

THE INFLUENCE OF SERVICE QUALITY ON SATISFACTION AND TRUST AND ITS IMPACT TO CUSTOMER LOYALTY

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Abstract: Telkomsel is the market leader in mobile telecommunications business in Indonesia. The delivery of several prepaid card products resulted in the emergence of competition among service providers. The more inexpensive price of the prepaid card is suspected as one of the prime drivers of the high churnrate. The problems faced by the operator of Simpati GSM prepaid card in stiff competition is to build customer perception about it with attention to service quality, satisfaction, trust and loyalty. This study aims to analyze the interrelationships between service quality, satisfaction, trust and loyalty. The population surveyed was students who use Simpati GSM prepaid card. For the purposes of quantitative analysis, the determination of scores for each item questionnaire is used a Likert scale. While data processing in this study using SEM with LISREL 8.7 statistical software. Validity and reliability using Confirmatory Factor Analysis (CFA). The results showed four hypotheses are accepted while the others are 2 rejected. There is a significant influence which lies on the service quality to satisfaction with construct coefficient at value 0.86. Then service quality to the loyalty with construct coefficient at value 0.23. Furthermore, satisfaction towards the trust and loyalty with construct coefficient at value of 0.87 and 0.65 respectively. There is also insignificant influence lies on the service quality toward trust with construct coefficient at value 0.07 and trust to loyalty with construct coefficient at value 0.39. Based on the contribution of each indicator of construct, to gain customer's loyalty so Telkomsel as a provider of Simpati GSM prepaid card need to maintain and enhance the quality of connection rate of speed , coverage area and signal quality. In addition to service quality, Telkomsel also need to enhance customer satisfaction through the quality of services provided, such as call center services, customer service for complaints, and service procedures. Although the trust had no significant effect on loyalty, but Telkomsel need to pay more attention to the factors tha build the trust of customers, such as a fair billing system and service reliability.

Keywords: service quality, trust, satisfaction, loyalty, prepaid card

Introduction

In recent decades the telecommunications become an important factor in human life. The more developed of telecommunication technology makes distance no longer be a problem in human relations. The world of telecommunications has reached a very rapid progress along with the more high of the mobility and human activities. The presence of a cell phone is an answer from telecommunications technology for

needs of communication. The development of mobile telecommunications has grown rapidly, not only for the operating system such as NMT (Nordic Mobile Telephone), AMPS (Advanced Mobile Phone System), GSM (Global System for Mobile Communication), and then the CDMA (Code Division Multiple Access) but also includes the type, function, and the features of the mobile phone.

Along with the development of mobile telecommunication technology, result in the rapid growth of provider of mobile communication services based both on GSM and CDMA. It is causing the tighter competition among the provider of service program. Products offered by the service providers are generally similar, ie prepaid and postpaid cards. Prepaid cards allow consumers to control their own usage based on their needs and financial capabilities by selecting the voucher rates varied with no subscription fee. While the postpaid card is the payment for the pulses usage done at the end of run out of pulses and charged subscription fee. Therefore, a prepaid card becomes a solution or cheap alternative to communicate.

According to the survey conducted by Frost and Sullivan (2010), Indonesia is the largest mobile phone market ranked 3 in the world. In addition, the survey ROA Holdings Analysis (2011) showed that the condition obtained from the penetration of prepaid subscribers of approximately 97.5% or more than 237 million subscribers. However, the high penetration rate was not followed by a low churn rate. Churn rate is the rate of movement of subscribers from one operator to another operator. The lower the churn rate, the better the performance of the operator. In 2010, Frost and Sullivan declared Indonesian mobile operator's churn rate between 12-15%. While ROA Holding Analysis Indonesia declared churn rate in 2011 was the highest compared to other Asian countries (Figure 1).

