

# The Effect of Customer Trust, Satisfaction on Customer Loyalty at Osteria Italiana LDA Restaurant in Dili, Timor Leste

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## ABSTRACT

This research aims to examine the influence of customer trust and satisfaction on customer loyalty, testing the effect of trust on customer loyalty and testing the influence of customer satisfaction on customer loyalty. This research design is causal quantitative. The subjects of this research were Osteria Italiana customers at the restaurant. and the object is customer trust and satisfaction towards customer loyalty. Sampling using the method purposive sampling of 100 respondents. Method data collection using questionnaires and recording documents, which were analyzed using multiple linear regression. The research results show that customer trust has a positive and significant effect on customer loyalty, trust and customer satisfaction positive and significant on customer loyalty and customer satisfaction has a positive and significant effect significant to customer loyalty.

**KEYWORDS:** Trust, Customer Satisfaction and Customer Loyalty

## I. INTRODUCTION

Timor-Leste's current economic development can be measured by the rapid development of small and medium industries. The existence of the small and medium industrial sector is one of the most visible indicators of community economic activity in Timor-Leste. Industry is a collection of companies that produce homogeneous goods, or goods that have very close interchangeability (Hasibuan, 1993:12)

Customer loyalty is consumer loyalty to continue using the same product from the company (Swastha, 2009). So, in order to create loyal customers, companies must apply a marketing concept that is customer-oriented so that their wants and needs can be met.

Customer loyalty has an important role in a company, retaining them means improving financial performance and maintaining the company's survival. This is the main reason for a company to attract and retain customers. The concept of loyalty focuses more on behavior than attitude and a loyal customer will show purchasing behavior which can be interpreted as a regular and long-term purchasing pattern carried out by decision-making or decision-making units (Griffin 2002).

Customer satisfaction plays an important role in maintaining customer loyalty. According to Chandra & Danny (2001), customer satisfaction is something that is very valuable in order to maintain the existence of customers to keep a business running.

Kotler and Keller (2007) define satisfaction as a person's feeling of joy or disappointment that arises after comparing the performance (results) thought about against the expected performance (results). If performance falls below expectations the customer is dissatisfied. If performance meets expectations, customers are satisfied and if performance exceeds expectations, customers are very satisfied or happy. Customer satisfaction is a customer's response to evaluating the perceived discrepancy between initial expectations before purchasing and the actual performance of the product that is felt after using it. Indicators of consumer satisfaction, namely: willingness to repurchase or continue using the product/service, stating positive things about the product/service, willingness to convince friends or family to use the product/service, and willingness to continue using the product/service this service even though there are many other similar products/services (Tjiptono, 2000).

According to Robbins & Judge (2013: 193) Trust is a psychological condition that exists when someone agrees to make oneself vulnerable to another because you have positive expectations about how things will turn out. According to Hasan Afzal (2010) in Arni Purwanti & Rahma Wahdiniwati (2017:66) Trust means believing in the reliability and integrity of the exchange partner. According to Kotler & Keller (2012) in Jeremia & Djurwati (2019:834) 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. According to Mowen and Minor (2013) in Robby (2017:351) consumer trust is all the knowledge possessed by customers and all the conclusions customers make about objects, attributes and benefits. According to Sumarwan (2012) in Robby (2017:351) trust is the strength that a product has certain attributes.

Morgan & Hunt (1994) define trust as the desire to maintain an exchange because it is trusted. The essence of trust is belief, where this belief arises because both parties believe that they will be trustworthy, have high integrity, consistent, competent, fair, responsible, helpful and other positive traits. Chu (2003) defines trust as the nature of trust that is based on integrity and reliability as well as dependability between consumers and providers. According to Ziqmund (2003:72), trust is related to emotional bonding, namely a person's ability to entrust a company or brand to carry out or carry out a function. According to Ziqmund (2003) indicators of trust are the best, consistent, complete, valuable service, keeping promises.

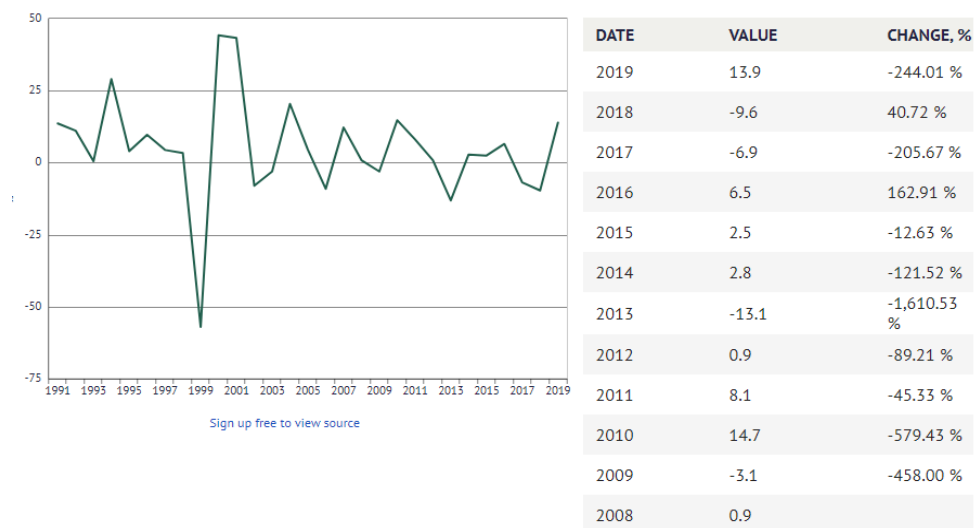
It can be concluded from the understanding according to several experts that trust is a company's willingness to fulfill customer needs and desires in providing products.

