

The Influence of Pawn Product Quality, Trust and Word of Mouth on Customer Satisfaction with Expectation as an Intervening Variable at PT Pegadaian Bratang Surabaya City Branch

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ABSTRACT: This research aims to analyze the influence of product quality, trust and word of mouth on customer satisfaction with expectations as intervening variables. This research focuses on customers of PT Pegadaian Bratang Surabaya City Branch who doing pawn transactions and customer behavior. This research used a convenience sampling technique to meet the number of samples determined using the Slovin formula with a sample size of 389 respondents. SPSS Statistics 29.0 Program and SmartPLS version 4.0 programs were used to analyze and evaluate the results of this research by testing validity and reliability tests, statistical tests of outer models, inner models and hypothesis analyze. The research results show that (1) there is significant influence of product quality on customer satisfaction, (2) there is significant influence of product quality on expectations, (3) there is a significant influence of trust on customer satisfaction, (4) there is insignificant influence of trust on expectations, (5) there is significant influence of word of mouth on customer satisfaction, (6) there is significant influence of word of mouth on expectations, (7) there is significant influence of expectations on customer satisfaction.

KEYWORDS: quality product, trust, word of mouth, expectation, customer satisfaction

I. INTRODUCTION

The needs of society are increasing as time goes by, making manufacturing and service companies try to create products or services for their customers so that they continue to use the company's products and services continuously. The important role of company marketing management in marketing its products is also inseparable from expanding its sales network to the public, namely people who are customers and potential customers. In service companies, marketing is also very important to achieve one of the company's goals, namely expanding and marketing the company's services and also getting new customers.

PT Pegadaian is one of the state- owned enterprises (BUMN) owned by the Government of the Republic of Indonesia under the auspices of the Ministry of BUMN , which engages in the field of pawning, financing and various services for residents throughout Indonesia. In order to continue to run a better company, PT Pegadaian always strives to always improve the quality of products produced for customers . Striving to build the trust of customers so that they have a high sense of trust in PT Pegadaian. Customers can communicate gethok to spread to the wider community, because can exceed the expectations of customers as their standard . so, customers have felt satisfied with PT Pegadaian's products used after that evaluate the products produced by the company to always use PT Pegadaian 's product services.

One of the most important factors in a company so that customers or clients continue to use the company's products/services is that the quality of the company's products is good quality, guaranteed quality and meets the customer's needs. Companies that create quality products with the above will certainly attract customers' interest in using the services of that company. Customers will prioritize good quality even though they have to pay a high price rather than paying a low price but the product quality is not good. According to Suartama and Setiawan in Budi and Yasa (2023:9) "A product must have a certain level of quality specifications to meet consumer interest and make the user satisfied . " Therefore, it is very important to maintain the quality of products from service companies in accordance with the standards and conditions set by the relevant government agencies so that customers have confidence in always using the services of these companies.

Trust aspect is also very useful in establishing and maintaining sustainable relationships so that you can continuously growing relationships between the company and its customers. (Pasaribu, 2018). This statement about trust was also conveyed by Setiawan, et al (2016) that "the better the trust given by customers will be followed by customer satisfaction, because the conformity of trust can increase the customer's perception that the product's trust has norms that are in accordance with the quality of the product offered, quality service so that customers feel satisfied with the product and service . " This agrees with research conducted by

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Anang Sudi Ahmadi, et al (2018) regarding "The Influence of Product Quality and Customer Trust on Customer Satisfaction at PT Pal Indonesia (Persero) Surabaya Through Purchasing Decisions". Which proves that there is a significant influence of trust on buyer satisfaction. From the definitions above, trust is an aspect that plays an important role for a company in running its business in the long term. In trust there is a commitment built between the company and the customer.

Most customers who have carried out a transaction regarding the purchase of a product or use of a service that has been carried out have an expression after doing this. This can be in the form of contagious communication or *word of mouth* (WOM) between customers, family, colleagues, friends, relatives and even other people they don't know. According to Saputra and Ardani (2020) *Word of Mouth* is an effort to market a product or service by using marketing aspects in such a way that customers enthusiastically and voluntarily talk about the product or service, promote it, and recommend it to others. Then, according to Husen, et al (2020), after using the product, consumers evaluate the product they use. If a product makes consumers satisfied and leaves a positive impression, it is likely to generate positive word of mouth, and vice versa.

Word of mouth is very beneficial for companies, because customers indirectly recommend products and services from the company. Customers often have expectations for themselves before determining the products they will consume in the future. Customers will use their expectations to determine their own standards and benchmarks regarding the quality of the company's products that they will consume. If the customer's expectations exceed reality then the customer is dissatisfied with the quality of the product, but conversely, if the customer's expectations are less than reality then the customer is satisfied with the quality of the product. According to Zeithaml, Berry and Parasuraman in Tjiptono and Chandra (2019:158) Customer hopes/expectations is confidence customer before determine or buy something product, Which made as standard or type in evaluate effectiveness product. Meanwhile, according to Wijayanti and Andriyanto (2016), customers who feel that their expectations are met by the offer will benefit from the services previously purchased. Supposedly, companies must strive to create the best products or services so that they are able to meet the standard expectations desired by customers when they want to use the company's products and services. Creating customer satisfaction is the responsibility of the company's processes and products produced for customers.

