Improve Community Satisfaction and Trust in the Public Service Mall of Banyuwangi District

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Abstract—This study aims to determine the effect of service quality and service innovation on community satisfaction and trust in Banyuwangi Regency Public Service Mall. The population of this research is all the people who carry out the service process at the Banyuwangi Regency Public Service Mall totaling 125 people. The sampling technique uses simple random sampling, namely taking members of the sample from the population randomly regardless of the strata in the population. The answers to the questionnaire respondents were processed using the SPSS 16.0 software application. Data analysis in this study using SEM-PLS with WarpPLS 5.0. The results of the study show service quality with a coefficient of 0.440 affecting community satisfaction. Service quality with a coefficient coefficient of 0.242, affects public trust. Service innovation with a coefficient of 0.497, affects community satisfaction. Service innovation with a coefficient of 0.150, does not affect public trust. While community satisfaction with a coefficient of 0.734, has a positive and significant effect on public trust.

Keywords—service quality, service innovation, satisfaction, trust.

I. INTRODUCTION

Public services are carried out by public service providers and implementers of public services. In accordance with Law Number 25 of 2009, the Public Service Provider is any state administering institution, corporation, independent institution established under the Law for public service activities, and other legal entities formed solely for public service activities. Implementers of public services are officials, employees, officers and every person who works in an organization tasked with carrying out public service actions. Law Number 25 of 2009 states that public services are activities in the context of fulfilling service needs in accordance with the laws and regulations for every citizen and resident for administrative goods, services, and / or services provided by the delivery of public services. Thus it can be concluded that public service is everything that is done by public service providers to provide services that satisfy the public.

At present the services provided by the government to the people continue to experience renewal, both in terms of the paradigm and the format of the service. This happens along with the increasing demands of the community and changes in the government itself. Nevertheless, the updates seen from both sides have not been satisfactory, even the people are still positioned as a powerless and marginalized party in the service framework (Sinambela, 2011). Public Service is currently becoming an increasingly strategic policy issue because the improvement of public services in Indonesia now tends to "run on the spot" while the implications are very broad in the life of the economy, politics, socio-culture and others. Improvement of public services is absolutely necessary so that the poor image of the community to the government can be improved. By improving the quality of public services that are getting better, it can affect people's satisfaction so that public trust in the government can be rebuilt. Therefore, quality and quality services are the main concern of public and private organizations. Providing maximum service has become an obligation for an organization both in the government and private sector (Sinambela, 2011).

Service can basically be defined as the activity of a person, group and / or organization both directly and indirectly to meet needs (Pasolong, 2007). Public services are all service activities carried out by public service providers as an effort to fulfill public needs and the implementation of statutory provisions. In providing public services, government officials are responsible for providing the best service to the community in order to create community welfare. The community has the right to get the best service from the government because the community has provided funds in the form of payment of taxes, levies and various other levies (Mahmudi, 2007). Public service institutions can come from the government and the private sector. The government as one of the service...
providers to the community must continue to improve its performance so that the community feels satisfied with the services provided and finally believes in the institution.

The Banyuwangi District Public Service Mall was formed to follow up the Republic of Indonesia Minister of Administrative Reform and Bureaucratic Reform Regulation Number 23 of 2017 concerning the Implementation of Public Service Malls and Regent Regulation Number 59 of 2017. The Public Service Mall hereinafter referred to as MPP is the place for public service activities or activities for goods, services and / or administrative services. This MPP is an expansion of the functions of integrated services both central and regional, as well as the services of BUMN / BUMD in order to provide services that are fast, easy, affordable, safe and comfortable. In general MPP has the task of organizing integrated licensing services to the community in Banyuwangi Regency. The Public Service Mall serves 199 types of services to the community under one roof. The services provided include population administration, various types of business permits, BPJS Kesehatan, BPJS Employment, PDAMs, service licenses related to vehicles, extension of SIM, to payments for regional retribution, marriage, hajj, land services and so on.

