## The Influence of Service Failure and Service Recovery towards Customer Loyalty of Firstmedia Service Users with Customer Trust as an Intervening Variable

### Suci Pertiwi<sup>1</sup>, Arlina Nurbaity Lubis<sup>2</sup>, Yeni Absah<sup>3</sup>

<sup>1</sup>Postgraduate Students Department of Management, Faculty of Economics and Business at University of Sumatera Utara, Indonesia <sup>2, 3</sup>Postgraduate Lecturer Department of Management, Faculty of Economics and Business at University of Sumatera Utara, Indonesia

Corresponding Author: Suci Pertiwi

#### ABSTRACT

In the current era of globalization, the internet is not only a secondary need for people in Indonesia, the internet network can simplify work and for entertainment. In Indonesia, there is an increase in the number of internet users. especially with the implementation of work from home from the government as a preventive measure for the spread of the Covid-19 outbreak. This of course creates quite high competition among internet service provider companies. Companies are required to continue to provide the best service and increase trust so that customers will be loval later. It is known that customers will become loyal when they have compared expectations with what actually happened through service recovery for service failures offered so as to build consumer confidence in the company later. The purpose of this study was to analyze the effect of service failure and service recovery on customer loyalty of Firstmedia service users with customer trust as an intervening variable. This type of research is an associative study and the population in this study are customers of Firstmedia users in Medan City who have subscribed within the last 1 year, namely as many as 1382 respondents then determining the sample size using the Slovin formula with a sample size of 310 respondents. The sampling method used was purposive sampling. Data analysis was performed through PLS-SEM using the SmartPLS program. The results showed that service failure directly had a negative and

significant effect on customer trust, service recovery and customer trust had a positive and significant effect on customer loyalty. Then, indirectly, service failure has a negative and significant effect on customer loyalty through customer trust and service recovery has a positive and significant effect on customer loyalty through customer trust.

*Keywords:* Service Failure, Service Recovery, Customer Loyalty, Customer Trust

#### **INTRODUCTION**

In the current era of globalization, the internet is not just as a secondary requirement for the community in Indonesia in recent years. The community of users of smart phones and laptops tend to need the internet network to be able to facilitate the work and for entertainment purposes only. The Internet is no longer only used in public spaces or the interests of the work but rather used as access to entertainment in everyday life as well as, access video streaming sites, social media, play games, and others. According to the research platform social media management Hoot Suite and agency marketing social We Are Social, titled "Global Digital Reports 2020", almost 64 percent of the Indonesian population is already connected to the internet network. Research released at the end of January 2020, it said the number of internet users in

Indonesia has reached 175,4 million people, while the total population of Indonesia is around 272,1 million. Compared to 2019, the number of internet users in Indonesia increased by about 17 percent, or 25 million users.

Data from the databooks.co.id stating that the Indonesian population aged 16 to 64 years using the internet (on all devices) in a day reaches an average of 7 hours 59 minutes with a total of 64% of the total population of Indonesia. While users active social media by 59%, followed by people who use other media for 3 hours 4 groats to watch tv, 1 hour 30 minutes untukstreaming music, and 1 hour 23minute game console. The increase in the number of internet users in Indonesia due to the improvement of the internet network in Indonesia in the spread of the internet connection to the people who want the internet network to their home, using either a cable or broadband or internet network using cards or mobile wireless fidelity are scattered in many places the crowd.

Since the government urged companies to implement Work from Home (WFH) as a preventive measure for the spread of the outbreak of Covid-19 which is currently hit Indonesia, there was а significant increase for the use of the internet data. Not just that, the video conferencing such as Zoom, CISCO Webex Meetings, or Google Hangouts Meet, instantly became popular as a support meeting online. This is the opportunity for the company providing internet services such as Indihome, Biznet, Indosat M2, Telkomnet Instant, Speedy, Acces.net, Indosat.net and including a First Media / FastNet. So it raises the competition is quite high among the company internet provider and as a result easy for customers to move from 1 service to the services for a services company is able to meet the needs of customers. Service providers internet services are being challenged to provide the best service so that all customers can feel comfortable when working and learning from home. They are also constantly monitoring and improving the quality of the network in order to ensure customers remain buffer day with a comfortable, safe, and productive for at home.

There are many providers in Indonesia that provides fast internet service, of course with the price, quality, and the technology used has the advantages of each. This certainly triggers the occurrence of competition between providers, and creates market players and manufacturers to be able to win this competition. And sometimes the not infrequent failure of service in providing the services of the internet. See the increasing number of providers in Indonesia to make the business people and the general public (customers) are becoming more smart and precise in choosing internet services (Internet Service Provider)/ISP that they will use. Therefore, businesses are required to provide services as much as possible to prevent failure of the service. Internet service provider becomes important for the customer when in their everyday lives is an activity that involves an internet connection in it, and certainly also be important for the service provider so that they gain the trust and a loyal customer.

