

THE ROLE OF TRUST IN MEDIATING THE INFLUENCE OF SERVICE QUALITY AND CUSTOMER SATISFACTION ON CUSTOMER LOYALTY IN THE MONEY CHANGER INDUSTRY BADUNG REGENCY

Volume: 5
Number: 3
Page: 648 - 663

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Article History:

Received: 2024-03-10
Revised: 2024-04-15
Accepted: 2024-05-15

Abstract:

The phenomenon that occurs in the money changer industry in Badung Regency, which still does not have a company license, causes the money changer to sell prices at foreign exchange rates that do not comply with the policies of KUPVA BB (Non-Bank Foreign Currency Exchange Business Activities) such as giving commissions to customers, thereby making The customer feels disadvantaged because the amount exchanged does not match the amount received. This research aims to analyze trust's influence in mediating customer satisfaction's influence on customer loyalty. The population of this research is all tourists visiting Badung Regency. The sample used was 120 foreign tourists in Badung Regency. The data collection method uses a survey method, and the research instrument uses a questionnaire. The analysis technique used to answer the hypothesis is inferential analysis using Partial Least Square (PLS). The research results found that service quality positively and significantly affects customer loyalty. Service quality has a positive and significant effect on trust. Customer satisfaction has a positive and significant effect on trust. Trust has a positive and significant effect on customer loyalty. Trust partially mediates the influence of service quality on customer loyalty. Trust partially mediates the influence of Customer Satisfaction on Customer Loyalty.

Keywords: Trust, Service Quality, Customer Satisfaction, Loyalty

INTRODUCTION

Conditions in foreign currency exchange service businesses are called Money Changers. In Bali, especially in the Badung area, business competition is increasing along with the number of companies operating in similar fields. According to data from the Foreign Exchange Traders Association (APVA), the number of money changers in Badung Regency has reached 117 companies. The large number of foreign exchange money changer industry businesses in Badung Regency have been built has made business competition increasingly competitive, especially in Badung Regency. The following is data on the number of foreign exchange money changer industry businesses recorded by Bank Indonesia in Badung Regency.

Table 1. Badung Regency BB KUPVA data for 2023

REGENCY	Number of KUPVA BB
Jembrana	2
Tabanan	16
Badung	47



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Gianyar	10
Klungkung	6
Bangli	8
Karangasem	7
Buleleng	9
Denpasar	12
Total	117

Source: Bank Indonesia 2023

Based on Table 1.1 above, it is explained that the highest number of Kupva BB (Non-Bank et al.) in Badung Regency is 47 official companies registered with Bank Indonesia. This phenomenon occurs because the Badung Regency area has tourism that many foreign tourists visit. It shows that business people compete to create customer loyalty in the money changer industry. Apart from that, judging from the trust factor, the phenomenon that occurs in the money changer industry in Badung Regency is that they still do not have a company license, which causes the money changers to sell prices at foreign exchange rates that do not comply with the policies of KUPVA BB (Non-Bank Foreign Currency Exchange Business Activities). Such as giving commissions to customers so that the customer feels disadvantaged because the amount exchanged does not match the amount received. Unlicensed money changers usually take a commission of seven percent to ten percent, and unlicensed money changers do not follow the policies and rules of Indonesian banks, so they do not pay taxes as they should because they are not licensed. Judging from the service quality factor, money changer employees in Badung Regency still need more English, so customers often experience miscommunication; employees do not wear company uniforms, and the facilities available are inadequate, such as no air conditioning. Judging from the satisfaction factor, customers said they had a less than impressive experience when exchanging their money.

Loyalty results from continuous promotional efforts to attract and persuade customers to repurchase the same product, Tjiptono (2018). Customer loyalty is a favorable attitude and consistent purchase of a particular brand, Tjiptono & Diana (2018). Meanwhile, according to Oliver (1999), customer loyalty is a firmly held commitment to repurchase or subscribe to preferred products and services consistently in the future, giving rise to brand purchases or repeated purchases of the same brand even though situational influences and marketing efforts have the potential to cause brand switching behavior. Research conducted by Putri & Utomo (2017), Normasari et al. (2013), Slack & Singh (2019), Santouridis & Trivellas (2010), Caruana (2002) (Bellamkonda, 2016) and (Ozkan et al., 2019).

