The Effect of Employee Trust on Customer Satisfaction With Positive Emotions As Moderating Variable

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ABSTRACT

Purpose: To prove and analyze positive emotions as a moderating variable to influence customer trust
Satisfaction at the “Simple Group” café in Surabaya and Gresik.

Design/methodology/approach: The analysis carried out is quantitative analysis using multiple linear regression
to answer the problem formulation and determine the effect of the variables that have been determined.

Findings: The effect of the quality of employee trust on satisfaction moderated by positive emotions at the
“Simple Group” coffee shop in Surabaya and Gresik. The results of the analysis can be concluded that customer
satisfaction is largely determined by the company's trust given to employees who deal directly with customers.
Where in this case satisfaction when interacting is that customers get comfortable and good service from
employees of the “Simple Group” coffee shop in Surabaya and Gresik.

Practical implications: Intensifying efforts in the economic field.

Originality/value: This paper is genuine

Paper type: research paper

Keywords: Employee Trust, Customer Satisfaction, Positive Emotion

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I. INTRODUCTION

Trust is the foundation of business. Building trust in long term relationships with customers is an important
factor for creating customer loyalty. This trust cannot simply be recognized by other parties/business partners,
but must be built from scratch and can be proven.

According to Prasaranphanich (2007:23.1), when customers trust a company, they are more likely to make
repeat purchases and share valuable personal information with the company. Moorman (1993) defines trust as
the willingness of individuals to depend on other parties involved in the exchange because individuals have
confidence in other parties. When one party has confidence that the other party involved in the exchange has
reliability and integrity, it can be said that there is trust.

Rofiq (2007:32) defines trust as trust of certain parties to others in conducting transactional relationships
based on a belief that the person he trusts has all his obligations properly as expected. Consumer trust according
to John C et al. (2002:312) is all knowledge possessed by consumers and all conclusions made by consumers
about objects, attributes, and benefits.

A business transaction between two or more parties will occur if each trusts each other. This trust cannot
simply be recognized by other parties/business partners, but must be built from scratch and can be proven. Trust
has been considered as a catalyst in various transactions between sellers and buyers so that customer satisfaction
can be realized as expected (Yousafzai et al., 2003).

According to Kotler & Keller (2012) trust is a company's willingness to depend on business partners. Trust
depends on several interpersonal and inter-organizational factors such as competence, integrity, honesty and
kindness. Building trust can be difficult in online situations, companies impose stricter rules on their online
business partners than any other partner. Business buyers worry that they will not get the right quality product or service delivered to the right place at the right time, and vice versa.

According to Mayer et al. in the International Journal of Business and Management (Danesh et al., 2012) trust is defined as the willingness of another party to be vulnerable to the actions of another party based on the expectation that the other will perform certain actions that are essential to that trust, regardless of the ability to monitor or control other parties.

According to Siagian & Cahyono (2014) trust is a belief from one party regarding the intentions and behavior addressed to the other party, thus consumer trust is defined as a consumer expectation that service providers can be trusted or relied on in fulfilling their promises.

Several literatures have defined trust with various approaches (Mukherjee & Nath, 2003). In the beginning, trust was widely studied from the discipline of psychology, because it was related to a person's attitude. In its development, trust has become a study of various disciplines (Kim & Tadisina, 2005; Murphy & Blessinger, 2003; Riegelsberger et al., 2005), including a study in e-commerce.

Study Nanda et al. (2019) show that trust has a significant effect on satisfaction. The results of this study are also in line with the results of research conducted by Diza et al. (2016) which showed that customer trust had a positive and significant effect on customer satisfaction at PT Fifgroup Manado Branch. Sahanggamu et al. (2015) found that there was a significant and positive effect of trust on customer satisfaction.

Based on the above definition, it can be stated that trust is the trust of a certain party towards another in conducting a transactional relationship based on a belief that the person he trusts will fulfill all his obligations properly as expected.

II. LITERATURE REVIEW

A. Dimensions of Trust (Trust)

According to Mayer et al. (1995) there are three factors that shape one's trust in others, namely ability, benevolence, and integrity. These three factors can be explained as follows:

a. Ability
b. Kindness (Benevolence)
c. Integrity (Integrity)

B. Employee Trust Approach

According to Hoffman & Bateson (2006) approaches to building trust in general include:

a. Protection of confidential information.
b. Refrain from making disparaging comments about customers and other competitors.
c. Providing information to actual customers, even if it is very painful.
d. Provide customers with full information both pros and cons.
e. To be a company that is reliable, courteous, and attentive to customers.
f. Active and involved in community affairs.