<table>
<thead>
<tr>
<th>No</th>
<th>Year</th>
<th>Website</th>
<th>Sms</th>
<th>Amount of Complaints</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2015</td>
<td>842</td>
<td>710</td>
<td>1552</td>
</tr>
<tr>
<td>2</td>
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<td>3</td>
<td>2017</td>
<td>353</td>
<td>942</td>
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<td>4</td>
<td>2018</td>
<td>184</td>
<td>685</td>
<td>869</td>
</tr>
</tbody>
</table>

Table 1. Number of Complaints in the Regional Government of Banyuwangi Regency

Source: MPP Banyuwangi 2019

In Table 1. shows that there are still many complaints from the community that received services from MPP in Banyuwangi Regency. The MPP of Banyuwangi Regency is demanded to continue to give confidence to the community for the services provided to improve over time. With service quality, service innovation and increasing satisfaction, it is expected to reduce complaints against public services from the existing MPP in Banyuwangi Regency. Thus public trust must be maintained.

Public trust in public service providers must always be maintained and fostered so that trust is inherent in the hearts of the people who use the services of these institutions. People who have trusted public service institutions will use the other interests. Trust is someone's willingness to rely on other people where someone has confidence in the other person. There are several components of trust which are divided into four (Wicaksono, Kumadji, and Mawardi 2015) including:

1. Credibility, namely that all parties involved can be trusted, both in speech and in action, in accordance with the promises that have been given.
2. Reliability, which is something that can be relied upon. This means that the institution must be an institution that can be relied on by customers to fulfill everything needed. Likewise, on the contrary, the institution places great expectations on customers that these customers will continue to use existing products or services.
3. Intimacy, which is an emotional value created between the institution and the customer. That there is a strong basis of trust between various parties is expected to be able to create closeness.
4. Orientation, which is an emotional value created because trust arises because the service provider already cares about complaints or confusion that the customer has.

Consumer trust is all the knowledge that consumers have and conclusions about objects, attributes and benefits (Mowen & Minor, 2001). The trust of consumers or the public related to public services must be maintained by all parties who provide public services. Many factors influence public trust in service institutions both government institutions and private institutions. These factors include: service quality, service innovation and community satisfaction.

Service quality is the overall nature of a product or service that influences its ability to satisfy expressed or implied needs (Kotler, 2007). Service quality consists of everything that is free from deficiencies and also consists of the features of a service product. The specialty of this product can also be called product innovation, where there is added value in the product that makes it easier for the community to obtain services quickly and precisely. Service quality is a service that can be a service or product that will be provided to customers or consumers (Qomariah, 2016). Products in the form of services are services that will be provided to service customers. The quality of this service can be in the form of all services provided to customers in the form of existing facilities, responsiveness of service providers, reliability of services provided, guarantee of services provided and attention of service providers (Tjiptono, 2007). 2007.

Research on the relationship between quality of service and trust has been done. Research (Mulyawan & Rinawati, 2016), (Maskur, Qomariah, & Nursaidah, 2016), (Surisno, Cahyono, & Qomariah, 2017), (Sofiatu, Qomariah, & Hermawan, 2018), (Verriana & Anshori, 2017), stating that there are influences positive variable quality of service to customer loyalty. Research (Afandi & Setyowati, 2019),
The next factor that can also influence public trust related to providing services to the community is product / service innovation. Innovation is an idea, idea, motorcycle taxi, and practice that is based and accepted as a new thing by a person or a certain group to be applied or adopted (Everest, 1983). The concept of innovation can be in the form of innovation in products, innovation in the process of producing products, and innovation in service companies (Dhewanto, 2015). Ideas and ideas that are owned by someone who are then put into practice and implemented can be called an innovation from someone. The characteristics of innovation are distinctive, new, planned and purposeful. Products or services from the results of innovation must have characteristics that can differentiate from other products or services. Products derived from innovation must be new and planned and have a purpose for what the product / service was created. Service innovation means innovation in the service sector carried out by service providers so that the products or services offered to consumers experience changes. The results of the study (Yuliana & Hidayat, 2018), (Penjaitan, 2019) stated that product innovation can increase loyalty. Furthermore the results of the study from (Zebua & Barata, 2015) stated that innovation does not affect trust or loyalty.

