




The Influence of Service Quality, Information Quality, Trust and Customer Satisfaction on Customer Loyalty a Case Study at CU Tri Tapang Kasih

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ARTICLE INFO	ABSTRACT
<p><i>Keywords:</i> Service Quality, Information Quality, Customer Satisfaction, Trust, Customer Loyalty</p> <p><i>Received:</i> 20 November 2024 <i>Revision:</i> 20 December 2024 <i>Received:</i> 25 January 2025</p> <p>©2025 Wedy, Pebrianti, Listiana: This is an open access article distributed under conditions Attributed to Creative Commons 4.0 International.</p> 	<p>This study examines the interplay between service quality, information quality, customer satisfaction, trust, and customer loyalty at CU Tri Tapang Kasih, a local financial cooperative. Using a quantitative descriptive approach, data were gathered through a survey of 100 members who had been customers for at least six months. Structural Equation Modeling (SEM) was employed to analyze the relationships between variables. The findings indicate that service quality significantly enhances customer satisfaction but does not directly affect customer trust, whereas information quality positively influences both satisfaction and trust. Furthermore, customer satisfaction strongly impacts trust and loyalty, with trust playing a critical role in fostering loyalty. The study concludes that information quality is pivotal in building trust and satisfaction, while the effect of service quality on trust is mediated by satisfaction. Recommendations for CU Tri Tapang Kasih include enhancing the accuracy and relevance of information, implementing responsive service systems, and prioritizing customer satisfaction to ensure long-term loyalty. These insights offer practical guidance for strengthening customer relationships in an increasingly digitalized competitive landscape.</p>

INTRODUCTION

Customer loyalty has developed into an important concern in financial services, especially amidst rapid technological advances in the digital era. Loyalty no longer stems from simple transactional relationships, but reflects complex dynamics influenced by service quality, information transparency, trust, and customer satisfaction. CU Tri Tapang Kasih, a local financial cooperative, is an example of efforts to increase loyalty by combining traditional financial services and technology to improve customer experience and provide accurate and timely information.

Although various initiatives have been undertaken, a deep understanding of the relationship between service quality, information quality and trust is still needed. Previous studies highlight that service quality is the main driver of customer satisfaction, as stated by Fida *et al.* (2020) and Diputra & Yasa (2021) which emphasize its role in increasing customer perceived value. Additionally, accurate information significantly builds trust, as explained by Pertiwi *et al.* (2020). However, there are still gaps regarding the mediating role of trust between satisfaction and loyalty, as well as the moderating influence of factors such as demographics and technology adoption.

This research aims to bridge this gap by exploring the relationship between service quality, information quality, trust, satisfaction and loyalty. By analyzing CU Tri Tapang Kasih, this research aims to enrich theoretical understanding of the dynamics of customer loyalty while providing practical insight for financial managers in developing strategies adapted to an increasingly digital financial landscape.

LITERATURE STUDY

Customer Satisfaction Theory

Customer satisfaction theory examines how service experiences shape perceptions of value. Oliver (1999) defines customer satisfaction as a positive assessment resulting from the use of a product or service. For CU Tri Tapang Kasih, high quality service and accurate and relevant information play an important role in increasing customer satisfaction. Previous research confirms that superior service quality drives satisfaction which in turn strengthens loyalty (Fida *et al.*, 2020). Therefore, service quality and information quality are crucial factors that influence customer satisfaction at local financial institutions.

Belief Theory

Trust plays a fundamental role in the relationship between service providers and customers. Morgan and Hunt (1994) stated that trust is built through quality services and transparent information. At CU Tri Tapang Kasih, clear and accurate communication is the key to building customer trust, which is very important for creating loyalty. Study by Banahene *et al.* (2018) and Kurniadi & Rana (2023) emphasize the mediating role of trust between satisfaction and loyalty, thus emphasizing the importance of trust in understanding the dynamics of customer loyalty.

Customer Loyalty Theory

Customer loyalty theory examines the factors that encourage ongoing customer loyalty. Dick and Basu (1994) argue that loyalty comes from satisfaction, trust, and commitment. At CU Tri Tapang Kasih, loyalty is not only formed by the quality of service and information, but also by the trust that is built through interaction. Loyalty reflects the complex interactions between these variables, emphasizing the importance of integrated management strategies.

