



The Effect Of Service Quality and Business Location On Words Of Mouth Through Consumer Satisfaction as A Mediation Variable (Study on Customers of Wedangan "Ginastel" in Sukoharjo City)

Abdullah Zailani

Program Studi Manajemen, Universitas Tunas Pembangunan Surakarta

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*Correspondence: Author

Email: Zailani.utp@gmail.com

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Abstract: The purpose of this study is: 1) To test and measure the influence of service quality and business location on consumer Word of Mouth. (2) To test and measure the influence of service quality and business location on consumer Word of Mouth (3) To test and measure the influence of service quality and business location through customer satisfaction as a mediating variable. This study was conducted on Consumers of Wedangan "Ginastel" on Jalan Sulawesi, Mulyoharjo Village, Sukoharjo District, Sukoharjo City who actively shop every day with a minimum of 30 consumers. Or an average of 720 consumers per month based on 24 working days. 72 consumers were taken as samples. The results of the study found that there was an influence of service quality and business location on consumer satisfaction. Service quality and business location had an effect on word of mouth. There was an indirect influence of the relationship between service quality and business location on word of mouth through mediation, namely the mediator of consumer satisfaction. The objectives of this research were to: 1) test and measure the influence of service quality and business location on consumer satisfaction. (2) testing and measuring the influence of service quality and business location on consumer Word of Mouth (3) Testing and measuring the influence of service quality and business location through customer satisfaction as a mediating variable. This research was conducted on Wedangan "Ginastel" consumers on Jalan Sulawesi, Mulyoharjo sub-district, Sukoharjo sub-district, Sukoharjo City, who actively shop at least 30 consumers every day. Or the monthly average based on 24 working days is 720 consumers. 72 consumers were taken as samples. The research results found that there is an influence of service quality and business location on consumer satisfaction. Service quality and business location influence word of mouth. There is an indirect influence on the relationship between service quality and business location on word of mouth through mediation, namely consumer satisfaction as a mediator.

Keywords: Service Quality, Business Location, Consumer Satisfaction, Word Of Mouth

Introduction

The increasingly competitive business competition in the global world today requires all businesses to continue to innovate to improve the quality of their products and services. The culinary industry is one of the most affected by this situation. The culinary industry is not only oriented towards the taste of the food and beverage products produced, but also the quality of its service to consumers. Good service and consumer satisfaction will ultimately have an impact on WOM, or positive word of mouth marketing, which is very important for the culinary industry in marketing. This is because WOM is the most effective advertising method that can attract new customers through recommendations from satisfied customers.

The common choice taken by most people is to become a Street Vendor (PKL), this choice is taken because the capital required to become a PKL is relatively small, besides this business also does not require high education and skills, it is enough to be persistent (Alisjahbana, 2018). In various big cities, PKL is growing very rapidly, every corner of the city is always filled with various kinds of PKL, especially those engaged in food and beverages. They choose to survive in various big cities and set up informal businesses in the city. Sukoharjo City is one of the cities that is the destination for informal businesses. The victims of layoffs who come from the former Pekalongan residency area have urbanized to establish street vendor businesses in Sukoharjo City.

Wedangan "Ginastel" in Sukoharjo City is one of the various culinary businesses that are trying to survive and increase their presence in the midst of tight competition. As a traditional-based institution, they often have to struggle to get or regain points and support customers. Therefore, providing the best service is the path to customer satisfaction. So that a phenomenon occurs that is increasingly selling rapidly. The number of Micro, Small and Medium Enterprises (MSMEs) in Sukoharjo Regency has currently reached 25,502 businesses, one of which is the food and beverage sector (Handayani & Badjuri, 2022). The street vendors that have grown the most in Sukoharjo City are street vendors in the food and beverage category, there are no definite figures and accurate data regarding the number. In 2020, the number of street vendors in the food and beverage category was 1,442 stalls. The number of street vendors continues to increase until in 2023 the number reaches 2,416 stalls. The number is 51% (1,238 stalls) of which are traditional Sukoharjo food stalls (nasi Gombayang). The rest are Balungan Meatball and Chicken Noodle food stalls (11%), Fruit Soup, fresh drinks made from Sukoharjo Special Honey Pineapple juice, and various other types of stalls.

The large number of wedangan stalls in the city of Sukoharjo is influenced by several factors including: (1) This business is easy to set up, (2) The capital required is relatively small, (3) It does not require high skills and education, (4) Some of the raw materials come from fellow sellers who carry out consignment on a family basis, (5) The market is competitive but not accompanied by clear regulations.

These various factors then encouraged the people around the city of Sukoharjo to open wedangan stalls. In general, wedangan stalls provide various types of people's food in the form of wrapped rice, side dishes and drinks. As the name implies, this wedangan

targets the market segment from the lower middle class and migrants who have limited funds. The food and beverage products available at this wedangan stall have cheap and affordable prices.

The "Ginastel" wedangan stall on Jalan Sulawesi, Mulyoharjo Village, Sukoharjo District, Sukoharjo Regency is one of hundreds of wedangan stalls in the city of Sukoharjo. In creating customer satisfaction, the "Ginastel" wedangan stall always improves the quality of its services (service quality). Customer satisfaction can be created through the quality of service provided to its customers. The better the quality of service, the higher the customer satisfaction with the wedangan food stall. The high quality of service is also inseparable from the internal support of entrepreneurs, especially support from their human resources, to increase consumer purchasing decisions (Kurniawan et al., 2022).

