

## Customer Citizenship Behavior and Its Impact on Word of Mouth with Customer Satisfaction as a Moderating Variable Case Study on UMKM Manika Kaltim

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**Abstract.** *This study aims to explore the influence of Customer Citizenship Behavior on Word of Mouth, focusing on the role of Customer Satisfaction as a moderating variable in the context of MSME Manika Kaltim. This study uses an explanatory quantitative method to test the causal relationship between variables. Data were collected through a structured questionnaire and distributed to 400 MSME Manika Kaltim customers, representing the active customer population. Data analysis was carried out using the Partial Least Square - Structural Equation Modeling (PLS-SEM) technique with SmartPLS version 4 software, which allows simultaneous evaluation between latent variables and their indicators. The results showed that Customer Citizenship Behavior did not have a significant influence on Word of Mouth, with a T-statistic value of 0.495 (<1.972), indicating that customer voluntary behavior, such as helping other customers or providing feedback, is not strong enough to increase product or service advocacy through Word of Mouth. In contrast, Customer Satisfaction was found to have a significant moderating effect, but with a negative relationship direction. This finding suggests that high levels of satisfaction can actually reduce customers' active involvement in spreading Word of Mouth. This may be due to the assumption that the quality of the product or service has met expectations, so that customers feel no need to contribute further through recommendations.*

**Keywords:** *Citizenship; Customer; Satisfaction.*

### 1. Introduction

In the era of globalization and digitalization that continues to grow, customer behavior has undergone significant changes. Customer Citizenship Behavior is a concept that refers to voluntary actions from customers that are not required but provide positive contributions to the Company.(Groth, 2005). Customer Citizenship Behavior includes activities such as providing feedback, helping other customers, and promoting the company's products or services through word of mouth. In UMKM Manika Kaltim, this behavior is very important considering that UMKM relies heavily on the loyalty and involvement of its customers.

In Indonesia, the MSME sector plays a crucial role in the economy. According to data from the Ministry of Cooperatives and SMEs, MSMEs contribute more than 60% of the national GDP and absorb around 97% of the workforce.(Bank BJB, 2024). However, the challenges faced by

MSMEs are very diverse, including economic uncertainty, intense competition, and changes in consumer preferences. The COVID-19 pandemic has also forced many MSMEs to adapt quickly to these changes, including switching to digital platforms (Bappenas, 2021).

**Sales Data Table of Manika Kaltim MSMEs**

Types of Crafts	Year			
	2020	2021	2022	2023
<b>Bag</b>	273,500,000.00	273,000,000.00	272,210,000.00	271,400,000.00
<b>Tablecloth</b>	251,390,000.00	250,425,000.00	249,260,000.00	248,000,000.00
<b>Tissue box</b>	98,525,000.00	98,550,000.00	68,370,000.00	109,800,000.00
<b>Necklace</b>	171,525,000.00	171,290,000.00	170,220,000.00	170,000,000.00
<b>Bracelet</b>	80,500,000.00	79,150,000.00	78,160,000.00	77,850,000.00

Based on the table data in the last 4 years, sales of UMKM Manika Kaltim products have decreased slightly. This can be the basis for conducting in-depth research on what factors influence sales of UMKM Manika Kaltim products which will later be able to increase sales of UMKM Manika Kaltim products.

In order to achieve maximum sales, it is necessary social interaction and trust in shaping Customer Citizenship Behavior (Yi & Gong, 2013). According to Deloitte (2020) 88% of companies that focus on customer satisfaction report increased customer loyalty and increased marketing. This is supported by several previous studies that argue that satisfied customers tend to be more involved in Customer Citizenship Behavior, which then encourages Word of Mouth to have a positive influence (Hennig-Thurau et al., 2004). A study by Van Tonder and De Beer (2018) found that customer satisfaction acts as a mediator between *Customer Citizenship Behavior* and *Word of Mouth*. In other words, when customers are satisfied, they are more likely to engage in citizenship behavior and verbally recommend the product to others. Wu et al. (2017) showed that *Customer Citizenship Behavior* good quality will greatly influence *Customer Citizenship Behavior*, which ultimately increases *Word of Mouth* on social media. This shows that companies that can build strong relationships through *Customer Citizenship Behavior* with customers tend to get *Word of Mouth* which is more positive.