According to Kotler and Keller (2016) service is any activity of the benefits or performance offered by one party to the other party which is not tangible and does not cause any transfer of ownership in which production can be bonded or not with physical products. Each of the company services, of course, compete in providing the best service in order to embrace the potential consumers. Competition ketatini forcing companies internet service providers to maximize the performance in order to compete. The trick is to find out the wishes and aspirations of the customers which is expected to provide valuable input for these companies.

Now this company service provider internetsedang competition tight. Some company services internet service providers are Indihome, Biznet, Indosat M2, Telkomnet Instant, Speedy, Acces.net, Indosat.net and including Firstmedia /

FastNetyang is one of the major players in the industry ground water and the company provider with the development of so quick. First Media was established in the year 1994 by the name of PT Broadband Multimedia Tbk. In March 1999, Broadband Multimedia begins to market yourself commercially with trademark Kabelvision, which was followed in subsequent years with the launch of Digital1 and MyNet. On 16 June 2007, Broadband Multimedia changed its name to First Media, as well as meluncurkanidentitas and brand new as a service provider "Triple Play". Cable vision and Digital1 put together in the bottom of the product Home Cable, while My Net be Fast Net from the source (Wikipedia Firstmedia, April 2020).

the increasingly In fierce competition between the company and the provision of internet services, the company is required to continue to provide the best service and increase trust so that customers will be loyal in the future. According to Kotler and Keller (2016) customer loyalty is a measure of the attraction of customers for a product which is manifest in the desire to recommend it to other people. Customer loyalty has an important role in a company, retaining customers means improving financial performance and maintain the viability of the company. Customer loyalty will reduce the attack competitors of similar companies, where not only the competition in providing the service however the competition of perception. Customer loyalty starts from the customer assessment of the quality of the products or services received (perception) based on the hope that has been conceptualized in his mind. These expectations arise from products or services that have been received before (experience) as well as the news from mouth to mouth (Word of Mouth) are up on the customer. This is a challenge for businesses to maximize their ability to attract the loyalty of customers so that they are able to provide excellent service.

Related to customer loyalty, based on a survey through interviews with 10 customers Firstmedia by the author on September 2, 2020 obtained information that the customer Firstmedia have a lot of complaints against the service provided by the company. Starting from the tariff bill which does not suit, the slow response when there are complaints make customers reluctant to continue re-subscribe. Many customers complain regret choosing to use Firstmedia and began to switch to a provider of internet service to another. Customer regret very much the company did not take remedial action and confirmation related to their complaints. This would be a problem if allowed to stand continuously.

One way to achieve excellence competition sustainable is to establish good faith in the eyes of the customer. The main thing to be considered customers when making purchasing decisions re (loyalty) on the services of the internet service provider is whether they believe on such services. According to Kotler and Keller (2016), the trust is as follows: "Trust is the willingness of a firm to rely on a business partner. It depends on a number of interpersonal and interorganizational factors, such as the firm's perceived competence, integrity, honesty and benevolence". The meaning of the definition is that trust is the willingness of the company to rely on business partners. The trust relies to sejulmlah factors of interpersonal and inter-organizational. As the competence of the company, integrity, honesty and kindness. Meanwhile, according to' abd al-rahmaan (2015), trust is the attitude of certain parties against the other party in the relationship of the transaction based on a belief that the person who they believe will meet all its obligations in good as expected.

Basically the customer has their own reasons in using a product or service, such as trust. Trust is the willingness of a person to rely on others where the person has a belief in the other person (Abrams, 2015). Trust is defined as the dimension of a business relationship that determines the level to which each party feels they dapatmengandalkan the integrity of the

promise offered by the other. The services of the Internet Service Provider / ISP has complaints from customers ranging from internet access, which is slow even at all could not be accessed, as well as the poor service from the customer service yang slow response so pelangganmerasa disappointed with the service provided by perusahaan First Media yang can cause service failures. In addition it occurs missed communication, any payment of bills (the custumer service always sends a number of bills have been paid) is also one of the complaints of the customers.

Customer complaints about the service failure that can lead to disappointed customers and do not believe in the services of the internet First Media. Customer trust arises because customer expectations are not the same or higher than the performance received from the company. Customer First media argue that they are less trusting of internet services Firstmedia because some respondents had experienced disappointing disorders such as internet access, so bring a has tag #first media down on the twitter account of the customer, the payment of monthly bills that are not confirmed, and the duration of response from the company. If this is allowed then the customer will move on to the providers of internet service to another according to which they are able to their needs given the current meet displacement customers from 1 product to another is very easy to do. But there are also some customers who trust and keep using internet services from First Media. In addition, when given a choice about the services of the internet service provider they chose more Indihome as the choice of services internet service providers that they will use. It is inversely proportional if a failure of such services can be handled well by the company which will create customer trust.