Service quality is one of the key factors for the success of the "Ginastel" wedangan stall and cannot be denied in today's business world, because nothing is more important for a business than placing customer satisfaction issues through service as one of its business commitments. Lately, the "Ginastel" wedangan stall has been required to make more efforts, because the competitive climate is getting tougher, but the economic capacity of the community continues to decline. For that, the "Ginastel" wedangan stall needs to make good marketing efforts. Which

Theoretical Basis Framework of Thought and Hypothesis

1. Word of Mouth (WOM)

a. Definition of Words of Mouth

In society, word of mouth (WOM) has been used for a long time. In the past, people were more familiar with word of mouth with the term *gethok tular* (Javanese) whose principle was that news, announcements, invitations, and other information were conveyed widely by word of mouth orally (Hasan, 2018, p. 24).

According to Kotler and Armstrong (2019, p. 35), word of mouth is personal communication about a product between a target buyer and his neighbors, friends, family members, and people he knows. Word of mouth communication refers to the exchange of comments, thoughts, or ideas between two or more consumers, where they are not official marketers of the company. Information obtained from word of mouth is clearer and easier for consumers to understand because the message in the information comes directly from people who have experience

Consumers see a lot of advertisements in the mass media every day, so these consumers protect themselves from the influence of the many advertisements that are shown by listening more to friends or other sources they trust. This happens because information from friends or people around them will be trusted more quickly than information obtained from advertisements, meaning that the influence of individuals is stronger than the influence of information from advertisements. In addition, information obtained from friends, neighbors or family will reduce the risk of purchasing, because consumers can first see and observe the products/services they will buy from friends, neighbors or family.

Sutisna (2016, p. 184) argues that most communication processes between humans are by word of mouth. Every day, everyone talks to each other, exchanges ideas, exchanges information, comments on each other and other communication processes. Maybe in fact, consumer knowledge of various product brands is more due to word of mouth communication. This is very beneficial for producers who rarely do promotions and are weak in communicating their products due to limited costs, making it difficult to reach consumers more widely. According to the Words of Mouth Association (WOMMA), it is an effort to pass on information from one customer to another (www.womma.com, 2015). Meanwhile, Word of Mouth according to WOMMA, is giving customers a reason to talk about your products and services, and making it easier for those conversations to happen. Word of Mouth is the art and science of building good and mutually beneficial communication from customer to customer and customer to producer.

Words-of-Mouth cannot be made up or created. Trying to make up words-of-mouth is very unethical and can have the opposite effect. Worse, such efforts can damage the brand and damage the company's reputation. WoM is sometimes more effective than advertising. According to Salhuteru (2017) advertising only has one-way interaction with customers, while WoM has two-way interaction. In addition, WoM is considered more objective because the information that reaches prospective customers does not come from the company, so it sometimes includes weaknesses in the product that can be anticipated by customers.

According to Emanuel Rosen (2004), in Amelinda & Farida, (2017) word of mouth is "All communication from person to person about a particular product, service or company at a certain time". Andy Rochovitz (2006), states in his book the definition of word of mouth marketing is an action that can provide reasons for everyone to more easily and prefer to talk about a product. According to Bone (1992) in Effendy et al., (2021) word of mouth is the exchange of comments, thoughts, or ideas between two or more consumers, where none of them are marketing sources. Meanwhile, according to Salomon (2017, p. 379), who states that word of mouth is information about a product that is transmitted by one individual to another. Based on the conclusion above, word of mouth can be interpreted as communication carried out by consumers who have made purchases and told their experiences about the product/service to others. So that indirectly the consumer has carried out a promotion that can attract the buying interest of other consumers who listen to the conversation.

b. Dimensions of Word of Mouth

According to Sernovitz (2014:19), there are 5 elements (Five Ts) needed for word of mouth to spread, namely:

- 1) Talkers (Speakers) People who are enthusiastic about talking and those who are most enthusiastic about telling their experiences.
- 2) Topics (Topics) Good topics are simple, easy to carry, and natural. All word of mouth does start from topics that are exciting to talk about.
- 3) Tools (Tools)

Existing topics require tools that help the topic or message to run. This tool makes it easy for people to talk about or pass on the company's products/services to others. Examples include giving free products, social media, brochures, banners.

4) Talking Part (speaker participation)

A conversation will be lost if there is only one person talking about a product. So there needs to be other people involved in the conversation so that word of mouth can continue. 5) Tracking (supervision)

The company's actions to monitor consumer responses, so that the company can learn from positive or negative consumer input, so that the company can learn from the input or suggestions for better progress.

c. Words of Mouth Indicator

According to Babin, Barry (2014, p. 133) the Word Of Mouth indicators are as follows:

- 1) Consumer willingness to talk about positive things about the quality of service and products to others.
- 2) Recommendations of the company's services and products to others.
- 3) Encouragement of friends or relations to make purchases of the company's products and services.

2. Definition of Service Quality

Quality conventionally describes the direct characteristics of a product, such as performance, reliability, ease of use, aesthetics and so on. While the strategic definition of quality is everything that is able to meet the desires or needs of customers (meeting the needs of customers).

Quality is full customer satisfaction. A product is said to be of quality if it can provide complete satisfaction to consumers, namely in accordance with what consumers expect from a product (Feigenbaum, 2016, p. 7).

