

Company Loyalty Analysis at PT Legalitas Mudah Indonesia

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ABSTRACT

Company sustainability is the goal of every company. To achieve this sustainability, several aspects need to be considered, such as the synergy between the company's image, customer trust, and reputation. The study aims to determine the effect of corporate image on customer satisfaction, determine the effect of customer trust on customer satisfaction, determine the influence of the company's reputation on customer satisfaction, and determine the effect of customer satisfaction on customer loyalty. This study uses a quantitative method. This research was conducted at *PT. Legalitas Mudah Indonesia*. The results showed the company's image has a significant positive effect on customer satisfaction. These results are evidenced by the value of t-statistic $2.742 > t\text{-table } 1.986$. Customer trust has a significant positive effect on customer satisfaction. These results are evidenced by the value of t-statistic $3.153 > t\text{-table } 1.986$. Company reputation has a significant positive effect on customer satisfaction. These results are evidenced by the value of t-statistic $2.322 > t\text{-table } 1.986$. Customer satisfaction has a significant positive effect on customer loyalty. These results are evidenced by the value of t-statistic $3.035 > t\text{-table } 1.986$.

INTRODUCTION

In President Jokowi's leadership era, a system was created to facilitate investment. The system is in the form of convenience in making permits. Ease of making business licenses and the desire of the President to be able to determine the time for making business permits and in the context of developing the economic sector. The policy provides a business climate that allows the business world to work efficiently with satisfactory results. Under this policy, data released by Kominfo in mid-2015 stated that during the Jokowi administration, at least 3,143 local regulations were abolished due to extending the time for issuing business permits. In this way, the time spent on making a business license can be reduced from 3 weeks to 180 minutes (Kominfo, 2016).

Bureaucratic Reform in the economic sector will significantly contribute to increasing national development and will have a significant impact on

the business world. However, making the business license must also be accompanied by the ease of making business legalities. Such conditions can occur because business legality is a reference or basic information needed to attract consumers into the business field. This assumption is also in line with that expressed by Sidabalok (2012), who said that Legality in an established business would protect all kinds of things in the business because there is a legal umbrella that protects it.

The importance of Legality is also driven by the increasingly competitive industry and high market growth, which causes increasingly fierce competition to occur. In addition, service quality is also an aspect that business entities should observe. This needs to be considered because the quality of service will be directly related to consumer loyalty. Good service quality will make customers come back again to purchase these items (Kotler & Keller, 2016).

Service and customer loyalty, both of these are influenced by several factors, including the existence of positive feedback from customers and the promotion of Word of Mouth (WOM) by customers to other potential customers they recognize (Clow & Baack, 2018). In line with the previous opinion, in Boonlertvanich (2019), it is also stated that the variable in service quality is employees' response to customers. A business entity or company can attract and retain customers who often buy their products through full service.

Referring to some of the explanations above, the author reviews the validity of some of these opinions in the field. The review was carried out directly at *PT. Legalitas Mudah Indonesia*. It is a company that was established to assist the community in managing the Legality of their business. *PT. Legalitas Mudah Indonesia* aims to help the community or entrepreneurs by offering services in managing company legality. Legality has excellent urgency because the name of a business entity must have a legality deed. Legality on behalf of a business entity is needed because if someone

denies it, and the business entity already has legal documents recorded in the state information. A business entity can also use not only that but also the Legality to get a project.

Services provided by *PT. Legalitas Mudah Indonesia* includes services for managing various types of permits in Indonesia which continues to grow and undergo adjustments in line with government policies. The services offered include establishing and closing companies, virtual offices, construction permits, individual PTs, and creating a company profile website (www.legalitascepat.ac.id). In addition, the company also provides services for obtaining foreign worker permits, KITAS, work visas and visit visas, and construction permits (Instagram @legalitaseasy). In the case of establishing a PT or company, the conditions requested from the customer are the KTP and NPWP of the Board of Directors. The payment system is done twice, namely 50% at the beginning and 50% at the end. According to the selected package, the processing time is from 7-30 days.

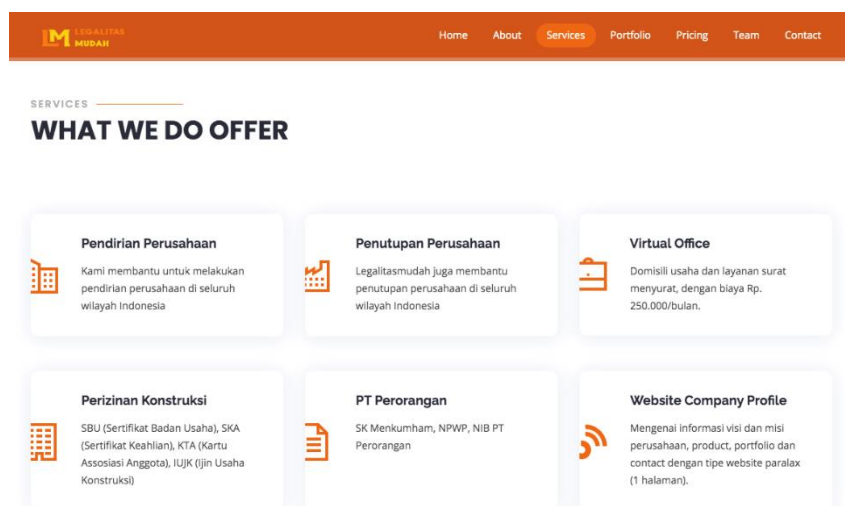


Figure 1. Types of Services *PT. Legalitas Mudah Indonesia* (Source: www.legalitascepat.co.id)