C. Customer Satisfaction (Customer Satisfaction)

According to Kotler (2002) customer satisfaction is someone's disappointment or disappointment that arises after feeling happy to compare between his perceptions or impressions of performance that is below expectations, customers are not satisfied. However, if the performance exceeds expectations, the customer is very satisfied and happy. If the perceived performance is below expectations, the customer will feel disappointed, if the performance meets customer expectations, the customer will feel satisfied, whereas if the performance exceeds expectations, the customer will feel very satisfied. This satisfaction will certainly be felt after the customer in question consumes the product.

According to Hansemak & Albinsson (2004) overall customer satisfaction indicates an attitude towards a service provider, or an emotional reaction to the difference between what customers expect and what they receive.

According to Zeithaml et al. (1996) customer satisfaction is the customer's evaluation of a product or service in terms of whether the product or service has met customer needs and expectations.

According to Anderson in the International Journal of Scientific & Technology Research Khan (2012) customer satisfaction is used to measure company performance, to compensate human resources, observe performance and set funds as well as for external customer satisfaction as well as a source of information for all stakeholders (customers, public policies made by competitors and investors).
Research conducted by Beibe et al (2013) in Sweden shows that another factor that can affect customer satisfaction is the Service Quality provided by the cafe.

D. Measurement of Customer Satisfaction (customer satisfaction)

According to Tjiptono (2005:211) there are four methods used by the company to determine the level of customer satisfaction, namely:

a. Complaints and Suggestion System
b. Ghost Shopping (Mystery Spend)
c. Lost Customer Analysis (Quitted Customer Analysis)
d. Customer satisfaction survey

E. Dimensions of Customer Satisfaction (customer satisfaction)

Customers feel satisfied if their expectations are met or will be very satisfied if customer expectations are exceeded. According to Irawan (2004:37), there are five main dimensions of customer satisfaction, namely:

a. Price (Price)
b. Service Quality (Quality of Service)
c. Product Quality (Product quality)
d. Emotional Factor
e. Efficiency (convenience)

F. Customer Satisfaction Approach (customer satisfaction)

Through a customer satisfaction approach, the company hopes to increase its market share, sales and number of customers. The following is a customer satisfaction approach that can be applied to service companies according to Tjiptono (2005:216):

a. Customer Expectation Management Approach
b. Marketing and Management Relations
c. After Marketing (After Marketing)
d. Customer Retention Strategy
e. Superior Customer Service
f. Technology Entry or Infusion Strategy
g. Effective Complaint Handling System
h. Service Recovery Approach

This study is the same as previous research by Alkilani et al. (2013) in Malaysia which showed that experiential marketing also had a positive effect on customer satisfaction. So based on previous research, researchers assume that service quality, product quality and experiential marketing variables affect customer satisfaction and have an impact on customer loyalty.

G. Positive Emotion Picture

Emotions include influences and moods which are important in decision making. Emotions are classified into orthogonal dimensions, namely positive and negative (Watson & Tellegen, 1985 in Park et al., 2006).

Peter & Olson (2013:40) explain that positive emotions are described with pleasure, joy, love, liking, calm and satisfaction. According to Hude (2006) positive emotions are emotions that are always coveted by everyone, such as happiness, pleasure, satisfaction and the like. On the other hand, negative emotions are emotions that are not expected to happen to a person.

Positive emotions are obtained from a pre-existing atmosphere, for example someone who has seen a promotion on product x so that the consumer has positive emotions towards the product.

Often positive emotions act as a stimulus to buy, therefore, consumers who do impulse buying often spend extra money or money when shopping.

A consumer who is experiencing or has positive emotions is likely to make an impulsive purchase. However, if a consumer is experiencing or has negative emotions, it is more likely to encourage consumers not to be able to make unplanned purchases.

III. RESEARCH METHODOLOGY

A. Method of collecting data
This research is a quantitative research, data collection is carried out in a natural setting and data collection techniques are mostly on questionnaires, participant observation, in-depth interviews, and documentation with a research period of 1-2 months. Obtaining data is done through several steps or stages, namely:

B. Analysis Description

Respondents in this study set as many as 105 respondents came from Simple coffee shop, Cak Ir, Oscar, Faisal, Gavin, Cak Ri, Le Lucky however, only 100 questionnaires can be processed.