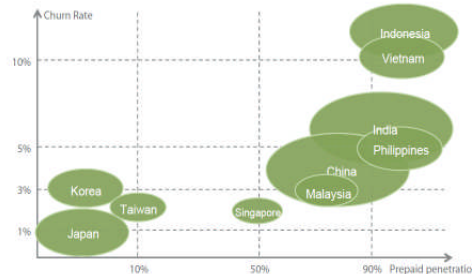


Figure 1 Churn Rate and Penetration of Prepaid Cards Asia 2011
Source: ROA Holdings Analysis

In 2012, as the market leader of sim card in Indonesia, TELKOMSEL's prepaid card product has 117.5 million subscribers. Meanwhile, Telkomsel's prepaid card churn rate in 2013 about 11% per month. Although churn rate Telkomsel still under the average churn rate nationally, but its still above of churn rate from other Asian countries. According to Palmer (1998), the loss of customers by 20% per year causing the loss of billions in revenue and profit. For example Orange, in 1996, requires a fee of £ 256 to recruit a customer. At the end of the first year, 20% of them have moved to another operator. When churn rate fell by 10%, it will provide savings of more than £ 25 million per year. When a customer is having connected to a telecommunications network operator, then the long-term relationships with carriers is critical to the success of the company in a highly competitive market compared to other industrial sectors

(Gerpott et al., 2001). In Indonesia, the inexpensive price of the card is suspected as one of the prime drivers of the high churn rate. There is a new trend of customers buying peranda card and only use the card until the pulses runs out only. With the price at IDR 5 thousand of peranda card, people can get a pulse of up to Rp 15 thousand. Therefore, they would rather buying peranda card than buying pulses. This causes a high churn rate. Besides that it is also caused by the inexpensive price of the peranda card due to an oversupply of it. The less interesting service from the operator, the number of customers who move to a specific operator to be able to call or SMS free to talk to their friend with same operator, the reason of expensive rates and user numbers for disposable purposes is also a reason to move to another operator.

Dekimpe et al. (1997) stated that the success of the company to survive depends on the ability to create and maintain loyal customers. Business is formed by a loyal customer by way of buying more, paying a premium price, and positive word of mouth all the time (Ganesh et al., 2000). In addition, Reichheld and Sasser (1990) stated customer retention by 5% would result in increased profitability by 25-85%.

To achieve customer loyalty is certainly a lot of ways that can be done by the company. Generally, this strategy focuses on improving the quality of services, customer satisfaction, and customer trust. Quality of services received great attention from researchers associated impact on business performance, cost reduction, satisfaction, loyalty, and profitability (Gummesson, 1998; Sureshchander et al., 2002). Usually, quality is considered as an investment by the company, due to quality improvements will increase the number of customers, number of purchases by customers, and an increase in corporate profits (Rust et al., 1995). In addition to quality, satisfaction is also a goal of the company. Satisfied customers will buy more and spread positive word of mouth to other customers (Anderson et al., 1994). Customer satisfaction affects customer loyalty (Bolton and Drew, 1993; Reichheld and Sasser, 1990), and a positive influence on the company's revenue (Bolton, 1998). Furthermore, trust is an important element of the customer's perception of the brand and the company (Aaker, 1997). With the trust, the customer will form a positive behavioral intentions toward a company (Lau and Lee, 1999).

Based on the above explanation, there are various factors that influence loyalty, so it is not possible to find studies that can examine the influence of all the factors combined at once and simultaneously. Therefore, the main objective of this study was to determine the potential antecedents of customer loyalty and examine the relationships among these factors. These factors consist of service quality, satisfaction, and customer trust. In this context, the relationship between service quality, satisfaction, and trust were analyzed using structural equation modeling (SEM).

Theoretical Background

Service Quality

Service quality is perhaps the most widely explored topics in services marketing. Initially, the definition and measurement of quality is more focused on the tangibles product (goods), while services is neglected because it appears more difficult to define and measure. Therefore, there is no unanimous agreement on the conceptualization and measurement of service quality (Carman, 1990 in Aydin and Ozer, 2005). Zeithaml (1988) stated the customer service quality is the assessment of the overall excellence or superiority of the service. To understand more about the service quality, need to know the general attributes of services attributes consist of services: services do not appear (intangible) ; heterogeneous

services, meaning that the performance of the services vary depending on the provider's attention and the recipient of service; services can not be stored and should be tested and tested again all the time; production is separated from consumption services (Grönroos, 1990). Due to its various attributes, the service quality is more difficult to measure than the quality of the goods. Measurement of service quality is more related to the process of service delivery rather than its output. The quality of services is seen as a critical factor of profitability and success of the company. There are two things that need to be highlighted in assessing the contribution of service quality on profitability. First, the quality of services can provide differentiation and competitive advantage in attracting new customers and establish market share (Venetis and Ghauri, 2000; Cody and Hope, 1999).

