

THE EFFECT OF SERVICE QUALITY, REPUTATION, AND WORD OF MOUTH ON INTEREST IN USING WIFI SERVICES

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Abstract

This study aims to determine the effect of Service Quality (X1), Reputation (X2), and Word Of Mouth (X3) on the Interest in Using (Y) wifi services at BUMDes Maju Makmur Ngrance Tulungagung partially and simultaneously. This study uses a quantitative method with an explanatory type. The population in this study was obtained from the number of customers with a simple random sampling technique using the Solvin formula calculation of 50 respondents. Data collection used observation, documentation, interview, and questionnaire techniques. The results of this study indicate that there is a simultaneous influence on Service Quality (X1), Reputation (X2), and Word Of Mouth (X3) on Interest in Using (Y). Through the results of the t-test, Service Quality (X1), Reputation (X2), and Word Of Mouth (X3) have a non-partial effect on the Interest in Using the (Y) variable.

Keywords: Service Quality, Reputation, Word Of Mouth, Interest in Use

1. Introduction

Information and communication technology development is currently experiencing progress and complexity in the need to communicate between individuals in various levels of society, from the lower, middle, and upper classes (Isro'iyah, 2024). The ease and reliability of communication currently being created motivates every community to interact systematically, quickly, easily, and cheaply and be connected wherever and whenever they want. The Internet is one of the developments in information and communication technology (Nurani, 2022).

Nowadays, people are very fond of using wifi services for two reasons. The first reason is convenience and practicality. Some internet users can use the same facilities without cables or large installation devices (Sartono, 2020). Bring a PC or smartphone that supports the use of facilities, and then it can be used immediately to access the Internet practically (Isro'iyah, 2023). The second reason is the low price. With low prices and quality facilities, many people want to install a wifi network in their homes or offices.

Internet growth in Indonesia has experienced relatively rapid development every year; statistical data from 2019 shows that Internet users in Indonesia in 2018 were 95.2 million, growing 13.3% from 2017, which was 84 million users. In the following year,

internet users in Indonesia will continue to increase, with an average growth of 10.2% in 2018-2023. In 2019, the number of internet users in Indonesia is projected to grow by 12.6% compared to 2018, namely 107.2 million users. In 2023, the number of internet users in Indonesia is projected to reach 150 million. Statistics also state that social media and mobile messaging are popular online activities in Indonesia. The most widely used social network is Facebook, with users reaching 48% of the population. Indonesia is also one of the strongest markets for the LINE messaging application (Dwi Hadya Jayani, 2019). In Indonesia, many companies provide wifi service products, such as Biznet Home, MyRepublic, First Media, ICONNet, MNC Play, Indihome, and Megavision, and one of them is a wifi service provider in Ngrance Village, namely the wifi service owned by BUMDes Maju Makmur.

The reality shows that knowing the needs and wants of consumers is not easy. Consumers can change their minds at the last second. Of course, marketers expect consumers to be positive, namely, willing to buy the goods offered. Purchase interest is a sense of consumer interest in a product (goods or services) that is influenced by attitudes outside the consumer and within the consumer itself (Rosdiana et al., 2019, p. 320).

The first factor that influences purchasing interest is service quality. Kotler (2019) defines service quality as a consumer assessment of the service level received with the expected level of service. If the service received or felt is what is expected, the service quality is perceived as good and satisfying.

Reputation is also one of the factors that shape consumer purchasing interest. Reputation is a value given to a person, organization, or country. A company's reputation is defined as a consumer's view of its ability to provide the best service, assess past and future prospect situations or product quality, be honest, and care about its customers (Herwin & Abadi, 2018). A company's reputation must be considered because a company with a good reputation committed to creating superior and trustworthy value will have more appeal than a company with a bad reputation in customers' eyes. A company's good or bad reputation is undoubtedly related to how it builds it.

In addition to service quality and reputation, Word of mouth is another factor influencing purchasing interest. According to Kotler (2002) and (Oktavianto, 2014), word-of-mouth (WOM) or word-of-mouth communication is a communication process in the form of giving either individually or in groups to a product or service that aims to provide personal information. Sopiyan (2022) argues that word-of-mouth communication involves using a product or service to provide personal information. One of the company's strategies in terms of promotion is to use information from direct or face-to-face communication.