Based on the results of the recapitulation and calculation of the respondent's data, it is known the identity of the respondent which includes gender, respondent's age, respondent profession, frequency come to the coffee shop.

IV. RESULTS AND DISCUSSION

A. Validity test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>original sample estimate</th>
<th>P-Values</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust in employees (employee Trust) (X2)</td>
<td>X2.1</td>
<td>0.544869</td>
<td>0.000</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.2</td>
<td>0.715774</td>
<td>0.000</td>
<td>Valid</td>
</tr>
<tr>
<td></td>
<td>X2.3</td>
<td>0.848700</td>
<td>0.000</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Primary Data, 2022

shows that the loading factor gives a value above the recommended value of 0.5 (Imam Ghozali, 2014:40). Based on the results of the test with the loading factor, there are still indicators used in this study that have a value of <0.5 then it meets Convergent Validity

B. Hypothesis test

<table>
<thead>
<tr>
<th>Table 2 AVE</th>
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<tbody>
<tr>
<td>AVE</td>
</tr>
<tr>
<td>Positive emotions</td>
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<tr>
<td>Employee trust (employee trust)</td>
</tr>
</tbody>
</table>

The result of the AVE value for the indicator block that measures the construct can be expressed having good discriminant validity value because the AVE value is > 0.5. This means that all construct variables are declared to have good discriminant validity

Tabel 3 Composite Reliability

<table>
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Composite reliability is the part that is used to test the reliability value of the indicators on a variable. A variable can be declared to meet composite reliability if it has a composite reliability value > 0.60.

**Table 4 Hypothesis Testing Results**

<table>
<thead>
<tr>
<th></th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>Standard Error (STERR)</th>
<th>T Statistics (O/STERR)</th>
<th>Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive emotions -&gt; Customer satisfaction</td>
<td>0.578309</td>
<td>0.590457</td>
<td>0.124410</td>
<td>0.124410</td>
<td>4.648417</td>
<td></td>
</tr>
<tr>
<td>Employee trust * Positive emotions -&gt; Customer satisfaction</td>
<td>0.348808</td>
<td>0.330291</td>
<td>0.170356</td>
<td>0.170356</td>
<td>2.047521</td>
<td>Received (H4)</td>
</tr>
</tbody>
</table>

Source: Primary Data, Processed PLS

Path Coefficient shows the level of significance and the relationship between research variables with the following criteria:

a. If t count > t table, which is more than 1.96 then the hypothesis is accepted, meaning that there is a significant influence between one independent variable and the dependent variable as well as the effect of the moderating variable.

b. If t count < t table, which is less than 1.96 then the hypothesis is rejected, meaning that there is no significant effect between one independent variable on the dependent variable as well as the effect of the moderating variable.

Epositive emotions moderate influence employee trust customer satisfaction Simple Group coffee shop in Surabaya and Gresik

Great positive emotions in moderating influence employee trust customer satisfaction is as big as 0.348808 with a T-statistics value of 2.047521, where the T-statistics value is greater than 1.96.

Based on these results, it can be interpreted that positive emotions moderate the influence of employee trust to customer satisfaction with a positive influence direction of 0.348808 meaning positive emotions strengthen influence employee trust customer satisfaction

**V. DISCUSSION**

A. Positive emotions (positive emotion) moderates the influence employee trust to customer satisfaction (customer satisfaction)

The results showed that positive emotion as a moderating variable strengthened (positive) the effect of employee trust on customer satisfaction. Positive emotions based on the average value data are in the good category, as well as employee trust is in the good category, especially those related to employee honesty in providing prices for products sold to customers (reaching the highest number compared to other indicators). The direct influence between employee trust and customer satisfaction shows an influence but in a negative direction. On the other hand, the existence of positive emotions in moderating the influence between employee trust and customer satisfaction in this study indicates a situation that actually strengthens the influence of these two variables. The argument that can be put forward is to look back at the descriptions of the respondents in this study. In the previous description, it was discussed that in terms of age, 54% of respondents who visited the coffee shop "Simple Group" were in the age range of 20-40 years which indicated they were in the early/young adult phase. The characteristics of early/young adults are that they have begun to grow awareness of their role and responsibility, not wanting to depend economically, sociologically or psychologically on their parents and
others. The transition condition from the adolescent phase to the early/young adult phase has an impact on a person's emotions which tend to be unstable so that in controlling the emotions of the 20-40 year old group, it is still not good, tends to change even at the same time. This is the reason why on the one hand positive emotions in this study strengthen the influence of employee trust on customer satisfaction and on the other hand it weakens the influence of service quality on customer satisfaction. The opinion of Gorp & Adams (2012) can strengthen this argument which explains that emotion is an affect that can determine how a person behaves and expresses himself, is a mental feeling experienced by a person towards stimuli or events and is a spontaneous action.