For the long-term sustainability of the company, the company must also be able to fulfill customer satisfaction aspects. According to Budi and Yasa (2023:11) Customer satisfaction is a feeling of happiness or even disappointment felt by a person that arises after comparing the performance expected by that person. Meanwhile, according to Setiawan, et al (2016), customers who feel that their product has unique and different characteristics from other products can fulfill their desires and needs so that customers are satisfied with the product." Its creation Customer satisfaction can provide very important benefits for the company, such as the customer's relationship with the company becoming very close, forming a recommendation or word of mouth from one customer to the wider community, and customers always using the company's services repeatedly. Customer satisfaction is an important variable or component in determining the success of a company in realizing a transaction that each customer desires. For the most part, customers tend to have varying desires and expectations from one another. *Standard* measures for achieving customer satisfaction also vary. From those who have low satisfaction to the highest. It is not surprising that customers always have their own way of doing things to achieve customer satisfaction.

Between product quality, trust, *word of mouth* (WOM) and customer expectations will be related to company customer satisfaction. By achieving customer satisfaction, it can have a positive impact on the company in the long term on the company's sustainability and success in the future.

II. LITERATURE REVIEW

Marketing Management

According to Kotler and Keller (2016:27) Marketing management is the art and science of choosing target markets and getting, retaining and growing customers by creating delivery and communicating superior customer value. According to Manap (2016:79) marketing management is the activity of analyzing, planning, implementing and monitoring all activities (programs) to achieve profitable exchanges with target buyers and thereby achieve organizational goals".

Consumer Behavior Theory

According to Indrasari (2019:14) Consumer behavior is a process closely related to the purchasing process, at that time consumers carry out activities such as doing search, research, and product evaluation. Behavior consumers are the things that underlie consumers to make purchasing decisions.

Product Quality

According to Dewi, et al (2016), product quality states that "Product quality must meet consumer expectations. If the quality of the product meets consumer expectations, then many consumers will want the product. So that the product purchasing process takes place." According to Ekaprana *et.al* in Budi and Yasa (2023:9) "Product quality is the usefulness of a product in carrying out its function, including overall durability, reliability, accuracy, ease of use, product repair, and other product characteristics." Meanwhile, according to Ahmadi, et al (2017) "Customer experience in using products leads to customer evaluation of the products

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used by customers. If the product can fulfill customer desires, then customers will evaluate the product positively. "After the customer's assessment, the customers still want to buy the product and repeat it because of the satisfaction felt by the customer

Trust

According to Pasaribu (2018) "Trust is real examples of behavior which can minimize risks. In this case it is about the aspect of customer trust in trusting the company. Trust is also very useful in cultivating and maintaining long-term relationships that lead to harmonious relationships between a company and its customers. Trust always gives hope to customers and increases their trust in the company, so that customers' concerns about the service they receive are reduced. ". According to Morgan and Hunt *in* Jasar (2014: 90) "Trust is awareness of the importance of establishing relationships Which mutually beneficial to each other." Trust arises from a long process until both parties trust each other. If trust has been established between the customer and the company, then the effort to build it is not too difficult. Trust places more emphasis on the individual by referring to consumer confidence in the quality and reliability of the services provided

Word of Mouth

According to Tjiptono and Chandra (2019:165) "*Word of Mouth* (personal or impersonal) is a message conveyed to customers by someone other than the service provider. Word of mouth tends to be more credible and effective because it is spread by people the customer can trust, including experts, friends, family, colleagues, other customers who have used the product/service, and the media." Then, according to Bancin (2021:16) "*Word of mouth* is a term for word of mouth communication. This sales promotion activity consists of consumer perceptions of product use and product presentation to other consumers."

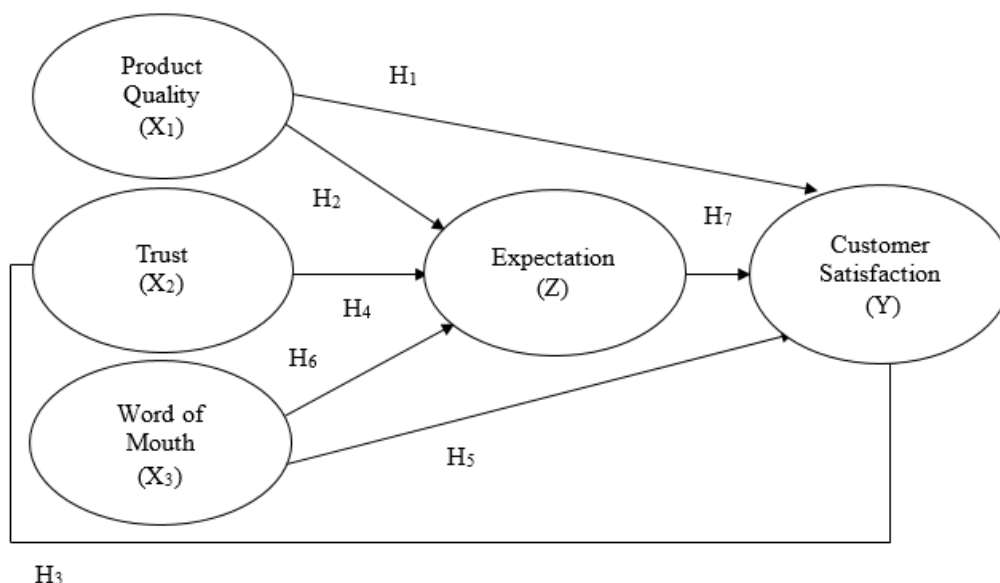
Expectation

According to Tjiptono and Chandra (2019:158) "In terms of aspects of product quality (goods and services) and customer satisfaction, there is agreement that customer expectations play an important role as a reference standard in evaluating quality and satisfaction". According to Wijayanti and Andriyanto (2016) "Customer expectations is a reason why some companies in the same industry may value their customers differently. Every customer definitely has expectations when making purchasing decisions, this plays an important role as a benchmark when evaluating product quality and consumer satisfaction." When consumers get a product in accordance with their expectations, then consumers will maintain the product they get so that a satisfied attitude will be created from consumers.

