Journal of Economics, Finance and Management Studies

ISSN (print): 2644-0490, ISSN (online): 2644-0504

Volume 07 Issue 08 August 2024

Article DOI: 10.47191/jefms/v7-i8-28, Impact Factor: 8.044

Page No: 5074-5079

Trust in Business: Evaluating the Effects of Product Quality, Corporate Reputation, and Service Excellence on Customer Trust

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ABSTRACT: This study aims to determine the influence of product quality, company reputation and service quality on customer trust CV. Liwansu, Grobogan Regency. The respondents in this study are customers who have purchased products on the CV. Liwansu. This study uses a quantitative approach by surveying 97 respondents. The data analysis technique used is multiple linear regression analysis. The testing technique uses the help of the SPSS 25 system. The results of the hypothesis test (t test) show that first, the product quality variable has a significant effect on the customer trust variable. Both variables of company reputation have a significant effect on the variable of customer trust. The three service quality variables have a significant effect on customer trust variables.

KEYWORDS: corporate reputation, customer trust, product quality, service excellence

I. INTRODUCTION

A company should always keep its customers in mind when it's doing business. This is called customer focus, and it means making sure that the company fully meets the needs of its customers. The company will reach its goals if it pays more attention to these areas (Sutianingsih et al., 2022). The customer is what makes a business successful. When it comes to business, especially service-based businesses, customer happiness is the most important thing that keeps the business going and helps it grow. Maintaining customer trust is a strategic step taken by CV. Liwansu to retain its customers. Without customer trust, the industry will not develop as intended (Mahendra, 2018). Trust is one of the traits of feelings. Customer trust has a very influential place in a company, hence the CV. Liwansu is required to maintain product quality, company reputation and service quality in a company.

Experience is the key to this trust. If customers (consumers) have a lot of good experiences with a product, they will believe it, and the same goes for the product. One way for a company to keep customers trusting them is to keep product quality high. This means that the company has to keep standards high. Because if there isn't uniformity, the product can change what it does (Kamaludin & Sulistiono, 2013). The company cares a lot about product quality because it helps the company's name. When people are shopping, smart ones will always look for high-quality items that meet their wants. On CV. Liwansu, a lot of people buy electronic things from this store. This is because the products provided by this store have product quality that is highly trusted by consumers.

Keller (1993) said that a company's reputation is how a customer thinks about the quality of the products and services that are linked with its name. This means that the name of the company has a good effect on how customers feel about the products or services (Sulistiarini & Sudarno, 2012). Company reputation is the relationship between the company and the company's history or history, especially based on business activities with other parties (Triandaru & Budisantoso, 2006). When it comes to the value of the market or the business itself, a company's reputation is like its goodwill or an intangible asset. People from outside the company, in this case investors, will feel more comfortable putting some of their money into it because of this positive result. On the plus side, this means that what the company has built to earn the trust of investors should also earn the trust of customers. When the reputation of the company is good, it will have a good influence on consumers' desire to buy products in the company (Chen & Lee, 2015).

For customers to keep buying goods and services from the company, the best service is the most important thing that the company does for them. Customers have to trust a business to provide good service for it to stay in business with them. Jayanti & Purwanti (2017) says that companies can fight rivals in the service field by providing better service quality and making customers happy—a strong relationship that builds trust. As long as employees know how to provide services and meet customer wants and

satisfaction, the service itself will be done correctly. Providing excellent service that makes customers happy is the most important thing that service providers should do. When customers think that the service they receive is close to what they expected or meets their needs, this is called customer happiness.

II. THEORETICAL FOUNDATIONS

A. Product Quality

Product quality, according to Kotler et al. (2016), is how well a product does its job. This includes how long it lasts, how reliable it is, how accurate it is, how easy it is to use and fix, and other factors. On the other hand, Alma (2018) says that the product's quality is its main benefit. Quality from the point of view of the customer is different from quality from the point of view of the manufacturer when putting out a product, which is better known as "actual quality." Wijaya (2011), on the other hand, said that product quality is the sum of all the product characteristics created by the marketing department, the results of production engineering, and maintenance. This makes the product something that can be used according to the needs of the customer. Tjiptono (2017) says that quality includes all of the aspects of a product that make it useful for customers. To find product quality markers, according to David Garvin (2016), five things can be looked at product features, reliability, conformance, durability, and beauty or aesthetics.