The way in which to correct the failure of the service is with service recovery or recovery services where recovery services this refers to the action taken by the company when experiencing a service failure or service failure. In such situations, the recovery services acts as a substitution relationship of person-to-person between the company and its customers, then the trust can be built through recovery services. With its action recovery services undertaken by the company, it can lead to pelangganlebih selective in choosing the use of the services of internet service providers.

The factors that affect customer loyalty one of them is trust. kepercayaantelah be considered sebagaikatalis in a variety of transactions between the seller and the buyer to the satisfaction of pelanggandapat materialize as expected. Meyer et al 2015 define trust as the willingness of one party to trust a party that is based on the expectation that the other party will perform a particular action important to the trust.

In a study conducted by Sousa and Voss (2019) titled the effects of service failure and service recovery on customer loyalty in e-services shows that the failure of the service have a negative influence and significant impact on customer loyalty. While the research conducted Cheng et al (2018) a video Service Recovery, customer satisfaction and customer loyalty: Evidence from malaysia's hotel industry, the results show the failure of the service has a positive effect on customer loyalty. Both of these studies indicate the existence of a research gap that needed further research about the effect of service failure on customer loyalty.

The occurrence of the research gap on the other variables of this study can be explained that in a study conducted by Wingsati(2017) titled the Influence of Handling the Failure of Service, Trust, and lifestyle Consumer Loyalty Famou stating that the variable is handling the failure of the service does not have a significant effect on customer loyalty. This is in contrast with research Antika (2017) entitled Analysis of the Influence of Service Recovery On Customer Loyalty In mobile Cellular Services (a Case Study On Indosat IM3) where the results of the study showed that the variables of service recovery

berrpengaruh positive impact on customer loyalty. Due to the existence of a research gap in research conducted by the Wingsati (2017) and research conducted by Antika (2017) it is necessary to do further research about the influence of variable recovery service to variable customer loyalty.

Through some research, it is known that pelangganakan become loyal when they have to compare between the expectations with the reality that actually happens through service recovery for the failure of the services that are offered so as to build consumer confidence in the company later. This is very interesting, because it turns out the services of the service provider internetsudah very fairly rapid development. It can also be a trigger for other companies that can leverage the use of technology as a tool to acquire competitive advantage.

#### LITERATURE REVIEW

#### Marketing

Marketing is the social process in which individuals and groups obtain what they need and want by creating, offering and freely exchanging products of value with others (Kotler and Keller, 2016). In a company that the current narrow marketing will become very important in the process of fulfilling the needs of customers through products or services.

#### **Marketing Management**

The company desires that the goal can be achieved. Hence the need for good management in all marketing activities. According to Kotler and Armstrong (2016) marketing management is the analysis, planning, implementation, and control of programs designed to create, build, and maintain beneficial exchange with target buyers for the purpose of achieving the objective of the organization. Based on these definitions it can be concluded that marketing management is not only focused on pricing, communication, distribution, serving the target market, and product offers based on the wishes and needs of the market, but also organize labor, time, and nature of the request relating to the goods and services or other objects that can meet the needs of consumers.

#### Services

The service is an economic activity that is offered by one party to the other party. Often the activities performed in a certain period of time (time-based), in the form of an activity (performances) that will bring the desired results to recipients of the object, and other assets which are the responsibility of the buyer (Lovelock, 2011). So, basically the service is all the economic activities that result is not a physical product or construction, which are generally produced and consumed by simultaneously as well as provide added value for example comfort, entertainment, pleasure, or health for the consumer.

#### **Service Failure**

Service failure is all the fault of services when a customer is associated with a company, which can increase negative emotions and dissatisfaction of customers (Kim and Jang, 2016). So any errors often can't be shunned from the company with the level of customer service and high stages. failure Further, the of the Layananmerupakan an activity that occurs as a result of the services received by the customer, which it turns out is not in accordance with customer expectations.

#### **Recovery Service**

Service recovery is the specific actions that need to be done by the organization to ensure that the customer get the solution after the failure of the service which causes them to be disappointed or dissatisfied. Service recovery done to offset the negative reaction of customers to the service failure. Zemke and Bell (2010) mention that the service recovery is a thought, a plan, and the process to make up for the disappointment of the customer to be satisfied with the organization after the services provided experiencing the problem (of failure). Hoffman and Bateson (2016) defines the service recovey as a reaction to a

given organization's complaint, consumers in order to provide satisfaction to the consumer. According to Michael et al (2019) recovery service is the act of integrative companies can do to rebuild satisfaction and customer loyalty after a service failure (recovery customer), to ensure that the incidence of failure encourages learning and improvement process (recovery process) and to train and reward their employees for this purpose (restoration of employees).