Customer Satisfaction

According to Kotler and Keller (2016:153) customer satisfaction is a person's feeling of happiness or disappointment as a result of a comparison between perceived and expected achievements or products. Satisfaction can be interpreted as efforts to fulfill customer needs or make something adequate." In some opinions said that satisfaction is "the good feeling you have when you achieve something or when something you want comes true"; "the act of satisfying a need or desire" and "an acceptable way of dealing with complaints, debts, injuries, etc." (Tjiptono and Chandra, 2019:261). According to Kotler and Keller in Budi and Yasa (2023:9) satisfaction is a person's feeling of joy or disappointment that arises after comparing the expected achievements (results).

III. CONCEPTUAL FRAMEWORK



Picture 1. Conceptual Framework

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Hypotheses:

- H1: The Pawn products quality has significant effect on customer satisfaction at PT Pegadaian Bratang Surabaya City Branch
- H2: The Pawn products quality has significant effect on customer expectation at PT Pegadaian Bratang Surabaya City Branch
- H3: Trust has significant effect on customer satisfaction at PT Pegadaian Bratang Surabaya City Branch
- H4: Trust has significant effect on expectation satisfaction at PT Pegadaian Bratang Surabaya City Branch
- H5: Word Of Mouth has significant effect on customer satisfaction at PT Pegadaian Bratang Surabaya City Branch
- H6: Word Of Mouth has significant effect on customer expectation at PT Pegadaian Bratang Surabaya City Branch
- H7: Customer expectations have significant effect on customer satisfaction at PT Pegadaian Bratang Surabaya City Branch

IV. RESEARCH METHODS

This research is an explanatory causal research that will explain the causal relationship between exogenous variables (product quality, trust and word of mouth) and endogenous variables (customer expectations and satisfaction). The type of research carried out in this research is a quantitative research method. Next, the data obtained will be analyzed use Structural Equation Modeling (SEM) with the Smart PLS Version 4.0 program

Population and Sample

The population in this research is all customers at PT Pegadaian Bratang Branch, Surabaya City , numbering 14,145 customers active from data the 10th October 2023. *convenience* sampling technique when meeting directly with customers, to meet the number of samples determined with $e= 5%$ using the *Slovin formula* (Sujarweni, 2015: 82) as follows:

Slovin's formula :

$$n = \frac{N}{1 + (N \times e^2)}$$

From the calculation of the research sample using the Slovin formula above, the sample in this study was determined to be 389 customers who are customers PT Pegadaian.

Data Collection

The questionnaire, distributed using Google Form, was distributed online in November until Desember 2023 to 389 respondents.

V. RESEARCH RESULTS AND DISCUSSION

Validity and Reliability Analysis

Validity Analysis

Validity is defined as a measure of how strongly a test instrument performs its measuring function. The ability of research variables to measure a concept developed in research is estimated to be valid for measuring the dimensions or variables to be tested and providing appropriate measuring results in a study.

Validity test results for each item variable with a validity test of 30 respondents using the IBM SPSS Statistics 29.0 program.

Table 1. Validity Analysis Results Each Variable

| Product Quality Statement Item (X1) | Correlation Coefficient Value | Sig. | Information |
|-------------------------------------|-------------------------------|-------|-------------|
| X1.1 | 0.832 | <0.01 | Valid |
| X1.2 | 0.863 | <0.01 | Valid |
| X1.3 | 0.839 | <0.01 | Valid |
| X1.4 | 0.741 | <0.01 | Valid |
| X1.5 | 0.900 | <0.01 | Valid |
| X1.6 | 0.792 | <0.01 | Valid |
| X1.7 | 0.863 | <0.01 | Valid |
| X1.8 | 0.741 | <0.01 | Valid |
| Trust Statement Items (X2) | Correlation Coefficient Value | Sig. | Information |
| X2.1 | 0.750 | <0.01 | Valid |
| X2.2 | 0.705 | <0.01 | Valid |
| X2.3 | 0.800 | <0.01 | Valid |
| X2.4 | 0.692 | <0.01 | Valid |
| X2.5 | 0.777 | <0.01 | Valid |
| X2.6 | 0.813 | <0.01 | Valid |
| X2.7 | 0.681 | <0.01 | Valid |
| Word Of Mouth Statement Items (X3) | Correlation Coefficient Value | Sig. | Information |
| X3.1 | 0.735 | <0.01 | Valid |