Within the hotel there are two parts that have the main priority of increasing the level of guest visits to the hotel. That section is the front office and restaurant section. The purpose of this research is to find out the food and beverage department at Osteria Italiana Lda. It is hoped that the research results will be able to provide a positive impact in the future, namely having experience and knowledge of how to provide good service. The Food and Beverage Service department at Osteria Italiana Lda Restaurant has several sections. The first is the

front service or restaurant section, which is the section that provides food and drink services needed by guests. guests from outside who just had dinner there. The duties carried out by restaurant staff are as a waiter/waitress, namely a waitress who serves guests while they are in the restaurant. Second, namely the back service or kitchen section, which is the section in charge of providing food from raw ingredients to food that is ready to be served. This service is provided 24 hours a day. So that guests staying at the hotel and guests from outside the hotel who are only going to have dinner at the restaurant can come and enjoy the food and drinks served.<http://repository.unej.ac.id/handle/123456789/59656>. The Hotel Owners Association (HOTL) estimates that since the beginning of 2020, the hospitality and tourism sector has experienced a 95% decline in sales revenue due to reduced domestic consumption and a significant decline in air, land and sea transportation. The decline in supply and demand has put unprecedented pressure on restaurants, hotels and travel companies to stay open, retain employees and pay operational costs (rent, utilities, etc.).

Tourism in Timor-Leste is very small in numbers and limited in terms of the level of “brand” and “product” maturity. The International Survey of Visitors conducted by the Asian Foundation puts annual tourist arrivals at around 10,000 per year, with the most common country of origin being Australia (more than 30%). Ten thousand tourists a year means about 30 tourists arriving in Timor-Leste every day is a very small number (which places Timor-Leste at 187th out of 190 countries in the world, according to World Bank data in 2017).

In 2019, growth in value added of wholesale, retail, restaurant and hotel trade for Timor-Leste was 13.9%. Although Timor-Leste's value added in wholesale, retail, restaurant and hotel trade growth has fluctuated substantially in recent years, it has tended to decline over the period 2000 - 2019 ending at 13.9% in 2019.



Various problems that occur within the Osteria Italiana LDA environment are one of the most basic, namely staff performance that is less than optimal, namely orders from guests taking too long. The phenomenon of customer satisfaction that occurs within Osteria Italiana LDA is that some customers are dissatisfied with the services provided. This condition can be seen from the number of customers who are slow to receive service when ordering food because employees are very slow in serving customers. It can be concluded that the things you need to pay attention to when recording the captain's order are marking the person who ordered, table number,

date, name of the guest who recorded the order, number of guests, quantity of each item, food and drinks must be recorded separately, up selling, taking a book. menu when the guest has finished ordering, and repeat the order (repeat order).

The results of interviews with a number of respondents limited to Osteria Italiana LDA staff in order to understand phenomena in the field revealed a number of facts that staff performance was not paid enough attention or was not optimal, this condition was caused by various kinds of obstacles related to the implementation of service in restaurants, such as; 1) Delivering food and drink orders to guests takes too long. The causes of the longer time required to complete food and drink orders are unsystematic work models, the availability of certain ingredients, there are orders from many guests at the same time, or the most extreme is delays in the cook and delivering food and drinks to guests. . 2) Foreign objects on the menu (insects, hair, small stones, etc.) can be caused by several factors, such as: there was no check at the F&B counter before it was delivered by the waiter or food runner. The system for washing equipment and materials is not good in the kitchen. 3) The taste of the menu is not standard (too sweet, too sour, etc.) This can be caused by several factors such as: Quality control that is not optimal. Lack of concern from the kitchen crew towards menu quality standards. 4) employees are not friendly. This could be caused by a lack of patience among restaurant employees or crew in serving and dealing with customers.

## **II. LITERATURE REVIEW**

### **A. Empirical Review**

The researchers' basis for this research is the results of previous studies below:

Researchers also based this article on previous research conducted by Muchlis, Muhammad entitled "The Influence of Trust, Customer Satisfaction and Relationship Commitment on the Image of Hospitals in Blitar City" on 122 respondents from patients who were undergoing inpatient treatment. Mohammed(2013). using multiple linear regression. The research results show that trust, customer satisfaction, and relationship commitment have both partial and simultaneous effects on the hospital's image. Customer satisfaction is the dominant variable that influences the hospital's image.