#### Trust

Trust is the willingness of companies to rely on business partners. Trust depends on several factors between individuals and between organizations such as competence, integrity, honesty and kindness. Building trust can be a difficult thing in a situation online, the company applies strict rules to the partners their online business compared to other partners. Business buyers worry that they will not get the product or service with the right quality and delivered to the right place at the right time, as well as vice versa (Kotler and Armstrong, 2016).

#### Loyalty

Loyalty is a commitment that held firm to buy back or subscribe to the product options or dates in the future although the influence of situational and marketing efforts having the potential to cause consumers to switch to other products (Kotler and Keller, 2016).

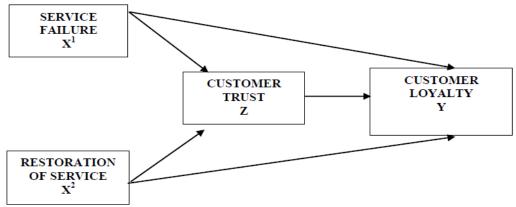


Figure 1: Conceptual Framework

#### **Hypothesis**

Based on the background research and the relationship between variables, then the hypothesis of the research:

- 1. Service failure and a Significant Negative Effect on Customer Loyalty User Firstmedia.
- 2. Service recovery has Positive and Significant Effect on Customer Loyalty User Firstmedia.
- 3. Service failure and a Significant Negative Effect on Customer Trust Users Firstmedia.
- 4. Service recovery has a Positive Effect and Significant impact On Trust PelangganPengguna Firstmedia
- 5. Service failure and a Significant Negative Effect Terhadap Loyalitas

Sales Trust Pelanggan Pengguna Firstmedia.

- 6. Service recovery has a Positive Effect and Significant impact on Loyalty Sales Trust Pelanggan Pengguna Firstmedia.
- 7. Customer trust has Positive and Significant Effect on Customer Loyalty User Firstmedia.

#### **MATERIAL AND METHODS**

This study uses associative research. According to Sugiyono (2011), associative research is research that aims to determine the relationship between two or more variables to study, describe, and see the influence between variables terumus on the research hypothesis.

In this research population is all customers who never used the services of the internet service provider PT. Linknet Firstmedia Medanmulai year 2019-2020 and the number of the population is 1.382 The sampling method using peoples. purposive sampling technique. Purposive Sampling is one of non-probability sampling technique where the researcher determines the sampling with how to set the characteristics which special are in accordance with the purpose of research is expected to answer the problem of the study (Sugiyono, 2011). The determination of the sample size in this research is done by using the Slovin formula so that the number of sample of this study amounted to 310 respondents.

Methods of Data Collection primary data and secondary data. Primary Data is data collected directly from the source and processed by the concerned to be utilized. Primary Data is usually obtained from the field survey that uses all the methods of data collection and original (Kuncoro, 2019). Primary Data in this research is obtained by giving the questionnaire to the respondents PT. Linknet Firstmedia Medan, North Sumatra in accordance with the location criteria specified. The questionnaire is a data collection-data by asking questions to the respondents through a list of questions. The questionnaire uses a closed system, i.e. the form of questions that accompanied the alternative answers and the respondents have to choose one of the alternative answers such. Secondary Data is data obtained/dikumpulkanan united by previous studies or published by a variety of instantsi other. Usually the source is not directly in the form of data documentation and archives official. Studies documentation obtained by acquiring data through books, journals, the internet, and literature related to the problems studied.

#### **RESULTS AND DISCUSSION**

The Influence of Service Failure on Customer Trust Based on the results of the test of the direct influence be aware that failure of the service and a significant negative effect on customer trust, where the value of the path coefficient of the failure of the service that is -0,424 where a negative value and also the value of significance of 0.000 < 0.05, which means service failure significant effect on customer trust.

Based on the distribution of the answers to be aware that the questions asked by researchers is negative if the respondents answered disagree and then declares there is a problem, as is well known in a statement "the Actions of the services provided by the company Firstmedia slow" be aware that there are 15 respondents stated strongly agree that it could be interpreted that the respondents stated that the actions of the service provided is slow, it is indeed recognized by some users where when there is a problem related to the network, users feel the handling is slow, moreover, with the process of the complaint were deemed quite convoluted which the user must fill in service through the app but the common server error and even the Firstmedia does not respond. This of course, makes some of the respondents did not believe much less known to the respondents using Firstmedia is an employee and a student/students who would need to be Wi-Fi, which help them in learning and work.