Furthermore, service quality to encourage customers to make repeat purchases, buying more, low price sensitivity, and share good experiences to others (Venetis and Ghauri, 2000). For example, Bloemer et al. (1998) and Jones et al. (2002) showed a positive relationship between service quality with repeat purchase intention, recommendation, and resistance to other product offerings.

Satisfaction

Oliver (1996) defines satisfaction as a psychological condition resulting when the emotion of hope coupled with feelings of customers before gaining experience. Since the early 1990s, research has expanded services and satisfaction with emphasis on cumulative satisfaction is defined as total customer satisfaction evaluation of the product or service provider (Johnson and Fornell, 1991). Grisaffe (2001) showed satisfaction is a fit indicator between the expectations with reality. Satisfaction is one of the triggers of recommendation and intention for repeat purchase. When the customer receives the service in accordance with expectations, customers will most likely be satisfied (Reichheld and Teal, 1996). Gustafsson and Johnson (2002) noted that Volvo is an example of the company with many loyal customers who spend more money for the company.

Trust

Trust is gained when one party believes that the actions of another party give positive results (Anderson and Narus, 1990). Therefore, in the context of the trust toward a brand, quality should be positively perceived by the customer.

Trust played a key role in influencing customer loyalty (Gundlach and Murphy, 1993). When one party believes the other party, meaning they have built positive behavioral intentions toward others. When customers believe in a brand, then the client has developed intention for positive purchase toward the brand (Lau and Lee, 1999).

Doney and Cannon (1997) stated the trust formation involves a calculation process based on the ability of one party to fulfill its obligations and the cost estimation compared to profit obtained which is survive during a relationship. To believe in a brand, customers will not only consider the perception of a positive outcome, but also the survival of a positive outcome in the future. Therefore, service of quality is positively influence on the trust toward services operator.

Trust reflects credibility (Ganesan, 1994). Credibility influences on the long-term orientation of the customer with a reduction of perception of opportunistic behavior risk of the firm (Erdem et al., 2002).

Trust reduce uncertainty situation where customers feel worried because they know rely on trusted brand (Chaudhuri and Holbrook, 2001). Customers' trust toward the Simpati prepaid card reduces uncertainty before or after the delivery of services. Reduction of the uncertainty toward operator increases the relativity of alternative uncertainty and perception of transition costs.

Loyalty

Loyalty is the main objective of marketing relation and it is even parallel with the concept of marketing itself (Sheth and Parvatiyar, 1999 in Shpetim, 2012). According to Caruana (2002), loyalty is the behavioral urge to make a purchase repeatedly and to build customer loyalty to a product /service takes a long time through that buying process which is done repeatedly.

Brunner et al. (2008) stated that loyal customers could bring huge benefits for a company, because it can provide a continuous stream of income, reduce marketing and operational costs, increase sales and keep customers are not affected by the sale or offer of a competitor. However, according to Reinartz and Kumar (2000), customer loyalty cannot be enforced in the business world which is highly competitive today. Yi and La (2004) in Brunner et al. (2008) explains that loyalty is developed in two main approaches, namely the behavioral approach and attitudinal approach.

The attitude approach is defined as the attitude of customers who make re- purchase toward a brand, remember only that brand, and do not search information toward the brand relationship. While the behavioral approach is defined as the possibility of re-purchase, the possibility of long-term option, or the change of attitude. In terms of behavior, loyalty applied as a brand choice or emotional commitment. Therefore, it is measured by the desire to buy back, resistance against better alternatives, price tolerance, and a will to recommend products or services (Yi and La, 2004 in Brunner et al., 2008).

Hypothesis And Structural Model

Based on the results of previous research, then research model is formed with some hypothesis proposed, namely:

- H1: Service quality influence on satisfaction
- H2: Service quality influence on trust
- H3: Service quality influence on loyalty
- H4: Satisfaction influence on trust
- H5: Satisfaction influence on loyalty
- H6: Trust influence on loyalty

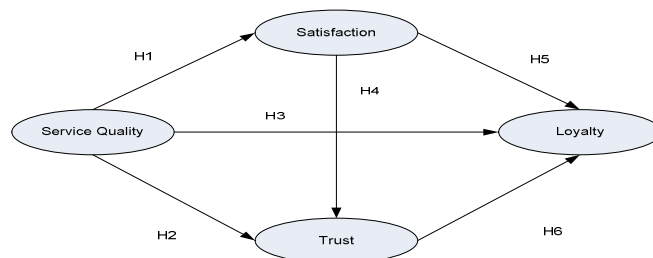


Figure 2 Proposed Model

Methodology

Sample and Data

The method used in this study is nonprobability sampling method with judgmental sampling technique. Students who use Simpati GSM prepaid card in Jakarta is a population where study taken with a sample size of 300 respondents. It is based on the opinion Bentler and Chou (1987) that the ratio of 5-10 respondents per variable observed will be sufficient for the normal distribution when a latent variable has a number of indicators (observed variables).