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| | | | |
|---|--------------------------------------|-------------|--------------------|
| X3.2 | 0.740 | <0.01 | Valid |
| X3.3 | 0.792 | <0.01 | Valid |
| X3.4 | 0.781 | <0.01 | Valid |
| X3.5 | 0.870 | <0.01 | Valid |
| X3.6 | 0.723 | <0.01 | Valid |
| Expectation Statement Item (Z) | Correlation Coefficient Value | Sig. | Information |
| Z.1 | 0.922 | <0.01 | Valid |
| Z.2 | 0.673 | <0.01 | Valid |
| Z.3 | 0.761 | <0.01 | Valid |
| Z.4 | 0.754 | <0.01 | Valid |
| Z.5 | 0.740 | <0.01 | Valid |
| Z.6 | 0.934 | <0.01 | Valid |
| Customer Satisfaction Statement Item (Y) | Correlation Coefficient Value | Sig. | Information |
| Y.1 | 0.743 | <0.01 | Valid |
| Y.2 | 0.928 | <0.01 | Valid |
| Y.3 | 0.743 | <0.01 | Valid |
| Y.4 | 0.739 | <0.01 | Valid |
| Y.5 | 0.912 | <0.01 | Valid |
| Y.6 | 0.725 | <0.01 | Valid |

From the table above, it can be concluded that all instruments in the variables studied, including product quality, trust, *word of mouth*, expectations and customer satisfaction, are valid. This is because the probability value of the correlation coefficient for each statement item has a value smaller than 0.05. All statement items on the variables product quality, trust, word of mouth, expectations and customer satisfaction can be carried out for further testing

Reliability Analysis

Reliability is the similarity or constancy of data at different times, where instruments (indicators) when used several times to measure the same object will produce the same data. The results of the reliability test on the research variables are product quality, trust, *word of mouth*, expectations and customer satisfaction. The results of the reliability test for each item variable with a reliability test of 30 respondents using the IBM SPSS Statistics 29.0 program are shown in Table 5.9 below

Table 2. Reliability Analysis Results

| Variable | Cronbach's Alpha value | Information |
|-----------------------|------------------------|-------------|
| Product Quality | 0.930 | Reliable |
| Trust | 0.859 | Reliable |
| Word Of Mouth | 0.845 | Reliable |
| Expectation | 0.872 | Reliable |
| Customer Satisfaction | 0.870 | Reliable |

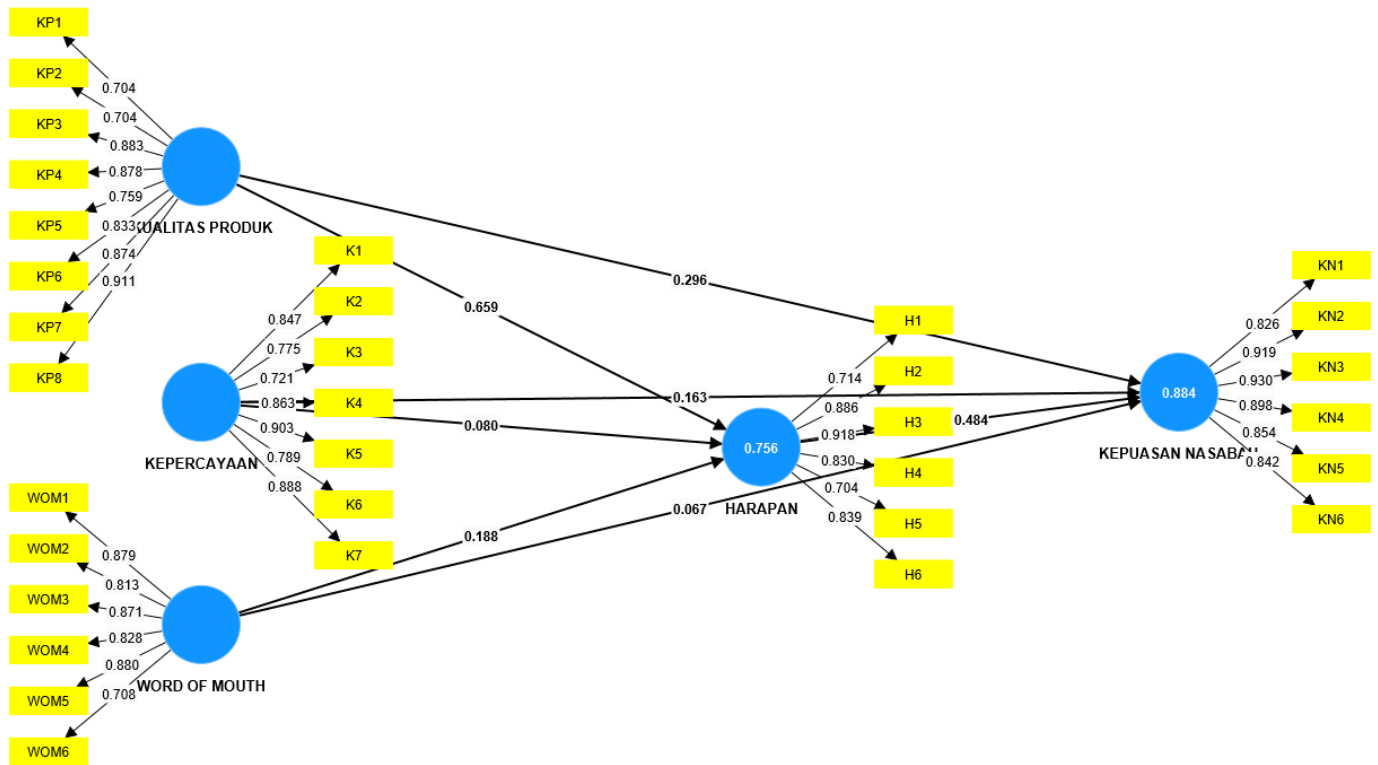
It shows that the Cronbach Alpha coefficient value for each variable tested was greater than 0.6, so it can be concluded that the research variables, namely product quality, trust, word of mouth, customer expectations and satisfaction, are reliable *for* further analysis