Other research has been carried out by Megawati, Tirza(2018) entitled "The Role of Trust and Customer Satisfaction as Mediator of the Influence of Human Resource Competency on Customer Loyalty (Study of Commercial Customers of BCA Kanwil VII Malang)." Research conducted on 100 customers Tirzah(2018) using the probability sampling method. The analysis method used was SEM (Structural Equation Modeling) with the SmartPLS (Partial Least Square) program version 2.0. Research findings show that HR competency has a positive and significant effect on customer loyalty directly and with trust as a mediating variable. However, if you use satisfaction as a mediating variable, the effect is not significant. This is because of the high variety seeking customers found from the results of more in-depth interviews with customers. Under these conditions, BCA must

accommodate all customer interests so that they can be met by one bank. Considering that the role of HR competency is very significant in customer loyalty, competency must be evaluated periodically so that it can keep up with customer demands which are increasing along with the influence of globalization.

Other research on Trust *has been done by* Finarsih, Eldining Wahyu and Prof. Dr. Margono Setiawan, SE., SU and Prof. Dr. Ubud Salim, SE, MA (2021) Brawijaya University entitled "*The Effect of Outsourcing and Trust on User Satisfaction Through Outsourcing Performance*" Law Number 13 of 2003 concerning Employment regulates the existence of outsourcing labor provider companies, which are in the form of legal entities, and are responsible for labor rights. The labor requirements to run production are supplied by outsourcing companies. Currently, many conventional outsourcing companies have emerged with a contract cooperation system that provides workers in the fields of administration, drivers, security and production employees. This research examines how outsourcing performance influences user company satisfaction using descriptive quantitative methods. Data was obtained through closed questionnaires for PT Gracia Optima Masterpo and PT. Bintang Prima Kemasindo as a service user of outsourcing company PT. Son of the Sun. The findings in this research show that trust coupled with good outsourcing performance is what makes PT. Putra Mentari can achieve user company satisfaction.

Another study was conducted by Prasetyo, Faisal Adi entitled "*The Influence of Trust, Brand Image, and Satisfaction on Loyalty (Study Conducted at Melati Husada Mother and Child Hospital, Malang)*". Brawijaya University. Prasetyo, Faisal Adi (2017) This research is a quantitative descriptive study of 80 respondents taken from the research population. The research location is in the city of Malang. Sampling used purposive sampling technique. The test equipment used to test this research instrument is a validity test and a reliability test. The data analysis technique uses multiple regression. The results show that there is a significant influence between the variables trust, brand image and satisfaction on loyalty among inpatients at the Melati Husada Mother & Child Hospital, Malang, while the dominant variable is satisfaction.

## **B. Marketing**

According to Stanton in Tambajong (2013: 1293), marketing is a system of business activities designed to plan, determine prices, promote and distribute products that can satisfy desires in achieving company goals.

According to Kotler and Armstrong (2012:29), "Marketing as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return", meaning that marketing is a process by which companies create value for customers and build strong customer relationships to capture value from customers in return.

According to Dayle in Sudaryono (2016:41), marketing is a management process that seeks to maximize profits (retutns) for shareholders by establishing relationships with key customers (valued customers) and creating competitive advantages.

According to Melydrum in Sudaryono (2016:41), marketing is a business process that seeks to align the organization's human, financial and physical resources with the needs and desires of customers in the context of competitive strategy.

So it can be concluded, marketing is an economic activity carried out to meet the needs and desires of consumers with the products offered by the company.

### **Trust**

Trust is generally seen as a fundamental element for successful relationship marketing. Without trust, a relationship will not last in the long term. Morgan and Hunt (1994) stated that trust is the basis of partnership strategy, when there are parties who have the desire to commit or bind themselves to a certain relationship.

Trust is a factor in forming commitment because commitment includes factors of trust and sacrifice. Commitment will not be formed without trust. Still according to Morgan and Hunt (1994) that trust significantly influences commitment in a relationship. Trust is also the confidence you have in your relationship with work partners related to being honest and helping each other. Trust can be created when a party feels comfortable making exchanges with other parties that are honest and trustworthy. To gain trust from customers, companies must communicate effectively, adopt norms that customers believe in, and stay away from negative assessments (Morgan and Hunt, 1994).

Trust is important because it provides the basis for future cooperation and one party's confidence that their needs will be met in the future by actions taken by the other party. Once trust is established, companies learn to coordinate and work together not solely for their own sake.

The biggest failure in the relationship between consumers and marketers is a lack of trust (Morgan and Hunt, 1994). The relationship between consumers and companies requires trust to become a long-term relationship (Morgan and Hunt, 1994). Based on trust, customers are likely to recommend the company to other customers, trust is based on past experience and is used as an estimate for future behavior, trust and Commitment has an influence in creating value for customers. Ndubisi (2007) states that trust can be built by keeping promises to customers, providing security for every transaction carried out, providing quality service, showing a caring attitude towards customers, and providing a sense of security. Morgan and Hunt (1994) argue that when one party has confidence that the other party involved in the exchange has reliability and integrity then it can be said that there is trust.

Trust is a key variable in developing a strong desire to maintain a long-term relationship. To be able to maintain customer loyalty, companies do not only rely on satisfaction felt by customers, but more than that, trust is a key intermediary in building successful exchange relationships to build high customer loyalty.