#### The influence of Service Failure on Customer Loyalty

Based on the results of the test of the direct influence of the known service failure and a significant negative effect on customer loyalty, where the value of the path coefficient of the failure of the service that is -0.145 with the value of significance to 0.002 < 0.05, which means the failure of the service have a significant effect on customer loyalty. This is in line with the research of Wang and Zhang (2018), Wingsati and Prihandono (2017) and Damdam (2017).

Based on the distribution of answers is known that the respondents answered

strongly agree on the statement "Often there is a mistake in giving services (complaints handling that is not right)", be aware that some respondents still feel that there is a mistake in the service, it is caused also from service of the firstmedia the slow. Moreover, some respondents argued that the network of the internet Firstmedia often occurring disorders and improvement of Firsmedia very slow. The use of the application is also considered respondents still not good because some of the respondents feel the unsuitability of the price of the app with reality, so also the server from the application of Firstmedia which is often problematic so that the respondents hard to file a complaint. This of course should be further considered by the parties Firsmedia as one of the leading provider of internet services because in the era of a pandemic is a provider of internet services is very competitive. Firstmedia should pay attention to how the service against the respondents because if the expectations of respondents regarding the service has been good it will improve the loyalty of the customer.

#### The influence of Customer Trust on Customer Loyalty

Based on the results of the test of the direct influence is known that the effect of trust on loyalty has positive and significant effect, it is known from the value of the path coefficient that is 0,308 and significance value 0,000 < 0,05, which means that trust has positive and significant effect. The results of this study are in line with research Wingsati and Prihandono (2017) and Bricci, et al (2016).

Based on the distribution of answers of respondents note that respondents own dominant agree to answer, but there are some respondents who answered strongly disagree as in the statement "I am confident that the company Firstmedia able to maintain the security of the customer" where some of the respondents did not agree because the respondents still feel the slow response to handling the issue of the party

Firstmedia. of moreover, some the respondents there are often subjected to complaints the internet and generally rarely responded to by the parties firstmedia. It is certainly affect the confidence of the respondents and make some respondents switch using the company's internet service provider to the other. So also with the statement "I am sure the company Firstmedia will receive any customer complaints with a sincere" which is still considered less good by some respondents, Firstmedia also have an app that can be downloaded by the customer with the name "My Firstmedia" but the application is still considered less good by the respondents where there is still some respondents that difficult to login to the app and also often error payment feature. This is certainly should be noticed by the Firstmedia because with bekurangnya the trust of the customers then it will make the customer so disloyal and make the customer switch to the products/services from other companies.

# The influence of Service Recovery on Customer Trust

Based on the results of the test of the direct influence of the known service recovery has positive and significant effect, where the value of the path coefficient from the recovery service 0,465 and significance 0,000 < 0,05, which means that service recovery has a positive effect and significant impact on trust. The results of this study are in line with Ruspianto and Lestari (2019), Chang and Hung (2018).

Based on the distribution of answers is known that based on the average of unknown respondents still dominant agree with all the statements, however some of the respondents have some problems such as the statement "the Company Firstmedia do apology to customers as a form of corrective action". which according to some respondents parties Firstmedia do not do requests sorry to customers as a form of remedial action, it is approved respondents because usually the Firstmedia not respond to complaints from customers, so also with

the information that bill felt the respondents are not described in detail, so also with the statement "bill payment Facility easy access can be through a grocery / convenience store" that is easily done by the respondents but the common error in the payment. This is certainly an important task of Firstmedia in improving recovery services.

#### The influence of Service Recovery on Customer Loyalty

The test results directly show that the restoration of service has positive and significant effect on customer loyalty, it is known from the value of the path coefficient from the recovery service namely 0,531 and significance 0,000<0,05, which can be drawn the conclusion that service recovery has a positive effect on customer loyalty. This is in line with the research of Chang and Hung (2018), Cheng et al (2018), Sanwani (2018), Wingsati and Prihandono (2017) and Hartanto (2017).

Based upon the distribution of respondents ' answers known to the respondents to give answers that the average agree, but there is a problem according to some respondents associated with the restoration of services namely in the statement "the Company Firstmedia take remedial action quickly" where some of the respondents felt that the corrective actions provided by the Firstmedia is still slow and not even responded, the respondents themselves up over and over again time to contact the Firstmedia so the complaint is responded, so also with the application "My FirstMedia" which also does not help the respondents in listening to his complaint, it should certainly be noted by the Firstmedia where should the application of Firstmedia own should be able to handle complaints from pelanggam, if the customer is not taken then the customer will be disappointed and switch to a competitor company.

#### The influence of Service Failure on Customer Loyalty through Customer Trust

Based on the test of the indirect effect is known service failure and a

significant negative effect on customer loyalty through trust, it is known based on the value of the path coefficient that is -0,131 and significance 0,000<0,05, therefore, concluded that the failure of the service and a significant negative effect on customer loyalty through trust. This is in line with the research of La & Choi (2012).

