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# **Effect of Service Quality on Company Customer Satisfaction**

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#### **ABSTRACT**

This study aims to determine the effect of service quality on customer satisfaction of the Makassar City Regional Public Drinking Water Company in Tallo District. This type of research is a descriptive study with a quantitative research design. The data collection technique is done through observation, questionnaire (questionnaire) and documentation. The data analysis technique used consists of descriptive statistical analysis and inferential statistical analysis. In this study, researchers tried to determine how much influence service quality has on customer satisfaction. This study used a survey method, data collection was carried out by observation, questionnaires and documentation and analyzed using SPSS assistance. From the results of data processing for service quality variables obtained a value of 85 percent, So it can be concluded that the service quality of Perumda Drinking Water in Makassar City in Tallo District is in the good category. The results of data processing for the variable customer satisfaction obtained a value of 82 percent, it can be concluded that customer satisfaction of Perumda Air Drinking City of Makassar in Tallo District is in the high / strong level category. From the results of the correlation coefficient analysis, the correlation coefficient is = 0.425, so it can be concluded that the quality of service is correlated with a high level of correlation with customer satisfaction of the Regional Public Drinking Water Company in Makassar City in Tallo District. The results of data processing for the variable customer satisfaction obtained a value of 82 percent, it can be concluded that customer satisfaction of Perumda Air Drinking City of Makassar in Tallo District is in the high / strong level category. From the results of the correlation coefficient analysis, the correlation coefficient is = 0.425, so it can be concluded that the quality of service is correlated with a high level of correlation with customer satisfaction of the Regional Public Drinking Water Company in Makassar City in Tallo District. The results of data processing for the variable customer satisfaction obtained a value of 82 percent, it can be concluded that customer satisfaction of Perumda Air Drinking City of Makassar in Tallo District is in the high / strong level category. From the results of the correlation coefficient analysis, the correlation coefficient is = 0.425, so it can be concluded that the quality of service is correlated with a high level of correlation with customer satisfaction of the Regional Public Drinking Water Company in Makassar City in Tallo District.

Keywords: Service Quality, Customer Satisfaction

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### **INTRODUCTION**

PDAM Makassar city is a regional public company that has duties and obligations in carrying out clean water processing and services, through managing clean water facilities infrastructure and regulating distribution systems, it is required to be able to make improvements in the service sector by developing services professionally in an effort to provide satisfaction. to its customers. Based on the Ministry of Home Affairs Regulation No. 47 of 1999 that in order to improve drinking water services to the community both in quantity and quality, Regional Public Drinking Water Companies must be managed by professional directors. Where employees are given the opportunity to take part in education freely (Zainal et al., 2020).

In principle, every company when selling its products (goods / services) will be faced with a good sales strategy and technique, so that the services it offers can sell well. One of the sales techniques in question is related to how and how high the quality of service provided is to customer / customer satisfaction. The quality of service provided for satisfaction is the most important company performance for customer / customer satisfaction. PDAM Makassar City must pay attention to important things for its customers, so that customers feel the satisfaction expected.

PDAM Makassar City as a company engaged in the provision of clean water where this company has no competitors, however, this company continues to provide satisfaction to its customers, but the fact is that there are still customers who are still disappointed because what was done to the company was not as expected. or not in accordance with existing standards. Consumers who feel dissatisfied state that the company's response to complaints that they feel is not being realized quickly so that customers have repeatedly reported their complaints such as dead water, missing meters, damaged meters, leaky pipes, high accounts and others. The following is the data on the number of customer complaints of the Makassar City Regional Public Drinking Water Company:

| Complaint                | territory |     |     |     |  |
|--------------------------|-----------|-----|-----|-----|--|
|                          | 01        | 02  | 03  | 04  |  |
| Dirty water              | 12        | 12  | 1   | 5   |  |
| Small water              | 13        | 54  |     | 1   |  |
| The meter is broken      | 19        | 9   | 8   | 44  |  |
| Building renovation      | 26        | 9   | 23  | 26  |  |
| Meter submerged          | 36        | 9   | 22  | 28  |  |
| The meter is not normal  | 24        | 25  | 36  | 20  |  |
| High account             | 171       |     | 177 | 5   |  |
| The meter is off / stuck | 154       | 119 | 256 | 376 |  |

| Customer        | 34,265 | 24,539 | 55,523 | 60,998 |
|-----------------|--------|--------|--------|--------|
| come out        | 409    | 1,120  | 43     | 73     |
| Water doesn't   | 489    | 1,126  | 49     | 75     |
| Use less water  | 318    | 444    | 126    | 765    |
| New meter       | 207    | 149    | 347    | 633    |
| meters          | 300    | 110    | 300    | 403    |
| Accumulated     | 306    | 110    | 506    | 405    |
| Old meter       | 139    | 4      | 883    | 300    |
| Don't use water | 130    | 537    | 389    | 210    |
| opaque          | 230    | 04     | 332    | 511    |
| The meter is    | 250    | 64     | 352    | 511    |