### **C. Company Commitment**

Commitment is a belief between related parties who want a continuous relationship, and is considered important in order to maintain that relationship. Company commitment is the core of relationship marketing.

Company commitment can be obtained by the company making customers its main priority, long term, and based on mutually beneficial relationships. Company commitment can also be interpreted as a company's promise or pledge to maintain well-established relationships, because these relationships have important meaning (Morgan and Hunt, 1994).

Ndubisi (2007) states that a company's commitment can be aimed at continuously learning to provide customer needs and service quality will increase customer satisfaction, which will ultimately lead the company to create close relationships with its customers.

#### **D. Customer loyalty**

Customer Loyalty According to Taylor et al. in Rofiq et al. (2009), customer loyalty is a strategic asset owned by a company which, if managed properly, has the potential to provide added value such as reducing marketing costs, attracting new customers, increasing trade, and also providing defense against competition.

Oliver in Huriyati (2005) explains that the definition of customer loyalty is a customer's deep commitment to re-subscribe or re-purchase products/services consistently in the future, even though the influence of the situation and marketing efforts have the potential to cause changes in behavior. Griffin (2005) explains that loyalty is a form of behavior from decision-making units to make continuous purchases of goods or services of a chosen company.

### **III. FRAMEWORK OF THINKING, CONCEPTUALS, AND HYPOTHESIS STUDY**

#### **A. Framework of thinking**

Customer Loyalty is the variable that is the focus of this research. This is based on a phenomenon related to less than optimal performance in a restaurant at Osteria Italiana LDA. To provide a clear direction for this empirical research, it is necessary to build a hypothesis from literature review, literature and empirical research results. If a customer feels satisfied and can refer the company's products and services to other customers, it can be said that the customer is loyal because satisfaction occurs then the business will be sustainable so that income for the company is always there and can finance the company's operational activities in the future.

The best strategy used by business people to obtain long-term, sustainable profits is by providing satisfaction to customers through good service and product innovation to create customer loyalty (Hussain, 2016).

The company's success is marked by the large number of loyal customers (Fihartini, 2010). The longer a customer's loyalty is, the greater the profit the customer can obtain from the company (Griffin, 2005). Customer loyalty will be built when there is customer trust in the company (Dwi Harumi, 2016). Customer trust is important for companies because companies cannot build relationships without trust (Kurniasari & Ernawati, 2012). Developed customer trust, including trusting someone, will lead to high customer confidence in their abilities

and desires. Customer trust is a very powerful weapon in building relationships because the high level of customer trust in a company makes the company strong in building its relationships with customers (Jasfar, 2012). This is in line with the theory (Nugroho, et al. 2013) that the relationship between trust and customer loyalty is that the higher the customer's trust in a product, the higher the level of customer loyalty to a 4 brand. Customer commitment to a product is confidence in using a product which includes recommendations and trust.

Apart from customer trust, what can influence customer loyalty is customer satisfaction. Customer satisfaction with a company can arise because there is experience in transactions with the company, resulting in positive reactions from customers (Kurniasari & Ernawati, 2012). Customer satisfaction will influence subsequent customer attitudes after using or experiencing the product or service offered, therefore customers who are satisfied will repeat using the services offered (Muktono, 2014). This is in line with Tjiptono's theory (2012:38) which states that satisfaction is the level of a person's feelings after comparing the product performance or perceived results with what was expected.

## **B. Hypothesis**

Based on the background of the problem and the main problem, which is supported by the theoretical basis and previous research, the following research hypothesis can be put forward:

## **C. The Effect of Trust on Customer Loyalty**

Companies operating in industrial markets build cooperative relationships with their customers as a competitive strategy. With long-term cooperative relationships, companies can work more effectively by saving transaction costs and increasing the company's competitiveness. Such cooperative relationships are usually characterized by high levels of trust (Morgan & Hunt, 1994).

Apart from prioritizing customer trust in a company, customer satisfaction is also an important factor that companies must pay attention to. This is in line with the statement of Razak, et al. (2016) which states that apart from customer satisfaction, the variable that influences customer loyalty is customer trust. This is also in line with the results of research conducted by (Bahrudin, 2016) which states that customer trust and satisfaction have a positive and significant effect on customer loyalty.

Based on the research results that have been presented, the following hypothesis can be drawn.

H1: There is a significant influence between the customer trust variable on customer loyalty.

## **D. The Influence of Satisfaction on Customer Loyalty**

According to Takholy & Andjarwati (2018) the goal of a business is to create satisfied customers. Creating customer satisfaction can provide several benefits, including harmonizing the relationship between the company

and its customers, providing a better basis for repeat purchases and creating customer loyalty, and forming a word-of-mouth recommendation that is profitable for the company.

The variables of customer satisfaction and loyalty will correlate well if consumers get good service quality and high satisfaction then consumers will develop good bonds, thus it can be said that if satisfaction is good then loyalty will be positive as well (Putra, 2018). This shows that customer satisfaction has a significant effect on customer loyalty. This is in line with the results of research conducted by Laely

Based on the research results that have been presented, the following hypothesis can be drawn.

H2: There is a significant influence between the customer satisfaction variable on customer loyalty.