Based on the distribution of respondents' answers show is still a few respondents who felt the statement with the services of Firstmedia as well as the response of the Firstmedia that it is still slow so as to make the respondents have not felt confident with the ability Firstmedia to meet the needs of customers so it is certainly affect the customer loyalty. Service aspects are important in influencing the behavior of consumers, if consumers feel the lack of good service provided then the consumers will prefer products/services other kind that can make consumers feel satisfied. In this aspect parties Firstmedia should also pay more attention to how the handling of the failure of a service to consumers believe and can make the customers loval with the company Firstmedia.

#### The influence of Service Recovery on Customer Loyalty through Customer Trust

Based on the results of the test of the indirect effect is known that the restoration of service has positive and significant effect on customer loyalty through customer trust, it is known from the value of the kofisien line that 0,143 and significant value 0.000<0.05, which means that service recovery has positive and significant effect on customer loyalty through customer trust. This is in line with penelitian Liwijaya (2017) and Melisa and Asnawati (2017).

Based on the distribution of answers of respondents note that respondents still feel some of the statements that are less well related to the statement given, some respondents still feel that the complaint of the respondents still slow when responded and also requires a fairly long duration

when the response so that the respondents do not feel confident that the Firstmedia responsible to its customers, this will certainly bring the impact of that is bad enough to Firstmedia because it will affect the image of Firstmedia for new customers, especially old customers themselves will not recommend Firstmedia to other people. From Playstore also be aware that the application Firstmedia also still not good where it is known through the comments of customers who are of course many things that must be repaired. This is certainly an important task of Firstmedia which should be a lot of improvements in order to be better in the future.

#### CONCLUSIONS AND RECOMMENDATIONS CONCLUSIONS

Based on the purpose of the research and the results of the research are then able to deduce the following:

- 1. Service failure and a significant negative effect to Customer Trust Users Firstmedia.
- 2. Failure of Service and a significant negative effect on Customer Loyalty User Firstmedia.
- 3. Customer trust has positive and significant effect on Customer Loyalty User Firstmedia.
- 4. Service recovery has a positive effect and lsignifikan to Customer Trust Users Firstmedia
- 5. Service recovery has a positive effect and significant Customer Loyalty User Firstmedia.
- 6. Service failure and significant positive effect on Customer Loyalty through Customer Trust Users Firstmedia.
- 7. Service recovery has positive and significant effect on Customer Loyalty through Customer Trust Users Firstmedia.

#### RECOMMENDATIONS

Advice researcher from the research that has been done is as follows:

- 1. Service failure and a significant negative effect on customer loyalty, it is shown that if the lower the failure of service, then customer loyalty will be higher, in this case Firstmedia should further minimize the failure of the service due to the failure of the service can be a aspect in influencing customer trust and loyalty. The thing that becomes a problem in the failure of the service is the service of the Firstmedia which is still considered slow, it certainly needs to be repaired, should Firstmedia pay more attention to human resources which should be done education and training to be able to do good service, so also the Firstmedia own should do the monitoring of the employees about how the service is to the customer. It is also important to Firstmedia do a survey to customers to Firstmedia can find out what the flaws of Firstmedia own. because Firstmedia itself as a provider of services of course how services will be noticed by the consumer, the number of competitors would make Firstmedia to improve how services to consumers.
- 2. Service recovery has positive and significant effect on customer loyalty and also through trust, this indicates that the Firstmedia should be preserved and should be improved. Problems in the restoration of the service is still the latest company Firstmedia in responding to customer complaints, in this is indeed a service of Firstmedia is considered bad by the respondents due to the many respondents who give a complaint but not responded to by the parties Firstmedia. This is certainly a thing that must be fixed by Mudah, Mudah own have to pay more attention to human resources, especially in the field of call because the handling center, of complaints generally be the work of the call center and admin, it could be that the section is still a shortage of HUMAN resources so as to make all the complaints of customers can't be responded to. It is therefore important

for the First Media to pay more attention to Hr and also provide training in order to provide quality service for customers.

- 3. The trust also has positive and significant effect on customer loyalty, it is proved that the trust be aspects that affect and can also be a variable that is bridging the gap between service failure and service recovery. Things become a problem in the trust is where the respondents felt that Firstmedia not meet the needs of customers because they still have not been able to meet customer needs, so also with the customer complaint is still not acceptable with the sincere, where there is still a lack of response from the Firstmedia in the handling of a complaint, also known application of Firstmedia itself is still less well where the still frequent server error and also other issues that many customers are giving the review in the comments column that app in Playstore. In this case the Firstmedia must be able to maintain the trust with the consumer, known also Firstmedia occupy the position of the second order as a provider of internet services after indihome, which should have very good service, so also with the application of Firstmedia that need to be developed because there are still many errors the server. Of course it is important for Firstmedia because with a good application of Firstmedia it will make satisfaction for the customer, because of the ease of use of the application will create loyal customers
- 4. Further research is expected to in order to further expand this study, further research could add other variables such as Social Media Marketing, Customer Satisfaction and Customer Experience or can be researching a provider of services to other similar because the future is now.