Quality is "a dynamic condition related to products, services, people, processes, and the environment that meets or exceeds expectations" (Tjiptono, 2019, p. 66). In ISO 8402 (Quality Vocabulary), quality is defined as the totality of the characteristics of a product that supports its ability to satisfy specified or established needs, quality is often interpreted as customer satisfaction. The definition of a product that can be in the form of (tangible) or a combination of both. Three product categories that can be defined here, namely:

- a. Goods, for example: cars, telephones, and others.
- b. Software, for example: computer programs, financial reports, procedures, instructions in the ISO 9000 financial system and others.
- c. Services, for example: education, banking and others.

In order to appear in a competitive atmosphere, organizations must strive to improve the quality of their services as a strategy to win the competition. Quality must start from customer needs and end with customer perception. Thus, products are designed, produced and services are provided to meet customer desires. Because quality refers to something that determines customer satisfaction, a product produced can only be said to be of quality if it is in accordance with customer desires, can be

utilized properly, in addition to being produced (produced) in a good and correct manner (Dharmmesta, 2014, p. 182).

The concept of service quality can also be understood through "consumer behavior" which is a behavior played by consumers in searching for, buying, using and evaluating a service product that is expected to satisfy their needs (Schiffman & Kanuk, 2016, p. 7).

Consumer decisions to consume or not consume a good/service are influenced by various factors, including their perception of service quality. This statement shows a strong interaction between "consumer satisfaction" and "service quality". The following qualities are: "Standards that must be achieved by a person/group/institution/organization regarding the quality of human resources, quality of work methods, processes and work results or products in the form of goods and services. Quality means satisfying those served, both internally and externally, in the sense of optimal fulfillment of customer/community demands/requirements" (Sani, 2021).

Customers believe that the operations of the service provider can be trusted and provide value or balance that is in accordance with their sacrifices.

a. Service Quality Theory

Service quality put forward by Lovelock (2016, p. 76) in his book "Product Plus". What is put forward is an interesting idea about how a product when combined with service will produce a strength that provides benefits to the organization in achieving profit and even to face competition. There are 8 service supplements that can be explained as follows. (1). Information, namely the process of a quality service starting from the products and services needed by customers. Providing information channels that directly provide convenience in order to answer the wishes of these customers is important. (2). Consultation, after obtaining the desired information, customers need consultation regarding technical, administrative, and cost issues. For that, an organization must prepare the means regarding consultation materials, consultation places, employees/officers who serve, and time for free consultations. (3). Ordertaking, customer assessment at this point is emphasized on the quality of service which refers to the ease of filling out applications and administration that is not complicated, flexible, low cost, and light requirements. (4). Hospitality, customers who deal directly will give an assessment of the friendly and polite attitude of employees, comfortable waiting rooms and other adequate facilities. (5). Caretaking, different variations in customer backgrounds will demand different services. (6). Exception, some customers sometimes want exceptions to the quality of service. (7). Billing, the vulnerable point is in payment administration. This means that the service must pay attention to matters related to payment administration, both regarding the transaction form list, payment mechanisms and the accuracy of bill calculations. (8). Payment, at the end of the service, payment facilities must be provided based on customer wishes, such as bank transfers, credit cards, direct debits to customer accounts.

b. Factors Affecting Service Quality

Public services to the community will be able to run as expected, if the supporting factors are adequate and can be used effectively and efficiently. There are several factors that support the running of a service well, namely: (1). Awareness factor of officials and officers involved in public services; (2). Regulatory factors that are the basis for service work; (3). Organizational factors which are tools and systems that enable the running of service activity mechanisms; (4). Organizational factors which are tools and systems that enable the running of service activity mechanisms; (5). Officer skill factors; (6). Facilities factors in carrying out service tasks. These six factors have different roles but influence each other and together will realize optimal service implementation, whether in the form of verbal services, written services or services in the form of movements/actions with or without writing.

There are seven factors that affect organizational performance. The seven factors include: values and culture; work processes and business systems; individual and job design; rewards and recognition; and management process and system.

There are 6 factors in implementing continuous quality improvement (Tjiptono, 2019, pp. 75–76). The six factors include: leadership, education, planning, review, communication and rewards and recognition. From the explanations above, conclusions can be drawn about the factors that influence service quality, namely:

1) Organization

A service organization is basically no different from an organization in general, but there are slight differences in its implementation, because the target of the service is specifically aimed at humans who have multi-complex characters and desires. The service organization referred to here is organizing service functions both in the form of structures and mechanisms that will play a role in the quality and smoothness of service. An organization is a mechanism, so supporting facilities are needed to facilitate the mechanism. These supporting facilities are systems, procedures, and methods. “organization is a mechanism or structure that enables living to work effectively together”

2) Leadership

In relation to quality service management, leadership is the ability to inspire others to be willing and have total responsibility for efforts to achieve or exceed organizational goals. From the definition of leadership above, the basic concept is related to its application in quality service management, namely to inspire or inspire others by providing inspiration.

Improvement of public services in Indonesia is highly dependent on the role of government agency leaders (top-down approach). Organizations that have credible leaders with high integrity and a vision of the future can be role models and innovators for public service reform. Meanwhile, Joseph M. Juran stated that leadership that leads to quality includes three managerial functions, namely planning, controlling, and improving quality (Tjiptono, 2019, p. 160). The company's quality strategy must be an initiative and commitment from top

management. Top management must lead the company to improve its quality performance. Without leadership from top management, efforts to improve quality will have little impact on the company.