Primary data were obtained through a survey method, ie by distributing questionnaires at sites of study. While secondary data is obtained and compiled from various literature, books, journals, theses, dissertations, and data from the internet that are considered relevant. Measurement data will be performed using a Likert scale with the following sizes: 1 = Strongly Disagree, 2 = Disagree, 3 = Less Agree, 4 = Agree, 5 = Strongly Agree.

Measures

The study consisted of constructs of service quality, satisfaction, trust and loyalty. Construct of service quality with variable quality indicator consists of the coverage area, the quality of the signal, sound quality, the quality of connection level of telephone network, the quality of mobile technology, the quality of the product in accordance with the slogan, quality of features and services, the quality of call center services that are responsive, the quality of call center services that are reliable, the quality of service for complaints and information, and the quality of service procedures.

Meanwhile the construct of satisfaction with its indicator variable consists of compared to other operators, customers are very satisfied with the Simpati GSM prepaid cards, based on experience - customers are very satisfied with the Simpati GSM prepaid cards, the customer is satisfied with the price offered by Simpati GSM prepaid cards, the customer is satisfied with the quality offered by Simpati GSM prepaid cards, the customer is satisfied with the services provided by Simpati GSM prepaid cards, and Simpati GSM prepaid cards provide product satisfaction.

Constructs of trust with its indicator variable consists of I believe the Simpati GSM prepaid cards, I feel that company of Simpati GSM prepaid card can provide a good service, I believe on Simpati GSM prepaid card billing system, I believe Simpati GSM prepaid card will not cheat on me, and I believe the Simpati GSM prepaid cards reliable due to a focus on customer interest.

Construct of loyalty with its indicator variables consisting of I will continue to use the Simpati GSM network, If I want to buy a new perdana card - I prefer network of simpati GSM prepaid card, I recommend a Simpati GSM prepaid cards to others, I convince a friend to buy a Simpati GSM prepaid card, and although other operators are cheaper - but I still use Simpati GSM prepaid card.

Tests of Hypotheses

Structural Equation Modeling (SEM) with Lisrel 8.7 program was used to analyze causal relationships in this study. Analysis of research model is conducted with two-stage approach (two-step approach).

Preliminary analysis on the estimation focussed on the measurement model. As the initial step is an analysis of the results of the estimation, and then perform the analysis of the overall suitability test measurement model that aims to look at the validity and reliability of each construct (the relationship between the latent variable/LV with the observed variable/OV) and the next phase of the structural model analysis aimed to assess relationships between constructs (Wijanto, 2008).

Measures Validation

Test for Validity and reliability using Confirmatory Factor Analysis (CFA) with the help of software Linear Structural Relationship Lisrel 8.7. Measurement for validity is done by looking at the value of t - value and standard loading factor (SLF) each observed variable CFA models. Observed variables are considered valid if it has a value of t - value ≥ 1.96 and ≥ 0.50 SLF (Igbaria et al., 1997 in Wijanto, 2008). While the measurement of reliability used composite reliability (composite reliability measure) and the size of extract variance (variance extracted measure). Hair et al. (1998) stated that a construct has good reliability if the CR value ≥ 0.70 and ≥ 0.50 VE value.

Results And Discussion

Characteristics of Respondents

Based on the results of questionnaires to college students located in Jakarta, has been collected 300 questionnaires that can be processed into research data with the following characteristics

Table 1 Profile and Behavior of Respondent

No	Description	Percentage
1.	The other user of prepaid card Yes	70.5%
	No	29.5%
2.	The other prepaid card used As	8%
	Mentari	8%
	IM3	25%
	XL	14%
	Three	32%
	Esia	13%
3.	Sex Men	49%
	Women	51%
4.	Status Married	3.9%
	Single	96.1%
5.	Earning (allowance) per month < Rp 500.000,-	36.1%
	Rp 500.000,- sd Rp 1.000.000,-	38.9%
	Rp 1.000.000,- sd Rp 2.000.000,-	18.3%
	>Rp 2.000.000,-	6.7%
6.	The duration of the use of Simpati GSM prepaid card seVICES < 1 year	32.8%
	1 – 2 years	37.2%
	>2 years	28%

