfaction so that the perceived satisfaction has led to positive *word of mouth* student.

0034 satisfaction probability value is less than the *cutoff value* (0.05). Shows that satisfaction significantly affect the form *of word of mouth* is positive or negative. But with the negative *word of mouth* directing universities to improve student discontent to be satisfied by improving the attributes that led to the emergence of negative *word of mouth,* so that in the future students will feel more satisfied and spread positive *word of mouth.* Satisfied customers and spread the *positive word of mouth that* will attract new customers.

V. CONCLUSION

From the research that has been done, it could be concluded as follows:

1. Quality of service is a positive and significant effect on the private university student satisfaction X. That is, if the quality of service better, it will increase student satisfaction. Overall dimensions of the average quality of service have a pretty good score. But the dimension of service quality has the highest scoring average is a guarantee.

2. Satisfaction positive and significant impact on student *word of mouth.* In theory to form *word of mouth* must be through satisfaction, satisfaction can be achieved by the provision of services that meet consumer expectations. The highest average scores that can give students is perceived through the provision of physical facilities to support the smooth process of learning and teaching. Continuous

satisfaction is felt, to foster re-purchase and would gladly recommend and invite it to others.

3. Quality of care is an indirect influence positively and significantly on *word of mouth* students through student satisfaction. The direct effect of service quality of student *word of mouth* is bigger than the indirect effect through satisfaction. But satisfaction can be *an intervening* variable between service quality and *word of mouth,* so the satisfaction is also noteworthy to increase *word of mouth* student. *Word of mouth* is positive has encouraged students to recommend to others who need information about private universities X, the attitude of these students is a form of promotion and foster an interest to keep tuition at private universities X.

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