Service Quality

Service quality is the ability to meet customer needs through superior service delivery (Fida *et al.*, 2020). This quality is measured based on five dimensions: physical evidence, reliability, responsiveness, assurance, and empathy, which include physical facilities, ability to fulfill promises, responsiveness to problems, providing a sense of security to customers, and understanding their needs. High service quality has been proven to be closely related to increased customer satisfaction and loyalty.

Information Quality

Information quality refers to the accuracy, relevance and timeliness of information provided to customers (Pertwi *et al.*, 2020). Indicators such as completeness and reliability of information play an important role in influencing customer decision making and building trust (Zaato *et al.*, 2023). In a financial context, high-quality information strengthens the relationship between service providers and customers.

Customer Satisfaction

Customer satisfaction is a comparison between expectations and the results received (Naini *et al.*, 2022). Influenced by product quality, price and service quality, satisfaction reflects the conformity of service delivery with customer expectations. High satisfaction drives loyalty, while dissatisfaction increases the risk of losing customers.

Trust

Trust involves psychological expectations regarding the integrity and behavior of other parties (Kurniadi & Rana, 2023). Key indicators of trust include honesty, transaction security and information reliability. Trust drives repeat transactions and positive recommendations, thereby strengthening loyalty over time.

Customer Loyalty

Customer loyalty reflects a positive attitude and sustainable customer loyalty (Juwaini *et al.*, 2022). Loyalty arises from satisfaction, trust, and consistency in service delivery. For CU Tri Tapang Kasih, customer loyalty reflects the interaction between quality service, reliable information, and trust built through continuous engagement. The main indicators include cognitive,

affective, loyalty and action loyalty. These interdependent indicators form the basis of this study's focus on loyalty dynamics within local financial institutions.

Relationship Between Research Variables

This research examines the relationship between the variables Service Quality, Information Quality, Customer Satisfaction, Trust and Customer Loyalty through a conceptual framework. Service Quality and Information Quality serve as external factors that influence Customer Satisfaction. The high service standards and clear and accurate information provided by CU Tri Tapang Kasih increase customer satisfaction. Satisfied customers are more likely to build Trust, which acts as a psychological mediator linking Customer Satisfaction with Customer Loyalty. This trust drives long-term engagement, as evidenced by repeat transactions and positive recommendations.

The interaction between these variables shows a positive and significant relationship: Service Quality and Information Quality influence Customer Satisfaction; Customer Satisfaction increases Trust; and Trust strengthens Customer Loyalty. This holistic perspective highlights the dynamics that shape customer behavior in the financial services context.

To test this relationship, the following hypothesis is proposed:

H1: Service quality has a positive and significant relationship with customer satisfaction.

H2: Service quality has a positive and significant relationship with customer trust.

H3: Information quality has a positive and significant relationship with customer satisfaction.

H4: Information quality has a positive and significant relationship with customer trust.

H5: Customer satisfaction has a positive and significant relationship with customer trust.

H6: Customer satisfaction has a positive and significant relationship with customer loyalty.

H7: Customer trust has a positive and significant relationship with customer loyalty.

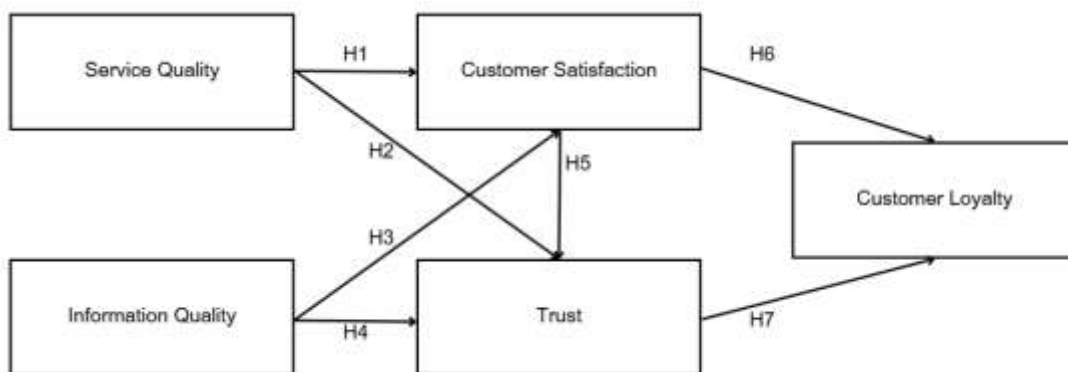


Figure 1. Conceptual Framework

METHODOLOGY

This research uses a quantitative survey approach to examine the relationship between service quality, information quality, customer satisfaction, trust and customer loyalty at CU Tri Tapang Kasih, Kapuas Hulu Regency, which was carried out from October to December 2024. Data was collected through a structured questionnaire from a random sample as many as 100 respondents. By using *Structural Equation Modeling* (SEM), this study validates and tests the instrument for reliability (*Cronbach's Alpha* > 0.70) and validity (construct and criterion validity) as well as conducting path analysis to estimate the relationship between variables and assess the suitability of the model using indices such as GFI, CFI, and RMSEA. Hypotheses are evaluated based on path coefficients and p values (< 0.05), which examine how service and information quality influences customer satisfaction, trust, and loyalty and provide insights for improving service strategies in financial institutions.