According to Tjiptono (2018), service quality can influence customer satisfaction and loyalty; there are five dimensions of SERVQUAL (service quality) as a measure of service quality. It can be said that service quality is the hope or expectation of each individual when consuming or using a product or service. Service quality is a factor that can influence customer trust; this can be proven from research conducted by Yustine et al. (2020), Kartikasari et al. (2014), Wididana (2017), Riswandi (2019) which states that service quality has a positive and significant effect on trust.

Tjiptono (2018) defines customer satisfaction as contributing to several crucial aspects, such as creating customer loyalty, increasing company reputation, reducing price elasticity, reducing future transaction costs, and increasing employee efficiency and productivity. Based on previous research that supports satisfaction influencing loyalty is research conducted by Baharudin & Zuhro (2015), Kurniawan & Monica (2022), and Eftitah et al. (2023), which states that customer satisfaction has a positive and significant effect on customer loyalty. However, research conducted by Sukmawati and Massie (2015) indicated that customer satisfaction has little impact on customer loyalty.



Several studies have found a positive relationship between customer satisfaction and trust, namely research conducted by Guspul (2014) examining customers on Samsung Galaxy smartphones, stating that customer satisfaction has a positive and significant effect on trust. Sukmawati and Massie (2015) indicated that customer satisfaction positively and significantly affects PT customer trust. Air Manado. Eftitah et al. (2023) stated that customer satisfaction positively and significantly affects patient trust at Fatimah Islamic Hospital. Purnama (2019) stated that customer satisfaction positively and significantly affects customer trust at Boersa Supermarkets.

Several studies have found a positive relationship between trust and customer loyalty, namely research conducted by Purnama (2019), which stated that trust has a positive and significant influence on customer loyalty of Boersa Kampus Swalayan customers. Yuniarta (2019) indicated trust positively and significantly affects JNE Express's customer loyalty. Wicaksono (2015) stated that trust positively and substantially affects customer loyalty to sea freight expedition services. Dharma (2017) stated that trust positively and significantly affects customer loyalty on Padang city travel tours. Trisusanti (2017) stated that trust positively and significantly affects BNI Syariah bank customer loyalty.

Based on the background of the problem above, researchers are interested in conducting further research on the topic "The Role of Trust in Mediating the Influence of Customer Satisfaction on Customer Loyalty in the Badung Regency Money Changer Industry."

Customer Loyalty. According to Tjiptono (2018), customer loyalty is a person's tendency to always show the same attitude in the same situation towards previous brands purchased. According to Tjiptono (2018) and Sheth & Mittal (2004), customer loyalty is a customer's commitment to a brand, store or supplier based on a positive attitude and is reflected in consistent repeat purchases. According to Tjiptono & Diana (2018) and Wilkie (1994), customer loyalty is a favorable attitude and consistent purchases of certain brands. In their study, Indiani et al. (2016) examined banking customer loyalty in Bali, measuring customer loyalty using several indicators: the company being the first choice, retention and recommendations from other people. Gumussoy & Koseoglu (2016) in their study examined service quality satisfaction with hotel customer loyalty in Turkey, measuring customer loyalty using several indicators, namely: I am loyal to this hotel, I am very dedicated to this hotel, I identify myself with this hotel, and I will not go to any other hotel.

Service Quality. According to Goetsch and Davis (2015), Tjiptono and Chandra (2019) define service quality as a dynamic condition related to products, services, human resources, processes and the environment that meet or exceed expectations. According to Indri et al. (2017), service quality is expected to be excellent, and control over the level of excellence is expected to meet customer desires. Suparman et al. (2023) researched quality at TOSERBA Griya Subang using the following indicators: tangibles (tangible things) are physical appearance, equipment, personnel and communication materials, and reliability (reliability) is the ability to carry out the promised services properly. Trustworthy and accurate, responsiveness (responsiveness) is the ability to help customers provide exemplary service, assurance (guarantee/certainty) is the ability of employees to inspire trust or confidence in customers based on employee knowledge and behavior, empathy (empathy) is an attitude of caring or paying attention for customers.

H1: Service quality has a positive and significant effect on customer loyalty.