### **E. The Influence of Customer Trust and Satisfaction on Customer Loyalty**

Customer trust and satisfaction is the overall attitude that customers show towards goods or services after they obtain and use them. This is the experience of using or consuming the goods or services after purchase, customers will evaluate the performance of the product according to what was expected or not, they will experience positive, negative or neutral emotions, this emotional response acts as input in the perception of satisfaction/dissatisfaction (Mowen and Minor 2002:89). When a customer is satisfied, the consumer will not move to another place and will not be reluctant to use services that have satisfied him. This feeling arises because of a sense of comfort about services that can meet their expectations. The relationship between customer satisfaction and loyalty was also expressed by Griffin (2008), Makes regular repeat purchases. In line with Band's theory (1991) that customer satisfaction is a level where the needs, desires and expectations of customers are met which will result in repeat purchases or continued loyalty. This is in line with the results of research conducted by Maskur, et al (2016) showing that customer trust and satisfaction have a positive and significant effect on customer loyalty.

Based on the research results that have been presented, hypotheses can be drawn as follows.

H3: There is a significant influence between the variables Trust and satisfaction on customer loyalty.

## **IV. RESEARCH METHODS**

This research is quantitative research. (Sugiyono, 2010), stated that quantitative research is research based on the philosophy of positivism, used to research certain populations or samples, sampling techniques are generally carried out randomly, data collection uses research instruments, data analysis is quantitative statistics with the aim of test the established hypothesis.

This research includes correlation research. Correlation research is research conducted by researchers to determine the level of relationship between two or more variables, without making changes, additions or manipulations to existing data (Arikunto, 2010)

### **A. Data Types and Sources**

The types of data used in this research are:

1. Quantitative Data.

This data comes from respondents' responses to customer trust and satisfaction regarding customer loyalty provided by Osteria Italiana Lda Dili, which is then described in the form of numbers.

2. Qualitative Data.

In this research it is not explained in the form of numbers, based on the characteristics of respondents regarding trust and customer satisfaction towards customer loyalty.

This includes qualitative data which can be converted into quantitative data.

### **B. Data source**

The data sources in this research are:

1. Primary data.

**Sugiyono (2016)** According to Sugiyono, primary data is data that is directly obtained from a source and given to data collectors or researchers. According to Sugiyono, there is also an opinion that the primary data source is interviews with research subjects either through observation or direct observation.

2. Secondary Data

Secondary data is data that has been processed first and then obtained by researchers from other sources as additional information.

Some secondary data sources are books, journals, government publications, and other supporting sites or sources.

The second characteristic of secondary data is that the source comes from previous researchers. So, researchers only look for additional data from sources that have been created by other people.

Secondary data is also less specific and has no control in the research being made. Again, this is because researchers only get data from other sources and rely on interpretation.

### **C. Data Collection Techniques and Procedures**

In this research, the data collection techniques that the author uses are as follows:

### 1. Questionnaire/Questionnaire

A questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer (Sugiyono, 2012). In this case the author creates written questions and then answers them by the respondents/sampling. And the form of the questionnaire is a closed questionnaire, namely a questionnaire whose questions use a Likert scale (Scale 5 - Scale 1), so that respondents just have to choose the answers they want.

### 2. Interview

Interviews are a data collection technique used by researchers by asking questions directly to customers of the Osteria Italiana Restaurant, Dili Timor Leste.

### 3. Documentation

The documentary method is a data collection tool called a document recording form, and the data source is in the form of available notes or documents. In this research, the author will obtain documents containing the company's history, vision and mission, and organizational structure.

## V. RESEARCH RESULTS AND DISCUSSION

No.	Characteristics	Number of people	Percentage (%)
1	•Gender		
	Man	35	35.0
	Woman	65	65.0
2	•Age		
	21 – 30		
	31 – 40	61	61.0
	41 – 45	22	22.0
		17	17.0
3	•Work		
	Private employees		
	Self-employed	22	22.0
	Housewife	15	15.0
	Students – Mhs	7	7.0
		56	56.0
4	•Education		
	SMA/SMK		
	Diploma	14	14.0
	S1	47	47.0
	S2/S3	29	29.0
		10	10.0

Source: processed primary data, 2023

From the data in table 5.1, it can be seen that there were more respondents The dominant number of respondents is female, that is 65 people or 65.0 percent. Meanwhile, there were 35 men or 35.0 percent. Judging from age characteristics, more respondents were aged in between 21 and 30 years,

namely 61 people or 61.0 percent, were followed aged between 31 and 40 years were 22 people or 22.0 percent, next aged 41 to 45 years were 17 people or 17.0 percent.

Whereas The characteristics of respondents in terms of work show that employees private sector as many as 22 people or 22.0 percent, from entrepreneurs as many as 15 people or 15.0 percent, then housewives with 7 people or 7.0 percent and among students there were 56 people or 56.0 percent. In this case, it means that customer decisions are influenced in terms of work, showing almost evenly in terms of aspects work. While from SMA/SMK there were 14 people or 14.0 percent, from Diploma there were 47 people or 47.0 percent, from S1 as many as 29 people or 29.0 percent, and from S2/S3 as many as 10 people or 10.0 percent. In this case, it means that customer decisions are influenced from a work perspective.