Customer satisfaction factors also need to be considered in an effort to increase trust that can have an impact on customer loyalty. Customers who believe in a product then they will make a repeat purchase and will recommend products or services to other users. Customer satisfaction is at the same level as one after comparing the performance or the thing that is considered to be low with expectations (Kotler, 2007). Satisfaction is a comparison between services received and expected services (Qomariah 2016). Satisfaction is the response or response given by consumers after fulfilling their needs for a product or service, so that consumers get a sense of comfort and pleasure because their expectations have been fulfilled (Tjiptono & Candra, 2012). If the service received by the customer is better than expected, the customer will feel satisfied with the product or service they consume. Satisfaction is the response or response given by consumers after fulfilling their needs for a product or service, so that consumers get a sense of comfort and pleasure because their expectations have been fulfilled. Customers who trust the service provider then they will provide information and recommend these service providers to other parties. Thus a trusting customer means that the customer is actually loyal to the product / service it receives. Research related to satisfaction and trust / loyalty has been done a lot. Research (Qomariah, 2012), (Mulyawan & Rinawati, 2016), (Maskur et al., 2016), (Maskur et al., 2016), (Safitri, Rahayu, & Indrawati, 2016), (Natalia et al., 2017), (Verriana & Anshori, 2017), (Sutrisno et al., 2017), (Rahman, 2019), (Afandi & Setyowati, 2019) stated that satisfaction effect to loyalty/trust.

Customer satisfaction can be improved by good service quality. Quality of service is any activity or action offered by one party to another party that is invisible or intangible that does not cause change in ownership (Kotler, 2007). In the quality of service that needs attention is the reality and expectations received by the customer. If the customer feels that the reality of the service provided exceed expectations, the customer will feel satisfaction with the service he received (Lupiyoadi, 2013). Service quality is the expected level of excellence and control over the level of excellence of consumer desires (Tjiptono & Candra, 2012). Satisfaction is a person's feeling towards perceived service quality because it exceeds what is expected (Qomariah, 2016). Customer satisfaction is an evaluation after making a purchase where expectations are at least the same as or exceeding the performance of the service it receives (Tjiptono & Candra, 2012). Research that connects service quality and customer satisfaction has been done a lot. Research (Subagiyo, 2015), (Mulyawan & Rinawati, 2016), (Safitri et al., 2016), (Sutrisno et al., 2017), (Verriana & Anshori, 2017), (Anggriana, Qomariah, & Santoso, 2017), (Setyawati, Rifai, & Sasmito, 2018), (Afandi & Setyowati, 2019), (Rahman, 2019) stated that good service quality can increase customer satisfaction. Research (Qomariah 2012) states that service quality has no impact on customer satisfaction.

Product or service innovation factors can also make customers satisfied with the product or service offered to customers. Product / service innovation is the development of products / services from existing products (Kotler, 2007). This product innovation is very important to be developed by the company in order to increase sales. Products that have long been circulating in the market need innovation. Consumers often experience saturation of a product or service. If it is associated with customer satisfaction, this product innovation can increase customer satisfaction. If the customer feels dissatisfied with a product or service, the product / service provider needs to evaluate whether the product / service offered needs to be innovated or not. Research on the relationship of product / service innovation has not been done much. Research (Antanegoro, Surya, & Sanusi 2017) proves that product innovation and service innovation influence customer satisfaction. The better product and service innovation is carried out, the higher customer satisfaction will be. Based on the background and previous research, the purpose of this study is to determine the effect of service quality and service innovation on community satisfaction at the Banyuwangi District Public Service Mall and to determine the effect of service quality, service innovation and community satisfaction on community trust in the District Public Service Mall Banyuwangi.
Based on the formulation of the problem, theory and previous research, the research hypotheses that can be arranged are as:

H1: Quality of service affects the community satisfaction at the Banyuwangi District Public Service Mall
H2: Quality of service affects community trust in Banyuwangi District Public Service Mall
H3: Service Innovation influences community satisfaction at Banyuwangi District Public Service Mall
H4: Service Innovation has a positive and significant effect on Community Trust in Banyuwangi District Public Service Mall
H5: Community Satisfaction influences community trust in Banyuwangi District Public Service Mall

