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THE EFFECT OF SERVICE QUALITY DIMENSION ON CUSTOMER SATISFACTION MODERATED WITH *TANGGUNG RENTENG* COMMITMENT

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Abstrack. This study empirically investigated the effect of service quality on customer satisfaction that was moderated with *tanggung renteng* (joint) commitment. This is considered as an iconic assurance by female cooperative members in East Java. In this study, 149 questionnaires were distributed to 40 groups of cooperative members in Surabaya. The results indicated that the *tanggung renteng* commitment moderated the impact of significant reliability, responsiveness, and quality assurance as the service dimensions on customer satisfaction. However, the *tanggung renteng* commitment was not significant in moderating empathy and tangible as the dimension of service quality for customer satisfaction.

Keywords: service quality, *tanggung renteng*, customer satisfaction.

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1. Introduction

Nowadays, customers are more apprehensive on service quality. The service sector is required to provide excellent services to customers for its sustainability of competitive advantage. Guo, et. al. (2008) argues that maintaining customers should be derived on services due to various factors that contribute different power on services. Moreover, Naeem and Saif (2009) convey that banks possess distinct power against their competitors by providing higher quality on customer service. The adequate delivery of customer service is in relation to progressive operational activities. The competitiveness of banking industry and non-bank financial institutions is primarily evolved on customer satisfaction as their success achievement.

Service quality is inferred as a key strategy to operate a service industry as well as to achieve its business success (Spathis et al., 2004). The service provider needs to afford excellent service quality that can increase its customer satisfaction. In turn, it can attain ongoing competitive advantages. For this, Duncan and Elliot (2004) find that a company is indicated having exceptional customer services if its profit increases 72% per employee. The customer service is extended from service quality as the result of customers' needs and perceived services (Lewis & Mitchell, 1990). Yet, Douglas and Connor (2003) criticize service quality in a business that service quality difficulties can be measured from its distinctive service characteristics, e.g.: tangibility, diversity, inseparability, and durability. Therefore, the accomplishement of service quality require a particular framework to measure and identify the denotation of quality itself. In this study, the framework refers to SERVQUAL model developed by Parasuraman et al. (1985; 1988) and Zeithaml et al. (1990) with five dimensions for measuring service quality, i.e.: intangibility, reliability, responsiveness, assurance, and emphaty.

Obviously, customers assess a service quality in accordance with their expectation. A customer's satisfaction is accomplished when a company is able to fulfil his or her desire and expectations. On the other hand, customers may dissatisfy when their perceived services are not completed by the company. Indeed, a service quality precedes customer satisfaction by forming relationships (Oliver, 1993). Other researchers measure customer satisfaction and service quality in broader concept; while the service quality refers to service dimensions (Wilson, et al. 2008: 58). The relationships between service quality and customer satisfaction are also essential to escalate the awareness of bank customers and to address a consideration for bank marketing managers (Sureschander, et al., 2002). Therefore, understanding customers' good perceptions on banking and service organizations may address actions that are required to fulfil the customers's needs.

Customer satisfaction is one of crucial elements to run a business and to achieve its missions. Magesh (2010) identify satisfaction when customers feel satisfactory on a service as their needs, wants, and expectation. The satisfaction also influences an organization in providing future services, in positioning market security, and in achieving organizational objectives (Perng, 2007). Providing more admirable services is a method to retain customers' satisfactory and loyalty. Tsoukatos and Rand (2006) argue that customer satisfaction is the key to long-term business success. Ensuring customers to be satisfied will maintain and protect business market shares to ward off competitors who also offer better service quality. Berry et al. (2002) draw customer satisfaction as an important momentum to establish competition among banks or other service organizations that have competitive advantages. In addition, Razak et al. (2007) categorize satisfaction as result of customers' evaluations and experience on a service. According to Cronin et al. (2000), when the customer repeatedly satisfy will add experience and create new customers due to positive messages that are continuously communicated to others. Customer satisfaction represents real wealth for service organizations to ensure long-term profitability in a competitive business world (Chakravarty et al., 1996). It is also defined as the collection of feelings or perceieved results that are experienced by customers on a perceived service (Solomon, 1998). So, the service providers should be able to assure customer satisfaction