Word of mouth (WOM) is an important part of business, where it can influence consumer purchasing decisions. Humans are creatures who like to interact and communicate with each other regarding recommendations for buying a product (Prasetyo, 2021). The power of someone who describes their experience of buying, using, or eating a product makes the listener interested in trying it themselves. WOM can spread quickly if the individual who spreads it also has a vast network (Oktavianto, 2014).

In an effort to increase consumer purchasing interest, good service quality can create consumer satisfaction, especially in terms of direct evidence, reliability, responsiveness,

assurance, and empathy (Eldon, 2023). Service quality can be considered good if the service is what consumers expect, while if it exceeds what consumers expect, the service is very satisfying. Based on the background above, the author is interested in researching "The Effect of Service Quality, Reputation, and Word of Mouth on Interest in Using wifi Services (Case Study at Bumdes Maju Makmur Ngrance Tulungagung)."

Quality of Service

Service quality is one of the keys that must be owned by entrepreneurs just starting a business and those who have been in the business world for years. The definition is that service quality is the level of service related to fulfilling consumer expectations and needs. This means a service can be called quality if it meets most consumers' expectations.

Kotler (2019) defines service quality as a consumer assessment of the service received and the expected service level. If the service received or felt is what is expected, the service quality is perceived as good and satisfying. The satisfaction that has been formed can encourage consumers to make repeat purchases and become loyal customers. Goesth and Davis (2019) define service quality as a dynamic condition related to service products, people, and environmental processes that can meet and/or exceed consumer expectations.

Reputation

Reputation is a value given to a person, organization, or country. A company's reputation is defined as a consumer's view of the company's ability to provide the best service, assess past and future prospect situations or product quality, be honest, and care about its customers (Herwin & Abadi, 2018). The company's reputation plays a role in creating trust for consumers. Trust in a company or brand can be defined by drawing consumer perceptions about how the company can be trusted, provide a sense of security, and ease of access to service. The relationship between the company and consumers is related to the company's desire to provide services that meet consumer expectations (Eldon, 2016). Companies with a good reputation or image will enjoy high customer trust. Consumer perceptions of reputation are key in building their trust in the site (Maiti & Bidinger, 2009). A good reputation must be created to increase consumer trust. Therefore, creating a positive reputation is very important for a company so that the company can be successful.

Reputation Indicators The reputation indicators in this study are referred to from Selnes' research: (1) Good name: A good name is the perception of customers about the extent to which a good name has been successfully built by a bank for a company. Maintaining a good name is undoubtedly one of their main obligations to support the smooth marketing of their business. Suppose the good name owned by a business actor is strong enough. In that case, consumers will have more confidence in their business capabilities and will not hesitate to buy or use the products and services offered by a company. (2) Competitor reputation: Competitor reputation is the perception of bank customers about how good the bank's reputation is compared to other banks. A company must have the strength to highlight its added value compared to other companies. This

means that a distinctive feature is essential in a company. (3) Widely known: Widely known shows customer perceptions about the extent to which the public widely knows the bank's name. A company wants its products to be widely known, both new and old. (4) Memorability: Memorability shows bank customers' perception of the ease of customers remembering the bank's good name. If the name of a company is easy to remember, people will find you more easily on search engines or in the real world, like the company called International Business Machines, better known as IBM.

Word Of Mouth

Word of mouth (WOM) is any form of information, both positive and negative, given by someone about a product after using or experiencing the product or service, stated (Kotler & Keller, 2016). Another definition explains that Word of mouth is a communication from mouth to mouth by other people about a product that is stated to other people. Consumers get information about a product through marketing carried out by the company. Indonesia has a high level of interaction in its society, so word-of-mouth communication is considered more effective in promoting a product (Isro'iyah, 2023). Consumers tend to learn about a product in several ways, namely, the experience of using the product, observing other consumers who use the product, and asking consumers who have used the product about the product they use (Suryani, 2013).

