

THE CONCEPTUAL OF SERVICE QUALITY, COMMITMENT OF EXCELLENT SERVICE, CUSTOMER VALUE, CUSTOMER SATISFACTION

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Introduction

Costabile (1998) defines trust as the perception of reliability from the point of view of the customer based on experience, or more on the order of transactions or interactions characterized by the fulfillment of expectations of product performance and satisfaction. Barney and Hansen (1994) argue that trust is a belief from both parties that neither of them will exploit the weaknesses of others. Trust is the willingness of one party to be willing to follow the actions of the other.

Trust can be formed when a cooperating party puts trust in the reputation, quality and integrity of the other. The existence of trust arises when in a relationship there is a belief that each party can be trusted because it has integrity. Trust can be interpreted if one party has confidence in the reliability and integrity of the other (Morgan and Hunt, 1994).

An important factor for the creation of a relationship between service provider / product and service user / product is trust. Researchers agree that trust is important in building and maintaining long-term relationships with customers. According to Lau and Lee (1999), if one party believes against the other will lead to positive behavior toward the next relationship. If the confidence arising from each side is positive, trust will be enhanced. Doney and Cannon (1997) add that in relation to that belief, each party must also have the ability to continue the relationship into positive relationships and provide benefits for the continuation of future relationships.

Director of PDAM Jayapura, Ir. Gading Butarbutar, in the Regional Working Meeting and Workshop of Water Companies Association (PERPAMSI) of Papua Region in Jayapura (05/06/2012), revealed that on average about 47 percent of PDAM's water is lost. This is one of the constraints to managing PDAMs in Papua. The incident is caused by the number of pipeline leaks, both transmission pipes and distribution pipes that have long. "Even in some locations there are no distribution pipes, so that customers directly connect to the main distribution pipeline," he said. In addition, customer awareness is also still low. Often found customers open their own meter with the reason for the water smoothly. A number of other constraints, such as the efficiency of revenue are still low, the decreasing water discharge in almost all PDAMs in Papua is due to the nature reserve as a source of water has switched functions, as well as various technical, non technical, and human resources owned by PDAM (www.bintangpapua). com, 05/06/2012).

The problems facing PDAMs in managing clean water services in Papua Province can be reflected in the way water services managed by PDAM Kabupaten Jayapura or better known as PDAM Jayapura. BUMD is officially operated since 1992, from the evaluation of the performance of BPPSPAM team declared PDAM category "healthy" in 2008. Owing tens of thousands of customers spread across urban areas and suburbs, covering a wide service area spread in two the administrative areas of Jayapura and Jayapura.

PDAM Jayapura in its journey still get complaints from the customer community that is increasingly critical of the clean water service provided by the company. Although the company has never conducted an official survey on customer satisfaction, but a temporary evaluation of customer satisfaction rates was established by PDAM Jayapura in 2010. The company conducted a random customer satisfaction survey spread across six areas of the company's operations, the results of the quote test from customer satisfaction survey samples Table 1.1.

Table 1.1
Customer Satisfaction of PDAM Jayapura
(Data Comparison 2013 To Sample Data 2010)

Territory	Number of Customers (SR = Regular Connection) Status as of October 30, 2013			Number of Unsatisfied Customers in 2010 *)	
	SR	RT	Non RT	SR	(%)
1. Jayapura Selatan	6.663	5.711	952	156	2,34
2. Jayapura Utara	6.649	5.834	815	160	2,41
3. Abepura	8.798	7.945	853	221	2,51
4. Waena	3.345	3.104	241	87	2,60

5. Sentani	3.002	2.424	578	66	2,20
6. Genyem	156	135	21	4	2.56
Total	28.613	25.153	3.460	694	2.44

Sources: PDAM 2013, Processed *) the test data is not representative of the sample

In Table 1.1, there are still customers who complain about being dissatisfied with the performance of PDAM Jayapura service, and it is estimated that every year there is an increase. Jayapura PDAM's customer complaints have not been managed properly and optimally on a corporate data base system. Explanation of technical directors, generally complaints or customer complaints received during each rainy season is a complaint of turbid water or water does not flow due to damage to the piping network.

Customer complaints need to be considered and handled properly and optimally, thereby changing the perception of less satisfied customers or less trust to be satisfied customers and believe in the company's performance. Customers complain that the clean water service provided by the company is not evenly distributed because the distribution of clean water is still rotated in time, about 50% of customers get water distribution every 2 days as shown in Table 1.2.