No	Description	Percentage
7.	The facility that Most often used	Phoned 57.8%
		SMS/MMS 14.14%
		Internet/transfer data 27.8%
8.	Most frequently dial numbered	PSTN 3.8%
		Same operator 69.7%
		Inter operator 26.7%
9.	Whom most frequently dialed	Family 53.9%
		Friend 33.3%
		Relation 2.8%
10.	Frequency of pulses purchase per month	Once 20.6%
		2 – 3 times 62.8%
		>3 times 16.7%
11.	Cost of refill pulses per month	< 100.000 75.1%
		100.000 sd 200.000 20%
		>300.000 5%
12.	Nominal of refill pulses most often bought	25.000 33.3%
		50.000 34.4%
		100.000 28.3%
		>100.000 3.9%

Sumber: Data diolah

Analysis of Structural Model the Influence of Service Quality on Satisfaction and Trust and its Impact to Loyalty

In the first stage, analysis of measurement model conducted on any measure or construct models separately through the evaluation of the validity and reliability of the measurement model. Both evaluations is the value-t load factor (factor loading) is greater than the critical value (≥ 1.96) and standard factor loadings (standardized factor loadings) ≥ 0.50 (Igbaria et al., 1997).

The entire observed variables has good validity because it has t – value > 1.96 and the value of the standardized loading factor (SLF) is greater than 0.50 but the quality of service complaints and information (VAR10) at value 0.47. Although a value of less than 0.50, it is still considered valid because it is still above value at 0.30. Moreover, from the estimation of solution standardize can be obtained test reliability or consistency of a measurement. Reliability of service quality, satisfaction, trust, and loyalty seen in CR values > 0.7 and VE > 0.5 which indicates good reliability.

Table 2 Validity and Reliability

	SLF*	t**	SLF*	t**	SLF*	t**	SLF*	t**	CR > 0.7	VE > 0.5	Conclusion
Service Quality									0.85	0.35	<i>Marginal reliability</i>
VAR1	0.68	12.51									Good validity
VAR2	0.61	10.95									Good validity
VAR3	0.62	11.11									Good validity
VAR4	0.74	14.09									Good validity

	SLF*	t**	SLF*	t**	SLF*	t**	SLF*	t**	CR > 0.7	VE > 0.5	Conclusion
VAR5	0.62	11.10									Good validity
VAR6	0.55	9.56									Good validity
VAR7	0.53	9.24									Good validity
VAR8	0.56	9.77									Good validity
VAR9	0.54	9.53									Good validity
VAR10	0.47	8.07									Good validity
VAR11	0.55	9.64									Good validity
Satisfaction									0.88	0.55	<i>Good reliability</i>
VAR12			0.71	13.51							Good validity
VAR13			0.82	16.43							Good validity
VAR14			0.70	13.16							Good validity
VAR15			0.62	11.38							Good validity
VAR16			0.80	15.95							Good validity
VAR17			0.79	15.56							Good validity
Trust									0.84	0.51	<i>Good reliability</i>
VAR18					0.67	12.06					Good validity
VAR19					0.81	15.54					Good validity
VAR20					0.67	12.04					Good validity
VAR21					0.66	11.95					Good validity
VAR22					0.74	13.88					Good validity
Loyalty									0.84	0.52	<i>Good reliability</i>
VAR23							0.62	11.18			Good validity
VAR24							0.75	14.22			Good validity
VAR25							0.85	16.91			Good validity
VAR26							0.75	14.24			Good validity
VAR27							0.61	11.00			Good validity

Source: Result of data processing using SEM analysis

Having obtained the observed variables are valid and reliable, then the second stage of two-step SEM analysis approach can be implemented. The second phase is done by adding a structural model of the original CFA model results of the first stage to produce a hybrid model to test the suitability of the overall model of SEM and analytical structural models. Test of the suitability of the overall SEM models (Table 3) showed good results. It is seen 9 of 15 estimates showed good results, while only 6 other unfavorable.