H2: Service quality has a positive and significant effect on trust

Customer Satisfaction. According to Kotler and Armstrong (2018), customer satisfaction is the extent to which product performance meets buyer expectations. If product performance exceeds customer expectations, the buyer will feel satisfied. Zeithaml and Bitner (2000) define satisfaction as a response or response from customers regarding the fulfillment of needs. Satisfaction is an

assessment of the characteristics or features of a product or service that provides a level of customer satisfaction related to meeting customer needs. Indiana et al. Their study (2016) examined service and product quality on banking customer loyalty in Bali. It measured customer satisfaction using several indicators: satisfaction with service quality, product quality, and good service experience. Gusmoy and Koseoglu (2016) researched customer satisfaction in Turkish hotels, which indicators can be measured. Overall, I am satisfied with the hotel service and the decision to visit this hotel. My choice of this hotel was a wise idea.

H3: Customer satisfaction has a positive and significant effect on customer loyalty.

H4: Customer satisfaction has a positive and significant effect on trust.

Customer Trust. Sholihah and Oktini (2019) state that trust is the buyer's willingness to trust a brand in the face of risk because there is hope from the buyer for the brand to provide positive results for the buyer so that loyalty to a brand is formed. Wibowo et al. (2019) state that trust is when buyers trust a company; they often make repeat purchases and provide personal information to that company. Trust is an atmosphere where when the buyer has confidence that the company involved in the transaction has integrity and reliability, it is said to have trust. Security and trust indicators are indicators that measure this dimension. A brand's Customer experience has a significant impact on trust, and satisfaction will have an effect on trust.

According to Sholihah and Oktini (2019), the indicators state that there are several dimensions to trust, including Viability and Intentionality. Fatonah et al. (2023), in their research measuring trust in the J&T Kedoya Raya delivery service, used indicators: reliability, honesty, concern, and credibility. Lubis & Parhusip (2023), in their research measuring the trust of Simpati internet package customers, used indicators that were consistent in quality, understanding customer desires, composition of information with product quality, customer trust, and reliable products.

H5: Trust has a positive and significant effect on customer loyalty

H6: Trust mediates the relationship between the influence of service quality and customer loyalty.

H7: Trust mediates the relationship between the influence of customer satisfaction and customer loyalty.

The conceptual framework of the research is described as follows.

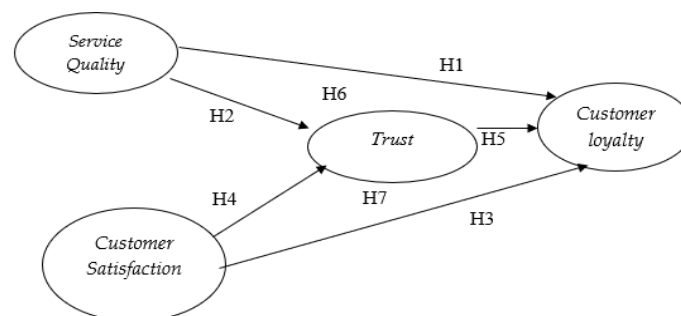


Figure 1. Research Thinking Framework

METHODS

The Badung Regency Money Changer Industry conducted this research. The object of this research is service quality, customer satisfaction, trust and loyalty. The sample in this study was determined using non-probability sampling with the accidental sampling method. According to Sugiyono (2018), the unintentional sampling method is a technique for determining samples based on chance; that is, customers who coincidentally meet the researcher can be used as a sample if it is deemed that the person they meet by chance is suitable as a data source. The essential criteria used





in sample selection were tourists who had at least made a transaction in the Badung Regency Money Changer Industry. This research adjusted the sample size to the analysis model used, namely Partial Least Square, with sample determination using the Hair formula (2010). The Hair formula (2010) is used because the population size is uncertain. So, it is recommended that the minimum sample size is 5-10 indicators for each parameter being estimated. The number of samples in this research was 120 respondents. The data collection method used in this research is a survey method, namely by conducting an interview using a questionnaire. The data analysis technique used is inferential partial least squares structural equation modeling (PLS-SEM) analysis, which was analyzed using the Wrap-PLS analysis tool.

RESULT AND DISCUSSION

Validity And Reliability Test. The validity test results are displayed in Table 2, which shows that the values generated by the construct service quality, customer satisfaction, trust and customer loyalty have met the convergent validity standard because the loading factor value is greater than 0.5. Thus, it can be concluded that the 23 construct indicators used in the research can be said to be valid.