In the perspective of integrated service quality management, leadership is based on the philosophy that continuous improvement of work methods and processes will improve quality. Such leadership will have several characteristics as follows (1). Visible, committed, and knowledgeable, namely good leadership develops a focus on quality aspects, involves everyone in education and training. In addition, it also develops routine relationships with employees, customers and suppliers; (2). Missionary spirit, namely good leaders try to promote quality aspects outside the organization, either through suppliers, distributors, or customers; (3). Aggressive targets, namely good leadership leads to incremental improvements, not just process improvements, but also seeks different processes; (4). Strong driver where the goals to be achieved in improvement activities are clearly defined in terms of customer satisfaction and quality; (5). Communication of values, where good leadership makes cultural changes towards an effective quality culture. This is done by compiling a clear and consistent communication system through written policies, missions, guidelines, and other statements regarding quality values; (6). Organization, namely where the structure is a flat structure that allows for greater authority for lower levels. Each employee is empowered and involved in inter-departmental improvement teams; (7). Contact with customers where customers have access to contact top managers and senior managers of the company.

3) Ability and Skills

In the service sector, what stands out and is most quickly felt by people who receive services is the skills of the implementers. They are the ones who carry the "flag" regarding the impression of good or bad service. With adequate skills and abilities, the implementation of tasks/work can be done well, quickly, and fulfill the desires of all parties, both management itself and the community.

One of the most fundamental elements of quality service management is continuous employee development through education and training. Education is related to increasing general knowledge and understanding of our environment as a whole. While training is an effort to increase the knowledge and skills of an employee to do a particular job"

Education and training have the same goal, namely implicit understanding. Through understanding, employees are enabled to become innovators, initiative takers, and make them effective and efficient in doing their jobs.

4) Awards and Recognition

Awards and recognition are important aspects in implementing quality strategies. Every employee who performs well needs to be given awards and their achievements recognized. Thus, it can increase motivation, work morale, pride

and sense of ownership of each person in the organization which can ultimately make a great contribution to the agency and customers served.

To provide satisfaction to employees for the success of the performance that has been achieved is by providing compensation. Compensation given to employees greatly influences the level of job satisfaction, and work motivation and work results. Research on individual behavior in organizations shows that rewards are the most important factor for people. Because it is the most important thing for most people, the issue of rewards has the power to influence their membership behavior and their achievements.

Improvement in work performance is also influenced by motivational theories that lead to the satisfaction of needs and other related factors. This assumes that an effective organization is an organization that is able to motivate members of the organization through various means such as fulfilling their needs for money, status, success, and working conditions. Human resources are the most vital organizational assets, as internal customers who determine the final quality of a product/service. One concept for improving service quality is human resource empowerment.

3. Business Location

a. Definition of Business Location

According to Kotler (2014) "Business location can be interpreted as everything that shows various business actions taken to make products available and accessible to customers". Meanwhile, Tjiptono (2019, p. 92) states that Business Location is a place where a business operates or carries out activities to produce goods and services of economic value.

Swastha & Irawan (2014) say that Location is a place where a business or business activity is carried out. In business development, the location is compared to urban areas, how the location can be reached, and how long it takes to achieve goals.

Considering the definitions above, it can be concluded that a business location is a place where a business operates so that its products can be marketed to consumers. In the case of the culinary business, determining the location of the business is very important when planning a business, because a good business location will attract potential customers and allow business owners to estimate the costs that will arise in the future, such as selling food or cooking.

According to Kotler (2014) Location, which begins with choosing a community, is the key to success. This decision is highly dependent on various factors, including competition, potential economic growth and stability, and political climate.

b. Business Location Indicators

According to Tjiptono Tjiptono (2019, p. 159), the Business Location Indicators that are used as a benchmark in this study for business actors in building their businesses are as follows:

- 1) Access, a location that is easy to pass or easy to reach by public transportation.

- 2) Visibility, can be seen clearly more than normal viewing distance.
- 3) Environment, namely the surrounding area that supports the business premises.
- 4) Competition, namely not too many competitors in that location.

c. Choosing a Business Location

A business location is very important for the success of a business because it greatly affects the smoothness of sales when producers deliver their merchandise to consumers. However, determining a strategic location is very difficult when a business is growing.

Successful entrepreneurs have the best ability to adjust their products and services to market demand, therefore entrepreneurs must pay attention to issues related to choosing the right business location.

According to Swastha and Irawan (2014) factors that must be considered in determining a location for a business are:

- 1) Area of trade
- 2) Easily accessible
- 3) Growth potential
- 4) Location of competing stores

4. Consumer Satisfaction

Satisfaction is a person's feeling of pleasure or disappointment that comes from comparing their impression of the performance (results) of a product and their expectations. Satisfaction is an evaluation process carried out by consumers where consumers act by comparing actual performance with expected performance (Kotler et al., 2021, p. 116). Based on this comparison, consumers will experience positive, negative or neutral emotions depending on whether their expectations are met.

Consumer satisfaction is a perception of a person's level of feeling after comparing performance with expectations. If performance is below expectations, consumers are dissatisfied. If performance exceeds expectations, consumers will be very satisfied or very happy. If consumers are satisfied with a product, they will usually make repeat purchases. This is certainly what the company hopes for.

Consumer satisfaction is a true experience or the overall impression of consumers of their experience consuming the service (Oliver, 2016, p. 84). Expressing consumer satisfaction or dissatisfaction with the services offered at that time depends on the perception of existing performance and the perception of the gap between expectations and reality (Istiyawari et al., 2021).