In this study, the unit of saving and loan is described as a business entity within a cooperative. This is a popular unit among cooperative members. The saving and loan unit generally have receivable accounts (the loans for members) in the range of 70% to 80% of all cooperative assets. The cooperative also has to focus on risk factors so that the category of loan quality is distinguished into current receivables, doubtful or non-performing receivables, and unpaid or bad credit. The cooperative applies service relations in fulfilling services for member, instead of transactional relations of which members borrow or save money are charged and of which non-members incur interest. The saving and loan unit is categorized as a service organization since it meets the needs of cooperative members. The model in a cooperative is known as "*tanggung renteng*" (joint liability) as outlined in the association articles and technical operation of the cooperative rules. The model has a unique characteristic for savings and loan so that the operations require its members' strong commitments. The cooperative group can be established by at least 15 to 30 people. Each group is coordinated by a person in charge who is responsible to make the sealed statements is consisting some aspects (togetherness, honesty, discipline, mutual trust, and responsibility). The statement also includes an agreement for members who will borrow money to the saving and loan unit with "*tanggung renteng*" as their grouping commitment. Luthan Fred (2005:

249) assumes that an organizational commitment leads to each member's strong desire to remain in group, to accomplish the organizational wishes, and to accept the cooperative beliefs, values and goals.

In this context, each cooperative member must have loyalty to the cooperative to achieve its continuous progress and success. The commitment of *tanggung renteng* guarantees all members to persevere their cooperative membership as well as to maintain their cooperative continuity. Each member should identify their position and loyalty to advance the cooperative success. Moreover, the *tanggung renteng* commitment brings an impact on the amount of loan in relation to the service quality and customer satisfaction. These dimensions may empirically moderate to strengthen or to weaken the relationship between service quality and customer satisfaction. Thus, this study investigated the dimensions of service quality, customer satisfaction, and *tanggung renteng* commitment as moderation to acquire loans to meet their daily needs. The purpose of this study was to analyze and ascertain each dimension of service quality affecting customer satisfaction which was moderated with the *tanggung renteng* commitment.

2. Literature Review

Customer Satisfaction

Satisfaction refers to how customers assess products or services. According to Zeithaml and Bitner (2003: 75), it is defined as the customers' assessment of expectations and needs on products or services. In contrast, the customers will feel dissatisfaction when they are failure to match their expectations and needs on the product or service. Kotler and Keller (2012: 150) outline satisfaction as the feeling of pleasure or disappointment that someone produces as the result of comparing the performance and the expectation on a product or service. Moreover, Kotler et al. (2009: 136) convey that customer satisfaction refers to the availavility of products or services as the customers' needs and desires. Customer satisfaction is considered very important to maintain customer presence. Therefore, the customers are always retained key factors to maintain customer satisfaction.

Kotler and Armstrong (2010: 159) define satisfaction as a customer's contented or disappointed feelings after comparing the performance and experience of products or services with the expected reference. Zeithaml (2009) measures satisfaction or dissatisfaction as the capability assessment of products or services that meet the needs or expectations of customers. Therefore, service companies must be able to ensure that customer satisfaction is in relation to goods or services that the customers receive or feel. Drawing to Kotler et al. (2009: 141), the attributes of customer satisfaction include: (1) attributes relating to products or goods; (2) attributes relating to services; and (3) attributes relating to purchases. Therefore, the attributes that are relevant in this research disclose to services in order to acquire loans for cooperative members in the savings and loan units within a cooperative organization.

Dimension of Service Quality

Service quality can be impressed by customers a determining factor to escalate an organization's competitive advantage. The impression can be in good or bad services that they experience or feel. The higher or lower service quality relies upon the customers' feelings on a company's service. Zeithaml et. al. (1990: 18) states that a service quality is valued higher when it meets a customer's expectation. The quality gets a portion to be valued by customers through their different understanding between expectation and performance for each dimension of service quality. Zeithaml and Bitner (2003: 86) also state that a service encounters important events that critically consider customers to be satisfactory and loyal. The customers' first impression on a company's service generates their particular level of service quality. If the service encounters arise repeatedly between customers and companies and have good impact, so the inclusive service quality and customer value will be accumulated as good determination. This can be indicated that the customers feel satisfactory that can lead for their loyalty to the company. In providing an assessment of service quality, the customers need to consider five dimensions, e.g.: reliability, ability to respond, and the certainty or guarantee, empathy, and manifestation (Zeithaml et al. 1990: 26). These dimensions are assumed as the proxy variables that show how consumers organize information regarding the quality of services in their minds.

Joint Commitment

Organizational commitment refers to one's strong willingnes to remain as members following the organizational aspirations and beliefs as well as accepting its valuae and goals (Fred, 2005: 249). In other words, it is an attitude reflecting loyalty to an organization's success and progress continuity. Comitment is also identified as an individual's willingness to work on behalf of an organization (Noe, 2000: 364) and as one's attitude degree to assign him self within an organizational's goals (Robbins, 2001: 69). Moreover, Herscovitch and Meyer (2002: 480) state that commitment is the members' continuous involvement, cohesiveness, control involvement, positive attitude, accountability, consistency, and proactiveness in adopting and adapting all changes and progress of the company. While, Roberts and Hunt (1991: 145) classify three different forms and complement of commitment: (1) continuity commitment (a person's dedication for the survival of an organization); (2) cohesiveness commitment (the proximity to social relations within an organization); and (3) control commitment (the proximity to values or norms in accordance with the organizational objectives). Herscovitch and Meyer (2002: 480) characterize commitment as individual's duties and responsibilities to professional manner. In addition, commitment is identified as one's a feeling of involvement and loyalty to the organizational rules (Gibson, 2000: 315). So the commitment is one's perspective on his insignificant to total involvement within an organization.