II. RESEARCH METHODS

This research is an associative research that aims to determine the relationship between two or more variables (Ghozali, 2005). This study uses a quantitative approach, which emphasizes the existence of variables as research objects and must be defined in the form of operationalization of each variable. The population of this research is the people who carry out the service process at the Banyuwangi District Public Service Mall. In this study, the sampling technique used was probability sampling, which is a sampling technique that provides equal opportunities for each population element to be selected as a sample member (Ferdinand, 2006). The sampling method used is simple random sampling, namely taking sample members from the population is carried out randomly without regard to strata that exist in that population (Ghozali, 2005). The number of questionnaires distributed was 100 and returned were 83 questionnaires. The number of respondents in this study was 83 people.

Validity test is used to measure the validity of a measuring instrument. Reliability test is used to measure the reliability of a measuring instrument used (Ferdinand, 2006). To determine the effect of exogenous variables on endogenous variables used SEM-PLS analysis with WarpPLS 5.0. This research uses SEM technique, so the evaluation is carried out on two models, namely the outer model and the inner model. The outer model determines the specification of the relationship between latent constructs and their indicators.

III. RESULTS AND DISCUSSION

A. Descriptive Statistics Analysis Results

The calculation results show that of the 83 respondents, as many as 50.6% or as many as 42 people consisted of men and 49.4% or as many as 41 people consisted of women, which means that the highest number of respondents was of the sex of men.

Based on the calculation results, it is known that of 83 respondents, 2.4% or as many as 2 people consisted of respondents with an elementary school education background, 4.8% or as many as 4 people consisting of respondents with a secondary school education background First (SMP) and 33.7% or as many as 28 people consisting of respondents with a high school education background (SMA), amounting to 20.5% or as many as 17 people consisting of respondents with a diploma education background and by 32% or as many as 32 people consisted of respondents with a Bachelor's educational background, which means that the highest number of respondents was from a Bachelor's educational background.

Based on the calculation results it is known that from 83 respondents, amounting to 62.7% or as many as 52 people consisting of respondents with an age range of 20-29 years, amounting to 31.3% or as many as 26 people consisting of respondents with an age range of 30-39 years, as much as 3.6% or as many as 3 people consisting of respondents with an age range of 40-49 years and as much as 2.4% or as many as 2 people consisting of respondents with an age above 49 years, which means that the largest number of respondents are youth or from the age range 20-29 years old.

Based on the calculation it can be seen that from 83 respondents, amounting to 77.1% or as many as 64 people consisting of respondents with self-employed work, amounting to 15.7% or as many as 13 people consisting of respondents with civil servant employment, amounted to 3.6% or as many as 3 people consisted of respondents with farmer jobs and 3.6% or as many as 3 people consisted of respondents with other work (students, midwives and nurses), which means that the largest number of respondents were respondents with self-employed work.

Based on the calculation of descriptive statistics it can be seen that from 83 respondents there are four service areas with the most respondents namely 28.9% or as many as 24 people consisting of respondents doing service processes in the population field, amounting to 28.9% or as many as 24 people consisting of respondents who carry out service processes in the health sector, amounting to 18.1% or as many as 15 people consisting of respondents doing service processes in the field of general licensing and by 10.8% or as many as 9 people consisting of respondents doing service processes in the labor field. As for the rest scattered in other service areas (environment, industry and trade, taxes, housing and settlements, as well as immigration), which means that the highest number of respondents are respondents who carry out service processes in the area of population and health.

Based on calculations it can be seen that of 83 respondents, amounting to 26.5% or as many as 22 people consisting of respondents with the number of arrivals as much as 1 time, amounting to 34.9% or as many as 29 people consisting of respondents with the
number of arrivals as much as 2 times, amounting to 18.1% or as many as 15 people consisting of respondents with the number of arrivals as much as 3 times, amounting to 7.2% or as many as 6 people consisting of respondents with the number of arrivals as much as 4 times and amounting to 13.3% or as many as 11 people consisting of respondents with the number of arrivals more than 4 times, which means that the highest number of respondents is the respondent with the number of arrivals as much as 2 times.