However, research conducted by Liu et al. (2021) highlights that although high-quality service can increase positive emotions, negative emotions arising from unmet expectations can decrease *Customer Citizenship Behavior* and push *Word of Mouth* negative. This often occurs when customers feel that the company is not fulfilling its promises. A study by Yildiz and Amin (2020) showed that excessive citizenship behavior can have a negative effect on customer satisfaction, especially if the company fails to manage customer expectations. This can trigger *Word of Mouth* negative regarding the company's reputation.

*Word of Mouth* is a very influential strategy in increasing UMKM sales, as can be implemented by Manika Kaltim. According to the survey Nielsen (2021), 92% of consumers trust recommendations from people they know, while 70% of consumers trust online reviews from other customers. Word of Mouth is very relevant for MSMEs because these businesses usually rely on close local networks, where consumer trust is very important. Other studies also show

that Word of Mouth plays an important role in the digital era with the presence of online review platforms and social media, which can expand the reach of MSME marketing. In journals related to MSME digital marketing, effective Word of Mouth often results in increased customer loyalty and ultimately strengthens the position of MSMEs in facing competition. For example, research conducted by Goyette et al. (2010) shows that Word of Mouth has a big influence on purchasing decisions at various business scales, including MSMEs. Other studies have found that *Word of Mouth* can contribute between 25% and 82% to the success of a new product, higher than traditional advertising. (Kraigher-Krainer et al., 2017). Recent studies have strengthened these findings by stating that *Word of Mouth* in local markets have a significant influence on purchasing decisions, especially in closely connected communities. (Kaushik, 2024). However, Research conducted by Gong and Yi (2021) concluded that customer satisfaction can weaken the relationship between *Customer Citizenship Behavior* and *Word of Mouth*, especially in situations where customers feel that their participation in the behavior is no longer necessary because they are already quite satisfied with the service received.

## 2. Research Methods

This type of research is included in the category of explanatory quantitative research which aims to test the causal relationship between the variables of Customer Citizenship Behavior and Word of Mouth with Customer Satisfaction as a moderating variable. Therefore, this type of research is explanatory quantitative because it focuses on measuring the relationship between variables and testing hypotheses using numerical data that is analyzed statistically. (Creswell, 2014).

The case study on UMKM Manika Kaltim allows this research to obtain relevant and contextual results on how customer behavior in small and medium businesses, especially in the East Kalimantan region, plays a role in increasing Word of Mouth through voluntary involvement of Customer Citizenship Behavior. This explanatory quantitative approach is also relevant to answering hypotheses and exploring variables that influence customer behavior-based marketing strategies.

## 3. Results and Discussion

### Respondent Description

In this study, the research respondents used as research objects were UMKM customers Manika Kaltim who have purchased UMKM products in Samarinda totaling 400 people. To get an overview of the respondents, it can be explained as follows:

Respondent Characteristics Table

Characteristics	Information	Amount	Presentation
Work	Housewife	93	23.25
	BUMN employees	65	16.25

	Government employees	97	24.25
	Private	145	36.25
<b>Gender</b>	Man	219	55
<b>Place of Origin</b>	Woman	181	45
	Balikpapan	29	7.2
	Berau	30	7.5
	West Kutai	31	7.8
	Kutai Kartanegara	31	7.8
	East Kutai	30	7.5
	Upper Mahakam	31	7.8
	Passer	38	9.5
	North Paser Penjam	30	7.5
	Samarinda City	31	7.8
	Samarinda Across	30	7.5
	The Sanga-Sanga	28	7
	Football	30	7.5
	Tenggarong	31	7.8

Source: Primary data processed in 2024

Based on the description of the characteristics of respondents from the table, the respondents' responses based on the type of work show that most buyers from UMKM Manika Kaltim are dominated by private workers, namely 36.25%. This is reflect that Manika Kaltim's MSME products have significant appeal to segments of society with fixed incomes and relatively stable consumption patterns. Private workers are generally of productive age with fairly good purchasing power, so they tend to be the main target market for these MSMEs.