Research Hyphotheses

Quality and customer satisfaction are considered having crucial roles in achieving business success as well as in surviving competitive market within a longer period. Oliver (1993) argues that service quality is presented prior the customer satisfaction. Its construction is resulted from each dimension of service quality that can elevates customer satisfaction. The relationships between customer satisfaction and service quality are figured from their precise dimension in meaning and measurement. Wilson et al. (2008) state that customer satisfaction is conceptually limited, whereas service quality is conceptually examined as the dimensions that are reflected with reliability, ability to respond, certainty or guarantee, empathy, and realization.

In particular, the reliability criteria are defined by Zeithaml et al. (1990: 18) as the accuracy, trustworthiness, and goodness towards the service performance to customers. While, the ability to respond is demonstrated by service providers to help customers, to provide immediate services to customers, and to respond customers' complaints and difficulties quickly (Zeithaml et al., 1990: 19-20). Then, the certainty or guarantee of service quality refers to a service provider's hospitality expressions, knowledge, and inspiration to customers who perceive trust and confidence. The criteria for service certainty to members include the provider's good understanding about its service information, friendliness, and ability to maintain customer's confidence and trust (Zeithaml et al. 1990: 21-23). Furthermore, emphaty is described when a service provider cares and gives attention to customers personally. Obviously, the manifestation of service quality commences physical facilities, equipments, personnels, and written materials that attact customers. Its criteria also include service layouts, available equipment and uniform in providing services to members. (Zeithaml et al., 1990 : 26).

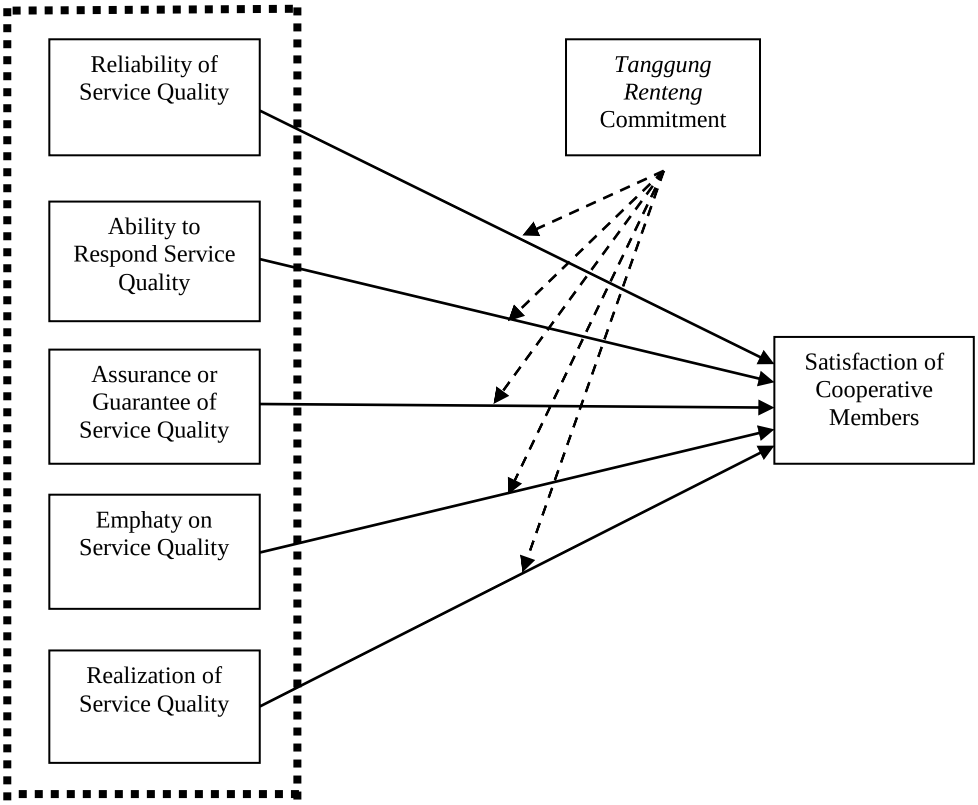
Service quality is generally assumed as a measurement on how a service level has been given as a customer's expectation. According to Iqbal, et al. (2017), the service quality and brand image have a significant effect on customer satisfaction; the service quality has no significant effect on customer loyalty; the brand image has no significant effect on customer loyalty; the customer satisfaction mediates a significant effect on service quality and brand image on customer loyalty, the customer satisfaction has a significant effect on customer loyalty that is moderated with complaint handling. Tjiptono (2003: 137) states that the perceived service quality is an evaluation process when customers compare their expectations with their perceived services. Lupiyoadi (2001: 69) argues that the service quality is closely related to customer satisfaction. Kotler et al. (2009: 36) confirms that the satisfaction refers to the customers' preference or disappointment after comparing products performances. Then, Zeithaml and Bitner (2003: 74) convince that customer satisfaction is influenced by product quality, service quality, and product or service prices.