The function carried out by the PDAM is to make it easy for city residents to get clean water, where clean water is the most important need and is always used every day, whether used as drinking water, for cooking and washing and other necessities. It can be imagined, if the water was available in an insufficient capacity and was not suitable for use by the community, of course the residents of Makassar City would experience the most pressing problems, because water is one of the main needs in addition to other needs. Regulating and distributing drinking water to each household or customer is a difficult job and must be precise and sufficient, if the drinking water provider in this case, PDAM Makassar City cannot carry out its function,

#### **METHOD**

This research design uses a quantitative method approach. This research approach is carried out by processing all the data from the research location. The quantitative approach focuses more on finding data from the reality field and refers to evidence of concepts and theories that have been used. This type of research is descriptive research. According to Sugiyono (2016) descriptive research is research conducted to find out the value of the independent variable, either one or more (independent) variables without making comparisons or connecting between one variable and another. In this study consisted of 2 variables, namely variable X (Service Quality) and variable Y (Customer Satisfaction). Both of these variables aim to determine the effect of Service Quality on Customer Satisfaction. The study population was 34,265 and the sample in this study was 100 people. Data collection techniques used are through observation, questionnaires (questionnaire), and documentation. The data that has been obtained from the research results are processed using data analysis and using the SPSS.23 software application which consists of validity & reality tests, descriptive analysis techniques and inferential statistical analysis.

### RESEARCH RESULTS AND DISCUSSION

Description of the data in this study is to provide an overview or explanation of the research that has been carried out in the field. To get data about the subject of research, researchers used an instrument in the form of a questionnaire. Questionnaire consisting of 22 items in the form of questions with five alternative answers. With the details of the number of

questions for the calling customer variable (X), there are 12 items and 10 questions for the Repeat order variable (Y). The questionnaire with 26 items was recapitulated or tabulated to determine the value of the questionnaire based on the frequency of respondents 'answers and the percentage of respondents' answers to each question. The research questionnaire was distributed to 100 respondents, namely customers of the Makassar City Public Drinking Water Company in Tallo District who had been selected as the research sample. .

## **Description of Service Quality Variables**

Based on the research results, it is known that the description of service quality can be said to be going well. This can be seen through the percentage of all X variables used, namely Tangibles, Reliability, Responsiveness, Assurance and Emphaty which are stated to be at a fairly good level. So it can be said that the picture of the quality of service at the Regional Public Drinking Water Company in Makassar City, especially in the District of Tallo, is running well and the lack of this service quality is the low percentage value on the Responsiveness indicator, which means that the readiness to respond to customer needs is at 391 and customer desires are at a value of 389 and the speed of employees in providing services is at 390 which is in a low number and of course this will be used as material for improvement for the Makassar City Regional Public Drinking Water Company in the future in order to create more maximum and higher quality services.

### Variable Description of Customer Satisfaction

Based on the research results, service quality (variable X) on customer satisfaction (variable Y) with a coefficient of r = 0.652 is in the interval from 0.600 to 0.799 in the strong / high category. From these results it can be concluded that the effect of service quality on customer satisfaction of Perumda Air Drinking Makassar City in Tallo District is high, this means that there is a strong influence between service quality on customer satisfaction of Perumda Drinking Water in Makassar City in Tallo District. The indicators used in variable Y are the Complaint and Suggestion System, Customer Satisfaction Survey, Shadow Customer and Evaluation. The recapitulation of the percentage test results is as follows:

The weakness of this variable is the lack of a percentage value of the Shadow Customer and Evaluation indicators, which are respectively at 77 percent. This of course can be used as input for the Regional Public Drinking Water Company in Makassar City, especially in Tallo District, so that the level of customer satisfaction can be increased even better.

### Description of the Effect of Service Quality on Customer Satisfaction

Based on the research data collected for both the dependent variable (Y) and the independent variable (X) which is then processed using a simple linear regression test, it can be said that the analysis of the regression equation calculations obtained values of a = 15.504 and b = 0.463 so that the regression equation is: Y = a + bX, Y = 15.504 + 0.463X. From the results of the F test calculation obtained F count 72.583 (in the ANOVA table) and F table 3.94 (0.05: 1: 100), then F count (72.583)> F table, which means service quality affects customer satisfaction. Based on the results of the coefficient of determination (R2) of 0.425 which implies that the influence of the independent variable (service quality) on the dependent variable (customer satisfaction) is 42.5 percent, while the rest is influenced by other variables not examined in this study.

Based on the results of the simple linear regression test, it shows that there is a positive and significant effect. This means that the proposed hypothesis is accepted with a "strong" level of influence. This study shows that service quality plays an important role in customer satisfaction of the Regional Public Drinking Water Company in Makassar City in Tallo District where the company must improve service quality so that customer satisfaction can be achieved maximally.

### **CONCLUSION**

Based on the percentage of the average value of 85 percent, which means that the quality of service at the Makassar City Regional Public Drinking Water Company in Tallo District has been running well in accordance with the company's operational standards because service quality has a fairly high average value. From these results it can be seen that the highest average percentage of service quality is Tangibles. Service quality (variable X) on customer satisfaction (variable Y) with a coefficient of r=0.652 in the interval from 0.600 to 0.799 in the strong / high category. The indicator on customer satisfaction which has the highest average percentage is the Complaints and Suggestion System at 82 percent. Customer Satisfaction of Perumda Drinking Water in Makassar City in Tallo District is in the strong / high category.

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