Table 2. Validity Test Results

Construct	Indicators / Items	P value	Loading factors
Service quality (X1)	X1.1 Employees have a neat and polite appearance	<0.001	0.809
	X1.2 Clean facilities	<0.001	0.863
	X1.3 Employees provide services at the right time	<0.001	0.865
	X1.4 Employees are sincere when solving problems	<0.001	0.848
	X1.5 Employees are always willing to help customers	<0.001	0.863
	X1.6 Employees provide correct service time information	<0.001	0.806
	X1.7 Customers feel safe when making transactions	<0.001	0.863
	X1.8 Employees have the knowledge to answer questions	<0.001	0.87
	X1.9 Employees are polite to customers	<0.001	0.853
	X1.10 There are timely operating hours	<0.001	0.500
Customer satisfaction (X2)	X2.1 Satisfied with the quality of service provided	<0.001	0.683
	X2.2 Satisfied with the completeness of the currency offered	<0.001	0.732
	X2.3 Satisfied with the decision to visit this money changer	<0.001	0.825
	X2.4 Get a pleasant experience when making transactions at this money changer	<0.001	0.822
	X2.5 Choosing this money changer is a wise idea	<0.001	0.762
trust (Y1)	Y1.1 Believe that this money changer provides complete currency	<0.001	0.703
	Y1.2 Believe that the money changer provides currency that is not damaged or torn	<0.001	0.869
	Y1.3 Believe that this money changer is a legal entity	<0.001	0.885
	Y1.4 Trust that this money changer does not take a commission when exchanging currency	<0.001	0.853
	Y2.1 This money changer is the leading choice when you want to exchange money	<0.001	0.901





Customer loyalty (Y2)	Y2.2 Willing to recommend this money changer to relatives	<0.001	0.926
	Y2.3 Not influenced by other people's invitations to make transactions elsewhere	<0.001	0.843
	Y2.4 Return to exchanging money at this money changer	<0.001	0.909

The reliability test results in Table 3 show the Cronbach's Alpha value. The research results show that the CR value of each construct is equal to and above 0.6. It means that all indicators consistently reflect the same latent construct.

Table 3. Reliability Test Results

Variable	Cronbach's Alpha
Service quality(X1)	0.953
Customer satisfaction(X2)	0.877
Trust (Y1)	0.898
Customer Loyalty (Y2)	0.942

Hypothesis Testing. Service Quality has a negative and insignificant effect on Customer Loyalty. However, testing the role of mediation found that the trust variable partially mediates the relationship between service quality and customer loyalty. If trust is not included in the model, the effect of service quality on loyalty is positive and significant at the 0.01 level. (Figure 2), thus, the first hypothesis is accepted. Service Quality positively affects Trust, and this relationship is significant at the 0.001 level; thus, H2 is accepted. Customer Satisfaction has a positive effect on Customer Loyalty.

Moreover, the relationship is significant at the 0.001 level. Thus, H3 is accepted. Customer Satisfaction positively affects Trust, and this relationship is significant at the 0.001 level; thus, H4 is accepted. Trust positively affects Customer Loyalty, and this relationship is significant at the 0.05 level; thus, H5 is accepted.

The R2 value of trust is 0.26, based on the criteria of Ghazali and Latan (2012); this model includes moderate model criteria that tend to be weak, meaning that variations in service quality and customer satisfaction explain trust by 26 percent, the remaining 74 percent is explained by variations in other variables outside the model. Meanwhile, customer loyalty has an R-square value of 0.56 or is included in the moderate model and tends to be strong, meaning that variations in service quality, customer satisfaction and trust can explain variations in customer loyalty of 56 percent, the remaining 44 percent is explained by variations in other constructs outside the model. Meanwhile, the Q2 value obtained is 0.36, which means that the estimated global model is included in the decisive criteria, where variations in exogenous constructs can predict 36 percent of the variations in endogenous constructs.

Table 4. Path Analysis and Significance Testing

Construct	Path Coefficient	P value	Information
Service quality->Customer loyalty	-0.086	0.169	Not significant
Service quality->Trust	0.276	<0.001	Significant
Customer satisfaction->Customer loyalty	0.709	<0.001	Significant
Customer satisfaction->Trust	0.355	<0.001	Significant
Trust->Customer loyalty	0.118	0.093	Significant



The Mediating Role of Trust in the Relationship Between Service Quality and Trust in Customer Loyalty. The mediation role test is shown in Figure 5.3 below based on the calculation results.