In this study, a cooperative is a business unit that operates savings and loan to meet the needs and desires of cooperative members by carrying out *tanggung renteng* (joint commitment) as the requirement for having loans. This commitment is a catalyst in succeeding the relational dimensions of service quality and customer satisfaction. As the proxy, the customers of this study are focused on active members within the cooperative. Therefore, this study intended to evaluate the relationships between dimensions of service quality and customer satisfaction that are moderated with *tanggung renteng* commitment. These are formulated as the following hypothesis:

H1: There is an effect of service quality reliability on customer satisfaction that is moderated with *tanggung renteng* commitment.
H2: There is an effect of capability in response to service quality on customer satisfactionthat is moderated with *tanggung renteng* commitment.
H3: There is an effect of service quality certainty or security on satisfaction customer that is moderated with *tanggung renteng* commitment.
H4: There is an effect of serviceemphaty of on customer satisfaction that is moderated with *tanggung renteng* commitment.
H5: There is an effect of service quality manifestation on customer satisfaction that is moderated with *tanggung renteng* commitment.

Conceptual Framework

The following conceptual framework shows the relationships among service quality dimensions towards customer satisfaction that is moderated by *tanggung renteng* commitment.



(Zeithaml & Bitner, 2003:72-81; Tjiptono, 2003:137; Lupiyoadi, 2001:69; Fred, 2005:249; Herscovitch & Meyer, 2002:480; Roberts & Hunt, 1991:145)

Figure 1: Dimensions of Service Quality

This figure draws some theories. Reffering to Zeithaml and Bitner (2003:72- 81), the service marketing, in the context of customer satisfaction, is affected with the service quality dimension and is proxied with customer satisfaction variable. Tjiptono (2003: 137) and Lupiyoadi (2001: 69) consider service quality as the process of evaluating expected results. This is in relation to customer satisfaction. Moreover, joint commitment that in this study is named as *tanggung renteng* commitment is considered as the moderation for service quality dimension. Such commitment is conveyed by Luthan Fred (2005: 249) affecting customer satisfaction. Then, Herscovitch and Meyer (2002:480) as well as Roberts and Hunt (1991:145) confirm that organizational commitment refers to the individuals' strong willingness to remain as members of an organization based on its beliefs, values and goals. So their continuous involvement, cohesiveness involvement, control involvement, positivity, accountability, consistency, and proactivity can adopt and adapt to all changes for the progress of the business entity

3. Method

Research Types, Population, and Samples

This study was conducted as explanatory and causal research in order to explain the causal relationships between service quality dimension and customer satisfaction moderated with *tanggung renteng* commitment. The population were all cooperative members who were registered until the end of 2018. The female members of *"Waspada"* Cooperative in Surabaya were 1,873 people. They were characterized as active members that were registered as stoppage representatives for a minimum of 10 years (from 2009 to 2018) and that had borrowed to the savings and loan business unit with minimum of 2 loan terms. Their minimum education was high school/vocational education or equivalent. So the samples were 150 women as respondents with proportional random sampling. There were 40 groups of members as the proportional determination with the total of 149 people.

Data Collection

In this study, data was collected by distributing questionnaires to the cooperative members. Then, the questionnaires were examined and demonsrated for data processing