The responses based on the gender of the respondents were dominated by men with a percentage of 55%. This can be understood that most purchases are made by men where the characteristics of male work that is dominant in the formal and informal sectors with stable purchasing power also support this tendency. It is possible that women often ask men to buy souvenirs when visiting UMKM Manika. Although dominated by men, the percentage for

female respondents is also not far apart, which is 45%. This proves that UMKM Manika products can be accepted by both men and women.

Based on the respondent's area, most respondents came from Paser with a percentage of 9.5%, but the percentage for other areas of origin is actually not too different, this illustrates that Manika Kaltim's MSME products are well-known to the people of East Kalimantan.

### Respondents' Answer Description Results

Descriptive analysis aims to describe the respondents' perceptions regarding each of the research variables studied. In this study, the variables used are Customer Citizenship Behavior, word of mouth, and customer satisfaction. To find out the respondents' perceptions of the variables studied, this study uses an index analysis technique to describe the respondents' perceptions of the question items asked with a range criterion of 3 so that the interpretation of the values is as follows:

$$RS = \frac{\text{Skor Maksimal} - \text{Skor Minimal}}{\text{Jumlah Kelas}}$$

$$RS = \frac{5 - 1}{3}$$

$$RS = 1,33$$

So that the range of research variable scales is produced as follows:

Interval 1.00 – 2.33 = Low

Interval 2.34 – 3.67 = Moderate

Interval 3.68 – 5.00 = High

### Customer Citizenship Behavior Variable

The Customer Citizenship Behavior variable consists of 4 indicators, namely (CCB 1) Helping Behavior, (CCB 2) Advocacy, (CCB 3) Tolerance and (CCB 4) feedback. Description of the results of respondents' responses for each indicator in the Customer Citizenship Behavior variable can be seen in table 4.2.

Variable Description Results Table *Customer Citizenship Behavior*

No.	Indicator	Mean	Information
1.	<i>Helping Behavior</i>	3,603	Currently
2.	<i>Advocacy</i>	3,590	Currently
3.	<i>Tolerance</i>	3,558	Currently
4.	<i>feedback</i>	3,620	Currently

Source: Primary data processed in 2024

From average value (Mean), with all indicators categorized as "moderate." The Helping Behavior indicator has an average value of 3,603. This indicates that respondents consistently show helping behavior at a moderate level. For Advocacy, it has an average of 3,590. This indicator shows that the behavior of defending or supporting something is also classified as high in the majority of respondents, with almost the same level of variation as the Helping Behavior indicator. The Tolerance indicator has an average value of 3,558. Respondents show moderate tolerance, reflecting their willingness to accept differences, although the variability

is slightly smaller than Helping Behavior. The Feedback indicator shows the highest average among other indicators, which is 3,620. This indicates that respondents tend to provide feedback actively with slightly lower variation than other indicators.

Overall, although each indicator has a moderate average value, it indicates that there are differences in the level of behavior among respondents, indicating that not all individuals are at the same level in showing these behaviors.

### Word of Mouth Variable

The Word of Mouth variable consists of 3 indicators, as follows (WOM 1) Positive Word of Mouth, (WOM 2) Encouragement for friends/relations to purchase products and (WOM 3) Willingness to Recommend. Description of the results of respondents' responses for each indicator in the Word of Mouth variable can be seen in the table.

Variable Table *Word of Mouth*

No.	Indicator	Mean	Information
1.	<i>Positive Word of Mouth</i>	3.357	Currently
2.	Encouragement for friends/relations to make product purchases	3.405	Currently
3.	<i>Willingness to Recommend</i>	3.380	Currently

Source: Primary data processed in 2024

This data reflects the analysis of three indicators of word of mouth, namely Positive Word of Mouth, Encouragement of Friends/Relations to Purchase Products, and Willingness to Recommend. All three indicators show the High category based on the average (Mean). The Positive Word of Mouth indicator has an average value of 3,357. This indicates that respondents tend to talk positively about the product to others, indicating a significant difference in the intensity of this behavior among respondents. The indicator of encouragement of Friends/Relations to purchase products recorded an average value of 3,405, the highest among the three indicators. This indicator shows that respondents actively encourage their friends or relations to buy products, with slightly lower variations than Positive Word of Mouth, indicating that this behavior is more consistent among respondents. The Willingness to Recommend indicator has an average of 3,380. This indicates that the majority of respondents have a high intention to recommend the product to others, although there is moderate variation in the level of intensity.