RESEARCH RESULT

The analysis uses Structural Equation Modeling (SEM) to investigate the relationship between main variables, including Service Quality, Information Quality, Trust, Customer Satisfaction and Customer Loyalty at CU Tri Tapang Kasih. The research process involves the following systematic steps to ensure the validity and reliability of the results:

1. **Problem Identification and Framework Development:**

The study began by identifying key variables— Service Quality, Information Quality, Trust, Customer Satisfaction and Customer Loyalty. A conceptual framework was developed to hypothesize the relationships between these variables, as shown in Figure 1.

2. **Instrument Design and Data Collection:**

Structured questionnaires are designed to measure constructs. The questionnaire includes several indicators for each variable, using a Likert scale to provide responses. Data was collected from CU Tri Tapang Kasih customers who have been members for at least six months. Purposive sampling was carried out, targeting members who routinely make transactions at the cooperative.

3. **Data Preparation and Initial Analysis:**

The collected data was filtered for missing or inconsistent responses. Descriptive statistics were generated to provide an overview of the demographic profile of respondents and to ensure data completeness.

4. **Measurement Model Evaluation:**

The measurement model was tested using SmartPLS software. Steps involved:

- a) Evaluate **Loading Factor** for each indicator to ensure they meet the minimum threshold of 0.7.
- b) Evaluate **Composite Reliability (CR)** And **Average Variance Extracted (AVE)** to confirm internal consistency and convergent validity.

- c) Doing a **Fornell-Larcker criteria** analysis to establish discriminant validity.

5. Structural Model Testing:

The structural model was analyzed to test the hypothesized relationships between variables. Key steps include:

- Computing **R-Square Value** to assess the explanatory power of the model for (Customer Satisfaction) and Customer Loyalty.
- Conduct hypothesis testing to evaluate the direct influence of Service Quality, Information Quality, Trust, Customer Satisfaction and Customer Loyalty.
- Analyze path coefficients and significance levels using T-statistics and p-value.