Services distribution	24 hours	6 hours	2 days	3 days
Total of customer	20 %	25 %	50 %	25 %

Table 1.2 Clean Water Services PDAM Jayapura

Sources: Leaflets PDAM (2012), processed

According to Zeithaml (2000), there are two main factors that affect the quality of service, namely expectative service (service expected) and perceived service (service received). Based on customer-centered service quality and delivery accuracy to compensate for customer expectations, Zeithaml (2000) defines that service should be excellent or superior service delivery compared to customer satisfaction. Services provided should exceed customer expectations in order to create customer satisfaction with the services provided.

The commitment of the company organization to provide excellent service to the customer must be a process related to the standard of service, the man who carries out, and the tools used. A continuously-developed and evaluated service process is the key to a successful customer service commitment.

Kotler and Keller (2008) found that creating loyal customers is the core of every business, so companies are required to build value, satisfaction, and customer loyalty. Customer satisfaction will lead to a firm attitude towards the company. According to Shamdasani and Balakrishnan (2000), customer confidence has an effect on customer loyalty attitude. The attitude of customer loyalty requires the company to retain customers in a tightly competitive business world.

THEORITICAL FRAMEWORKS

Service quality

Service Quality Concept

Referring to the etymology of the wikipedia version, the word quality or 'qualitet' in Indonesian is derived from the Dutch ('kwaliteit') already dilatinisasikan ('qualitas'). The noun, 'quality' implies: 'the level of goodness of something or of degree, degree, degree'. While the noun 'ministry' implies: 'the subject or the way of serving, the business of serving the needs of others by obtaining the reward (money), or the convenience given in connection with the sale and purchase of goods or services'. Thus, in the view of etymology "quality of service" implies a good level of bad effort to provide services to others with a reward.

Quality is a dynamic condition that affects products, services, people, processes and environments that meet or exceed expectations (Tjiptono and Chandra, 2011). Service is the action of one party to the other party in fulfilling requirement and desire of other party in purchasing product (Widyaningtias, 2000). Quality of service can be interpreted as an effort to meet the needs and desires of others and the accuracy of delivery in order to balance the expectations of those parties. Referring to Parasuraman et al, Kotler (2008) in measuring service quality also cites the five key dimensions: reliability, responsiveness, assurance, empathy, and Tangibles (physical appearance).

Service Quality Model

SERVQUAL model is widely applied in various companies and industries. The popularity of the SERVQUAL survey instrument is due to a number of advantages:

- a. SERVQUAL instruments have evolved into standard reference for the assessment of various dimensions of service quality.
 - b. SERVQUAL instruments show valid (valid) on various research service context.
- The SERVQUAL questionnaire indicates reliably in various researches because the questions are interpreted equally by different respondents.
- c. SERVQUAL instruments meet the criteria parsimony, because it only consists of 22 items, so it can be filled quickly by respondents.
 - d. Parsimonian criteria, meaning things that are considered complicated can be simplified.
 - e. SERVQUAL instruments have standardized analytical procedures that facilitate interpretation of results.

Organizational Commitment

Durkin (1999), organizational commitment is a strong and strong feeling of a person towards the goals and values of an organization in relation to their role in achieving the goals and values. Robbins (2001) states that commitment to the organization is a condition in which an employee sides with an organization and its goals, and intends to maintain membership within the organization. Riggio (2009), organizational commitment is all the feelings and attitudes of employees to all things related to the organization where they work, including on their work. Organizational commitment by Luthans (2006), defined as: a). A strong desire to retain a member of a particular organization, b). A strong will to try to defend the name of the organization, and c). Confidence and acceptance of organizational values and goals.

A clearer picture of the definition of organizational commitment is proposed by Meyer and Allen (1991), suggesting organizational commitment identified three types of commitment; affective commitment, sustainability commitment, and normative commitment as a good psychological state characterize employees' relationships with the organization or have implications for whether employees will continue the organization.

Customer value

Customer value can be spelled out as a preference customers feel for product traits, performance and how far they have fulfilled what they want. Slywotzky (1996), customer value is based on the customer's perspective of the company, considering what they want and what they get from purchasing and using the product or service.