Table 3 Result of Compatibility test of overall SEM Model

GOF Measurement	Target of Compatibility Level	Estimation Result	Compatibility Level
Chi-Square	Small value	1695.36	Less good
P	$p > 0.05$	0.0	
NCP	Small value	1377.36	Less good
Interval	Narrow interval	(1252.12 ; 1510.08)	
RMSEA	$RMSEA \leq 0.08$	0.12	Less good
p (close fit)	$p \geq 0.05$	$p = 0.00$	
ECVI	Nilai yang kecil and dekat dengan ECVI saturated	M = 6.07 S = 2.53 I = 55.40	Good
AIC	Small value and close to AIC saturated	M = 1815.36 S = 756.00 I = 16563.45	Good
CAIC	Small value and close to CAIC saturated	M = 16690.45 S = 2534.03 I = 16690.45	Good
NFI	$NFI \geq 0.90$	0.90	Good
NNFI	$NNFI \geq 0.90$	0.91	Good
CFI	$CFI \geq 0.90$	0.92	Good
IFI	$IFI \geq 0.90$	0.92	Good
CN	$CN \geq 200$	71.94	Less good
RMR	Standardized RMR ≤ 0.05	0.0029	Good

GOF Measurement	Target of Compatibility Level	Estimation Result	Compatibility Level
GFI	GFI \geq 0.90	0.70	Less good
AGFI	AGFI \geq 0.90	0.65	Less good

Source: Result of data processing using SEM analysis

After conduct the test of the suitability of overall SEM models, the next step is to analyze the structural model. In Figure 3 shows that each of the latent variables, both exogenous and endogenous have components measuring the so-called indicator variables.

In Figure 3 showed there is influence of exogenous latent variables, namely the service quality on the formation of endogenous latent variables of satisfaction, trust, and loyalty of Simpati's prepaid card customer. To determine the shape and how big of its influence then parameter estimation is carried out through SEM analysis approach. In this study, analysis was performed using LISREL 8.7 software. Load factor shows the contribution of each variable. The results of SEM analysis showed the existence of relation between the variables of service quality on satisfaction, trust, and loyalty of Simpati prepaid card customer.

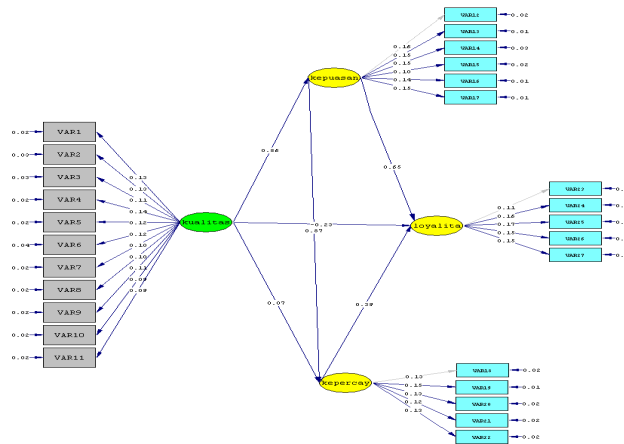


Figure 3 Path Diagram Model of Estimates

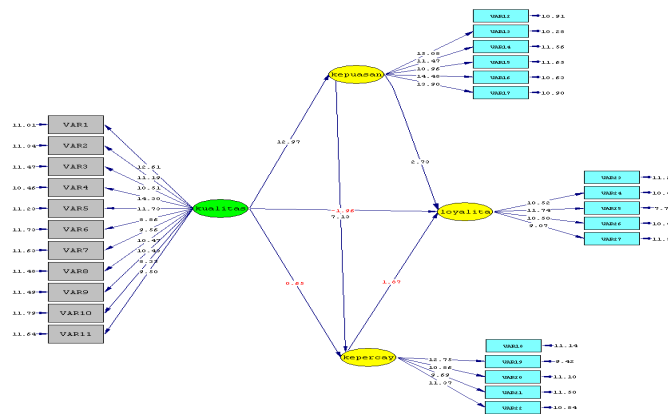


Figure 4 Path Diagram of T-Value

Figures 3 and 4 show the variables of service quality have a significant influence on customer satisfaction with the value of 0.86 with t - value 12.97 (t - values ≥ 1.96). While the influence of service quality on trust is not significant, because it has a construct coefficient of only 0.07 with t - value 0.65 (t - value < 1.96). Moreover, variables of service quality have a significant influence on customer loyalty at 0.23 with t - value -1.96 (absolute value = 1.96). Variable of customer satisfaction toward the trust has a significant influence with value of 0.87 with t - value 7.13. Then the variable of customer satisfaction on customer loyalty has a significant influence with value of 0.65 with t - value 2.73. While the influence of the variable of customer trust on customer loyalty is not significant, because it has a construct coefficient of only 0.39 with t - value 1.87 < 1.96 . Table 4 below is the result of hypothesis of the influence of service quality on satisfaction, trust and loyalty of Simpati prepaid cards customer