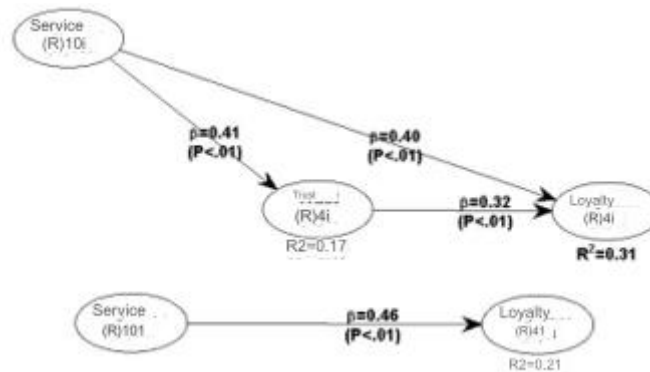


Figure 2. Test of the mediating role of trust in the relationship between quality Service And Customer Loyalty

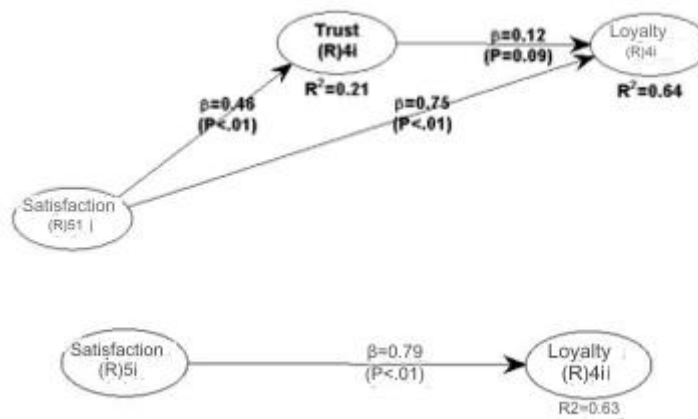


Figure 3. Test of the mediating role of trust in the relationship between satisfaction Customers And Customer Loyalty

Trust partially mediates the influence of Service Quality on Customer Loyalty. Tested separately, the effect of Service Quality on Customer Loyalty shows significant results ($p < 0.01$; $\beta = 0.46$). When Trust is included in the model as a mediator, the path coefficient for the influence of Service Quality on Customer Loyalty decreases but remains significant ($p < 0.01$; $\beta = 0.40$). It shows the partial mediating role of Trust in the relationship, so H6 is accepted.

Trust partially mediates the influence of Customer Satisfaction on Customer Loyalty. Tested separately, the effect of Customer Satisfaction on Customer Loyalty showed significant results ($p < 0.01$; $\beta = 0.79$). When Trust is included in the model as a mediator, the path coefficient for the influence of Customer Satisfaction on Customer Loyalty decreases but remains significant ($p < 0.01$; $\beta = 0.75$). It shows the partial mediating role of Trust in the relationship, so H7 is accepted.

The Influence of Service Quality on Customer Loyalty. The analysis of the influence of service quality on customer loyalty shows that service quality has a significant negative effect on customer loyalty. However, testing the role of mediation found that the trust variable partially

mediates the relationship between service quality and customer loyalty. If trust is not included in the model, the effect of service quality on loyalty is significant at the 0.01 level. (Figure 5.3), thus, the first hypothesis is accepted. It means that the better the quality of service, the higher customer loyalty will be in the money-changer industry in Badung Regency.

This harmful and insignificant relationship is because, firstly, there are lots of money changers in Badung Regency, so even though customers have been given good quality service, they will still want to try other money changers, secondly because 75 percent of respondents in this study are aged 20-30 years old and in that age range they tend to like to try new things, so even though they are satisfied with the money changer service they have experienced, they will still not be loyal to the money changer, this phenomenon is known as the concept of variety seeking behavior. Variety-seeking behavior is a purchase that seeks variety when consumers make purchases spontaneously and aim to try a new product brand.

Based on the research results, good quality service is provided by employees who can increase customer loyalty, where reality exceeds customer expectations. Good quality service from money change reflected through aspects, namely employees who appear neat and polite, the facilities provided are complete, employees provide good money exchange services, employees are good at a money exchange, employees are always willing to help customers, employees are responsive to assisting customers, customers feel safe when making transactions. Employees have the knowledge to answer questions, are polite to customers, and give bonuses when customers exchange large amounts of money.

So, this good quality of service will create customer loyalty to money changers in Badung Regency. Aspects of customer loyalty that are reflected such as money changers in Badung Regency being the leading choice for customers when they want to exchange money, customers are willing to recommend Money Changers in Badung Regency to relatives or other people, customers are not influenced by other people's invitations to make transactions elsewhere other than at the money changer in Badung Regency, and when the customer wants to exchange currency, the customer will return to the money changer in Badung Regency.