Outer Model Statistical Test

Results of Outer Model Convergent Validity Outer Loading Test

Variables consisting of product quality, trust, word of mouth, customer expectations and satisfaction, the Outer Loading test aims to see the correlation of item and indicator scores with the construct score. An indicator is declared to meet convergent validity in the good category if the outer loading value is > 0.7. Many of the research variable indicators have outer model values >0.7. The following are the results of the *Convergent Validity PLS algorithm* test analysis, like:

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Picture 2. Partial Least Square (PLS) Algorithm Model

The outer loading results of each indicator on the research variables where the *outer loadings* values of the variable indicators of product quality, trust, word of mouth, customer expectations and satisfaction have no value less than 0.7, and show the outer model value or correlation with the variables as a whole meets Convergent Validity. From the results of validity testing for independent variables, it can be concluded that the variables of product quality, trust, *word of mouth*, expectations and customer satisfaction have met the requirements for model adequacy, so that this research data can be used for further analysis.

Results of Outer Model Discriminant Validity Analysis

Table 3. Convergent Validity Test Average Variance Extracted (AVE)

| Variable | AVE | Information |
|---------------------------|-------|-------------|
| Product Quality (X1) | 0.676 | Valid |
| Trust (X2) | 0.687 | Valid |
| Word Of Mouth (X3) | 0.692 | Valid |
| Expectation (Z) | 0.671 | Valid |
| Customer Satisfaction (Y) | 0.773 | Valid |

Based on the table above, it explains that the value of AVE is from the variables product quality, trust, *word of mouth*, customer expectations and satisfaction. It can be seen that each construct (variable) has an AVE value greater than 0.5. This shows that each construct has good validity values from each real indicator of the questionnaire used to determine the influence of product quality, trust and *word of mouth* variables on customer expectations and satisfaction. It can be said to be valid.

Outer Model Result of Discriminant Validity Cross Loadings

Table 4. Discriminant Validity Cross Loadings Test Results

| | Product Quality | Trust | Word Of Mouth | Expectation | Customer Satisfaction |
|----|-----------------|-------|---------------|-------------|-----------------------|
| E1 | 0.602 | 0.507 | 0.444 | 0.714 | 0.655 |
| E2 | 0.787 | 0.737 | 0.729 | 0.886 | 0.826 |
| E3 | 0.825 | 0.748 | 0.665 | 0.918 | 0.865 |
| E4 | 0.612 | 0.546 | 0.516 | 0.830 | 0.730 |
| E5 | 0.614 | 0.493 | 0.477 | 0.704 | 0.613 |
| E6 | 0.712 | 0.614 | 0.619 | 0.839 | 0.736 |
| T1 | 0.658 | 0.847 | 0.693 | 0.609 | 0.724 |
| T2 | 0.567 | 0.775 | 0.593 | 0.487 | 0.554 |

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| | | | | | |
|------|-------|-------|-------|-------|-------|
| T3 | 0.530 | 0.721 | 0.522 | 0.447 | 0.582 |
| T4 | 0.734 | 0.863 | 0.786 | 0.748 | 0.759 |
| T5 | 0.705 | 0.903 | 0.764 | 0.750 | 0.761 |
| T6 | 0.606 | 0.789 | 0.648 | 0.546 | 0.581 |
| T7 | 0.692 | 0.888 | 0.785 | 0.691 | 0.714 |
| CS1 | 0.694 | 0.622 | 0.563 | 0.686 | 0.826 |
| CS2 | 0.796 | 0.706 | 0.650 | 0.834 | 0.919 |
| CS3 | 0.872 | 0.829 | 0.772 | 0.875 | 0.930 |
| CS4 | 0.801 | 0.725 | 0.666 | 0.826 | 0.898 |
| CS5 | 0.765 | 0.717 | 0.692 | 0.802 | 0.854 |
| CS6 | 0.709 | 0.679 | 0.611 | 0.743 | 0.842 |
| PQ1 | 0.704 | 0.494 | 0.482 | 0.543 | 0.604 |
| PQ2 | 0.704 | 0.567 | 0.468 | 0.582 | 0.600 |
| PQ3 | 0.883 | 0.734 | 0.672 | 0.794 | 0.776 |
| PQ4 | 0.878 | 0.649 | 0.562 | 0.777 | 0.763 |
| PQ5 | 0.759 | 0.483 | 0.417 | 0.664 | 0.608 |
| PQ6 | 0.833 | 0.639 | 0.579 | 0.651 | 0.725 |
| PQ7 | 0.874 | 0.760 | 0.665 | 0.736 | 0.805 |
| PQ8 | 0.911 | 0.751 | 0.664 | 0.809 | 0.871 |
| WOM1 | 0.647 | 0.756 | 0.879 | 0.619 | 0.669 |
| WOM2 | 0.578 | 0.684 | 0.813 | 0.620 | 0.640 |
| WOM3 | 0.616 | 0.699 | 0.871 | 0.672 | 0.638 |
| WOM4 | 0.502 | 0.684 | 0.828 | 0.496 | 0.579 |
| WOM5 | 0.617 | 0.761 | 0.880 | 0.591 | 0.644 |
| WOM6 | 0.478 | 0.575 | 0.708 | 0.535 | 0.581 |

Based on table above, it is found that all of the forming constructs are stated to have good discriminants. Where the correlation value of the indicator to the construct is greater than the correlation value between the indicator and other constructs.