Variable Identification and Operational Definition

This study included some variables. The indogenous variable was service quality; the exogenous variable was customer satisfaction; and the moderating variable was *tanggung renteng* commitment. While the operational definition of customer satisfaction is the cooperative members' feeling of satisfaction or disatisfaction by comparing the perceived service performance to get a loan with the perceived expectation after getting a loan. The indicators include attributes in relation to the product or amount of borrowed money, services to get borrowed money, and the process of getting the loan. As this study focused on savings and loan business units within cooperatives, the indicators also referred to the loan size, loan term, loan services that must be met, and loan repayment of the loan. Second, service quality is defined as the members' perception in assessing a service that meet their expectation. Third, reliability is defined as the ability of saving and loan unit to perform its services that are perceived by its members. If the service performance is indicated good, so the cooperative service is trusted and accurate. Fourth, responsiveness is characterized as the willingness and competence of saving and loan unit to assist cooperative members' difficulties, to respond complaints, and to serve them quickly. Fifth, the assurance is the ability of savings and loan unit to provide certainty or guarantee cooperative members. Its indicators are hospitality in providing services, knowledge in providing services, ability in impressing its members' trust and confidence to lend. Sixth, empathy is defined as the capability of savings and loan unit to pay attention to cooperative members who need loan and who tend to save money. Then, tangibles are all visible things that turn into the identity and needs of saving and loan unit. Its indicators are physical facilities, equipments, personnels, and written materials to provide services to cooperative lenders. Last, joint commitment or *tanggung renteng* commitment is described as the members' high desire to maintain themselves being cooperative members following the cooperative's goals, objectives, beliefs, and values. The membership continuity involves their cohesiveness, control involvement, positivity, accountability, consistency, and proactivity to adopt and adapt all changes in the cooperative. The indicators include their engagement to behave honestly, the mutual burden among members, their ability to be supervised, positive attitude towards applicable regulations, burden responsibility, onsistency with accountability, and proactivity towards all cooperative regulations.

Data Analysis Technique

The data analysis applied Structural Equation modeling (SEM) that showed the complexity of the causal relationship between Reliability (X1), Ability to Respond (X2), Assurance (X3), Empathy (X4), Manifestation (X5) with Customer Satisfaction (Y2). On each causal relationship between variables, there was a moderating relationship, i.e. Shared Commitment (Y1). The results of analysis showed the effect of service quality on customer satisfaction. This can be moderated to strengthen or weaken the possibility of pretense moderation (quasi moderating) or not moderating the effects between variables.

Validity Testing and Questionnaire Reliability

As the validity testing, this research showed that all question items had a significance value of Pearson product moment correlation <0.05. So the question items measuring the research variables were indicated valid. The data reliability test was presented with the calculation of Cronbach's alpha method of which the question items had a Cronbach's alpha value> 0.7. So the question items measuring the research variables were considered reliable.

Analisis Structural Equation Modeling (SEM)

The analisis of Structural Equation Modeling (SEM) evaluated the measurement model through validity testing. In fact, this met convergent validity because the standardized regression weight indicator (lambda/ loading factor) ≥ 0.50; and the reliability testing was evaluated with construct reliability. The results were reliable since the construct reliability values were greater than 0.70. SEM estimation results were presented as the following figue:

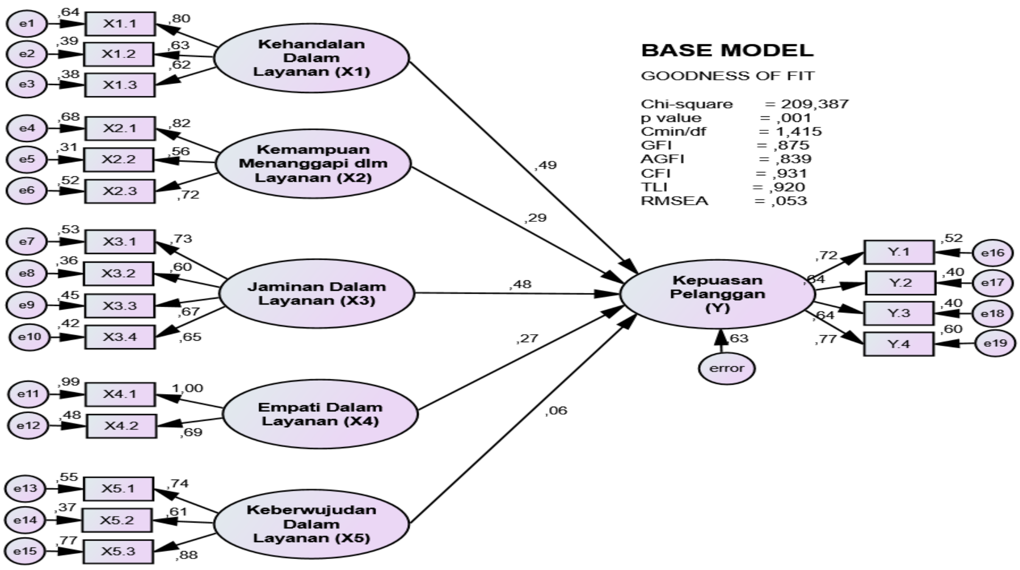


Figure 2: SEM Estimation Result (*Base Model*)