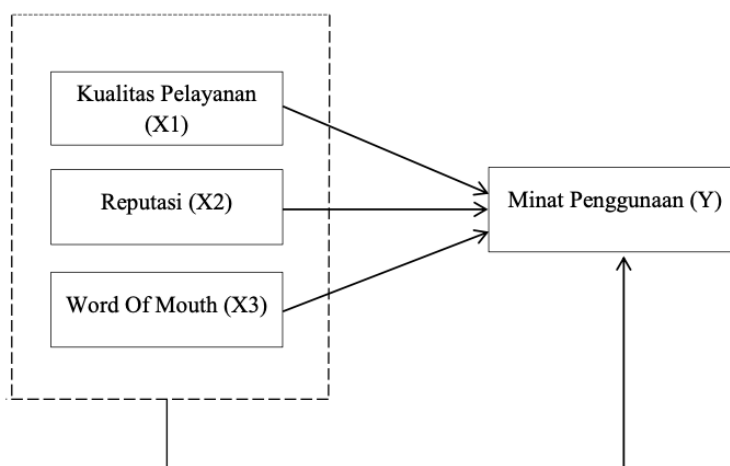
Word of mouth has a very influential or effective role in a company's survival. Because Word of mouth can spread quickly and is trusted by potential consumers (Rahmawati, 2022), the spread of Word of mouth can not only be done by providing information through word-of-mouth communication. However, it can also be disseminated through existing internet social media (Subagyo, 2022). Word of mouth through Internet social media is straightforward; its spread is widespread because access is relatively efficient, one of which is through YouTube, WhatsApp, Line, Google, Facebook applications, and other devices connected to other Internet connections.

Interest

The reality shows that knowing consumer needs and wants is not easy. Consumers can change their minds at the last second. Of course, marketers expect consumers to be positive, namely, willing to buy the goods offered. Purchase interest is a consumer interest in a product (goods or services) influenced by attitudes outside and within the consumer (Rosdiana et al., 2019, p. 320). Many experts define purchase interest based on their respective perspectives. Although no single definition is a standard reference regarding purchase interest, they state the same substance about purchase interest. One consumer behavior is interest or desire to buy a product or service. The form of consumer purchase interest is potential consumers, namely consumers who have not made a purchase at present and are likely to make a purchase in the future or can be called prospective buyers.

The emergence of a person's interest is caused by several things, namely a sense of interest or pleasure, attention, and need. Interest arises because of feelings of pleasure and a dynamic tendency to behave based on a person's interest in certain activities. A person's feelings of pleasure will urge him to do activities immediately.

The framework of thinking about the existing problem and its solution is visualized in a diagram. Namely, there are 3 (three) independent variables, namely service quality (X1), reputation (X2), and Word of mouth (X3), which have a simultaneous or partial influence on the dependent variable, namely the service usage decision variable (Y).



The figure above shows that service quality has a partial effect on usage interest, reputation has a partial effect on usage interest, and Word of Mouth has a partial effect on usage interest. In contrast, service quality, reputation, and Word of mouth simultaneously affect usage interest.

The hypothesis is a temporary answer to the existing problem, and its existence still needs to be studied through the collected data. Based on the existing problems, the research hypothesis is as follows: (1) Service quality is suspected to significantly affect the interest in using wifi services at BUMDes Maju Makmur. (2) It is suspected that reputation significantly affects the interest in using wifi services at BUMDes Maju Makmur. (3) It is suspected that Word of mouth significantly affects the interest in using wifi services at BUMDes Maju Makmur. (4) It is suspected that service quality, reputation, and Word of mouth have a significant effect simultaneously on the decision to purchase wifi at BUMDes Maju Makmur.

2. Method

In this study, the object of research is the variable of service quality, reputation, and Word of mouth associated with the interest in using wifi services at BUMDes Maju Makmur Ngrance. The location of this research was Bumdes Maju Makmur, located on Jl. Ngrance, Rt 01, Rw 01, Ngrance Village, Pakel District, Tulungagung Regency, (66273). The time of this research was conducted in January - June 2023. The research used in this study is explanatory with a quantitative approach that aims to analyze the effect of service quality, reputation, and Word of mouth on the interest in using wifi services at Bumdes Maju Makmur Ngrance. Based on the data obtained, the population of this study is all BUMDes Maju Makmur Ngrance wifi customers, with a population of 50 customers. The researcher will not get data that meets established standards without knowing the data

collection technique. Data collection techniques can be done by observation, interview, questionnaire, and documentation.