### A. Description of Research Variables

Descriptive analysis was carried out to determine the perception picture respondents to the questions given in the research instrument about the variables studied. The analysis was carried out by calculating the average (mean) based on the percentage of respondents' responses to each items in the variables Customer Trust (X1), Customer Satisfaction (X2 and customer loyalty (Y). The higher the average value obtained shows the better the respondent's response to the item or item these variables.

According to Sugiyono (2016), to describe respondents' assessments For each research instrument, something needs to be done classification of respondents' answers into existing measurement scales determined into five categories, namely: very poor, not good, quite good, good and very good. A measurement scale is determined by an interval formula range with the following formula:

$$\text{Interval} = \frac{\text{Highest limit value} - \text{lowest limit value}}{\text{Total value used}}$$

$$\text{Interval} = \frac{5 - 1}{5} = 0.8$$

$$\text{Interval} = 5 - 1 = 0.8$$

5

Based on the calculation results of the interval range formulation according to Sugiyono (2016) then measurement criteria can be prepared with the following provisions following:

$$1.00 - 1.80 = \text{Strongly Disagree}$$

1.81 – 2.61 = Disagree

2.62 – 3.42 = Neutral

3.43 – 4.23 = Agree

4.24- 5.00 = strongly Agree

## B. Validity test

The validity test is used to measure whether a questionnaire is valid or not. A questionnaire is said to be valid if the questions in the questionnaire are able to use something that will be measured by the questionnaire. Validity testing in this research was carried out by comparing the calculated  $r$  value with the  $r$  table for degree of freedom ( $df$ ) =  $n-2$ , in this case  $n$  is the number of samples (Ghozali, 2016: 52-53).

In this study the number of samples ( $n$ ) = 100 and based on  $df$  can be calculated, namely  $100 - 2 = 98$ , with  $df = 100$  and  $\alpha = 0.05$  (alpha significance 5%) then we get  $r_{table} = 0.1966$  (see  $r$  table at  $df = 100$ ). So that the calculated  $r$  value is greater than the  $r$  table and the value is positive, the question item or indicator is declared valid.

The validity test will test each variable that will be used in this research. The following are the results of the validity test of the variables customer trust, satisfaction and customer loyalty with a sample of 100 respondents.

**Table 5.6 Validity Test**

Variabel	Indikator	$R_{hitung}$	$R_{tabel}$	Kesimpulan
Kepercayaan X1	Integritas (X1.1)	0.696	0.1966	Valid
	Kompetensi (X1.2)	0.674	0.1966	Valid
	Konsistensi (X1.3)	0.651	0.1966	Valid
Kepuasan X2	Kesesuaian Harapan (X2.1)	0.743	0.1966	Valid
	Minat Berkunjung kembali (X2.2)	0.617	0.1966	Valid
	Kesediaan Merekomendasikan (X2.3)	0.709	0.1966	Valid
Loyalitas Pelanggan Y	Melakukan Pembelian Ulang (Y1.1)	0.695	0.1966	Valid
	Melakukan Pembelian Ulang (Y1.1)	0.57	0.1966	Valid
	Melakukan Pembelian Ulang (Y1.1)	0.463	0.1966	Valid
	Merekomendasikan kepada pihak lain (Y1.1)	0.477	0.1966	Valid
	Merekomendasikan kepada pihak lain (Y1.1)	0.465	0.1966	Valid
	Tidak berniat untuk pindah (Y1.1)	0.558	0.1966	Valid
	Tidak berniat untuk pindah (Y1.2)	0.599	0.1966	Valid
	Membicarakan hal-hal positif (Y1.1)	0.609	0.1966	Valid

Based on table 5.6 above, it shows that the three variables in this research, namely, trust, satisfaction and customer loyalty have valid criteria for all question items based on the  $R$  criteria.  $r_{hitung} > r_{tabel}$ .

### 1) Reliability Test

Reliability is actually a tool for measuring a questionnaire which is an indicator of a variable or construct. A questionnaire is said to be reliable or reliable if a person's answers to questions are consistent or stable over time. SPSS 20.0 software provides facilities for measuring reliability with the Cronbach Alpha ( $\alpha$ ) statistical test. A construct or variable is said to be reliable if it provides a Cronbach Alpha value  $> 0.60$  (Ghazali, 2016:47-48). Calculation of the Cronbach's Alpha coefficient was carried out using SPSS version 20.0 software

The following are the results of reliability tests for the variables customer trust, customer satisfaction and customer loyalty with a sample of 100 respondents.

Table 5.7 Reliability Test

Variable	Cronbach Alpha	Critical Value	Conclusion
Customer Trust (X1)	0.755	0.60	Reliable
Customer Satisfaction (X2)	0.768	0.60	Reliable
Customer Loyalty (Y)	0.730	0.60	Reliable

Based on table 5.7, it shows that the Cronbach's Alpha value for the variables customer trust, customer satisfaction and customer loyalty is greater than 0.60. Thus, it can be concluded that the questions in this questionnaire are reliable because they have a Cronbach's Alpha value greater than 0.60.