The results of this study justify the research conducted by Soegoto (2013), namely that positive emotions can influence a person to trust a company or a brand and product in carrying out a function. Other research conducted Sheng-Hsihung Tsaur, Hsiang-Fei Luoh, Shao-Syun Shue (2015) identified the moderating effect of positive emotions on aesthetic labor and behavioral intentions. The results showed that positive emotions strengthen behavioral intentions.

B. Empirical Findings

Positive emotions (positive emotions) moderate influence employee trust/employee (employee trust) to customer satisfaction

The results of this study theoretically indicate that positive emotions are able to moderate the influence between two variables. Positive emotions as moderating variables strengthen (positive) the effect of employee trust on customer satisfaction. According to D. Watson et al. (1988) that positive emotions describe the nature of enthusiasm, activeness and enthusiasm. The data on the average value of positive emotions are in the good category, as well as employee trust is in the good category, especially with regard to employee honesty in providing the price of products sold to customers (reaching the highest number compared to other indicators). Thus the existence of positive emotions justifies Watson's opinion because positive emotions in this study reflect high energy, high attachment in the form of feeling comfortable and happy while at the “Simple Group” coffee shop. Another supportive study was conducted by Walker (2001) which stated that positive emotions strengthen the influence of previous experiences and a person's desire to recommend to others. The understanding of positive emotions is strengthened by the opinion of Seligman et al. (2005) which can be concluded that when a person is able to create positive emotions in the present, past and future then he will live in a pleasant state.

Based on the results of data analysis that has been carried out relating to the variables involved in the study consisting of employee trust, customer satisfaction, positive emotions, there are empirical findings that can be expressed as follows:

The results of the study prove that positive emotion as a moderating variable strengthens the effect of employee trust on customer satisfaction, although the direct influence between the two variables is opposite. The explanation of this fact is that when trust in employees is low, customer satisfaction actually increases, but the presence of positive emotions as a moderating variable actually strengthens the influence of employee trust on customer satisfaction. The arguments that can be put forward are done by analyzing the description of the respondents in terms of age. Examining the age of respondents with a range of 20-40 years implies that respondents belong to the Y/millennial generation, with characteristics that are not good at controlling emotions, so it can happen at the same time that a person's emotions can change quickly.

C. Research Implication

1. Theoretical Implications

Based on the results of the research that has been done, the theoretical implication of this research is to strengthen existing theories and concepts about service quality, trust, customer satisfaction, customer loyalty and positive emotions. The results show that there are theories and concepts that are supported/justified.

2. Managerial Implications (Practical)

The practical implications of the research results for “Simple Group” coffee shop owners are:

a. Increase employee trust through selecting employees who do have passion as coffee shop employees. In general, those who work in this field are relatively young because they are easier to interact with. Employees must have the sincerity to work, these employees must also have the ability to mix and make drinks according to the customer's wishes, employees must be honest because it affects a good impression and perception of the advantages of coffee shops.

b. Understanding the positive emotions of customers considering that from the existing data the majority of customers are generation Y/millenials. The existence of a good understanding regarding the
positive emotions of customers will make customers feel comfortable in enjoying the atmosphere at the "Simple Group" coffee shop.

VI. CONCLUSIONS AND SUGGESTIONS

A. Conclusion

Based on the data analysis and discussion that has been carried out, the following conclusions can be drawn: Positive emotion is able to moderate the effect of employee trust on customer satisfaction. Positive emotions strengthen the effect of employee trust on customer satisfaction. Customers will be more satisfied with the positive emotions from customers when they are at the "Simple group" coffee shop. Positive emotions that arise between customers strengthen customer satisfaction at the “Simple group” coffee shop in Surabaya and Gresik.

REFERENCE