3. Results and Discussion

Based on the table below, by observing the rows, columns t, and sig, it can be explained as follows:

		Coefficients ^a			
		Unstandardized Coefficients	Standardized Coefficients		
Model		B	Std. Error	Beta	t
1	(Constant)	6.130	2.609		2.349
	Kualitas Pelayanan	.287	.124	.324	2.309
	Reputasi	.137	.105	.182	1.306
	Word Of Mouth	.222	.145	.212	1.528

a. Dependent Variable: Minat Penggunaan

Sumber : data primer diolah SPSS, 2023

Table 1. Dependent variables

1. The influence of service quality variables on interest in use
The Service Quality variable (X1) has a positive and significant effect on the Interest in Using BUMDes Maju Makmur's wifi Service; this can be seen from the significant Service Quality of $0.025 < 0.05$, and the T table value = $t(\alpha / 2; nk-1 = t(0.05 / 2; 50-3-1) = (0.025; 46) = 2.01290$. This means that the calculated T value is greater than the T table ($2.309 < 2.01290$), so the hypothesis that Service Quality affects Interest in Use is partially accepted.
2. The influence of the Reputation variable on the interest in use
The Reputation variable (X2) has a positive and insignificant effect on the Interest in Using the BUMDes Maju Makmur wifi service; this can be seen from the significant Reputation of $0.355 > 0.05$, and the T table value = $t(\alpha/2; nk-1 = t(0.05/2; 50-3-1) = (0.025;46) = 2.01290$. This means that the calculated T value is smaller than the T table ($1.306 < 2.01290$), so the hypothesis that Reputation affects Interest in Use is partially rejected.
3. The Influence of Word of Mouth Variables on Interest in Use
The Word Of Mouth variable (X3) has a positive and insignificant effect on the Interest in Using BUMDes Maju Makmur wifi Services; this can be seen from the significant Word of mouth $0.133 > 0.05$, and the t-table value = $t(\alpha/2; nk-1 = t(0.05/2; 50-3-1) = (0.025;46) = 2.01290$. This means that the calculated T value is smaller than the T table ($1.528 < 2.01290$), so the hypothesis that Word Of Mouth affects Interest in Use is partially rejected.

The Influence of Service Quality Variable (X1) on Interest in Use (Y)

Based on the results of the partial test (T-Test), it was obtained that the Service Quality hypothesis (X1) influences the Interest in Use. The product differentiation variable test can be seen in the calculated t value of 2.349 and the t table value of 2.01290 with a significant value of 0.025. The calculated t value is greater than the t table, and the significant value is more than 0.05, indicating a significant influence of the Service Quality variable on the Interest in Use variable.

The coefficient value of Service Quality (X1) is 0.287. Assuming other variables are constant, if the service quality variable increases by 1 unit, the interest in use (Y) will increase by 0.287. This shows that Service Quality contributes positively to Interest in Use. Service quality is an action the company takes in the form of something intangible that consumers can feel. Service quality can be measured by the service consumers receive to meet their needs and desires.

The study aligns with research conducted by Nirma (2019), which shows that the service quality variable significantly affects customer interest. This means the better the quality of service provided, the better the customer interest in the Giant Store in Makassar City, which will positively affect customer shopping interest. Thus, service quality has an important role in customer interest. One of the efforts that can be made is to provide good service to customers in order to provide satisfaction for customers and be interested in shopping again.