Overall, although all three indicators show moderate results, it indicates that not all respondents show recommendation behavior at the same level. Factors such as personal experience, satisfaction with the product, or social context may influence these results. Strategies to reduce this variation may include improving the quality of products and services more consistently.

### Customer Satisfaction Variables

Customer Satisfaction Variable consists of 3 indicators as follows (KP 1) Overall Satisfaction, (KP 2) Expectation and (KP 3) Experience. Description of the results of respondents' responses for each indicator in the Customer Satisfaction variable can be seen in the table.

Customer Satisfaction Variable Table

No.	Indicator	Mean	Information
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1.	Overall Satisfaction	3,610	Currently
2.	Expectations	3,658	Currently
3.	Experience	3,650	Currently

Source: Primary data processed in 2024

This data shows an analysis of three main indicators that describe the level of consumer satisfaction, expectations, and experience, namely Overall Satisfaction, Expectation, and Experience. All three indicators have an average (Mean) that is in the "Moderate" category, which indicates the level of variation in responses among respondents. The Overall Satisfaction variable has an average of 3,610 with. This indicates that the majority of respondents are satisfied with the product or service provided. The level of variation reflects a relatively moderate difference in consumer satisfaction, indicating that there is a small group that may have a less satisfactory experience. The Expectation variable recorded the highest average value among other indicators, namely 3,658. This data indicates that consumer expectations for a product or service are relatively high, which is positive but also requires attention, because high expectations can be challenging to meet consistently. The Experience variable shows an average of 3,650. This indicates that consumer experience is generally very positive, with smaller variations between respondents compared to other indicators. This consistent experience among consumers can be an important foundation for building customer loyalty.

Overall, all three indicators are in the moderate category, indicating that the product or service meets or even exceeds the expectations of most consumers. However, variations in Overall Satisfaction and Expectation suggest opportunities for improvement, especially to ensure that all consumer segments have a uniform and satisfying experience.

**Research result:**

The research data was processed using the Smart PLS 4.0 application with the following image:

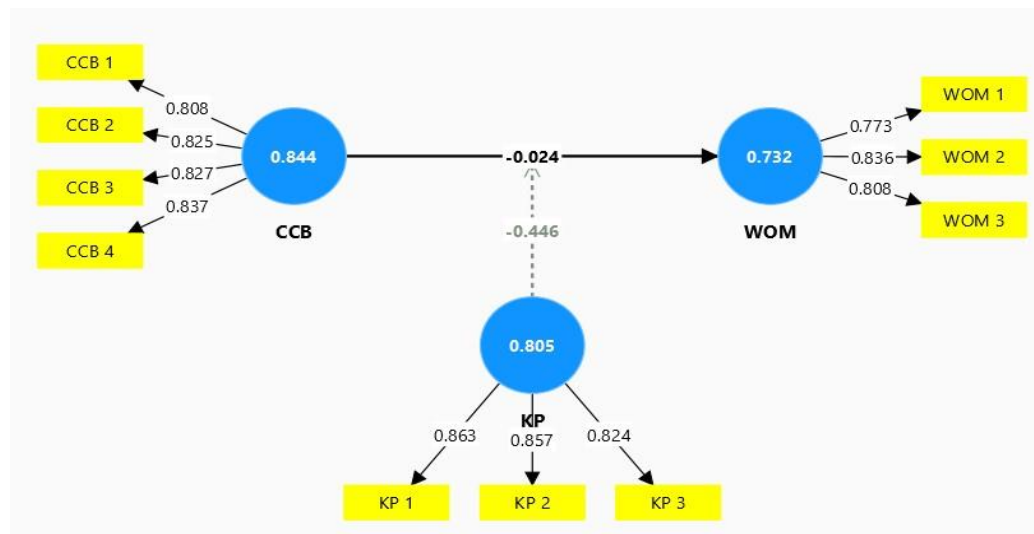


Figure Research Results Using Smart PLS 4.0

## Outer Model Results

Outer model testing in Smart PLS is used to evaluate the relationship between measurement indicators (manifest variables) and the latent constructs they represent. The main goal is to ensure that the indicators validly and reliably measure the intended latent construct. The outer model helps ensure that the measurement model has adequate quality before proceeding to the structural analysis (inner model).