#### REFERENCE

- 1. Abdurrahman, N.H., 2015. Manajemen Strategi Pemasaran, Bandung: CV. Pustaka Setia.
- Salim, dkk. (2018). Focusing on Complaints Handling for Customer Satisfaction and Loyalty: The Case of Indonesian Public Banking. International Journal of Theory and Practice.
- 3. Alfani AD (2017). Dampak Type of Service Failure dan Service Recovery Strategy terhadap Anger dan Customer Loyalty. Jurnal Repositori Universitas Airlangga.
- 4. Boon Liat Cheng *et al* (2018). Service Recovery, Customer Satisfaction and Customer Loyalty: Evidence from Malaysia's Hotel Industry. *International Journal of Quality and Service Sciences*.
- Briciet al (2016). The Effects of Trust, Commitment and Satisfaction on Customer Loyalty in the Distribution Sector. International Journal of Business and Management 4 (2).
- 6. Mowen, John dan Michael Minor. 2012. Perilaku Konsumen. Jakarta: Erlangga.
- Chia-Chi Chang and Jung-Sung Hung (2018). The Effect of Service Recovery and Relational Selling Behavior on Trust, Satisfaction, and Loyalty. *International Journal of Bank marketing*. https://doi.org/10.1108/IJBM-07-2017-0160.
- Damiyana Damdan (2017). Hubungan Kegagalan Layanan dan Loyalitas Pelanggan Pada Perusahaan Penerbangan Komersial. Jurnal Lentera Bisni. Vol. 6 No. 1/ISSN 2252-9993
- 9. Fajar, Laksana, 2008. Manajemen Pemasaran. Yogyakarta: Penerbit Graha Ilmu.
- Fryta Ganita (2019). Pengaruh Service Recovery Terhadap Loyalitas Pelanggan dengan Kepuasan sebagai Variabel Mediasi. Jurnal Ilmu Manajemen Vol. 7 No. 1 Universitas Negeri Surabaya.
- 11. Ghozali, Imam, 2013. Aplikasi Analisis Multivariate dengan Program SPSS. Yogyakarta: Badan Penerbit BPFE.
- Helmi dan Andjarwati (2019). Pengaruh Kualitas Layanan dan Pemulihan Layanan Terhadap Loyalitas Pelanggan dengan Kepuasan sebagai variabel Intervening (Studi Pada Nasabah Bank Mandiri di Surabaya). Jurnal Ilmu Manajemen Vol. 7 No. 1 Universitas Negeri Surabaya.

- 13. Hartanto J (2017). Pengaruh Pemulihan Layanan Terhadap Loyalitas Pelanggan Pada Belanja Online. *Jurnal Manajemen Pemasaran Petra*.
- 14. Henry Jones (2015). Putting it Right: Service Failure and Customer Loyalty in UK Banks. *International Journal of Bank Marketing*.
- 15. Hoffman & Batteson (2016), "Persepsi kebutuhan keadilan dan evaluasi pemulihan: kontingensipendekatan", *European Journal of Marketing*, Vol. 34 No. 3/4, hlm.418-433
- 16. Hurriyati, Ratih, *Manajemen Pemasaran Jasa dan Bauran Pemasaran*, Jakarta: Alfabeta, 2010.
- Keller, Kevin Lane and Kotler, Philip.2016. Marketing Management. Edition 15. England: Pearson Educational Limited.
- Kotler, Philip and Gary Amstrong. 2016. Prinsip-prinsip Pemasaran. Edii13. Jilid 1. Jakarta:Erlangga.
- 19. Kuncoro, Mudrajad. 2019. Metode Riset untuk Bisnis dan Ekonomi. Edisi 3. Penerbit Erlangga.
- 20. Lovelock, Christopher, Jochen Wirtz, & Jacky Mussry. 2011. Pemasaran Jasa. edisi 7. Jakarta: Erlangga.
- 21. Manap A. 2016. Revolusi Manajemen Pemasaran. Edisi Pertama, Mitra. Wacana Media, Jakarta.
- 22. Mayer, K.*et al.* (2015), "Hubungan antara perilaku mengeluh konsumen dan pemulihan layanan: sebuah integrativereview", *Jurnal Internasional Manajemen Perhotelan Kontemporer*, Vol. 22 No. 7, hlm.975-991.
- 23. McColl-Kennedy, JR dan Sparks, BA (2013), "Penerapan teori keadilan untuk kegagalan layanan danpemulihan layanan", *Jurnal Penelitian Layanan*, Vol. 5 No. 3, hlm.251-266.
- 24. Melisa dan Asnawati (2017). Pengaruh Service Recovery terhadap Loyalitas yang di Mediasi Kepuasan Konsumen pada Jasa Bengkel Sipatuo Motor. *Prosiding Seminar Nasional Manajemen dan Ekonomi Bisnis Vol. 1.* Universitas Mulawarman.
- 25. Morgan, *et al.* (2019), "Teori komitmenkepercayaan pemasaran hubungan", *The Jurnal Pemasaran*, Vol. 58 No. 3, hlm. 20-38.
- 26. Parasuraman, A. (2011), "Sebuah model matematis dari kegagalan layanan danstrategi pemulihan", *Ilmu Keputusan*, Vol. 35, No. 3, hlm.493-525.