### 2) Classic assumption test

The classical assumption test is a prerequisite for multiple regression analysis, this test must be fulfilled so that the estimates of regression parameters and coefficients are not biased. Testing this classical assumption includes the normality test, multicollinearity test, autocorrelation test and heteroscedasticity test. The results of the classical assumption test in this research can be explained as follows:

### 3) Normality test

In this research, data normality testing uses the Kolmogorov-Smirnov test by looking at the significance of the resulting residuals and a normal probability plot graphic approach. Detect normality by looking at the distribution of data (points) on the diagonal axis of the graph. The results of the data normality test from the residuals obtained are as follows:

Table 5.4.1.

**Data Normality Test Results**  
**One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residuals
N		100
Normal Parameters, b	Mean	.0000000
	Std. Deviation	2.26309267
Most Extreme Differences	Absolute	,093
	Positive	,093
	Negative	-.085
Kolmogorov-Smirnov Z		,928
Asymp. Sig. (2-tailed)		,356

Based on table 5.4.1. It can be seen that the Kolmogorov Smirnov Z sig is 0.356, so it can be concluded that all research variables are normally distributed.

#### 4) *Multicollinearity Test*

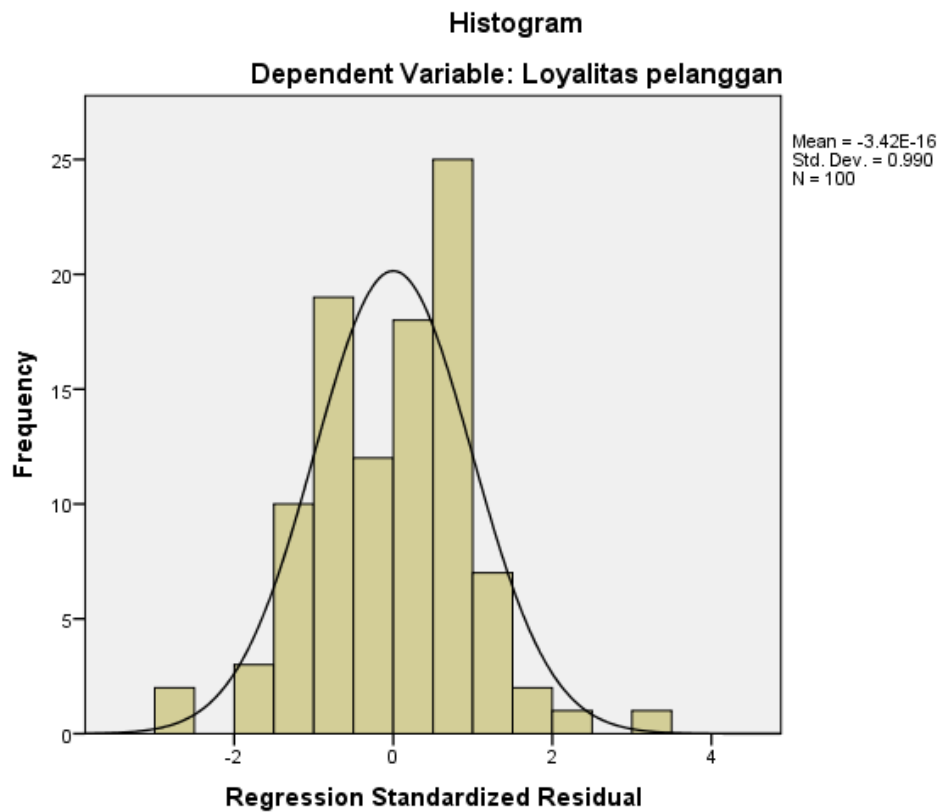
This test is intended to see whether there are two or more independent variables that are linearly correlated. If this situation occurs, we will face difficulties in distinguishing the influence of each independent variable on the dependent variable. To detect symptoms of multicollinearity in the research model, it can be seen from the tolerance value or Variance Inflation Factor (VIF) value. The tolerance limit is  $> 0.10$  and the VIF limit is  $< 10.00$ , so it can be concluded that there is no multicollinearity between the independent variables. The results of the multicollinearity test in this study are shown in table 5.4.2 below:

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Trust	,598	1,671
	Satisfaction	,598	1,671

In table 5.4.2, it can be seen that all the independent variables of trust (X1) and satisfaction (X2) have a tolerance value above 0.10 and a VIF value of less than 10, which means that there is no multicollinearity.

#### 5) *Heteroscedasticity Test*

Symptoms of heteroscedasticity can be seen by detecting whether it is present whether or not a certain pattern on the graph (scatter plot) is produced, where the predicted x and y axes and the y axis is the residual ( $y$  prediction - actual  $y$ ) which has been studentized. For clarity can be seen in Figure 5.4.3 below:



## VI. DISCUSSION

### A. The Influence of Trus on Customer Loyalty at Osteria Italiana

The results of the analysis found that trust has a positive and significant effect on customer loyalty. The analysis results show that the direct effect value of trust on customer loyalty is 0.696 and the significance level is  $0.000 \leq 0.05$ . This shows that the third hypothesis proposed is acceptable. The results of the analysis mean that increasing trust will be able to increase customer loyalty at Osteria Italiana Restaurant. This research is in line with the results of research conducted by Tantono and Adiwijaya, 2017, which states that trust has a positive effect on customer loyalty. the influence of trust has a positive and significant effect on customer loyalty.