### a. Convergent Validity Test

This test aims to determine the validity of each relationship between the indicator and its construct or latent variable. An indicator can be stated to meet convergent validity and has a high level of validity when the outer loading value is >0.7 (Abdillah & Hartono, 2015).

Value Table Outer Loading and AVE

Variables	Indicator	Convergent Validity	
		Loading	AVE
Customer Citizenship Behavior	Helping Behavior	0.808	0.680
	Advocacy	0.825	
	Tolerance	0.827	
	feedback	0.837	
Word Of Mouth	Positive Word of Mouth	0.863	0.720
	Encouragement for friends/relations to make product purchases	0.857	
	Willingness to Recommend	0.824	
Customer satisfaction	Overall Satisfaction	0.773	0.650
	Expectations	0.836	
	Experience	0.808	

Source: Primary data processed in 2024

Based on the convergent validity test, all indicators have loading > 0.7, which meets the criteria for convergent validity. In addition, the AVE value for all variables is greater than 0.50, which confirms that each latent construct has sufficient ability to explain the variance of its indicators. This measurement model can be considered valid and feasible to be used in further analysis.

### b. Discriminant Validity Test

Discriminant validity needs to be done to test the extent to which the research construct is truly different from other constructs according to empirical standards. The validity test in this study was measured by the Fornell-Larcker matrix. Fornell-Larcker, a latent variable is considered to meet discriminant validity if the root of AVE square (diagonal) value is greater than all values of the latent variable (Hair et al., 2019).

Table Discriminant Validity (Method)Fornell Larcker Criterion)

Indicator	Customer Citizenship Behavior	Word Of Mouth	Customer satisfaction
Customer Citizenship Behavior	0.824		
Word Of Mouth	0.489	0.848	
Customer satisfaction			0.650



<b>Customer satisfaction</b>	0.298	0.247	<b>0.806</b>
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Source: Primary data processed in 2024

The test results show that the root of AVE square (diagonal) value is greater than all latent variable values so it can be concluded that the variables in this study are valid.

### c. Reliability Test

Reliability testing aims to assess measurement consistency, namely the extent to which indicators stably and accurately measure the intended latent construct.

**Table Construct reliability and validity**

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
<b>Customer Citizenship Behavior</b>	0.844	0.853	0.859	0.680
<b>Word Of Mouth</b>	0.805	0.809	0.885	0.720
<b>Customer satisfaction</b>	0.732	0.742	0.848	0.650

Source: Primary data processed in 2024

All variables (CCB, WoM, and KP) meet the criteria of reliability and convergent validity. High Composite Reliability values in all CCB variables >0.85, WOM > 0.85 and KP > 0.85 indicate consistent measurements, while AVE values (CCB > 0.50, WOM > 0.50 and KP > 0.50) ensure that the indicators have a substantial contribution to the latent construct being measured.

### Inner Model Results

The inner model or structural model test in Smart PLS aims to evaluate the relationship between latent constructs in the research model. The inner model tests the formulated hypothesis and determines the strength and direction of the relationship between variables.

#### a. R-Square Test

The R-Square testing stage aims to determine the magnitude of the influence of the independent variable (exogenous) on the dependent variable (endogenous). There are r-square value criteria for the dependent latent variable (endogenous) which are 0.75, 0.50, and 0.25 with these value criteria it can be said that the model is strong, medium, and weak. (Hair, Ringle, & Sarstedt, 2011).

**Test Result Table Coefficient of Determination (R2)**

	R-Square	R-Square adjusted
<b>Word Of Mouth</b>	0.413	0.409

Source: Primary data processed in 2024

The R-Square value of 0.413 indicates that approximately 41.3% of the variation in the independent variable (e.g. customer citizenship behavior) can be explained by the dependent variable in this case word of a muth. This value is an adjusted version of R-Square that takes into account the number of variables in the model and the sample size. In this case, the Adjusted R-Square value is slightly smaller than R-Square (0.409 or 40.9%), indicating that your model is not too overfitting.