Figure 2. Choice of Service Packages for PT. Legalitas Mudah Indonesia (Source: www.legalitascepat.co.id)

In running its business, *PT. Legalitas Mudah Indonesia* quickly still gets complaints from customers. The data on complaints received and

service actions carried out by *PT. Legalitas Mudah Indonesia*.

**Table 1
Complaints against Companies Period 2021**

No	Complaint Entry Date	Media	Type of Complaint	Company Action
1	02 January 2021	Whatsapp	Vendor Registration Service Process	Responsive Accelerate Consumer's Desire
2	13 February 2021	Whatsapp	Expedited Service Process in Vendor Legal Registration Affairs	Responsive Accelerate Consumer's Desire
3	24 February 2021	Whatsapp	Expedited Service Process in Vendor Legal Registration Affairs	Responsiveness & Responsibility Accelerating Consumer's Desires
4	17 March 2021	Whatsapp	Vendor Payment Request to be given a Term	Carrying out Evaluation of Prospective Vendors

Based on Table 1 above, it is known that consumers still give some complaints to the company *PT. Legalitas Mudah Indonesia*. One of these complaints is related to the vendor registration service process. Other consumer complaints are related to the accelerated service process in vendor legal registration and requests for granting payment terms by vendors. Although the company has responded to these complaints by accelerating the registration process and carrying out evaluations of potential vendors, these complaints reflect consumer dissatisfaction so that consumers do not want to use the services of *PT. Legalitas Mudah Indonesia* again. In other words, consumers have no loyalty, or low loyalty, to the company.

Most disappointed customers never express their disappointment with the company (Kotler & Armstrong, 2018). Referring to this, the complaints from customers as listed in Table 1 indicate the dissatisfaction experienced by *PT. Legalitas Mudah Indonesia* customers. Kotler and Armstrong (2018) states that customer satisfaction is the main foundation in building and managing its relationship with its customers. The existence of complaints from customers and showing the disappointment experienced by consumers of *PT. Legalitas Mudah Indonesia* also shows that consumer satisfaction of *PT. Legalitas Mudah Indonesia* must continue to be improved so that consumer relations with the company are built and managed correctly that loyal consumers are formed.

Customer complaints reflect consumer dissatisfaction with the product or service they receive. Consumer satisfaction itself is something that every company must always strive for because it is part of an effort to maintain existing consumers and attract interest from potential customers (Kotler & Armstrong, 2018). Consumer satisfaction results from comparisons made by consumers between their expectations and the reality they receive (Sangadji & Sopiah, 2013). Satisfied consumers will tend to repurchase in the future if they need it again (Tjiptono, 2019). Thus, consumer satisfaction influences consumer loyalty at *PT. Legalitas Mudah Indonesia*.

Consumers form consumer satisfaction when they consume products/services (Sangadji & Sopiah, 2013). Consumer experiences also shape the company's image. Kotler and Armstrong (2018) states that customers can differ in assessing or viewing the image of a company or brand, which is shaped by each consumer's experience when obtaining services or products from the company. Consumer experience, in addition to shaping the company's image, also shapes the company's trust and reputation. More and more complaints from consumers indicate that the company is threatened to no longer be trusted by consumers. If this is not addressed immediately, the company's reputation will be bad in the eyes of consumers. As a result, the company's sustainability will be threatened, and the company may lose money because it is abandoned by its customers or has difficulties getting new customers.

The sustainability of the company is the goal of every company. To achieve this sustainability, several aspects need to be considered. The synergy between customer satisfaction, corporate image, and consumer confidence in the corporation can affect the company's reputation. Muflih (2021) explains that image is the impression from customers on the behaviour of a company. The image itself is one of the critical variables in running a company. In addition to an image, trust also needs to be formed so that customers get comfort in using the services of *PT. Legalitas Mudah Indonesia*.