The results of this research are also in line with research conducted by Ramadhan, 2019 which states that trust has a positive and significant effect on loyalty. This means that the better the trust and commitment obtained by customers, the more loyalty restaurant customers in the city of Dili will increase.

## **B. The Influence of Satisfaction on Customer Loyalty at Osteria Italiana**

1. Based on the results of the analysis, it is stated that satisfaction has a positive and significant effect on customer satisfaction. The analysis results show that the direct effect value of satisfaction on customer loyalty is 0.743 and the significance level is  $0.000 \leq 0.05$ . This shows that the first hypothesis proposed is acceptable. The results of the analysis mean that increasing satisfaction will be able to increase customer loyalty at the Osteria Italiana Restaurant. This research is in line with the research results of Mahendra and Indrayani, (2018) which stated that the influence of satisfaction on customer loyalty at the Osteria Italiana Restaurant. Likewise research conducted by Saidani, et al (2019) which stated that, the influence of website quality and satisfaction on customer loyalty in form repeat purchase interest in restaurant customers.

Osteria Italiana Restaurant, in maintaining customer satisfaction, distributes menus that have menus that are well known in the community, such as Mozzarella OR Quattro Formazi, Feijoada, which are well known and have proven product quality. To maintain customer trust, the Osteria Italiana Dili Restaurant provides the same price list and promotions from the principal or producer to all Osteria Italiana Restaurant customers.

## **C. The Influence of Trust and Satisfaction on Customer Loyalty at the Osteria Italiana Restaurant**

The results of the analysis found that trust and satisfaction have a positive and significant effect on customer loyalty. The results of the analysis show that the direct effect value of trust and satisfaction on customer loyalty is 0.695 and the significance level is  $0.000 \leq 0.05$ . This shows that the third hypothesis proposed is acceptable. The results of the analysis mean that increasing trust and satisfaction will be able to increase customer loyalty at the Osteria Italiana Restaurant. This research is in line with the results of research conducted by Tantonno and Adiwijaya, 2017, which states that trust and satisfaction have a positive effect on customer loyalty. the influence of trust and satisfaction has a positive and significant effect on customer loyalty.

## **VII. CONCLUSION**

Based on the results of the analysis and discussion of research conducted on guests of the Osteria Italiana Restaurant, Dili Timor Leste, several conclusions can be drawn as follows:

1. Trust has a positive and significant effect on customer loyalty. The results are shown by a t-statistic value of  $5,300 > 1.96$  and a p-value  $< 0.05$ . This means that if the Osteria Restaurant provides fast service, it will increase the trust of the restaurant among the wider community.

2. Satisfaction has a positive and significant effect on customer loyalty. This result is shown by the t-statistic value of  $5,975 > 1.96$  and the p-value  $< 0.05$ . This means that the better employees control the cleanliness of food at

F&B counters, customer satisfaction will increase. On the other hand, if there is a lack of checking by employees, the worse the restaurant customer satisfaction will decrease.

3. Loyalty has a positive and significant effect on satisfaction with the Osteria restaurant. This result is shown by the t-statistic value of 5,363 > 1.96 and the p-value > 0.05. This means that if the employees are friendly, patient and polite, the Osteria restaurant's customers will increase.

## **VIII. SUGGESTION**

Based on the conclusions presented previously, there are things that researchers can suggest for the Osteria Italiana Restaurant. The research results show that in general trust and satisfaction have the greatest influence on customer loyalty, so they should be maintained and increased. The suggestions given by researchers are:

1. Providing service in accordance with the motto created by the Osteria Italiana Restaurant in the long term
2. Provide direction and motivation to employees
3. Updating information to employees regarding the menu so that employees can explain it confidently to consumers so that consumers do not hesitate when placing an order, this will raise consumer confidence
4. Provide soft skills so that employees are always friendly and understand consumer desires
5. Provide evaluations to employees if they make mistakes so that employees can provide services quickly but correctly.
6. to the Osteria Italiana Restaurant to further implement strategies, namely providing better service than competitors, by increasing responsibility, honesty and trust so that it can provide a good reputation from consumers and there will be no more consumer complaints regarding the trustworthiness of the restaurant.
7. Customer satisfaction is a variable that has the smallest mean and coefficient value on customer loyalty at the Osteria Italiana restaurant. For this reason, restaurants are expected to be able to maintain customer satisfaction, such as food presentation, customer expectations, to be able to attract more customers to want to buy again and recommend to others without reducing the quality of their products. Because customers basically expect food products that match even more than the price they have paid.
8. Further researchers are advised to include other variables that can influence customer loyalty other than those used in this research so that they can better measure the causes that influence customer loyalty at the Osteria Italiana Restaurant, in addition to using a wider sample.

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