The Influence of Service Quality on Customer Loyalty. The results of the analysis of the influence of service quality on trust show that service quality has a positive effect on trust, and this relationship is significant at the 0.001 level; thus, the second hypothesis is supported. This means that the better the quality of service is, the higher the customer trust will be.

Based on the research results, good quality service provided by money changer employees can increase customer trust, where reality exceeds customer expectations. Good service quality from money changers is reflected through employees who appear neat and polite, the facilities provided are complete, employees provide good money exchange services, employees are good at exchanging money, employees are always willing to help customers, and employees are responsive. Helps customers customers feel safe when making transactions, employees know how to answer questions, employees are polite to customers, and employees give bonuses when customers exchange large amounts of money.

So, this good quality of service will create customer trust in Money Changers in Badung Regency. Aspects of customer trust that are reflected such as customers feeling confident that money changers in Badung Regency carry out money transactions honestly, customers believe that money changers in Badung Regency provide currency that is not damaged or torn, the customer acknowledges that the money changer in Badung Regency is a legal entity. The customer believes that the money changer in Badung Regency does not take a commission when exchanging currency.

The Influence of Customer Satisfaction on Customer Loyalty. The results of the analysis of the influence of customer satisfaction on customer loyalty show that customer satisfaction has a positive effect on customer loyalty. This relationship is significant at the 0.001 level; thus, the third hypothesis is supported. This means that the better customer satisfaction is, the higher customer loyalty will be.

Based on the research results, customer satisfaction provided by money changer employees can increase customer loyalty. Reasonable satisfaction from customers is reflected through aspects such as customers feeling satisfied with the quality of service offered by money changers in Badung Regency and customers feeling satisfied with the completeness of the equipment. Money offered by money changers in Badung Regency: Customers feel confident with their decision to exchange money at money changers in Badung Regency. Customers get a pleasant experience when making transactions with money changers in Badung Regency, and the customer's choice of money changers in Badung Regency is a good idea.

So, reasonable customer satisfaction will create loyalty among money changers in Badung Regency. Aspects of customer loyalty that are reflected such as money changers in Badung Regency being the leading choice for customers when they want to exchange money, customers are willing to recommend money changers in Badung Regency to relatives or other people, customers are not influenced by other people's invitations to make transactions elsewhere other than at the money changer in Badung Regency, and when the customer wants to exchange currency, the customer will return to the money changer in Badung Regency.

The Influence of Customer Satisfaction on Trust. The results of the analysis of the influence of customer satisfaction on trust show that customer satisfaction has a positive effect on trust, and this relationship is significant at the 0.001 level; thus, the fourth hypothesis is supported. This means that the better customer satisfaction, the higher customer trust will be.

Based on this research's results, money changer employees' customer satisfaction can increase customer trust. Reasonable satisfaction from customers is reflected through aspects such as customers feeling satisfied with the quality of service provided by money changers in Badung Regency and customers feeling satisfied with the completeness of the equipment. Money offered by money changers in Badung Regency: Customers feel confident with their decision to exchange money at money changers in Badung Regency. Customers get a pleasant experience when making transactions with money changers in Badung Regency, and the customer's choice of money changers in Badung Regency is a good idea.

So, customer satisfaction will create trust in Money Changers in Badung Regency. Aspects of customer trust are reflected, such as customers feeling confident that money changers in Badung Regency carry out money transactions honestly and customers believing that money changers in Badung Regency provide currency. For money that is not damaged or torn, the customer believes that the money changer in Badung Regency is a legal entity, and the customer believes that the money changer in Badung Regency does not take a commission when exchanging currency.

The Effect of Trust on Customer Loyalty. The results of the analysis of the influence of trust on customer loyalty show that trust has a positive effect on customer loyalty. This relationship is significant at the 0.001 level; thus, the fifth hypothesis is supported. This means that the better customer satisfaction, the higher customer trust will be.

Based on the research results, the trust given by money changer employees in Badung Regency can increase customer loyalty. Good trust is reflected through aspects such as customers feeling confident that money changers in Badung Regency carry out money transactions honestly, customers believing that money changers in Badung Regency provide currency that is not damaged

or torn, customers believe that money changers in Badung Regency are legal entities, and customers believe that money changers in Badung Regency do not take commission when exchanging currency.