Steps that can be taken by a business entity in its efforts to satisfy its consumers are by providing full service with quality above the average competitor. In this way, consumers will be satisfied to use the product repeatedly. This opinion is in line with several studies related to the relationship between customer satisfaction and customer loyalty and the relationship between image, trust, and reputation on customer satisfaction. Research by

Puspitasari and Astuti (2019) says that if a consumer is satisfied, it will affect his compliance in buying. However, abstracted from the Dewi (2019) study, it is stated that consumer satisfaction is not proven to affect consumer loyalty. In terms of the effect of image on customer satisfaction, research by Iqbal (2018) says that corporate image affects customer satisfaction. In terms of the effect of trust on customer satisfaction, research by Wulur et al. (2020) stated that trust had a significant positive effect on customer satisfaction. However, research by Sari (2017) states otherwise that trust had an insignificant negative effect on customer satisfaction. Regarding the influence of reputation on customer satisfaction, research by Van Lierop and El-Genaidy (2016) found that company reputation has a significant positive effect on customer satisfaction, while research by Mokhtar and Shamsudin (2020) state that company reputation has no significant effect on customer satisfaction.

Based on several previous research has been discussed about company, customer satisfaction and loyalty, this research is interested to examine how is those relationship in a certain company called *PT. Legalitas Mudah Indonesia*. As a result, this current study is different from previous research has been discussed. This study aims to determine whether the company's trust and reputation influence customer satisfaction on customer loyalty at *PT. Legalitas Mudah Indonesia*. At the same time, the benefits of this research are that it can provide benefits to the world of service providers and also provide a source of reference for future researchers who wish to conduct reputation analysis and add knowledge to the authors, especially in the areas of corporate reputation strategy and customer loyalty in service businesses.

METHOD

The quantitative method was used in this study. The population in this study are consumers of *PT. Legalitas Mudah Indonesia*, which consists of two types, namely individual customers and corporate customers. The number of a whole population is 1231customers. Then, the Slovin formula is used as follows in determining the number of samples.

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

Information:

N = sample size or number of respondents

N = population size

E = Percentage of slack

e = 0,1 (10%) for wide population

$e = 0,2$ (20%) for small population

Thus, the results of the sample calculations in this study using the Slovin formula are as follows:

$$n = \frac{1231}{1+1231(0,1)^2} = 92,48$$

Based on the calculation results obtained data, the value of n is 92.48 or 93 respondents.

Independent Variable

- a) Company image (X1)
- b) Customer trust (X2)
- c) Company reputation (X3)

Dependent Variable

- a) Customer satisfaction (Y1)
- b) Customer loyalty (Y2)

Data Collection

Primary data for this study was obtained from the distribution of questionnaires and interviews with *PT. Legalitas Mudah Indonesia*. Secondary data in this study were obtained from journals and other related matters. The data in this study were obtained from survey techniques (observations, questionnaires, interviews, literature searches) conducted on customers of *PT. Legalitas Mudah Indonesia*.

Hypotheses

H₁: Company image significantly influence customer satisfaction at *PT. Legalitas Mudah Indonesia*.

H₂: Customers trust significantly influence customer satisfaction at *PT. Legalitas Mudah Indonesia*.

H₃: Company reputation significantly influence customer satisfaction at *PT. Legalitas Mudah Indonesia*.

H₄: Customer satisfaction significantly influence customer loyalty at *PT. Legalitas Mudah Indonesia*.

Data Analysis

1. Validity Test

Validity test was carried out to determine the validity of a questionnaire item (Sudji Munadi, 2017). In this study, the validity test used the moment product correlation.

An instrument is said to be valid if R statistic $>$ r table. If R statistic $<$ R table, then it is invalid. In this test, the author will be assisted by the SMART PLS 3.3 program.

2. Reliability Test

The reliability of the degree of truth and recurrence or the possibility of a product to complete certain functions under stated conditions in a given period. In addition, the

reliability test is used to see the extent to which the instrument can provide consistent measurement results if the measurements are repeated.

In conducting these tests, the author uses the SMART PLS 3.3 application. The interpretation of the reliability results is as follows by the opinion of Arikunto (2006):

- a. If Cronbach's Alpha is worth 0.80 to 1.00, then the reliability is high.
- b. If Cronbach's Alpha is worth 0.60 to 0.80, the reliability is sufficient.
- c. If Cronbach's Alpha is worth 0.40 to 0.60, the reliability is relatively low.
- d. If Cronbach's Alpha value is 0.20 to 0.40, it means that the reliability is low.
- e. If Cronbach's Alpha is worth 0.00 to 0.20, then the reliability is very low.

3. T test using Smart PLS 3.3

After the data is declared valid and reliable, hypothesis testing is carried out using an analytical technique in the form of the t-test to see the significance of the regression coefficients generated by various causal relationships in the model presented (Ghozali, 2016). The t-test shows how far the influence of an independent variable is individually in explaining the dependent variable (Ghozali, 2016). According to Sarjono and Julianita (2011), the t-test assessment criteria in hypothesis testing are:

- a. If the significance value is less than 0.05, then H_0 is accepted.
- b. If the significance value is more significant than 0.05, H_0 is rejected.

RESULTS AND DISCUSSION

The findings of research is based on the real situation and condition from the research field. As a result, in examining whether the company's trust and reputation influence customer satisfaction on customer loyalty at *PT. Legalitas Mudah Indonesia*, the results in the filed is explained in following section used several tests.