B. Company Reputation

A business's reputation comes from how customers feel about its products and services, as well as their interactions with business representatives (Prayitno, 2015). Customers see themselves as stakeholders in the relationship with the business and the products and services they receive. People's trust or decision about how highly valued and admired a company is called its reputation. Reputation is very important for a business whose main product is a service. The marketing efforts of a company are based on its reputation, especially the idea that reputation in the form of brand image, company image, brand reputation, the best name, great service, and everything related to customer satisfaction is the most important thing (Buddy et al., 2019). The image of a business is an intangible asset. How well the company is known will rest on what it does as a whole. Also, it will depend on the signs and messages that are sent to the market (Setyawan & Lutfi, 2019). This study's variable indicators of corporate reputation are based on Walsh and Beatty's (2007) theory and include: a focus on the customer, being a good employer, a company's dependability and financial health, the quality of its products and services, and its social and environmental duty.

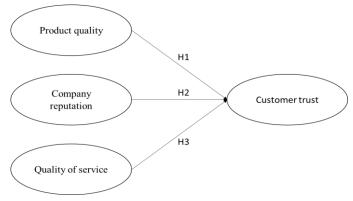
C. Quality of Service

Service quality is the professional attitude of employees who make customers feel at ease when they buy things or get services from them. This attitude is a reward from the service provider in the hopes that it will make customers happy (Prayitno, 2015). Arianto (2018) says that service quality means focusing on meeting wants and requirements as well as being on time to meet customer expectations. Any service the company gives to a customer while they are in the company is covered by the quality of service. Mulyapradana et al. (2020), on the other hand, say that service quality is an important factor that needs to be thought about when offering great service quality. When it comes to business, service quality is very important because it affects customer happiness, and happy customers mean good service quality. This study uses Tjiptono and Chandra's (2006) list of variable measures of service quality, which are Physical proof, Reliability, Responsiveness, Assurance, and Empathy.

D. Customer Trust

Customers are what bring in money for the business. Many businesses will not be able to stay in business if they don't have loyal customers (Budiyono & Sutianingsih, 2021). From the customer's point of view, trust is how they see things based on their experiences, or more specifically, the number of transactions or interactions where they were satisfied with the product's performance and met their standards. The main thing that makes people trust each other is a good view that comes from experience (Prayitno, 2015). The company must always earn this trust; the more customers believe, the better the relationship between the company and its customers will stay (Putra & Indriyani, 2018). Mowen and Minor (2018) say that customer trust is made up of what consumers know and what they think about the things, qualities, and benefits that companies offer. In this study, the factors that show how much customers believe a business is based on Robbins' theory (Robbin & Judge, 2008), which is made up of five parts: honesty, competence, consistency, loyalty, and openness.

III. RESEARCH FRAMEWORK AND HYPOTHESIS



Based on the research framework above, the following hypotheses can be prepared:

H1: Product quality has a positive and significant effect on customer trust

H2: The company's reputation has a positive and significant effect on customer trust H3:

Service quality has a positive and significant effect on customer trust

IV. RESEARCH METHODS

The study location is the thing that is being studied and where the research is being done. The study location is chosen to make the location that the research is aimed at easier to find or more clear. The reason why the Electronic Used Goods Buying and Selling Store was chosen as the study site. The item was found at a used electronics shop with a lot of customers. People who have bought things at the Liwansu Electronic Used Goods Shop are the population of this study. Because the study doesn't know how many people are in the community, it uses a sampling method called "purposeful sampling," which is not based on chance. The Cochran formula is used to figure out the sample size, but the exact number of people in the community is unknown. With the Cochran formula, a number 96.04 was found, which is a fraction. Sugiyono (2019) says that when a calculation gives a fraction, the numbers that are separated by commas should be rounded up. Which means that 97 people took part in this study and were used as samples. Multiple regression analysis and a quantitative method are used in this work.

V. RESEARCH RESULTS AND DISCUSSION

A. Validity Test

Table 1. Validity Test Results

Product Quality	Product Quality Company Reputation		Customer Trust	
0,678	0,549	0,750	0,619	
0,696	0,644	0,752	0,650	
0,578	0,615	0,664	0,682	
0,778	0,662	0,546	0,670	
0,759	0,769	0,649	0,610	

Data source: Data processing 2024

Based on the data processing in table 1, all variables are declared valid because the calculated r value is greater than the r of the table.

B. Reliability Test

Table 2. Reliability Test Results

Variable	Cronbach Alpha	
Product quality	0,730	
Company reputation	0,660	
Quality of service	0,678	
Customer trust	0,649	

Data source: Data processing 2024

From the results of the reliability test in table 2, the cronbach alpha value of all variables is more than 0.60. So it can be concluded that all of the above variables are declared reliable.

C. Test F

Table 3. Test Result F

		Sum of				
Model		Squares	df	Mean Square	F	Sig.
1	Regression	526,033	3	175,344	64,392	0,000 ^b
	Residual	253,245	93	2,723		
	Total	779,278	96			

Data source: Data processing 2024

It can be seen that the chance value of Fcal in Table 3 is 64.392, which is higher than Ftable 2.701, and the sig value is 0.000, which is less than 0.05. So, we can say that the factors of product quality, company image, and service quality all have a big and positive impact on customer trust CV Liwansu.