**B. Validity Test Results and Measurement Test Reliability**

The results of statistical calculations show that the results of the validity test show that all items of the statement/research instrument are valid because the $r$ count is greater than $r$ critical (0.30). While the reliability test results can be concluded that all research variables are reliable because the Cronbach’s Alpha value of 0.60. This is as said (Ferdinand 2006) which states that the instrument validity provisions are valid if $r$ arithmetic is greater than $r$ critical (0.30) and the reliability of a variable construct is said to be good if it has an Alpha Cronbach’s> value of 0.60.

**C. Hypothesis Testing**

Hypothesis testing is used to explain the direction of the relationship between the independent variable and the dependent variable. This test is done by path analysis of the model that has been made. SEM techniques can simultaneously test complex structural models, so that the path analysis results can be seen in one regression analysis. The results of correlation between constructs are measured by looking at the path coefficients and their level of significance which are then compared with the research hypothesis. The results of data processing from WarpPLS obtained a research model that can describe the influence between variables. The following is a picture of the results of research on the effect sizes that have been obtained based on data processing.

**Source:** Data processed 2019

**TABLE II. DIRECT EFFECT**

<table>
<thead>
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<th>Criteria</th>
<th>Variable</th>
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<th>$X_2$</th>
<th>$Y_1$</th>
<th>$Y_2$</th>
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<tbody>
<tr>
<td>Path coefficients</td>
<td>$X_1$</td>
<td>0.440</td>
<td>0.497</td>
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</tr>
<tr>
<td></td>
<td>$X_2$</td>
<td>0.242</td>
<td>0.150</td>
<td>0.734</td>
<td></td>
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<td>p-values</td>
<td>$Y_1$</td>
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<td>&lt;0.001</td>
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<tr>
<td></td>
<td>$Y_2$</td>
<td>0.010</td>
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</table>

**IV. DISCUSSION**

**A. Effect of Service Quality on Community Satisfaction**

The results showed that service quality had a positive and significant effect on community satisfaction. In this study it can be seen from the value of the path coefficient that is quite large, which shows that the better the quality of service, the better the community satisfaction, with a value of 0.440, meaning that the variable quality of service has an influence on the satisfaction of the people who perform the service process at the Public Service Mall.

This shows that the quality of service affects the level of community satisfaction. This means that the services provided to the community will affect the level of community satisfaction. If the services provided are good then the community will feel satisfied and vice versa if the services provided are not good then the community feels dissatisfied.

Research (Subagiyio, 2015), (Mulyawan & Rinawati, 2016), (Safitri et al., 2016), (Sutrisno et al., 2017), (Verriana & Anshori, 2017), (Anggriana et al., 2017), (Setyawati et al., 2018), (Afandi & Setyowati, 2019), (Rahman, 2019) stated that good service quality can increase customer satisfaction. Research (Qomariah, 2012) states that service quality has no impact on customer satisfaction.

**B. Effect of Service Quality on Community Trust**

The results showed that service quality had a positive and significant effect on public trust. In this study it can be seen from the value of the path coefficient which is a value of 0.242, which shows that good service quality will increase the trust of the
people who carry out the service process at the Public Service Mall.

This shows that the quality of service can influence the level of public trust. Every institution that provides services to the community must provide the best service. The best services provided to this community need to be properly maintained so that people will continue to trust and will continue to use the services of these institutions. Therefore, institutions or organizations that provide these services are required to maintain public trust while continuing to provide the best service. Research (Mulyawan & Rinawati, 2016), (Maskur et al., 2016), (Sutrisno et al., 2017), (Sofiaty et al., 2018), (Verriana & Anshori, 2017), stating that there are influences positive variable quality of service to customer loyalty/trust. Research (Afandi & Setyowati, 2019), (Natalia et al., 2017) which showed that service quality had no effect on trust.