Results

In this study, descriptive analysis was carried out simultaneously with statistical analysis using Smart PLS 3.3. The results include the mean, maximum, minimum, and standard deviation. These values are presented in Table 2.

Table 2
Mean, Minimum, Maximum, Standard Deviation

Variable	N	Mean	Minimum	Maximum	Std Deviasi
Company Image	100	4,70	3	5	0,526
X1.1	100	4,88	3	5	0,431
X1.2	100	4,53	3	5	0,591
X1.3	100	4,82	3	5	0,477
X1.4	100	4,62	3	5	0,562
X1.5	100	4,75	3	5	0,517
X1.6	100	4,61	3	5	0,564
X1.7	100	4,77	3	5	0,526
X1.8	100	4,64	3	5	0,539
Customer trust	100	4,68	3	5	0,533
X2.1	100	4,81	3	5	0,484
X2.2	100	4,65	3	5	0,536
X2.3	100	4,74	3	5	0,541
X2.4	100	4,64	3	5	0,539
X2.5	100	4,65	3	5	0,557
X2.6	100	4,64	3	5	0,539
Company Reputation	100	4,65	2	5	0,567
X3.1	100	4,77	3	5	0,507
X3.2	100	4,55	3	5	0,589
X3.3	100	4,77	3	5	0,507
X3.4	100	4,57	3	5	0,57
X3.5	100	4,7	2	5	0,574
X3.6	100	4,55	2	5	0,638
X3.7	100	4,71	3	5	0,553
X3.8	100	4,63	3	5	0,594
Customer satisfaction	100	4,68	2	5	0,575
Y1.1	100	4,78	3	5	0,502
Y1.2	100	4,57	3	5	0,604
Y1.3	100	4,76	3	5	0,512
Y1.4	100	4,59	2	5	0,665
Y1.5	100	4,69	2	5	0,595
Y1.6	100	4,71	3	5	0,571
Customer loyalty	100	4,67	2	5	0,572
Y2.1	100	4,67	3	5	0,584
Y2.2	100	4,69	3	5	0,56
Y2.3	100	4,7	3	5	0,557
Y2.4	100	4,7	3	5	0,539
Y2.5	100	4,81	3	5	0,484

Y2.6	100	4,6	3	5	0,6
Y2.7	100	4,71	3	5	0,535
Y2.8	100	4,56	2	5	0,637
Y2.9	100	4,7	3	5	0,574
Y2.10	100	4,56	2	5	0,653

Source: Data processed, 2021

Based on Table 2, it is known that for the indicator questions from the corporate image variable, the lowest answer value from the respondents is three and the highest is 5, and the standard deviation is 0.525. The average value of the answers from the respondents was 4.703. With a range of answer values referring to a Likert scale between 1-5, namely that the value is 1 for the worst and 5 for the best, then the average value reflects that most of the respondents in this study agreed with the statements on the indicators of the variable—corporate image. In other words, the

image of *PT. Legalitas Mudah Indonesia* is rated very well by the respondents.

The validity test results were carried out by basing on the value of the loading factor. Figure 1 presents a path diagram containing the calculated numbers. From the figure, it is known that each indicator is valid because it has a value above 0.7. This means that all indicators and variables can be used and processed to test hypotheses.

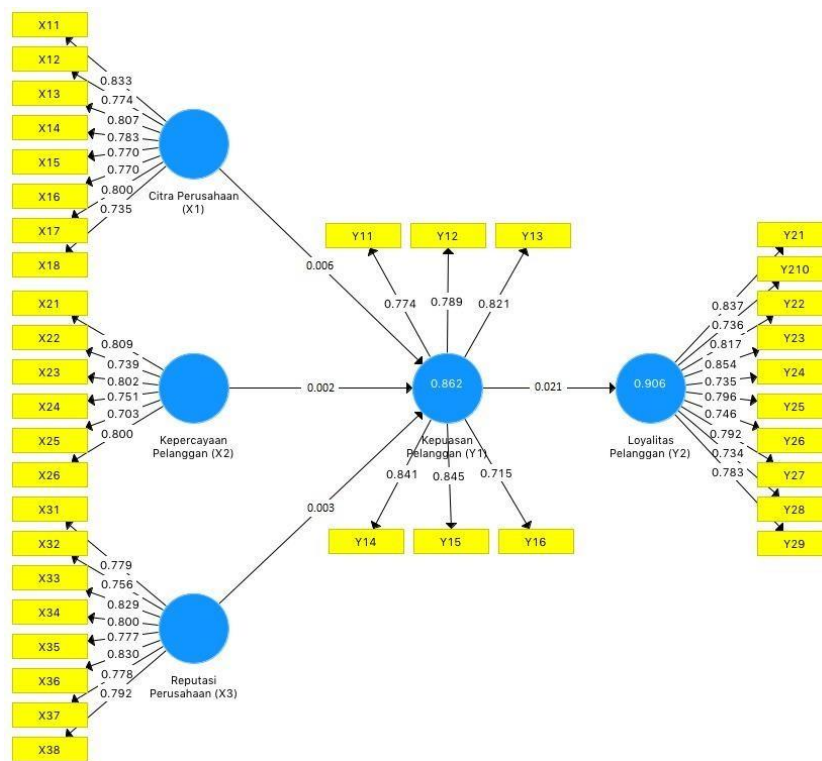


Figure 1. Path Diagram calculation results
(Source: Data processed, 2021)