- Priyanko Guchait *et al* (2018). Examining Stealing Thunder as a New Service Recovery Strategy: Impact on Customer Loyalty. *International Journal of Contemporary Hospitality Management*. https://doi.org/10.1108/IJCHM-02-2018-0127.
- 28. Raquel Tabita, dkk (2017). Analisa Pengaruh Service Recovery Terhadap Loyalitas Konsumen. *Jurnal Hospitality dan Manajemen Jasa* Vol. 5 No.2.
- 29. Reichheld, FF, Markey, RG, Jr. dan Hopton, C. (2016), "Efek loyalitas-hubungan antaraloyalitas dan keuntungan", *European Business Journal*, Vol. 12 No. 3, hlm.134.
- 30. Rohmat Khoiri (2017). Pengaruh Service Recovery terhadap Loyalitas Pelanggan. Jurnal Manajemen Universitas Muhammadiyah Purworejo.
- Roshana Gul (2014). The Relationship between Reputation, Customer Satisfaction, Trust, and Loyalty. *Journal of Public Administration and Governance* Vol. 4 No. 3. ISSN 2161-7104.
- 32. Schiffman, L.G., Hansen, H. and Kanuk, L. (2011) Consumer Behavior: A European Outlook. Financial Times Prentice Hall, New York.
- Situmorang, Syafrizal Helmi dan Muslich Lufti. 2012. Analisis Data untuk Riset. Manajemen dan Bisnis. Edisi 2. Medan: USU Press
- 34. Soussa, R. Voss C. (2019). The Effects of Service Failures and Recovery on Customer Loyalty in E-Service An Empirical. International Journal of Operations and Production Management Vol. 29 No. 8. ISSN: 0144-3577.
- Sugiyono. 2011. Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Cetakan 14. Bandung: Alfabeta.
- 36. Suna La and Beomjoon Choi (2012). The Role of Customer Affection and Trust In Loyalty Rebuilding After Service Failure And Recovery. *The Services Industries Journal* Vol. 32 No. 1.
- 37. Susanto. 2014. Value Marketing. Paradigm Baru Pemasaran. Quantum Bisnis dan Manajemen, Jakarta.
- Tjiptono, Fandi. 2015. Pemasaran Jasa. Edisi 4. Yogyakart: Andi Offset. 4.
- 39. Top Brand Award.(2020). Top Brand Index. Diakses 10 Juli 2020. www.topbrandindex.com.2019.

- 40. Vania Valencia Liwijaya (2017). Pengaruh Service Recovery Terhadap Customer Loyalty dengan Customer Satisfaction Sebagai Variabel Perantara Pada Restoran Di Surabaya. Jurnal Manajemen Pemasaran Petra.
- 41. Xuhui Wang and Qilin Zhang (2018). Does Online Service Failure Matter to Offline Customer Loyalty in the Integrated Multi-Channel Context? The Moderating Effect of Brand Strength. *International Journal of Service Theory and Practice*. https://doi.org/10.1108/JSTP-01-2018-0013.
- 42. Wingsati Wahyu Eka dan Dorojatun Prihandono (2017). Pengaruh Penanganan

Kegagalan Layanan, Kepercayaan, dan Gaya Hidup Terhadap Loyalitas Pelanggan Melalui Kepuasan. *Management Analysis Journal*.

43. Zemke, R., Connellan, T. (2010), *Layanan Elektronik*, AMACOM, New York, NY.

How to cite this article: Pertiwi S, Lubis AN, Absah Y. The influence of service failure and service recovery towards customer loyalty of Firstmedia service users with customer trust as an intervening variable. *International Journal of Research and Review*. 2021; 8(1): 693-705.

\*\*\*\*\*