Basically, the goal of a business is to create satisfied consumers. The creation of customer satisfaction can provide benefits, namely a good relationship between the company and consumers, thus providing a good basis for repeat purchases and loyalty. Many companies focus on high satisfaction because consumers who are only satisfied will easily change their minds if they get a better offer. However, for those who are very satisfied, it will be more difficult to change their choices. High satisfaction or high pleasure will create an emotional attachment to the brand, not just a rational preference. The end result is the realization of high consumer loyalty.

Customer satisfaction and dissatisfaction are customer responses to the evaluation of the perceived disconfirmation between previous expectations and the actual performance of the product felt after its use (Tjiptono, 2019, p. 87).

The dimensions that shape consumer satisfaction are overall service satisfaction, satisfaction associated with the insurance business in general, and comparison between expectations and reality (Tjiptono, 2019, p. 136).

Material and Methods

This study employs a quantitative research approach to examine the influence of service quality and business location on consumer Word of Mouth (WOM), with customer satisfaction as a mediating variable. The research was conducted at Wedangan "Ginastel" in Sukoharjo City, targeting active consumers who frequent the establishment. A total of 72 respondents were selected as samples using purposive sampling. Data were collected through structured questionnaires distributed to respondents, focusing on service quality, business location, customer satisfaction, and WOM.

The study employed the Partial Least Squares (PLS) method to analyze the data. Convergent validity, discriminant validity, and composite reliability tests were conducted to ensure the validity and reliability of the data. Structural equation modeling (SEM) was used to test the hypotheses and assess both direct and indirect relationships among the variables. The findings provide insights into how customer satisfaction mediates the effects of service quality and business location on WOM.

Result and Discussion

Thought Framework

The scheme/description in this study is as follows:

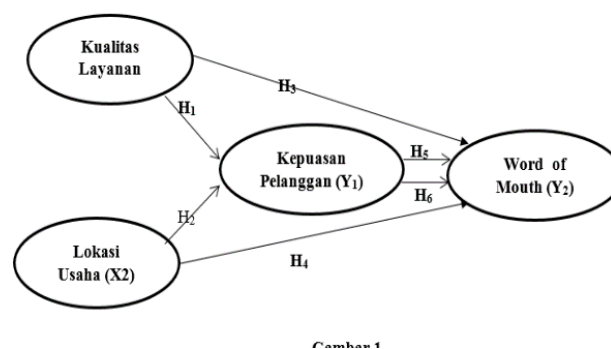


Figure 1. Thought Framework

Independent variables: service quality and business location

Dependent variables: word of mouth

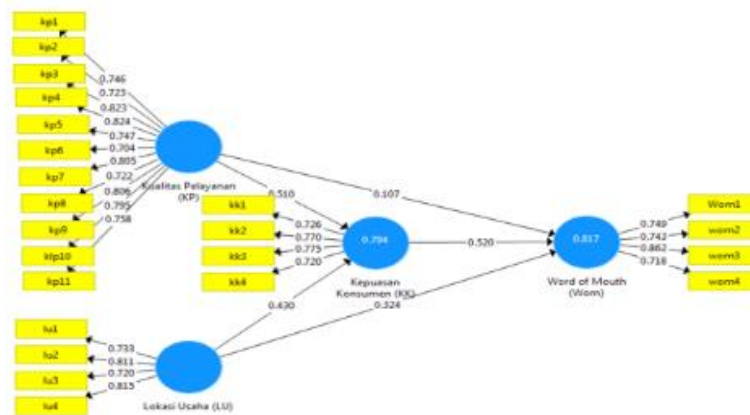
Mediating variables: customer satisfaction

Table 1. Outer Loading Value

	Word of Mouth (Wom)	Kepuasan Konsumen (KK)	Kualitas Pelayanan (KP)	Lokasi Usaha (LU)
Wom1	0,749			
Wom2	0,743			
Wom3	0,882			
Wom4	0,718			
Kk1		0,726		
Kk2		0,770		
Kk3		0,775		
Kk4		0,720		
Kp1			0,746	
Kp2			0,723	
Kp3			0,823	
Kp4			0,824	
Kp5			0,747	
Kp6			0,704	
Kp7			0,805	
Kp8			0,722	
Kp9			0,806	
Kp10			0,795	
Kp11			0,758	
Lu1				0,733
Lu2				0,811
Lu3				0,720
Lu4				0,815

Sumber : Data Olahan SmartPLS

Based on the table above, it can be seen that the results of several indicators meet the 5% significance value requirements and the indicators have a loading factor value above 0.7. Thus, the construct is said to be valid and has met the validity requirements because the loading factor is above 0.7. The path diagram and loading factor values are presented below:



Gambar 2 Diagram jalur disertai nilai loading factor.