This model is quite good because more than 40% of the data variability can be explained by *word of mouth*. However, for practical context, this model can be considered moderate because there is still 58.7% of variation that is not explained by this variable.

b. F (Goodness of Fit) Model Test

F-Square measure the relative effect of the independent variable on the dependent variable, with the following interpretation guidelines:

- 0.02 - 0.15: Small effect
- 0.15 - 0.35: Moderate effect
- 0.35: Big effect
- < 0.02: Almost no effect (very small effect).

Results Table *F-Square Test (F2)*

	<i>Word Of Mouth</i>
<i>Customer Citizenship Behavior</i>	0.001
<i>Customer satisfaction</i>	0.000

Source: Primary data processed in 2024

Based on the F-test value that has been carried out, it was found that the effect of customer citizenship behavior on word of mouth has an F-Square value of 0.001. shows that customer citizenship behavior has a very small (almost insignificant) effect on word of mouth. In other words, the contribution of customer citizenship behavior in explaining changes in customer citizenship behavior is very minimal.

For the Customer Satisfaction variable with an F-Square value of 0.000, The value of 0.000 indicates that customer satisfaction contributes significantly to the customer citizenship behavior variable in this model. Based on the F-Square results, customer satisfaction does not have a significant effect on both independent and dependent variables.

### Hypothesis Testing

a. *Path Coefficients Analysis*

Path Analysis Results Table

	<i>Original Sample</i>	<i>Sample mean</i>	<i>Standard Deviation</i>	<i>T-Statistic (&gt;1.972)</i>	<i>P-Value (&lt;0.05)</i>	<i>Results</i>
<i>Influence Customer Citizenship Behavior towards Word of Mouth</i>	-0.024	-0.017	0.048	0.495	0.310	Not Significant
<i>The influence of customer satisfaction in moderating Customer Citizenship Behavior and Word of Mouth</i>	-0.446	-0.438	0.033	13,528	0.000	Significant

Source: Primary data processed in 2024

The results of the research variable path analysis can be explained as follows:

1. The original sample value for the variable customer citizenship behavior towards word of mouth shows a negative value of -0.024 with a significance level (P-Value) of 0.310, which means it is not significant. This indicates that customer citizenship behavior has not been enough to encourage an increase in word of mouth among respondents in the research environment.

2. The original sample value for the moderation of customer satisfaction on customer citizenship behavior in increasing word of mouth shows a negative value of -0.446 but with a P-Value of 0.000, which means it is significant. This shows that customer satisfaction can reduce the negative influence of Customer Citizenship Behavior on Word of Mouth in the environment.

#### b. Hypothesis Testing

The results of the Hypothesis Testing will explain the relationship between direct and indirect influences.

indirectly between variables, with the following explanation:

a) Based on the test results, customer citizenship behavior towards word of mouth has a T-Statistic value of 0.495, which is smaller than the T table value (1.972), so the null hypothesis (Ho) is rejected and the alternative hypothesis (Ha) is accepted. This shows that customer citizenship behavior does not have a significant effect on word of mouth. Thus, the hypothesis stating that customer citizenship behavior has a significant positive effect on word of mouth cannot be accepted.

b) In the moderation test of customer satisfaction on the relationship between customer citizenship behavior and word of mouth, the T-Statistic value was obtained at 13.528, which is higher than the T table (1.972), Ho is rejected and Ha is accepted, but the direction of the influence is negative which may indicate that with high customer satisfaction it tends to reduce the negative influence of respondents because with satisfied respondents it is expected to encourage positive customer citizenship behavior and word of mouth. Thus, these results indicate that customer satisfaction provides a significant moderating influence in encouraging the relationship between customer citizenship behavior and word of mouth, so that the hypothesis stating that customer satisfaction moderates the influence of customer citizenship behavior and word of mouth can be accepted.