Outer Model Results of Cronbach Alpha Reliability PLS Analysis

Table 5. Cronbach Alpha PLS Reliability Analysis Results

| Variable | Cronbach Alpha PLS | Information |
|---------------------------|--------------------|-------------|
| Product Quality (X1) | 0.930 | Reliable |
| Trust (X2) | 0.923 | Reliable |
| Word Of Mouth (X3) | 0.910 | Reliable |
| Expectation (Z) | 0.900 | Reliable |
| Customer Satisfaction (Y) | 0.941 | Reliable |

Based on the table above, it can be seen that the Cronbach alpha value for each research variable obtained a value above 0.7. These results can show that each research variable has met the *Cronbach alpha value requirements*, so it can be concluded that all variables have a high level of reliability.

Outer Model Results of Composite Reliability Analysis

Table 6. Composite Reliability Analysis Results

| Variable | Composite Reliability | Cronbach Alpha PLS | Information |
|---------------------------|-----------------------|--------------------|-------------|
| Product Quality (X1) | 0.940 | 0.930 | Reliable |
| Trust (X2) | 0.936 | 0.923 | Reliable |
| Word Of Mouth (X3) | 0.913 | 0.910 | Reliable |
| Expectation (Z) | 0.913 | 0.900 | Reliable |
| Customer Satisfaction (Y) | 0.945 | 0.941 | Reliable |

Based on the table above, it can be seen that each construct or variable has a composite reliability value above 0.7, which indicates that *the internal consistency* of the endogenous (Customer Expectations and Satisfaction) and Exogenous (Product Quality, Trust and *Word of Mouth*) variables has high reliability.

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Inner Model Statistical Test

Inner Model Results of Model Goodness of Fit Test

Table 7. Model Goodness Test Results (*Goodness of Fit*)

| Variable | R Square Value |
|---------------------------|----------------|
| Expectation (Z) | 0.756 |
| Customer Satisfaction (Y) | 0.884 |

Based on the data in the table above, it can be seen that the *R Square value* for the Expectation (Z) variable is 0.756, this value explains that the percentage of Product Quality (X1), Trust (X2) and *Word Of Mouth* (X3) can be explained by the variables Expectations of 75.6%.

Then, the *R Square value* for the Customer Satisfaction (Z) variable is 0.884, the obtained value explains that the percentage of Product Quality (X1), Trust (X2) and *Word of Mouth* (X3) and Expectations (Z) can be explained by the Satisfaction variable Customers amounted to 88.4%.

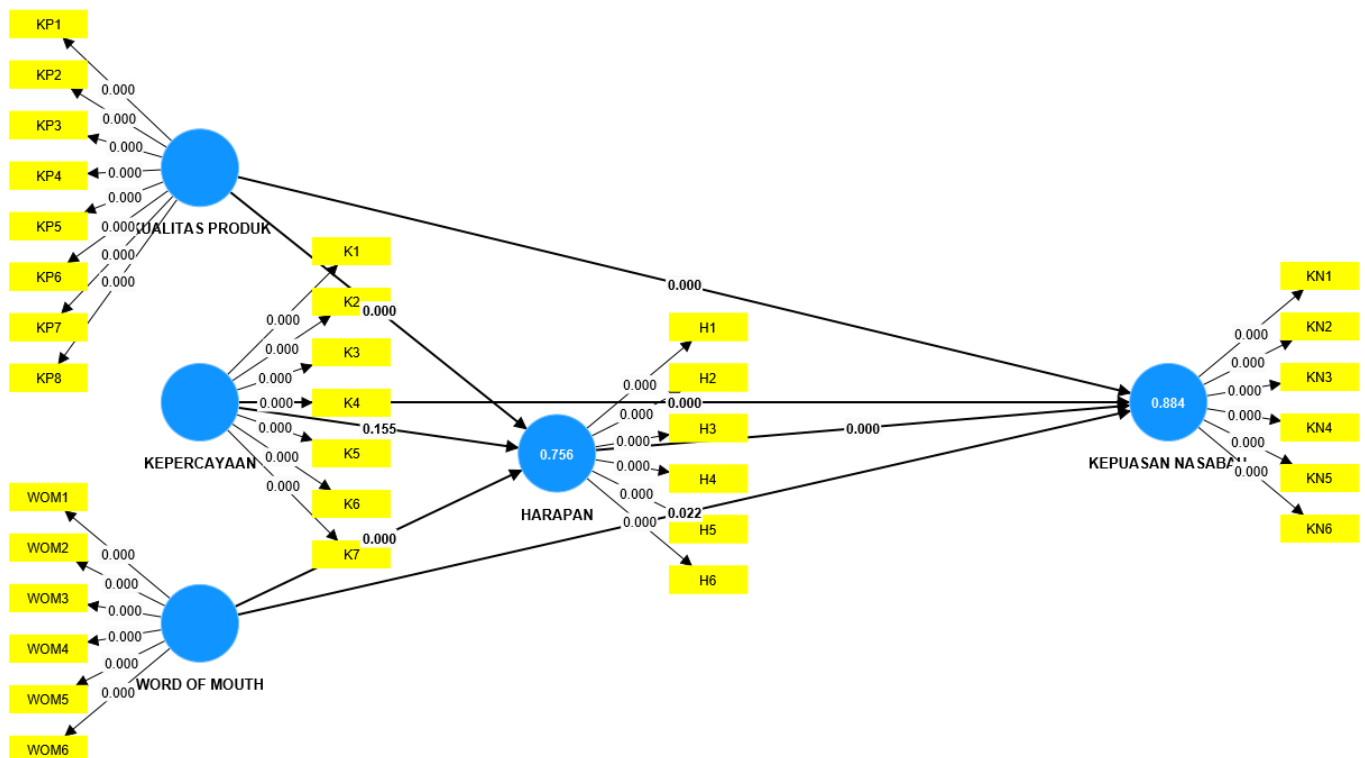
The *goodness of fit* assessment is known from the *Q- Square value* . The *Q- Square* value has the same meaning as the coefficient of determination (*R- Square*) in regression analysis, where the higher the *Q- Square* , the model can be said to be better or more fit to the data.