Table 1: ***Goodness of Fit*** **Value and** ***Cut off Value*** **SEM**

Criteria	Model Testing Results	Critical Value	Notes
Probability X^2 Chi square	0.001	≥ 0.05	*Not Fit*
Cmin/DF	1.415	≤ 2.00	*Fit*
RMSEA	0.053	≤ 0.08	*Fit*
GFI	0.875	≥ 0.90	*Marginal fit*
AGFI	0.839	≥ 0.90	*Marginal fit*
TLI	0.920	≥ 0.90	*Fit*
CFI	0.931	≥ 0.90	*Fit*

This table presented the overall model or goodness of fit. The results showed the criteria of match with better index (fit or marginal fit), so the SEM model was accepted. While, the R-Square resulted R2=0.631 for the variable Customer Satisfaction. This indicated that customer satisfaction of 0.631 means 63.10% of customer satisfaction that could be explained with reliability, ability to respond, assurance or guarantee, empathy, and manifestation in services. The remaining 9%was explained by other variables.

Hyphothesis Testing

Testing Direct Effects between variables

The direct testing affects variables as explained below:

Table 2: Testing direct effects between variables

Relations between Variables			Coeficient	C.R.	*P-value*	Note
Reliablity on service (X_1)	→	Customer satisfaction (Y)	0.489	4.481	0.000	Significant
Ability to respond service (X_2)	→	Customer satisfaction (Y)	0.287	3.109	0.002	Significant
Service guarantee (X_3)	→	Customer satisfaction (Y)	0.483	4.735	0.000	Significant
Empathy in service (X_4)	→	Customer satisfaction (Y)	0.268	3.373	0.000	Significant
Manifestation on service (X_5)	→	Customer satisfaction (Y)	0.063	0.782	0.434	Not significant

First, the results of estimated parameters on the effect of reliability on customer satisfaction showed significant. The resulting effect coefficient was 0.489 (positive), so the higher reliability meant higher customer satisfaction. The reliability had a positive and significant effect on customer satisfaction. Second, the estimation results on the parameter affected the ability to respond to customer satisfaction proved a significant effect. The resulting coefficient effect was 0.287 (positive). So the higher ability to respond meant the higher customer satisfaction. The ability to respond positively and significantly affected customer satisfaction. Third, the results of estimated parameters of assurance on customer satisfaction showed a significant effect. The result of coefficient effect was 0.483 (positive), so the higher assurance meant the higher customer satisfaction. The guarantee had a positive and significant effect on customer satisfaction. Fourth, the effect of empathy on customer satisfaction showed significant. The resulting coefficient effect was 0.268 (positive), so the higher empathy indicated higher customer satisfaction. The empathy had a positive and significant effect on customer satisfaction. Fifth, the results of manifestation on customer satisfaction had no significant effect. The resulting coefficient was only 0.063, meaning that the higher manifestation of not being able to have a real impact on increasing customer satisfaction, meaning the insignificant effect on customer satisfaction.

Testing Moderating Effects between Variables

This table is showing moderating effects of *tanggung renteng* commitment as a moderating variable. On the first hypothesis, the estimation results of the interaction effect of X1 * Z on Y was significant. The joint (*tanggung* renteng) commitment moderated the effect on customer satisfaction. The coefficient of significant interaction effect was 0.023 (positive). This meant that joint commitment could strengthen the effect of reliability on customer satisfaction. So the first hypothesis (H1) can be accepted.

Table 3: Testing hyphothesis of moderating effects

Hip.	Moderating Effects			Coefficient Interaction Effect	C.R.	*P-value*	Notes
H_1	Interaction $X_1 * Z$	→	Y	0.023	4.848	0.000	Significant Interaction
H_2	Interaction $X_2 * Z$	→	Y	0.014	3.570	0.000	Significant Interaction
H_3	Interaction $X_3 * Z$	→	Y	0.013	4.814	0.000	Significant Interaction
H_4	Interaction $X_4 * Z$	→	Y	0.006	1.592	0,100	Insignificant Interaction
H_5	Interaction $X_5 * Z$	→	Y	0.005	1.524	0.120	Insignificant Interaction

Second, the interaction effect of X2 * Z parameters on Y was significant, meaning that the commitment moderated the effect of the ability to respond to customer satisfaction. So the *tanggung renteng* commitment could strengthen the effect of responsiveness ability on customer satisfaction. So the second hypothesis (H2) was accepted. Third, the results of interaction effect of X3 * Z on Y was significant. The joint commitment moderated the effect of assurance on customer satisfaction; and this could strengthen the effect of guarantees on customer satisfaction. So, the third hypothesis (H3) was accepted. The fourth hyphothesis estimated the interaction X4 * Z on Y was not significant. In other words, the *tanggung renteng* commitment did not moderate the effect of empathy on customer satisfaction. So, the fourth hypothesis (H4) was rejected. The fifth hypothesis estimated the parameter of interaction effect of X5 * Z on Y was not significant. The commitment did not moderate the effect of manifestation in service on customer satisfaction. Therefore, the fifth hypothesis (H5) was rejected.