Apart from these aspects, Bank Indonesia (BI) has given official money changers matriculation on how to manage torn or damaged money. Based on this matriculation, all official money changers in Badung Regency can always provide foreign currency in good condition.

It can explain why trust can increase customer loyalty. Aspects of customer loyalty are reflected, such as money changers in Badung Regency being the customer's primary choice when they want to exchange money, customers are willing to recommend money changers in Badung Regency to relatives or other people, customers are not influenced by other people's invitations to make transactions in places other than money. Changer in Badung Regency, and when customers want to exchange currency

The Role of Trust in Mediating the Relationship Between the Influence of Service Quality on Customer Loyalty. The analysis results show that trust partially mediates the influence of service quality on customer loyalty. Tested separately, the effect of service quality on customer loyalty showed significant results ($p < 0.01$; $\beta = 0.46$). When trust is included in the model as a mediator, the path coefficient for the influence of service quality on customer loyalty decreases but remains significant ($p < 0.01$; $\beta = 0.40$). It indicates a partial mediating role of trust in the relationship, thus the sixth hypothesis is accepted. Service quality has a vital role in building customer trust, and this trust, in turn, becomes a significant factor in driving customer loyalty. Consistency in providing good service is the foundation for building trust. Customers tend to feel more trust in businesses that consistently provide a satisfying experience over time. Positive customer experiences significantly impact trust, from initial interaction to post-purchase. Customers who feel appreciated and treated well tend to become loyal customers. When customers feel trust in a business, they tend to become loyal customers and can even become effective brand advocates. Therefore, investing in improving service quality not only increases customer satisfaction but also strengthens emotional bonds that drive long-term loyalty.

The Role of Trust in Mediating the Relationship Between the Influence of Customer Satisfaction and Satisfaction on Customer Loyalty. Trust partially mediates the influence of Customer Satisfaction on Customer Loyalty. Tested separately, the effect of Customer Satisfaction on Customer Loyalty showed significant results ($p < 0.01$; $\beta = 0.79$). When Trust is included in the model as a mediator, the path coefficient for the influence of Customer Satisfaction on Customer Loyalty decreases but remains significant ($p < 0.01$; $\beta = 0.75$). It shows the partial mediating role of trust in this relationship, so the seventh hypothesis is accepted. So, trust partially mediates the influence of service quality on customer loyalty, meaning that this trust variable can explain why service quality can increase customer loyalty. The level of customer satisfaction directly impacts building trust, which in turn influences customer loyalty. Customer satisfaction often stems from a positive experience with a product or service. When satisfied with their interactions with a business, customers are more likely to trust that the business cares about their needs and wants. Satisfied customers tend to recommend the products or services they use to others. When customers are satisfied, they are more likely to share their positive experiences with others, which builds trust and will create loyal customers. Thus, customer satisfaction is about meeting customer expectations and building a solid foundation for long-term trust and customer loyalty. Businesses that provide satisfying experiences and strengthen customer relationships have a better chance of building solid trust and earning ongoing loyalty.



CONCLUSION

Amid intense competition in the money changer industry, consumer interest is one of the initial strategies that can encourage money changers to win the competition. This research analyzes the factors influencing customer loyalty when exchanging money at money changers in Badung Regency.

The research results found that service quality positively and significantly affects customer loyalty. Service quality has a positive and significant effect on trust. Customer satisfaction has a positive and significant effect on customer loyalty. Customer satisfaction has a positive and significant effect on trust. Trust has a positive and significant effect on customer loyalty. Trust partially mediates the influence of service quality on customer loyalty. Trust partially mediates the influence of Customer Satisfaction on Customer Loyalty.

To increase customer loyalty, marketers in the money changer industry in Badung district need to improve service quality and customer satisfaction, developing an experiential marketing strategy plan by digging deeper into the meaning money changer offers in order to be able to provide specific information about the company's mission and vision or the benefits offered, provide maximum service through quality human resources in order to increase reputation money changer and also providing reasonable exchange rates to willing customers money changer to colleagues.

This research's limitation is the limited generalization of research results in other industries because the unique characteristics of other industries can change the factors that influence customer loyalty.

Some suggestions for further research are adding variables such as customer experience, company reputation, accuracy of exchange rates, and variety-seeking behavior. By paying attention to these construct variables, further research can provide a deeper understanding of the factors that influence customer loyalty in selecting and using money changer services, as well as helping to improve marketing strategies and customer experience at money changers.

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