The influence of the reputation variable (X2) on usage interest (Y)

Based on the results of the partial test (T-Test), it was obtained that the Reputation hypothesis (X2) does not affect the Interest in Use. The price variable test can be seen in the calculated t value of 1.306 and the t table value of 2.01290, with a significant value of 0.198. The calculated t value is smaller than the t table, and the significant value is more than 0.05, indicating an insignificant effect of the Reputation variable on the Interest in Use variable. The Reputation value (X2) is 0.137, meaning that if the reputation variable increases by 1 unit assuming other variables are constant, it will increase the Interest in Use (Y) by 0.137. This shows that Reputation contributes positively to Interest in Use.

Reputation is a perception formed based on experience, which forms trust in external parties. This study does not align with the results of Amalia and Weni's (2014) study, which stated that reputation influences interest in investing in Islamic banks.

The influence of the Word of Mouth variable (X3) on Interest in Use (Y)

Based on the results of the partial test (T-Test), it was obtained that the word-of-mouth hypothesis (X3) does not affect the Interest in Use. Word of mouth variable test can be seen in the calculated t value of 1.528 and the t table value of 2.01290 with a significant value of 0.133. The calculated t value is smaller than the t table, and the significant value is more than 0.05, indicating an insignificant effect of the word-of-mouth variable on the Interest in Use.

The coefficient value of Word Of Mouth (X3) is 0.222. Assuming other variables are constant if the word-of-mouth variable increases by 1 unit, the interest in use (Y) will increase by 0.222. This shows that Word Of Mouth contributes positively to Interest in

Use. Word of mouth is any form of information, both positive and negative, given by someone about a product after using or experiencing the product or service, stated (Kotler & Keller, 2016).

The results of this study are not in line with the opinion of Bansal et al. (2000:166) in Kumala (2012), which states that word-of-mouth information is proven to be more effective in conveying information and has a greater influence on consumer purchasing interest than advertising. This means that positive Word of mouth influences consumer purchasing interest so that purchases will be created. The results of this study strengthen the research conducted by Jalilvand and Samiei (2012), which states that Word of mouth has a positive effect on purchasing interest.

The Influence of Service Quality (X1), Reputation (X2), and Word of Mouth (X4) on Interest in Use (Y)

Test the hypothesis simultaneously (together) regarding the influence of independent variables on the dependent variable using the F test. The F test found that conclusions from all independent variables, including service quality, reputation, and Word of mouth, significantly influenced interest in use.

The results of the F test show that the calculated F value of 7.154 is greater than the F table of 2.81, and the significant value is 0.023, which is greater than 0.05. So, it is proven that Service Quality, Reputation, and Word of Mouth affect Interest in Use. Based on the determination test, it can be seen that the determination coefficient value is in the Adjusted R Square value of 0.274. This means that the ability of the independent variable to explain the dependent variable is 27.4%, and the remaining 72.6% is explained by external variables not discussed in this study. Based on the explanation above, it can be concluded that consumer behavior in this study, including service quality, reputation, and Word of mouth, influenced the decision to use wifi services at BUMDes Maju Makmur Ngrance Tulungagung.

4. Conclusion and Suggestions

Based on the explanation that has been described above regarding the influence of the variables of Service Quality, Reputation, and Word Of Mouth on the Interest in Using wifi Services at BUMDes Maju Makmur Ngrance Tulungagung, it can be concluded that: (1) Service Quality has a partial effect on the Interest in Using wifi Services at BUMDes Maju Makmur Ngrance. This can be seen from the t count of 2.309, greater than the t table value of 2.01290 with a significant value smaller than 0.05, namely 0.025. (2) Reputation has a non-partial effect on the Interest in Using wifi services at BUMDes Maju Makmur Ngrance. This can be seen from the t count of 1.306, which is smaller than the t table value of 2.01290 with a significant value greater than 0.05, namely 0.198. (3) Word Of Mouth has a non-partial effect on the Interest in Using wifi services at BUMDes Maju Makmur Ngrance. This can be seen from the calculated t of 1.528, which is smaller than the t table value of 2.01290 with a significant value greater than 0.05, namely 0.133. (4) Service Quality, Reputation, and Word Of Mouth do not simultaneously affect the Interest in Using BUMDes Maju Makmur Ngrance wifi

services. This can be seen from the calculated F value of 2.349, greater than the F table of 2.81, and the significant value of 0.003, smaller than 0.023.

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