Figure 2. Source: Smartpls output, 2023

The next stage is to assess the convergent validity through the AVE (Average Variance Extracted) value as follows:

Table 2. Average Variance Extracted (AVE)

Variabel	Average Variance Extracted (AVE)
Kualitas Pelayanan (KP)	0,592
Lokasi Usaha (LU)	0,595
Kepuasan Konsumen (KK)	0,560
Word of Mouth (Wom)	0,593

Sumber. Data diolah SmartPLS

Discriminant validity can be seen from the AVE value and the AVE root value (Average Variance Extracted), namely the AVE value that indicates a good validity measure is (≥ 0.5), while if the AVE value is (≤ 0.5) then it is said to be invalid. Based on the table above, the AVE (average variance extracted) value of each construct in the model, it is concluded that the AVE (average variance extracted) value is above 0.5. These results indicate that the data contained in this study have met the requirements for convergent validity. The combination of the assessment of the outer loading and the AVE (average variance extracted) test shows that the data in this study are convergently valid and meet the requirements to proceed to the next stage. Discriminant validity can be seen in the AVE value and the AVE (Average Variance Extracted) root value, namely the AVE value that indicates a good validity measure is (≥ 0.5), while if the AVE value is (≤ 0.5) then it is said to be invalid. Based on the table above, the AVE (average variance extracted) value of each construct in the model, it is concluded that the AVE (average variance extracted) value is above 0.5. These results indicate that the data contained in this study have met the requirements for convergent validity. The combination of the assessment of outer loading and the AVE (average variance extracted) test shows that the data in this study is convergently valid and meets the requirements to proceed to the next stage.

a. Discriminant Validity

To ensure whether the research model has good discriminant validity, there are two stages that must be carried out, namely the cross loading results and the fornell larcker criteria results.

1. The results of the cross loading test using smartPLS in this study are as follows.

Table 3. Cross Loading Result Data

	Kepuasan Konsumen	Kualitas Pelayanan	Lokasi Usaha	Word of Mouth
Kk1	0,726	0,482	0,580	0,728
Kk2	0,770	0,676	0,636	0,628
Kk3	0,775	0,632	0,579	0,668
Kk4	0,720	0,747	0,697	0,614
Kp1	0,664	0,758	0,612	0,594
Kp2	0,621	0,723	0,652	0,548
Kp3	0,773	0,823	0,675	0,720
Kp4	0,651	0,824	0,696	0,628
Kp5	0,640	0,747	0,552	0,579
Kp6	0,610	0,704	0,587	0,557
Kp7	0,616	0,805	0,580	0,616
Kp8	0,581	0,722	0,485	0,538
Kp9	0,701	0,806	0,612	0,704
Kp10	0,676	0,795	0,673	0,674
Kp11	0,664	0,758	0,612	0,594
Lu1	0,517	0,561	0,733	0,495
Lu2	0,703	0,569	0,815	0,735
Lu3	0,624	0,640	0,720	0,652
Lu4	0,703	0,569	0,815	0,735
Wom1	0,662	0,519	0,611	0,749
Wom2	0,604	0,536	0,555	0,743
Wom3	0,759	0,651	0,761	0,862
Wom4	0,674	0,761	0,646	0,718

Sumber: Data diolah SmartPLS

The cross loading results must show that the indicators of each construct have a higher value than the indicators in other constructs.

2. Fornell Larcker Criterion Results

Table 4. Fornell Larcker Criterion Result Data

	Kepuasan Konsumen	Kualitas Pelayanan	Lokasi Usaha	Word of Mouth
Kepuasan Konsumen	0,748			
Kualitas Pelayanan	0,634	0,770		
Lokasi Usaha	0,623	0,440	0,771	
Word of Mouth	0,659	0,614	0,654	0,770

Sumber. Data diolah SmartPLS,

When observed in the table above, consumer satisfaction has a value of 0.748 which is higher than other variables in the same column. As with service quality, it has a value of 0.770 which is higher than the service quality in the same column as service quality. The table above can provide a conclusion that the data model tested in this study has met the requirements and criteria that indicate that the construct in the model has discriminant validity.

b. Composite Reliability

A construct can be said to have high reliability if its value is 0.70. The table of composite reliability values is as follows.

Table 5. Data from Chronbach Alpha and Composite

Variabel	Chronbach Alpha	Composite Reliability
Kepuasan Konsumen	0,737	0,835
Kualitas Pelayanan	0,931	0,941
Lokasi Usaha	0,773	0,854
Word of Mouth	0,769	0,853

Sumber. Data diolah SmartPLS,

Based on the table above, it can be concluded that all reliable constructs, both composite reliability and Cronbach's alpha have values above 0.70. This indicates that all variables in this research model have internal consistency reliability. Based on several previous tables, it can be concluded that this study has good convergent validity, good discriminant validity, and good internal consistency reliability.

Structural Model Testing (Inner Model)

The following table is the result of the R-square estimation by applying the PLS method.

Table 6. R-Square Value

Variabel	R Square	R Square Adjusted
Kepuasan Kosnsumen	0,794	0,788
Word of Mouth	0,817	0,808

Sumber. Data diolah SmartPLS.

Table 6. above shows the adjusted R-Square value for the consumer satisfaction variable obtained a value of 0.794. These results indicate that 79.40% of the consumer satisfaction variable can be influenced by service quality and business location, while 21.60% is influenced by other variables outside those studied. Meanwhile, word of mouth obtained a value of 0.817. These results indicate that 81.70% of word of mouth variables can be influenced by service quality variables, business location and consumer satisfaction, while 18.30% are influenced by other variables outside those studied.

c. Hypothesis Testing

The indicators used in hypothesis testing are the values contained in the output path coefficients using smartPLS with the bootstrapping method on the research data. The following is a table of estimated outputs for testing the structural model.