4. Results and Discussions

This study presented some research results. First, this study showed a direct effect of service quality on customer satisfaction. The dimensions of service quality that had positive and significant effect on customer satisfaction referred to reliability, ability to respond, certainty or guarantee in service, and empathy in providing services. This is consistent with the theories of Zeithaml et al. (1990: 18-26), Kotler et al. (2009: 36), Zeithaml and Bitner (2003: 74), Tjiptono (2003: 137), Lupiyoadi (2001: 69) as well as the empirical studies of Oliver (1993), Wilson et al. (2008), and Iqba et al. (2017). However, the dimension of manifestation did not significantly affect customer satisfaction. This result was not in accordance with previous researchers theoretically and empirically. The inconsistency was due to *tanggung renteng* pattern of which the cooperative loan could be determined from grouping interactions. Then, previous results are considering dimension of manifestation as the availability of neatly arranged rooms, complete office equipment, and uniforms. In contrast, the members argued that manifestation of facilities were required only for taking the money after having group approval as a part of *tanggung renteng* commitment.

The research hypothesis is emphasized on *tanggung renteng* commitment as a true moderating variable. The indirect effect of service quality on customer satisfaction was moderated with the joint commitment. The results indicated the dimensions of service quality with reliability coefficient of 0.023, the ability to respond of 0.014, and the assurance or guarantee of 0.013. The completion process that was conducted in the group level showed a significant effect on customer satisfaction moderated with *tanggung renteng* commitment. Meanwhile, each regression coefficient of reliability was 0.489, the ability to respond was 0.287, and the certainty or guarantee was 0.483. The completion in the group level turned out to have a significant direct effect on customer satisfaction. All regression coefficients were significant, but the magnitude of the regression coefficients of the indirect effect on reliability, ability to respond, and certainty or guarantee to customer satisfaction was smaller than the magnitude of the regression coefficient of the direct effect of reliability, ability to respond, certainty or guarantee to customer satisfaction. Therefore, the role *tanggung renteng* commitment as a moderating variable to weaken effects on the three dimensions of service quality (e.g. reliability, responsiveness, and assurance) to customer satisfaction.

The dimensions of service quality directly had a significant effect on customer satisfaction, but indirectly moderated *tanggung renteng* commitment that had no significant effect on customer satisfaction. The commitment as a moderating variable was seen as quasi moderating or pretending moderation. So, the *tanggung renteng* commitment on the impact of emphaty was viewed as a meaningless or inconsistent moderating variable. Besides, the manifestation of services on customer satisfaction moderated with *tanggung renteng* commitment directly and indirectly was indicated insignificant, inconsistent, or irrelevant.

Moreover, the indication of *tanggung renteng* commitment involve the cooperative members' honesty in lending, bearing burdens among members, being supervised, being positive towards the applicable regulations, being responsible and consistent to the burden borne, and being proactive to regulations changes. Indications of reliability to service quality consistently affected customer satisfaction on the cooperative performance. The cooperative employees were perceived by members satisfactorily since they were able to to provide good, trustworthy, and accurate loan services. The indications to the ability to respond consistently affected customer satisfaction, including the willingness to respond to complaints, to help members' difficulties, and to provide services quickly. The indications of certainty or guarantee to a consistent service affected customer satisfaction since the employees served well and friendly, had qualified knowledge in terms of service, and had abilities to inspire the members' trust and confidence.

Indeed, the commitment of *tanggung renteng* as a moderating variable was truly meaningful with three dimensions of service quality, e.g. reliability, responsiveness, and certainty or guarantee to customer satisfaction. As a lending model, it was considered ineffective in providing an important cooperative roles and consistent loan programs. In consequence, the role of group and the person in charge of the group (PJK) as well as the Field Extension Guidance (PPL) were important and strategic to maintain and sustain the tasks and functions of loan unit.

Otherwise, the effect of service empathy on customer satisfaction moderated with *tanggung renteng* commitments was insignificant. This informed the pseudo or quasi moderating for the role of commitment as a moderating variable could not significantly strengthen or weaken the effect of empathy for service on customer satisfaction. The indication of empathy for the service quality was played by the cooperative unit by caring and giving full personal attention to members who get loans with *tanggung renteng* commitment. Furthermore, this study empirically indicated that customer satisfaction was developed from the members' good and satisfactory appreciation to the employees of cooperative unit. Without the moderation of commitment, emphaty had been developed by members in the cooperative.