The results of calculating the *Q-Square* value are as follows:

$$\begin{aligned}
 \text{Q-Square} &= 1 - [(1-R^2_1) \times (1-R^2_2)] \\
 &= 1 - [(1-0.756) \times (1-0.884)] \\
 &= 1 - [0.244 \times 0.116] \\
 &= 1 - 0.028304 \\
 &= 0.9716
 \end{aligned}$$

Based on the calculation results above, the *Q-Square* is 0.9716. This shows that the amount of diversity in research data that can be explained by the research model is 97.16%, while the remaining 2.84% is explained by other factors that are outside this research model. Thus, from these results, this research model can be stated to have good *goodness of fit*

Hypothesis test



Picture 3. Partial Least Square (PLS) Bootstrapping Model

Below this is table result relationships between constructs hypothesis test:

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Table 8. Relationships Between Constructs

| Connection | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|---|---------------------|-----------------|----------------------------|--------------------------|----------|
| Product Quality (X1) -> Customer Satisfaction (Y) | 0.296 | 0.296 | 0.049 | 6,016 | 0,000 |
| Trust (X2) -> Customer Satisfaction (Y) | 0.163 | 0.163 | 0.036 | 4,555 | 0,000 |
| Word Of Mouth (X3) -> Customer Satisfaction (Y) | 0.067 | 0.067 | 0.029 | 2,288 | 0,000 |
| Product Quality (X1) -> Expectations (Z) | 0.659 | 0.659 | 0.040 | 16,348 | 0,000 |
| Trust (X2) -> Hope (Z) | 0.080 | 0.080 | 0.056 | 1,421 | 0.155 |
| Word Of Mouth (X3) -> Hope (Z) | 0.188 | 0.188 | 0.050 | 3,747 | 0.022 |
| Expectations (Z) -> Customer Satisfaction (Y) | 0.484 | 0.483 | 0.047 | 10,317 | 0,000 |

Based on Table 8 above regarding picture and hypothesis testing, it can be explained that:

1. Product Quality (X1) On Customer Satisfaction (Y)

Product Quality (X1) has a significant influence on Customer Satisfaction (Y) because the T Statistical value is 6.016 which means it is greater than 1.96, with a P- value of 0.000 so that the hypothesis H₁ which reads: " Pawn product quality has a significant influence on customer satisfaction at PT Pegadaian Branch Bratang City of Surabaya " can be declared acceptable.

2. Product Quality (X1) On Expectations (Z)

Product Quality (X1) has a significant influence on Expectations (Z) because the T Statistical value is 16.348 which means it is greater than 1.96, with a P- value of 0.000 so that hypothesis H₂ which reads: " Pawn product quality has a significant influence on the expectations of PT Pegadaian Bratang City Branch Surabaya " can be declared acceptable.

3. Trust (X2) On Customer Satisfaction (Y)

Trust (X2) has a significant influence on Customer Satisfaction (Y) because the T Statistical value is 4.555 which means it is greater than 1.96, with a P- value of 0.000 so that hypothesis H₃ which reads: " Trust has a significant influence on customer satisfaction of PT Pegadaian Bratang Branch, Surabaya City " can be declared acceptable.

4. Trust (X2) On Expectation (Z)

Trust (X2) does not have a significant influence on Expectations (Z) because the T Statistical value is 1.421 which means it is greater than 1.96, with a P- value of 0.155 so hypothesis H₄ which reads: " Trust has a significant influence on the expectations of PT Pegadaian Bratang Branch, Surabaya City ." can be declared not accepted/rejected

5. Word of Mouth (X3) On Customer Satisfaction (Y)

Word Of Mouth (X3) has a significant influence on Customer Satisfaction (Y) because the T Statistics value is 2.288 which means it is greater than 1.96, with a P- value of 0.022 so that the hypothesis H₅ which reads: " Word Of Mouth significant effect on customer satisfaction of PT Pegadaian Bratang Branch, Surabaya City " can be declared acceptable

6. Word Of Mouth (X3) On Expectations (Z)

Word Of Mouth (X3) has a significant influence on Expectations (Z) because the T Statistics value is 3.747 which means it is greater than 1.96, with a P- value of 0.000 so that the hypothesis H₆ which reads: " Word Of Mouth significant influence on the expectations of PT Pegadaian Bratang Branch, Surabaya City " can be declared acceptable

7. Expectations (Z) On Customer Satisfaction (Y)

Hope (Z) has a significant influence on Customer Satisfaction (Y) because the T Statistical value is 10.317 which means it is greater than 1.96, with a P- value of 0.000 so that hypothesis H₇ which reads: " Hope has a significant influence on customer satisfaction of PT Pegadaian Bratang Branch, Surabaya City " can be declared acceptable.