Table 7. Hypothesis Testing Result Data

Path	Original Sample	t- Value	P-Value	Hipotesis
Kualitas Pelayanan → Kepuasan Konsumen	0,510	4,777	0,000	Diterima
Lokasi Usaha → Kepuasan Konsumen	0,430	3,991	0,000	Diterima
Kualitas Pelayanan → Word of Mouth	0,107	0,723	0,476	Ditolak
Lokasi Usaha → Word of Mouth	0,324	2,778	0,003	Diterima
Kepuasan Konsumen --> Word of Mouth	0,520	2,579	0,009	diterima
Kualitas Pelayanan → Kepuasan Konsumen - --> Word of Mouth	0,265	2,564	0,011	Diterima
Lokasi Usaha → Kepuasan Konsumen --> Word of Mouth	0,223	2,044	0,042	Diterima

Sumber. Data diolah SmartPLS

Based on the table above, the following hypotheses can be concluded:

- Hypothesis Testing H1 (service quality has a significant effect on consumer satisfaction). Based on the table above, it can be seen that the p-value is 0.000 and the t-statistic or t-value is 4.777. Because the p-value < 0.05, then H1 is rejected. So service quality has an effect on consumer satisfaction.
- Hypothesis Testing H2 (business location has a significant effect on consumer satisfaction). Based on the table above, it can be seen that the p-value is 0.000 and the t-statistic or t-value is 3.991. Because the p-value < 0.05, then H2 is accepted. So business location has a significant effect on consumer satisfaction.
- Hypothesis Testing H3 (service quality has a significant effect on word of mouth). Based on the table above, it can be seen that the p-value is 0.476 and the t-statistic or

T-value is 0.723. Because $p\text{-value} > 0.05$, then H3 is rejected. So service quality does not affect word of mouth.

- d. Hypothesis Testing H4 (business location has a significant effect on word of mouth). Based on the table above, it can be seen that the $p\text{-value}$ is 0.003 and the $t\text{-statistic}$ or T-value is 2.778. Because $p\text{-value} < 0.05$, then H4 is accepted. So business location has an effect on word of mouth.
- e. Hypothesis Testing H5 (consumer satisfaction has a significant effect on word of mouth). Based on the table above, it can be seen that the $p\text{-value}$ is 0.009 and the $t\text{-statistic}$ or T-value is 2.579. Because $p\text{-value} < 0.05$, then H5 is accepted. So consumer satisfaction has a significant effect on word of mouth.
- f. Hypothesis Testing H6 (service quality has a significant effect on word of mouth through consumer satisfaction). Based on the table above, it can be seen that the $p\text{-value}$ is 0.011 and the $t\text{-statistic}$ or T-value is 2.564. Because the $p\text{-value} < 0.05$, then H6 is accepted. So service quality has a significant effect on word of mouth through consumer satisfaction. Consumer satisfaction has a full mediation effect seen from the data on the direct relationship value of service quality on word of mouth, namely the $p\text{-value}$ of 0.476 is not significant, while the indirect relationship value has a significant $p\text{-value}$ of 0.011.
- g. Hypothesis Testing H7 (business location has a significant effect on word of mouth through consumer satisfaction). Based on the table above, it can be seen that the $p\text{-value}$ is 0.042 and the $t\text{-statistic}$ is 2.410. Because the $p\text{-value} < 0.05$, then H7 is accepted. So business location has an effect on word of mouth through consumer satisfaction. Consumer satisfaction has a partial mediation effect as seen from the data on the direct relationship value of business location to word of mouth, namely a significant $p\text{-value}$ of 0.03, while the indirect relationship value has a significant $p\text{-value}$ of 0.042.

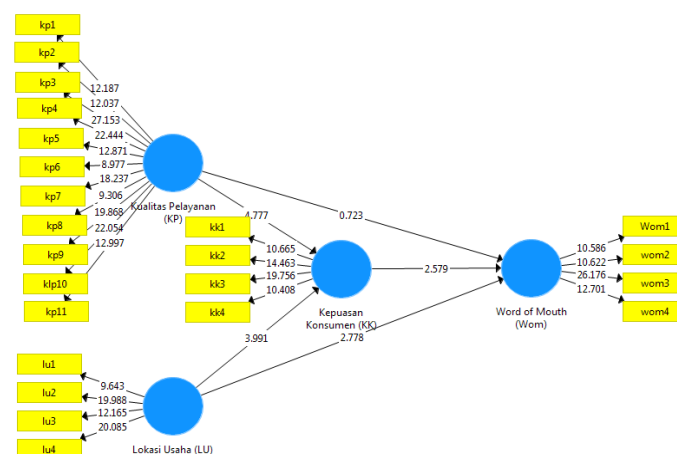


Figure 3. Structural Model of Hypothesis Testing

Discussion

Based on the results of data analysis and various tests that have been carried out using the smartPLS method, the next step will be to discuss the results of data processing in the study so that it can provide a clearer picture of the influence or relationship between variables, both direct and indirect relationships mediated by the intervening variables contained in this study.

1. Relationship between service quality and consumer satisfaction

The results of the study obtained in the influence of service quality on consumer satisfaction show the influence of service quality on consumer satisfaction. This explains that quality service includes aspects of speed, friendliness, reliability, and the ability to meet the needs and expectations of consumers in the Sukoharjo Regency area. When consumers receive good service, they tend to feel satisfied because their needs are optimally met. Conversely, if the quality of service does not meet expectations, consumers will feel disappointed, which can reduce the level of satisfaction.

2. Relationship between business location and consumer satisfaction

The results of the study obtained in the influence of business location on consumer satisfaction show the influence of business location on consumer satisfaction. Business location is a strategic factor that influences consumer satisfaction. Strategic locations, easy to reach, and have good accessibility tend to provide a positive experience to consumers in Sukoharjo Regency. Consumers feel more comfortable shopping or using services in places that are easy to find, have supporting facilities such as parking, security, and environmental comfort.