Overall, the five dimensions of service quality (i.e. reliability, ability to respond, assurance or guarantee, empathy, and manifestation) were relevant to the concepts and theories of Zeithaml et.al. (1990: 18), Zeithaml & Bitner (2003: 75), Kotler & Keller (2012: 150), Wilson, et al. (2008: 58), Fred (2005: 249), Zeithaml and Bitner (2003: 75), Kotler and Keller (2012: 150), Kotler et al. (2009: 136), Kotler & Armstrong (2010: 159), Kotler et al. (2009: 141), and Zeithaml et al. (1990: 26). Associating with commitment moderation, this study confirmed to the concepts of Fred (2005: 249), Noe (2000: 364), Robbins (2001: 69), Herscovitch and Meyer (2002: 480), Roberts & Hunt (1991: 145), Herscovitch and Meyer (2002: 480), Gibson (2000: 315), Zeithaml et al. (1990: 18), Zeithaml et al. (1990: 19-20), Zeithaml et al. (1990: 21-23), Zeithaml et al. (1990: 24-25), Zeithaml et al. (1990: 26), Tjiptono (2003: 137) Lupiyoadi (2001: 69), Kotler et al. (2009: 36), and Zeithaml & Bitner (2003: 74). In addition, this research related to the empirical studies conducted by Guo, X. et al. (2008), Naeem and Saif (2009), Spathis et al., (2004), Duncan and Elliot (2004), Lewis and Mitchell (1990), Douglas and Connor (2003), Parasuraman et al. (1985; 1988), Zeithaml et al. (1990), Sureschander, et al. (2002), Perng. (2007), Tsoukatos and Rand (2006), Magesh (2010), Razak et al. (2007), Berry et al. (2002), Chakravarty et al. (1996), Cronin et al. (2000), Solomon (1998), Zeithaml (2009), Oliver (1993), Wilson et al. (2008), and Iqba, et al. (2017).

5. Conclusions

This research concluded five research results. First, the reliability of service quality had a significant effect on customer satisfaction that was moderated with *tanggung renteng* commitment of cooperative members. However, the indirect impact of moderated commitment was found slighter than the direct impact on customer satisfaction. The reliability on this research referred to the cooperative's good and trusted performances and accurate services so the members were satisfactory. In brief, the *tanggung renteng* commitment reduced to access credit. Then, the customer satisfaction was in regard with the amount of credit, terms of credit, fulfilled services, and accuracy of repayment as the members' expectations. Second, the ability to respond had a significant effect on customer satisfaction that was moderated with *tanggung renteng* commitment of cooperative members. The effect of responding ability that was indirectly moderated with commitment was lesser than its direct effect. When the members were more intelligent to correspond group meetings and to discuss credit problems, their *tanggung renteng* commitment would be depressed for obtaining loan. Third, the assurance had a significant effect on customer satisfaction that was moderated with *tanggung renteng* commitment. However, the effect of assurance that was indirectly moderated with the commitment was smaller than the direct effect. The higher degree of certainty or guarantee in providing loan services was determined at group meetings. So the members tended to satisfy with the cooperative service. Indications to customer satisfaction related to the loan size, loan term, perceived loan services, and repayment accuracy as the members expectations.
Fourth, the empathy had no significant effect on customer satisfaction moderated with *tanggung renteng* commitment. But, empathy directly has a significant effect on customer satisfaction. The members' strong empathy in providing services was meaningless to member satisfaction for getting loans. The commitment of tanggung renteng as a moderating variable was assumed as quasi moderating. Empathy was indicated as the attention to members who need loans. Fifth, the manifestation dimension had insignificant effect on customer satisfaction moderated with *tanggung renteng* commitment among lending members. It was no longer considered as problems in the "*Waspada*" women cooperative Surabaya due to its qualified employees, well dressed employees, and well equiped facilities.

Suggestions

First, the employees of "*Waspada*" women cooperative Surabaya should maintain their training programs, especialy in relation to the loan unit and the practices of *tanggung renteng* commitment. This has been an iconic type of cooperative and needs to be maintained and sustained for its success. Second, the "*Waspada*" women cooperative Surabaya should monitor and evaluate who is directly involved in carrying out the loan program within the tanggung renteng pattern. So, they can immediately take remedial actions, especially when group meetings have errors or mistakes in implementing the program. Third, the the "*Waspada*" women cooperative Surabaya should disseminate information to new members and provide intensive training to all members in regard with *tanggung renteng* commitment. This has been an iconic pattern that should be understood and adhered by new members following the applicable regulations. Last, this research can be further developed by covering other relevant variables in regard with service quality dimensions, customer satisfaction, and organizational commitment as the objects of study in the similar cooperative business entities.

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