Zeithaml (1988), said that customer value, is the overall valuation of the customer on the utility of a product based on his perception of what is received and what is given the product. Furthermore Zeithaml et al., (1988), identifies four product service values, namely: 1). service value is a low price; 2). the value of service is everything desired in the product; 3). the value of service is the quality of service in accordance with the price paid; and 4). the value of service is all that is earned on all sacrifices given.

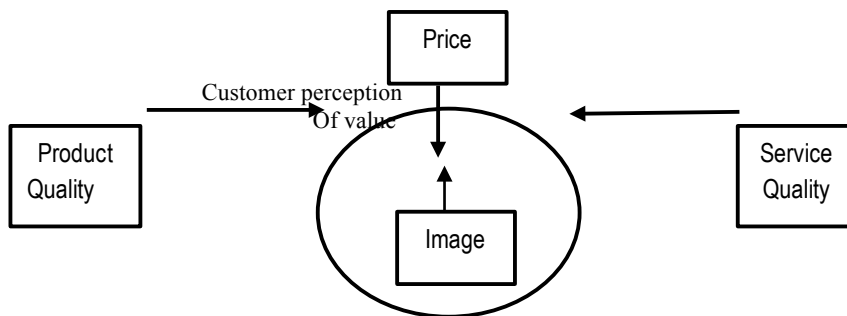


Figure 1. Component of value

Customer Satisfaction

Giese & Cote (2000) conducted a literature review referring to research results over a period of 30 years, successfully identifying 20 definitions of customer satisfaction. A variety of customer satisfaction definitions are found and some are inconsistent with each other, but there are found similarities in three main components: Customer satisfaction is a response (emotional or cognitive); The response involves a particular focus (expectations, products, consumption experiences, etc.). Response occurs at any given time (after consumption, after product / service selection, accumulated experience, etc.)

METHODOLOGY

The research hypothesis model is built by integrating independent variable that is service quality with dependent variable consisting of service excellence commitment, customer value, customer satisfaction, customer trust. Conceptual framework of research as in Figure 2.

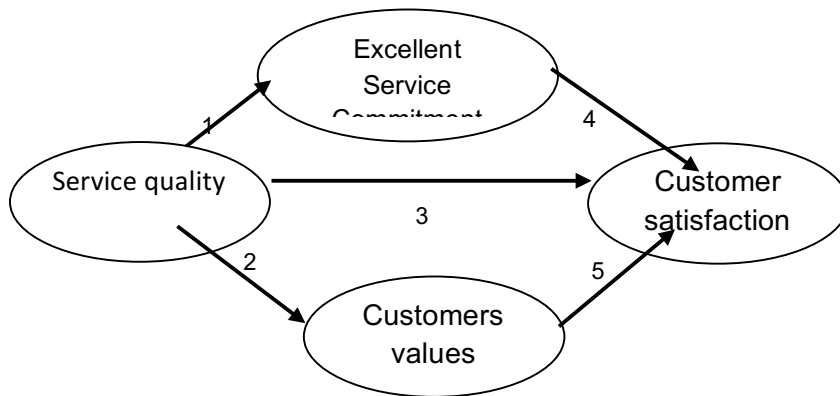


Figure 2. Conceptual Research Framework

Sources of journal:

1. Fullerton (2005); Yavas, Bilgin dan Shemwell (1997)
2. Parahoo (2012); Edward & Suni (2011)
3. Garima (2012); Rahaman dan Rahman (2011)
4. Berghall (2004); Zeffane *et al.* (2011)
5. Ramaseshan *et al.* (2012); Mosavi dan Ghaedi (2012)
6. Ribbink *et al.* (2004); Kantsperger & Kunz (2010)
7. Johnson, Silvadas dan Garbarino (2008); Ndubisi dan Wah (2005)
8. Chen *et al.* (2012); Zhu dan Chen (2012)

CONCLUSION

Quality of service provided by PDAM Jayapura still revolves around the category of perception "less good". The excellent service commitment provided by PDAM Jayapura is still in the category of perception "less good". Customer satisfaction is the customer's response to the inconsistencies between expectations and the customer's perceived reality. The satisfaction felt by Jayapura PDAM customers still revolves around the category of perception "less good", but has been able to influence customer trust. Customer trust is the customer's belief in clean water service from PDAM Jayapura in quantity, quality, and sustainable.

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