3. Relationship between service quality and word of mouth

The results of the study obtained in the influence of service quality on word of mouth showed no influence of service quality on word of mouth. This shows that other factors are more dominant in encouraging consumers in Sukoharjo Regency to recommend or talk about a service. Other factors such as price, product innovation, unique experiences, or even marketing strategies can play a bigger role in triggering WOM. In addition, the lack of emotional involvement of consumers in the service can also be the reason why they are not motivated to share.

4. Relationship between business location and word of mouth

The results of the study obtained in the influence of business location on word of mouth show that there is an influence of business location on word of mouth. This explains that locations that are easy to reach, in busy areas, or close to public facilities, increase the likelihood of consumers sharing their experiences. Consumers in Sukoharjo Regency tend to recommend places that are not only comfortable but also easy to access, especially if the location is an advantage that supports their positive experiences.

5. Relationship between consumer satisfaction and word of mouth

The results of the study obtained in the influence of consumer satisfaction on word of mouth show that there is an influence of consumer satisfaction on word of mouth. This explains that when consumers are satisfied with the products or services they receive, they tend to share positive experiences with others, either through direct

conversations or digital platforms. Satisfaction creates loyalty and builds trust, which are the main drivers of positive WOM.

6. Relationship between service quality and word of mouth through consumer satisfaction

The results of the study obtained in the influence of service quality on word of mouth through consumer satisfaction show that there is an influence of service quality on word of mouth. This study provides an overview that easily accessible, comfortable, and supportive locations for consumer needs increase their satisfaction with the shopping experience or using services. When consumers are satisfied, they tend to share their positive experiences with others, either through direct recommendations or reviews on digital platforms.

The addition of consumer satisfaction variables in the relationship between service quality and word of mouth is able to provide a full influence on the relationship between the two.

7. Relationship between business location and word of mouth through consumer satisfaction

The results of the study obtained in the influence of business location on word of mouth through consumer satisfaction show the influence of business location on word of mouth. This explains that Ginastel consumers in the Sukoharjo Regency area in choosing Ginastel drinks besides their location make their satisfaction the cause of doing word of mouth to others.

Conclusion

1. There is a positive and significant influence of service quality on customer satisfaction. This explains that the quality of Ginastel service in Sukoharjo city is a factor in consumer satisfaction but does not cause customer word of mouth.
2. There is a positive and significant influence of business location on customer satisfaction. This explains that the satisfaction of Ginastel auctions in Sukoharjo city is due to the business location factor.
3. There is no influence of service quality on word of mouth. This explains that the satisfaction of Ginastel customers in Sukoharjo city does not have a service quality factor in conducting word of mouth.
4. There is a positive and significant influence of business location on word of mouth. This explains that Ginastel customers in Sukoharjo city in conducting word of mouth have a business location factor and consider other factors outside the factor of the existence of their business location.
5. There is a positive and significant influence of customer satisfaction on word of mouth. This means that customer satisfaction is a factor in customers conducting word of mouth.
6. There is a positive and significant influence of service quality on word of mouth through customer satisfaction. This explains that Ginastel customers in Sukoharjo city in conducting word of mouth there is a factor of service quality through customer satisfaction as an intervening variable that influences service quality on word of mouth.

Customer satisfaction is able to provide a full mediation effect on the indirect relationship between service quality and word of mouth.

7. There is a positive and significant influence of business location on word of mouth through customer satisfaction. The satisfaction of Ginastel customers in Sukoharjo city is able to provide a positive and significant influence on the relationship between business location and word of mouth. Customer satisfaction is able to provide a partial mediation effect on the indirect relationship between business location and word of mouth.

Implications

Focus on improving service quality to maintain customer satisfaction, although this is not enough to encourage word of mouth directly. - A good business location contributes directly to customer satisfaction and word of mouth, so choosing and maintaining a strategic location needs to be a priority. - Customer satisfaction is the main factor in encouraging word of mouth. Therefore, all efforts to improve services and business strategies must be directed at increasing customer satisfaction. – Service quality and business location can influence word of mouth indirectly through customer satisfaction, so Ginastel needs to ensure customers are satisfied to maximize the word of mouth effect.

Suggestions

1. Ginastel entrepreneurs in Sukoharjo city must continue to improve the quality of their services so that customers remain and are more satisfied. Regularly evaluating services and collecting customer feedback can help determine which areas need improvement.
2. Increase visibility by installing banners, billboards, or attractive decorations in strategic places. This will increase the branding of the location and attract potential customers.
3. If the quality of service has not driven word of mouth, consider strengthening the quality of the product or service as the main attraction. Consumers are more likely to talk about the advantages of a prominent product than just ordinary service.
4. Invite famous people in the community to visit the location and share their experiences on social media. They can increase the reach of word of mouth and attract more potential customers with their presence.
5. By responding quickly and positively, Ginastel managers show that they value every customer feedback. If customers feel appreciated, they are more likely to share their positive experiences with others.
6. Use social media to help spread the word. Invite buyers to share their online experiences by creating interactive campaigns, using unique hashtags, or giving awards to buyers who actively promote the business. By viewing customer satisfaction as the link between good service and word of mouth, businesses can retain existing customers and attract new ones.
7. Invite customers to share their experiences when visiting your business location through social media. Location-based campaigns, such as check-ins or location tags, can increase business exposure and drive widespread word of mouth.

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