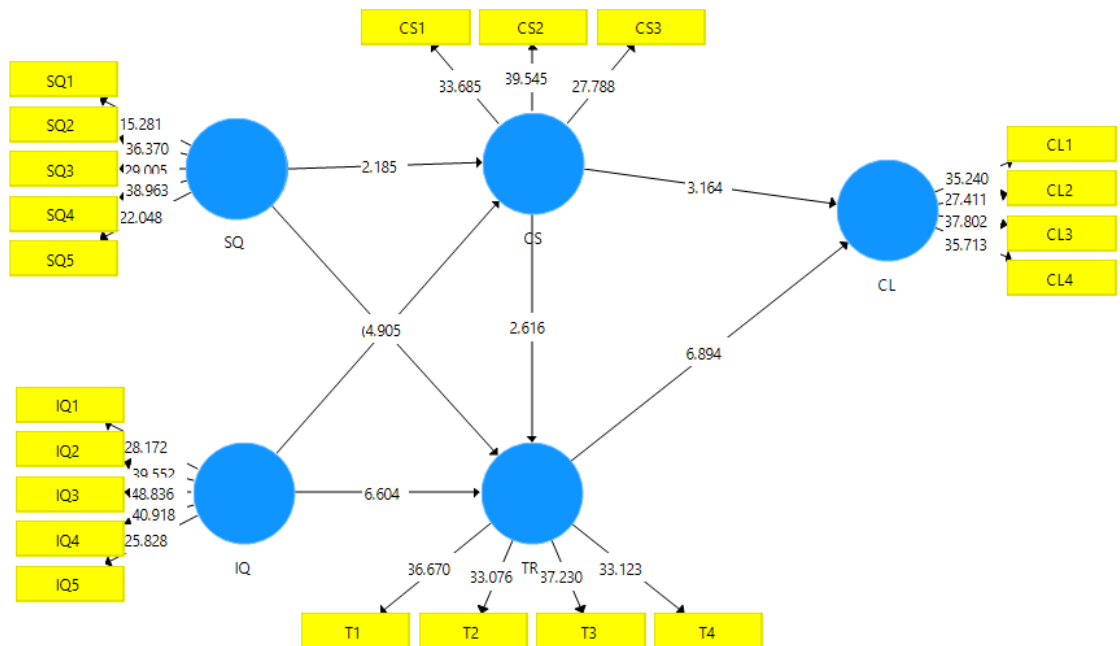


Figure 2. Structural Equation Modeling

Table 1. Path Coefficients and Significance Levels

Connection	Original Sample	Sample Mean	Standard Deviation	t-Statistics	p-Value
CS -> CL	0.308	0.306	0.098	3.139	0.002
CS -> TR	0.258	0.257	0.102	2.540	0.011
IQ_ -> CS	0.652	0.629	0.138	4.742	0.000
IQ_ -> TR	0.663	0.656	0.102	6.530	0.000

SQ -> CS	0.283	0.300	0.131	2.155	0.032
SQ -> TR	0.054	0.061	0.086	0.625	0.532
TR -> CL	0.644	0.641	0.092	6.992	0.000

The results of the analysis show different levels of significance in the relationships between the variables studied at CU Tri Tapang Kasih as follows:

1. **H1 (Supported):** Service Quality has a positive and significant relationship with Customer Satisfaction ($t = 2.155$, $p = 0.032$). This shows that improving service quality contributes to increasing customer satisfaction.
2. **H2 (Not Supported):** Service Quality does not have a significant relationship with Customer Trust ($t = 0.625$, $p = 0.532$). These results indicate that service quality does not directly influence customer trust.
3. **H3 (Strongly Supported):** Information Quality has a positive and very significant relationship with Customer Satisfaction ($t = 4.742$, $p = 0.000$). These findings emphasize the importance of quality information in increasing customer satisfaction.
4. **H4 (Strongly Supported):** Information Quality has a positive and very significant relationship with Trust ($t = 6.530$, $p = 0.000$). This shows that accurate and relevant information is very important in building customer trust.
5. **H5 (Supported):** Customer Satisfaction has a positive and significant relationship with Trust ($t = 2.540$, $p = 0.011$). Satisfied customers tend to develop higher levels of trust.
6. **H6 (Supported):** Customer Satisfaction has a positive and significant relationship with Customer Loyalty ($t = 3.139$, $p = 0.002$). Satisfaction is an important predictor of customer loyalty.
7. **H7 (Strongly Supported):** Trust has a positive and very significant relationship with Customer Loyalty ($t = 6.992$, $p = 0.000$). Trust is a key factor in building customer loyalty.

DISCUSSION

This study offers valuable insights into the interplay between Service Quality, Information Quality, Trust, Customer Satisfaction, and Customer Loyalty, highlighting the complex mechanisms that drive customer satisfaction and loyalty. By examining the relationships among these variables within CU Tri Tapang Kasih, a cooperative financial institution, the research provides a nuanced understanding of the factors that influence customer behavior.

The findings reveal a positive and significant correlation between Service Quality and Customer Satisfaction ($t = 2.155$, $p = 0.032$). This indicates that improvements in service quality, such as staff friendliness, prompt service, and accessibility, significantly contribute to enhancing customer satisfaction. In a cooperative financial context, meeting members' expectations through high-quality service fosters a more favorable perception of the organization. These

findings align with prior research, which underscores the critical role of service quality in shaping customer satisfaction (Fida et al., 2020). However, contrary to initial assumptions, Service Quality does not have a significant direct impact on Customer Trust ($t = 0.625$, $p = 0.532$). This suggests that trust formation in this context may involve broader factors, such as the institution's reputation, financial transparency, and members' historical experiences. Trust appears to be built not solely through technical service delivery but also through communication consistency and evidence of organizational performance, as supported by previous research (Fida et al., 2020).

Information Quality plays a more pronounced role, demonstrating a strong and significant relationship with both Customer Satisfaction ($t = 4.742$, $p = 0.000$) and Customer Trust ($t = 6.530$, $p = 0.000$). These findings emphasize the critical importance of providing accurate, clear, and timely information to members. High-quality information fosters transparency, reduces uncertainty, and strengthens members' confidence in the cooperative's performance. In cooperative institutions, where openness is highly valued, the accuracy and reliability of information significantly influence both satisfaction and trust. These results align with existing literature that highlights the role of information quality in building trust and satisfaction (Fida et al., 2020).