Table 3
Outer Loading Factor Value

Indicator	Company Image (X1)	Customer trust (X2)	Company Reputation (X3)	Customer satisfaction (Y1)	Customer loyalty (Y2)
X1.1	0.833				
X1.2	0.774				

X1.3	0.807		
X1.4	0.783		
X1.5	0.77		
X1.6	0.77		
X1.7	0.8		
X1.8	0.735		
X2.1		0.809	
X2.2		0.739	
X2.3		0.802	
X2.4		0.751	
X2.5		0.703	
X2.6		0.8	
X3.1			0.779
X3.2			0.756
X3.3			0.829
X3.4			0.8
X3.5			0.777
X3.6			0.83
X3.7			0.778
X3.8			0.792
Y1.1			0.774
Y1.2			0.789
Y1.3			0.821
Y1.4			0.841
Y1.5			0.845
Y1.6			0.715
Y2.1			0.837
Y2.2			0.817
Y2.3			0.854
Y2.4			0.735
Y2.5			0.796
Y2.6			0.746
Y2.7			0.792
Y2.8			0.734
Y2.9			0.783
Y2.10			0.736

Source: Data processed, 2021

From Table 3, it is known that the Outer loading Factor value of each indicator with itself is more significant than with other variables. Thus the indicators used in each variable in this study can be said to be good and valid. To support the value of the Outer loading Factor, also look at the value of the Square root Average Variance Extracted (AVE). The indicator is good and valid if the AVE value is above 0.5.

The reliability of the variables in this study can be seen based on the composite reliability value. The terms and conditions are that a variable can be reliable if the composite reliability value of each variable is above 0.70. From the data processing results using SmartPLS 3.3, the composite reliability value of each variable from this

study is presented again in Table 4. From the table, it is known that the composite reliability value of the variables of this study is very high. All variables have a composite reliability value above 0.700. This means that the variables used in this study are very reliable. The customer satisfaction variable, 0.941, owns the highest composite reliability value. Meanwhile, the lowest composite reliability value is owned by the customer trust variable of 0.896. All variables fall into the very reliable category because the values are far above 0.70.

Table 4
Composite Reliability

Variable	Composite Reliability
Company Image	0,927

Customer Trust	0,896
Company Reputation	0,913
Customer Satisfaction	0,941
Customer Loyalty	0,931

Source: Data processed, 2021

The results of the t-test are presented in Table 4. The original sample of the influence of corporate image on customer satisfaction has a positive value of 0.086. This means that the increasing company image will impact increasing customer satisfaction. For the effect of the customer trust variable on customer satisfaction, the original

sample value is positive at 0.489, which means that an increase in customer trust will increase customer satisfaction. The same thing also happened to the influence of the company's reputation variable on customer satisfaction and the influence of customer satisfaction on customer loyalty. The original sample values for the two variables are positive, 0.335 and 0.447, respectively. This means that an increase in the company's reputation will have an effect in the form of increased customer satisfaction. An increase in customer satisfaction will have an effect in the form of increased customer loyalty.

Table 5
T-statistic test

Variable	Original Sample (O)	T Statistics (O/STDEV)	P Value
Company Image → Customer Satisfaction	0,086	2,472	0,006
Customer Trust → Customer Satisfaction	0,489	3,153	0,002
Company Reputation → Customer Satisfaction	0,335	2,322	0,021
Customer Satisfaction → Customer Loyalty	0,447	3,035	0,003

Source: Data processed, 2021

Table 6
Significance Test

Variable	t _{hitung}	t _{tabel}	Description
Company Image → Customer Satisfaction	2,742	1,986	Significant
Customer Trust → Customer Satisfaction	3,153	1,986	Significant
Company Reputation → Customer Satisfaction	2,322	1,986	Significant
Customer Satisfaction → Customer Loyalty	3,035	1,986	Significant

Source: Data processed, 2021

Based on the significance test presented in Table 6, it can be seen that the influence of corporate image on customer satisfaction is significant because the t-statistic is 2,742 > t-table 1,986. Likewise, the effect of customer trust on customer satisfaction can be assessed as significant because the value of t-statistic is 3.153 > t-table 1.986. Meanwhile, the influence of the company's reputation on customer satisfaction can be significant because the value of t-statistic is 2,322 > t-table 1,986. The same thing also happens to the effect of customer satisfaction on customer loyalty can be assessed as significant because the value of t-statistic 3,035 > t-table 1,986. The company's reputation significantly positively influences *PT. Legalitas Mudah Indonesia*. The influence of corporate image and customer trust on customer satisfaction can be significant. Meanwhile, customer satisfaction on customer loyalty is positive and significant.