D. Determination Coefficient Test (R2)

Table 4. Results of the Coefficient Test of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,822ª	0,675	0,665	1,65017

Data source: Data processing 2024

The data above shows an R Square value of 0.675, which means that 67.5% variation in CV customer trust value. Liwansu is influenced by the role of product quality variation, company reputation and service quality. While the remaining 32.5% was influenced by other variables that were not studied in this study.

E. Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test Results

		Unstandardized Coefficients		Standardized Coefficients		Sig.
Model		В	Std. Error	Beta	t	
1	(Constant)	-0,061	1,373		-0,044	0,965
	Product quality	0,451	0,089	0,435	5,045	0,000
	Company reputation	0,249	0,098	0,250	2,539	0,013
	Quality of Service	0,244	0,098	0,230	2,482	0,015

Data source: Data processing 2024

The bound variable was customer trust (Y) of -0.061, while the independent variable consisted of product quality (X1) of 0.435, company reputation (X2) of 0.250, and service quality (X3) of 0.230. So that the multiple linear regression equations in this study are:

A value of -0.061 for the constant (α) means that if the quality of the product (X1), the name of the company (X2), and the quality of the service (X3) all stay the same or reach zero, then the value of Customer Trust (Y) is -0.061 units. b1 is the regression coefficient of product quality (X1), and its value of 0.435 means that it has a positive effect on the dependent variable (Y). This means that if product quality (X1) goes up by one unit, customer confidence (Y) will also go up by 0.435 units, as long as all other variables stay the same. If the regression coefficient for the company's reputation (X2) is 0.250, it means that it has a positive effect on the dependent variable (Y). This means that if the company's reputation (X2) goes up by one unit, customer confidence (Y) will also go up by 0.250 units, as long as all other variables stay the same. A regression coefficient of 0.230 for service quality

(X3) means that it has a positive effect on the dependent variable (Y). This means that if service quality (X3) goes up by one unit, then customer confidence (Y) will also go up by 0.230 units, as long as all other variables stay the same.

F. Test t
Table 6. Test Results t

		Unstandardized Coefficients		Standardized Coefficients		Sig.
Model		В	Std. Error	Beta	t	
1	(Constant)	-0,061	1,373		-0,044	0,965
	Product quality	0,451	0,089	0,435	5,045	0,000
	Company reputation	0,249	0,098	0,250	2,539	0,013
	Quality of service	0,244	0,098	0,230	2,482	0,015

Data source: Data processing 2024

Based on the table above, it is known that the influence of the independent variable on the bound variable is in the form of:

- 1. Product quality has a significant value of 0.000 less than 0.05 and a tcal of 5.045 greater than table 1.660. So that product quality partially has a positive and significant effect on customer trust.
- 2. The company's reputation has a significant value of 0.013 less than 0.05 and a tount of 2.539 greater than the ttable 1.660. So that the company's reputation partially has a positive and significant effect on customer trust.
- 3. The quality of service has a significant value of 0.015 less than 0.05 and a tount of 2.482 greater than ttable 1.660. So that the quality of service partially has a positive and significant effect on customer trust.

VI. DISCUSSION

It was found that the variable for product quality has a significant value of 0.000, which is less than 0.05, and a t value of 5.045, which is greater than t table 1.660. So the quality of the goods has a positive and significant effect on how much customers trust. Between Purba et al. (2023) and Yosua (2021), many experts have looked into how product quality affects customer trust. They found that product quality is a big part of building trust; the better the product, the more customers will trust the company. It was found that the variable for company reputation has a significant value that is 0.013 less than 0.05 and a calculation value that is 2.539 greater than the table value of 1.660. This means that the company's reorganization has some good and important effects on customers' trust CV Liwansu. Several experts have looked into how a company's reputation affects customer trust. According to Riswandi (2019), a company's reputation can make customers trust it more; the better the reputation, the more customers will trust the company. There is a 0.015 significant value for the service quality variable, which is less than 0.05, and a 2.482 significant value for the variable, which is more than the 1.660 significant value in the ttable. So the level of service has an important and positive effect on customer trust CV Liwansu. A lot of study has been done on how service quality affects customer trust. According to Pasi and Sudaryanto (2021), service quality can make customers trust a company more. The better the service, the more customers will trust the company.

VII. CONCLUSIONS AND SUGGESTIONS

Reputation, product quality, and service quality are the factors that can influence a consumer's trust in a company. According to the study, the quality of a product is the most critical factor that affects a customer's trust in a company, while the service quality is the least important one. This suggests that a company like CV Liwansu should improve its services to increase its customer loyalty.

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