C. Effect of Service Innovation on Community Satisfaction

Based on the results of the study found that service innovation has a positive and significant effect on people's satisfaction. In this research, it can be seen from the value of the path coefficient that is high in value, with a value of 0.497, which shows that good service innovation will increase public satisfaction with the services provided by service providers at Public Service Malls.

This shows that the community will be happy to accept service innovations made by service providers. Product / service innovations must continue to be made so that people who receive services get something new. Service providers must innovate products / services so that the products / services provided are still utilized by the community. Product / service innovations continue to be made by taking into account developments in information technology and innovation of products / services produced by competing companies. The public will continue to look for new products / services that can provide satisfaction. Research (Antanegoro, Surya, and Sanusi 2017) proves that product innovation and service innovation influence customer satisfaction. The better product and service innovation is carried out, the higher customer satisfaction will be.

D. Effect of Service Innovation on Community Trust

Based on the results of the study, it was found that service innovation had a positive effect on people's trust but was not significant. In this study, it can be seen from the path coefficient value of 0.150, which shows that good service innovation can increase public confidence in the service process at the Public Service Mall. Therefore local governments or service providers must look for other efforts besides service innovation, which can significantly influence directly to increase public trust.

This shows that service innovation influences the level of public trust. The results of this study can certainly be interpreted that the community tends to still not trust what the service provider has done. Product / service innovations should indeed continue to be made in line with the development of the age that will continue to go far ahead. As an institution providing services must continue to innovate to create services that can provide satisfaction to the community. Satisfied people will trust the institution and will continue to use the institution to meet the needs of community services. The results of the study (Yuliana & Hidayat, 2018), (Penjaitan, 2019) stated that product innovation can increase loyalty. Furthermore the results of the study from (Zebua & Barata, 2015) stated that innovation does not affect trust or loyalty.

E. Effect Community Satisfaction on Community Trust

Based on the results of the study, it was found that community satisfaction had a positive and significant effect on community trust. In this study, it can be seen from the value of the path coefficient that is very high value, with a value of 0.734, which indicates that high community satisfaction will increase public confidence in the services provided by service providers at the Public Service Mall.

This shows that in order to increase public trust, it is necessary to increase community satisfaction with the services provided. As an institution that provides services to the community, it is necessary to pay attention to the satisfaction of service users. Satisfied service users will provide good information and recommend to other parties to use their services. Research (Qomariah, 2012), (Mulyawan & Rinawati, 2016), (Maskur et al., 2016), (Maskur et al., 2016), (Safitri et al., 2016), (Natalia et al., 2017), (Verriana & Anshori, 2017), (Sutrisno et al., 2017), (Rahman, 2019), (Afandi & Setyowati, 2019) stated that satisfaction effect to loyalty/trust.

V. CONCLUSIONS AND RECOMMENDATIONS

Quality of service has a positive and significant effect on community satisfaction. So, the better the quality of service, the more influence the high community satisfaction. Institutions providing products / services must continue to provide the best service to their customers so that customers who use these services are satisfied.

Quality of service has a positive and significant effect on public trust. So, the better the quality of service, the more influential the high public trust. The quality of service received by customers must continue to be improved. Good service quality will increase customer satisfaction. Customers who are satisfied they will make a repeat purchase and will inform other customers well. Providing good information about the product / service to other customers means that the customer already believes in the product / service.

Service innovation has a positive and significant effect on people's satisfaction. So, the better the
service innovation, the more influence the high community satisfaction. Product / service innovation must always be carried out by every organization that produces products / services. Product / service innovation needs to be done in line with technological developments and consumer desires that are constantly changing. Institutions that continue to innovate on products / services that are marketed will make consumers feel satisfied.

Service innovation has no significant effect on public trust. Although service innovation has no direct effect on public trust, service providers must continue to innovate products / services offered to the public. The ineffectiveness of service innovation on people's trust may be influenced by factors other than innovation.

Community satisfaction has a positive and significant effect on community trust. So, the better and higher the level of community satisfaction, the more influential the high level of community trust. Service providers must continue to improve customer satisfaction, because with customers feeling satisfied, customers will provide good information and will recommend these service providers to other users.

REFERENCES