Discussion

1. The Effect of Corporate Image on Customer Satisfaction

From the results of data analysis using SmartPLS 3.3 in Table 3, it is known that the loading factor value of the corporate image variable indicators is all > 0.7. The indicator with the most considerable loading factor value is X1.1 of 0.833. At the same time, the indicator with the smallest loading factor value is X1.8 of 0.735. Based on the loading factor value of each company image indicator worth > 0.7, it can be stated that the indicator is valid. For the influence of corporate image on customer satisfaction, the original sample value was positive at 0.086, which means that if the company's image increases, so will customer satisfaction. However, if viewed from the value

of statistic $2.742 > \text{table } 1.986$, the influence of corporate image on customer satisfaction is significant. Thus H1 is accepted, and H0 is accepted, which means that the company's image has a significant positive effect on customer satisfaction.

These results are in line with the results of research by Lahap et al. (2016), which states that the image of the hospitality industry in Malaysia has a significant positive effect on consumer satisfaction. These results are also in line with the research results by Neupane (2015), which states that the brand image of a supermarket retail network company in the UK has a significant positive effect on consumer satisfaction. In addition, the results of this study are also similar to the results of research by Dharmadi and Dwi (2015), which states that the brand image of Bank BRI Cawang Branch has a direct and significant positive effect on customer satisfaction.

The results of this study which states that the company's image has a significant positive effect on customer satisfaction, is supported by the characteristics of respondents according to the number of using the services of PT. *Legalitas Mudah Indonesia*. Most of the respondents, namely 58% of the total respondents, have used the services of PT. Straightforward Legality 3x or more. In addition, most of the respondents have become customers of PT. Straightforward Legality is more than three years, 57% of the total respondents. According to the respondent's view, this shows that the company's image is good. If not, the respondent will not use the services of PT. *Legalitas Mudah Indonesia* returns as a result of satisfaction that forms the company's image. These results are also supported by the respondents' answers to the statement of the corporate image variable questionnaire, which states the reputation of PT. *Legalitas Mudah Indonesia* is perfect, with an average score of 4.7.

Corporate image is the overall message that is formed in the public's mind about the company, where the company is related to the business name, architecture, variety of products, traditions, ideologies and impressions on the quality of communication made by each employee who interacts with the organization's clients (Harrison, in Pratiwi & Widiyastuti, 2018). In this study, the corporate image of PT. *Legalitas Mudah Indonesia* has a significant effect on customer satisfaction, which means that the message formed on consumers about

the company has a significant effect on their satisfaction. These results are in line with the theory because the indicators of the company image variable in this study are always related to customer satisfaction. Of the four indicators of corporate image in this research questionnaire, two indicators are related to consumer satisfaction, namely ethical responsibility and philanthropic responsibility indicators.

In general, people managing public administration and services tend to prioritize convenience, speed, and affordability. This is listed as one of the principles of public service as contained in Article 4 of Law No. 25 of 2009. PT. *Legalitas Mudah Indonesia* is a legal administration service company that deals with public services. Of course, customer satisfaction is not much influenced by how good the company's image is but is influenced by how easily and quickly the company's customers have their needs met and how affordable the fees charged to customers are.

There are seven stages in completing business legality in Indonesia, namely taking care of the TIN of the owners/founders of the company, compiling the deed of establishment of the company or cooperative, registering the certificate of establishment of the company, managing the TIN on behalf of the business entity, managing the Business Identification Number (NIB) as a form of Basic Business License, administering advanced permits (business licenses and commercial permits), and taking care of the registration of permanent employees with BPJS Kesehatan and BP Jamsostek. In managing business legality, business actors need certainty, convenience, speed, and transparency (oss.go.id). Therefore, customers in choosing a company that provides business legality management services are determined by the company's image in meeting their expectations in managing business legality. Customers, of course, will choose a company that has a good image in providing certainty, convenience, speed, and transparency of legality management. The image is formed from its track record in providing satisfaction to its customers. Companies with a good track record will have a good image and provide satisfaction to their customers.

2. The Effect of Customer Trust on Customer Satisfaction

From the results of data analysis using SmartPLS 3.3 in Table 3, it is known that the loading factor values of the indicators of the

customer trust variables are all > 0.7 . The indicator with the immense loading factor value is X2.1 of 0.809. At the same time, the indicator with the smallest loading factor value is X2.5 of 0.703. Based on the value of the loading factor of each indicator of customer confidence which is worth > 0.7 , it can be stated that the indicator is valid. The results of data analysis for the effect of customer trust on customer satisfaction obtained a positive original sample value of 0.489, which means that if customer trust increases, customer satisfaction is affected. However, the effect of customer trust on customer satisfaction is significant because the value of statistic is $3.153 > \text{table } 1.986$. Thus H1 is rejected, and H0 is accepted, which means that customer trust significantly affects customer satisfaction.