Table 4 Hypothesis

Hypothesis	Path	Estimation	t - value	Conclusion
1	Service Quality \rightarrow Satisfaction	0.86	12.97	Significant (Hypothesis 1 accepted)
2	Service Quality \rightarrow Trust	0.07	0.65	Not significant (Hypothesis 2 rejected)
3	Service Quality \rightarrow Loyalty	-0.23	-1.96	Significant (Hypothesis 3 accepted)
4	Satisfaction \rightarrow Trust	0.87	7.13	Significant (Hypothesis 4 accepted)
5	Satisfaction \rightarrow Loyalty	0.65	2.73	Significant (Hypothesis 5 accepted)
6	Trust \rightarrow Loyalty	0.39	1.87	Not significant (Hypothesis 6 rejected)

Source: Data processing with the SEM analysis

Based on the results of SEM analysis, there is the influence of service quality on customer satisfaction with the construct coefficient of 0.86. Relation of service quality and customer satisfaction is positive, ie 0.86. This means that the higher the level of quality of service provided, so the more higher satisfaction of Simpati prepaid card.

The influence of service quality on customer trust is not significant, because the construct coefficient is only at value 0.07 with t - value 0.65 < 1.96 . Although there is no direct influence, service quality can influence the trust indirectly through satisfaction. This means improving the quality of services does not necessarily improve the trust. Customers need to get satisfaction first before giving a trust on the product.

Additionally there is the influence of service quality on customer loyalty with coefficient construct at value of 0.23. While the coefficient construct of the influence of customer satisfaction on customer loyalty is at value of 0.65. This means that the higher the level of service quality and customer satisfaction that is felt, the more higher of the customer loyalty of Simpati prepaid card.

The influence of customer satisfaction on customer trust has coefficient construct with the value at 0.87. This means that the higher the level of customer satisfaction, the more higher of the trust level of Simpati prepaid card customers. .

Based on the results of SEM analysis, that the influence of customer trust on customer loyalty is not significant, because its coefficient construct is only at value 0.39 with t - value 1.87 < 1.96 . This means that an increase in the trust does not automatically increase customer loyalty towards the product. It is estimated that there are other factors that bridge the influence of trust on the loyalty, for example, the value, either monetary or non-monetary value.

Conclusions

Based on the results of research conducted, it can be drawn some conclusions which are expected to answer the purpose of this study, namely:

1. Satisfaction of Simpati GSM prepaid card influenced by the quality of the services offered by Telkomsel as a service provider.
2. Besides influenced by service quality, satisfaction also influences trust of customer. The relation between the two constructs is the biggest among other constructs relations in research.
3. Customer loyalty influenced by the service quality and customer satisfaction. Customer satisfaction has bigger influence on customer loyalty than service quality.
4. The service quality does not significantly influence customers' trust, but the trust of customers can be achieved when customer get satisfaction toward product.
5. Trust has no significant influence on customer loyalty, because from the relationship between trust and loyalty has been indicated there are other factors, such as the monetary or non-monetary value.
6. Constructs of service quality of Simpati GSM prepaid card formed by several different factors. Speed of telephone connection rate, coverage area and signal quality is 3 main factors forming quality. The smallest factor that is forming quality service is the ease of service procedures.
7. Like service quality, constructs of customer satisfaction formed from the feelings of the customer for service of Simpati GSM prepaid card. Some feelings that are perceived by customer is satisfaction compared with other prepaid cards, the satisfaction based on personal experience, satisfaction with the offered price, and satisfaction with the quality offered.
8. Factors that form customer trust which influenced by customer satisfaction is provide good service, reliable billing system, the reliability of the technology, and do not cheat.
9. Loyalty is the attitude and behavior of Simpati GSM prepaid card's customers. Loyalty is formed from the factors recommendations, rejection of competitors, and repeat purchase. Positive word of mouth as the user experience can be used as indicators of recommendation. The rejection of the competitors prefers qualified GSM prepaid card that will provide a high level of satisfaction. Repeat purchasing indicates entanglement between products with customers.

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