The study also finds a positive and significant relationship between Customer Satisfaction and Trust ($t = 2.540$, $p = 0.011$). Members who are satisfied through positive interactions and fulfilled expectations are more likely to develop higher trust in the institution. Satisfaction thus serves as a crucial foundation for enhancing trust. Furthermore, Customer Satisfaction has a significant positive impact on Customer Loyalty ($t = 3.139$, $p = 0.002$). Satisfied members demonstrate higher levels of loyalty, reflected in their continued membership, willingness to recommend the cooperative, and active participation in its activities. These findings reaffirm the importance of customer satisfaction as a key driver of loyalty (Fida et al., 2020).

Trust emerges as a critical factor in fostering loyalty, with a strong and significant positive relationship ($t = 6.992$, $p = 0.000$). Members with a higher level of trust in CU Tri Tapang Kasih display greater loyalty, evidenced by their sustained engagement, repeat transactions, and long-term commitment to the organization. This finding highlights trust as a cornerstone for building enduring customer relationships and loyalty, consistent with prior studies (Fida et al., 2020).

In conclusion, the findings of this study provide empirical evidence about the interplay of Service Quality, Information Quality, Customer Satisfaction, and Trust in influencing Customer Loyalty in cooperative financial institutions. By understanding these dynamics, CU Tri Tapang Kasih can design more targeted strategies to foster long-term customer relationships. Improving service delivery, ensuring transparency, and building trust through effective communication can help the cooperative strengthen customer loyalty and achieve sustainable growth. This study contributes to the broader understanding of the factors that drive customer satisfaction and loyalty in

financial services, emphasizing the need to address both technical and relational aspects to create meaningful customer engagement.

CONCLUSIONS AND RECOMMENDATIONS

This study concludes that there is a significant interplay among Service Quality, Information Quality, Customer Satisfaction, Trust, and Customer Loyalty within CU Tri Tapang Kasih. The findings reveal that Service Quality positively impacts Customer Satisfaction but does not have a direct effect on Trust. Conversely, Information Quality plays a pivotal role, demonstrating a strong influence on both Customer Satisfaction and Trust, which in turn contribute to building Customer Loyalty. Customer Satisfaction serves as an essential mediator, strengthening the connections between Service Quality and Loyalty as well as between Information Quality and Loyalty. Additionally, Trust emerges as a critical factor in fostering long-term Customer Loyalty. These results align with existing research, underscoring the importance of service excellence and high-quality information in the financial services sector.

Based on these findings, several actionable recommendations are proposed to enhance the performance of CU Tri Tapang Kasih:

1. **Enhancing Service Quality:** Continuous improvement in service quality is essential. This can be achieved through regular staff training programs aimed at developing customer-oriented skills and by implementing a more responsive service system tailored to meet member expectations effectively.
2. **Prioritizing Information Quality:** Ensuring that the information provided to members is accurate, relevant, and easily accessible should be a key focus. Leveraging advanced information technology systems can facilitate better communication and transparency, thereby enhancing member confidence in the institution.
3. **Strengthening Member Trust:** CU Tri Tapang Kasih should adopt transparent and consistent communication strategies to build and maintain trust. This involves providing clear and comprehensive details about available products and services, as well as fostering open dialogue with members.
4. **Fostering Customer Satisfaction:** Developing a structured feedback mechanism is crucial. Such a program would allow members to share their experiences and provide input on the services received. By analyzing this feedback, CU Tri Tapang Kasih can make informed adjustments and continuously improve member satisfaction.

By implementing these recommendations, CU Tri Tapang Kasih can strengthen its service delivery, enhance customer relationships, and sustain long-term loyalty among its members. This comprehensive approach ensures the organization remains competitive and well-aligned with the needs of its stakeholders.

ADVANCED RESEARCH

This study acknowledges several limitations, including its focus on a single financial institution and the use of quantitative methods. Future research could broaden the scope by:

1. **Comparative Studies:** Conduct research across multiple financial institutions to compare results and understand differences in customer loyalty dynamics.
2. **Mixed-Method Approach:** Incorporate qualitative methods, such as interviews or focus groups, to gain deeper insight into customer behavior and perceptions.
3. **Exploration of Moderating Variables:** Examining moderating variables such as customer demographics or previous experiences to understand how these factors influence the relationship between the variables under study.

CONFESSION

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