These results are the same as the research results by [Boonlertvanich \(2019\)](#), which states that customer trust in retail banking companies has a significant positive effect on customer satisfaction. The results of this study are also in line with the results of research by [Caroline et al. \(2017\)](#), which states that the trust of customers of PT BCA Finance Pondok Indah South Jakarta Head Office has a significant positive effect on their satisfaction. In addition, the results of this study are also similar to the results of research by [Mahendra and Indriyani \(2018\)](#), which states that customer trust in oil products at CV Mitra Perkasa Utomo has a significant positive effect on customer satisfaction.

Respondent's trust in PT. The characteristics of the respondents easily indicate legality. Most of the respondents, namely 58% of the total respondents, have used the services of *PT. Legalitas Mudah Indonesia* three times or more. In addition, most of the respondents have become customers of PT. Straightforward Legality is more than three years, 57% of the total respondents. These data indicate that most of the respondents have high confidence in *PT. Legalitas Mudah Indonesia* because it has been doing repeated consumption and has been a customer of the company for a relatively long time. Customer behaviour is the result of customer satisfaction in using the services of *PT. Legalitas Mudah Indonesia* before, thus forming high trust in the company.

PT. Legalitas Mudah Indonesia as a legal administration service company is closely related to public services. The questionnaire data from this study for the customer trust variable has an

average value of 4.68 in the range 1-5. The average value shows that respondents have high trust in *PT. Legalitas Mudah Indonesia*. Referring to this, it can be said that customer trust is a determining factor for customer satisfaction. Customer trust in *PT. Legalitas Mudah Indonesia* is straightforward because the company is a legal entity, has an office with an exact location and a convincing appearance, and has a website and social media so that consumers can view that *PT. Legalitas Mudah Indonesia* is a trusted company.

As described in the previous discussion, there are seven stages in completing business legality in Indonesia. In carrying out the seven stages, administrative requirements are needed, some of which contain company secrets, such as personal data of business owners/founders, shared ownership data, and company financial data. The company that provides business legality services is another company that can leak such confidential data. Therefore, trust is one of the factors that customers consider in choosing a company that provides business legality management services. Thus the customer satisfaction of the legality management company is determined by one of the customers' trusts in the company, and the results of this study confirm this.

3. The Effect of Company Reputation on Customer Satisfaction

From the results of data analysis using SmartPLS 3.3 in Table 3, it is known that the loading factor values of the company reputation variable indicators are all > 0.7 . The indicator with the most considerable loading factor value is X3.6 of 0.83. At the same time, the indicator with the smallest loading factor value is X3.2 of 0.756. Based on the loading factor value of each company reputation indicator worth > 0.7 , it can be stated that these indicators are valid. Referring to the results of data analysis for the influence of the company's reputation on customer satisfaction, the original sample value was positive of 0.335, which means that an increase in the company's reputation causes an increase in customer satisfaction. The effect is considered significant because the statistic is $2,322 > \text{table } 1,986$. Thus H1 is accepted, and H0 is rejected, which means that the company's reputation has a significant positive effect on customer satisfaction.

These results are similar to the research results by [Utami et al. \(2020\)](#). This study said that the company's reputation partially had a

positive and significant effect on customer satisfaction at KC AJB Bumiputera 1912 Surakarta. This means that the higher the company's reputation, the higher the customer satisfaction at KC AJB Bumiputera 1912 Surakarta. The same thing was also found in the [Siallagan and Sutrisna research \(2019\)](#). The results showed that the company reputation variable partially had a significant effect on patient satisfaction at RSIA Eria Bunda Pekanbaru, and the hypothesis was accepted. The better the reputation of the company-owned and implemented by RSIA Eria Bunda Pekanbaru will increase patient satisfaction. Likewise, the research conducted by [Panjaitan et al. \(2015\)](#) states that the company's reputation has a positive and significant effect on customer satisfaction, which is 21.0%.

Company reputation is the perception given by consumers to the products or services of the company ([Miles & Covin, in Wulandari & Rasipan, 2018](#)). The company's reputation is shaped by its traces of activities and behaviour in dealing with other parties, especially its customers ([Doney & Cannon, in Suryawardana & Yani, 2017](#)). Companies that behave always provide satisfaction to their customers will have a good reputation in the eyes of consumers. Likewise, if the company always satisfies its customers, its reputation will increase. The better the company's reputation shows its track record of service to its customers that continues to satisfy. This study shows that the company's reputation as a positive and significant effect on customer satisfaction.

The results of this study state that the company's reputation as a positive and significant effect on customer satisfaction is supported by data on the characteristics of the respondents. Most of the respondents, namely 58% of the total respondents, have used the services of *PT. Legalitas Mudah Indonesia* three times or more. In addition, most of the respondents have become customers of *PT. Legalitas Mudah Indonesia* is more than three years, 57% of the total respondents. If analyzed, the data illustrates that most of the respondents are old respondents and have repeatedly used the services of *PT. Legalitas Mudah Indonesia*. This behaviour implicitly states that the respondent assesses the company's reputation as good. In addition, this is a result of the satisfaction felt by customers when using the services of *PT. Legalitas Mudah Indonesia* was

straightforward beforehand so that a good reputation was formed from the company.