VI. MANAGERIAL IMPLICATION

This research it was found that the quality of pawn products has a significant effect on customer satisfaction. The higher the quality of pawn products owned by PT Pegadaian, the higher the customer satisfaction. With the quality of pawn products owned by PT Pegadaian, when a customer frequently makes pawn product transactions, the level of customer satisfaction will be high.

Based this research it was found that the product quality variable and satisfaction variable had a significant positive influence. The higher the quality of pawn products owned by PT Pegadaian, the higher the expectations that customers have. With the quality of pawn products owned by PT Pegadaian , when a customer frequently makes pawn product transactions, the customer's level of hope for getting a good pawn product becomes high.

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Next, this research it was found that the variables of customer trust and satisfaction have a significant positive influence. The higher the trust that customers have in PT Pegadaian, the higher the customer satisfaction. With the trust that customers have, when a customer has high trust in PT Pegadaian, the level of customer satisfaction will be high.

Then, this research it was found that the Trust variable and hope has a significant positive influence. The higher the trust that customers have in PT Pegadaian, the higher the satisfaction that customers have but there is no certainty. With the trust that customers have, when a customer has high trust in PT Pegadaian, the level of customer expectations for PT Pegadaian that they own becomes high but the customer still has doubts/uncertainty.

Based this research it was found that the variables *word of mouth* and hope had a significant positive influence . The higher *the word of mouth* that customers convey to other people, the higher the expectations that PT Pegadaian customers have. With the customer's *word of mouth* , *when a customer uses high/frequent word of mouth* , the customer's expectations in carrying out pawn transactions are higher.

Last, this research it was found that the variables of customer expectations and satisfaction have a significant positive influence The higher the expectations that customers have, the higher the satisfaction that PT Pegadaian customers have. With the expectations that customers have, when a customer has expectations when making a pawn transaction, the level of satisfaction that the customer who has made a pawn transaction will be higher.

VII. CONCLUSIONS AND RECOMENDATIONS FOR FUTURE RESEARCH

CONCLUSIONS

Based on the analysis that has been carried out, several conclusions can be drawn, including:

1. Product quality has significant effect on customer satisfaction at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the first hypothesis, namely "The quality of pawn products has a significant effect on Customer Satisfaction of PT Pegadaian Bratang Branch, Surabaya City", can be declared accepted.
2. Product quality influences expectations at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the second hypothesis, namely "The quality of pawn products has a significant effect on the expectations of PT Pegadaian Bratang Branch, Surabaya City", can be declared accepted.
3. Trust has significant effect on Customer Satisfaction at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the third hypothesis, namely "Trust has a significant effect on Customer Satisfaction of PT Pegadaian Bratang Branch, Surabaya City", can be declared accepted.
4. Trust has no significant effect on Hope at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the fourth hypothesis, namely "Trust has a significant effect on the expectations of PT Pegadaian Bratang Branch, Surabaya City", can be declared not accepted/rejected.
5. *Word of Mouth* has a significant effect on Customer Satisfaction at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the fifth hypothesis is " *Word Of Mouth* has a significant effect on Customer Satisfaction of PT Pegadaian Bratang Branch, Surabaya City," can be declared acceptable.
6. *Word of Mouth* has significant effect on expectations at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the sixth hypothesis is " *Word Of Mouth* "significant influence on the expectations of PT Pegadaian Bratang Branch, Surabaya City," can be declared acceptable.
7. Expectation has significant effect on Customer Satisfaction at PT Pegadaian Bratang Branch, Surabaya City. These results indicate that the sixth hypothesis, namely " Expectation has significant effect on Customer Satisfaction at PT Pegadaian Bratang Branch, Surabaya City", can be declared accepted.

RECOMENDATIONS

Suggestions that researchers can give based on the results of this research are as follows:

1. PT Pegadaian should provide high quality pawn products to customers by providing the best service, making it easier for customers to carry out pawn transactions and creating pawn service product specifications that are efficient and effective for customers' financial needs.
2. It would be better for PT Pegadaian to create higher levels of trust held by customers by implementing anti- *fraud* in the company's activity processes, implementing honesty and transparency to increase the sense of *trust* and hope that customers have.
3. It would be better if PT Pegadaian could directly increase customer *Word of Mouth*, including providing pawn education effectively and easily, creating customer promo programs for every transaction and creating promotions by collaborating with *Brand Ambassadors* such as Artists, Actors or *Influencers* .
4. It would be better if PT Pegadaian can meet and increase customer expectations by fulfilling the wishes of customers' pawning needs, providing fast and responsive service and strengthening the better brand identity of PT Pegadaian's pawn products.

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5. In improving the results of this research for other researchers who wish to conduct similar research, it is recommended to use other variables that are appropriate to the problems and phenomena to be studied at PT Pegadaian such as *Brand Image*, *Price*, *Value Co-Creation variables* and other variables that can influence Customer Satisfaction.

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