Based on questionnaire answer data, the company reputation variable has an average value of 4.65 in the range of 1-5. This value indicates that according to the respondent's *PT. Legalitas Mudah Indonesia* has an excellent reputation. This condition is probably due to the respondents having perfect experience in using the services of *PT. Legalitas Mudah Indonesia*. This good experience shows that customers are delighted with the services provided by *PT. Legalitas Mudah Indonesia*. Because reputation is shaped by satisfaction, the better the reputation, the higher the satisfaction. This confirms the results of this study that the company's reputation has a significant positive effect on customer satisfaction of *PT. Legalitas Mudah Indonesia*.

In undergoing seven stages in completing business legality in Indonesia, business actors need certainty, convenience, speed, and transparency ([oss.go.id](#)). In choosing a legality service provider company, customers will consider the company's reputation in meeting these needs. Customers will tend to choose a company that has a good reputation. The company obtains this reputation from its track record, whether it has been able to provide satisfaction to its customers or not. Therefore, customer reputation affects customer satisfaction, and the results of this study confirm this.

4. The Effect of Customer Satisfaction on Customer Loyalty

From the results of data analysis using SmartPLS 3.3 in Table 3, it is known that the loading factor value of the customer satisfaction variable indicators is all worth > 0.7 . The indicator with the most considerable loading factor value is Y1.5 of 0.845. At the same time, the indicator with the smallest loading factor value is X1.5 of 0.715. Based on the loading factor value of each customer satisfaction indicator worth > 0.7 , it can be stated that these indicators are valid. For the effect of customer satisfaction on customer loyalty, from data analysis, the original sample value is positive at 0.447, which means that if customer satisfaction increases, customer loyalty also increases. The effect of customer satisfaction on customer loyalty is considered significant because the statistic $3.035 >$ table 1.986. Thus H1 is accepted, and H0 is rejected, which means that

customer satisfaction significantly affects customer loyalty.

These results are in line with the research results by Agiesta et al. (2021). In this study, it was concluded that customer satisfaction had a significant effect on customer loyalty. This conclusion is supported by the analysis results, which shows that the influence of satisfaction on loyalty is in the range of 45%. The same results are also found in Rohana (2020). This study said that satisfaction affected customer loyalty at the X Shoe Store in Medan. Such results are also supported by acquiring the coefficient of determination which reached 0.915 or 91.5%, likewise in the research conducted by Molle et al. (2019). In conclusion, it is stated that Consumer Satisfaction (X) affects Consumer Loyalty (Y) with the value of the regression coefficient of 0.717 units. In addition, after the study of Molle et al. (2019), the determination value for this matter reached 69.7%.

This study indicates an immense influence of customer satisfaction on loyalty to the company, which reaches 95%. Thus it can be said that satisfaction is the primary determinant of customer loyalty PT. *Legalitas Mudah Indonesia*. These results are in line with the theory which states that loyalty occurs when consumers perceive that a brand or service from a company can meet their needs far more significant than what other companies do and decides to buy the same brand or service repeatedly for that reason (Hoyer et al., 2021). In other words, the more satisfied customers are because their needs are fulfilled, the more loyal they will be to the company.

Questionnaire answer data from this study for the customer satisfaction variable has an average value of 4.68 in 1-5. This value indicates that the respondents were very satisfied with the services provided by PT. *Legalitas Mudah Indonesia*. This condition is in line with the answer data from the questionnaire for the company reputation variable, which shows that the respondents are of the view of PT. *Legalitas Mudah Indonesia* has an excellent reputation. Suppose you look at the characteristics of the percentage of respondents who have used the services of PT. Straightforward Legality as much as three times or more by 58% of the total respondents shows that most of the respondents are loyal customers to the company because they are satisfied with the services they have received before. Logically, if the customer is not

satisfied, the customer will not re-consumer and switch to another company.

CONCLUSION

Based on the results of research, the conclusions in this study are company reputation has a positive and significant effect on customer satisfaction, customer trust has a positive and significant effect on customer satisfaction, company reputation has a positive and significant effect on customer satisfaction, and customer satisfaction has a positive and significant effect on customer satisfaction and customer loyalty.

Moreover, PT. *Legalitas Mudah Indonesia* can increase customer trust because the customer trust variable is the most influential variable on customer satisfaction. Another reason is the processing of legality permits, customers are asked to submit private and confidential documents to trust the company.

PT. *Legalitas Mudah Indonesia* can maintain and increase customer satisfaction because, from the research results, it is known that customer satisfaction is the most significant factor determining customer loyalty, which is more than 90%.

PT. *Legalitas Mudah Indonesia* can develop a digital marketing strategy according to the type of licensing service to increase company loyalty.

For further researchers who want to research the same topic as this research, it is hoped that they will add independent variables, thus researchers who will be carried out can be more varied and further strengthen the company's loyalty.

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