#### Discussion:

##### The Influence of Customer Citizenship Behavior on Word of Mouth

The results of the study indicate that customer citizenship behavior does not have a significant effect on word of mouth, with a t-statistic value of 0.495 which is below the critical value of the t-table of 1.972. This indicates that voluntary behavior or customer citizenship behavior such as helping behavior, Advocacy (defending and supporting), tolerance and feedback are not strong enough to increase word of mouth among respondents of UMKM Manika Kaltim. This factor may be related to the lack of service and prices that tend to be too expensive for UMKM Kaltim products, which results in customer citizenship behavior towards UMKM Manika Kaltim decreasing. Another factor that may influence is that MSME customers may

have intrinsic motivation to help MSMEs in terms of improving quality, for example MSMEs ask customers/buyers to provide feedback or suggestions on purchased goods but do not have the desire to spread information to other parties through word of mouth voluntarily.

This study supports the findings of Liu et al. (2021) who highlighted that although high-quality service can increase positive emotions, negative emotions stemming from unmet expectations can decrease *customer citizenship behavior* and push *word of mouth* negative. According to Chung & Moon (2017) It is also important to explore how customer citizenship behavior can negatively impact a business if not managed properly, because there is a possibility that customers who engage in customer citizenship behavior in the hope of getting rewards or recognition from the company will feel disappointed if those expectations are not met. This dissatisfaction can cause them to withdraw their support from the company, or even give negative reviews that can damage the company's reputation.

### **The Influence of Customer Satisfaction in Moderating Customer Citizenship Behavior on Word of Mouth**

Customer satisfaction is proven to have a significant influence in moderating the relationship between customer citizenship behavior and word of mouth. This is evidenced by the T-statistic value of 13.528, which is significantly greater than the T-table (1.972), so the alternative hypothesis ( $H_a$ ) is accepted. However, the direction of this moderation effect is interesting because it shows a negative relationship. This phenomenon indicates that buyers with a high level of customer satisfaction tend to reduce the negative impact of customer citizenship behavior on word of mouth.

One possible reason that explains this finding is the assumption that highly satisfied customers feel that the product or service provided has met the expected quality standards. As a result, they need to actively spread information or provide recommendations voluntarily. Satisfied customers think that the advantages of the product or service are widely known, so actions to promote it through word of mouth are very necessary. In addition, satisfied customers will later have expectations that the brand or company will continue to maintain quality by continuing to get additional support from them.

This phenomenon may also indicate a behavioral change in the relationship between customer satisfaction and word of mouth, where the positive effect of customer satisfaction on word of mouth may be indirect or influenced by other factors, such as the level of customer involvement with the brand, the emotional need to share experiences, or feelings of social attachment to the community.

This study reinforces the findings of Gong and Yi (2021), who stated that customer satisfaction, although often considered an indicator of service success, can have a paradoxical effect by weakening the relationship between customer citizenship behavior and word of mouth. In this context, high satisfaction can create an illusion of comfort for customers, where they feel that their active involvement in advocacy behavior, such as sharing experiences or providing recommendations, is no longer relevant or necessary. However, this phenomenon occurs mainly in situations where the service received has exceeded customer expectations,

so that customers tend to adopt a passive attitude. Thus, this study highlights the importance for organizations to not only focus on increasing customer satisfaction even though customer satisfaction can increase sales but MSMEs must also manage expectations and create incentives that actively motivate customers to continue contributing to brand advocacy, even though their satisfaction levels are already high.

#### 4. Conclusion

The results of the study indicate that customer citizenship behavior does not affect word of mouth and customer satisfaction has a positive effect that will reduce the negative effects of customer citizenship behavior. Based on the results of the data analysis, it can be concluded that: 1. Customer citizenship behavior does not have a significant effect on word of mouth at UMKM Manika Kaltim, with a T-statistic value of 0.495 ( $<1.972$ ). This shows that voluntary customer behavior, such as giving feedback or advocacy, is not strong enough to increase word of mouth in the research environment. There are several factors that influence this, namely the lack of service and the price of UMKM Kaltim products that are too high, which results in customer citizenship behavior towards UMKM Manika Kaltim decreasing. Another factor that may influence is that UMKM customers may have intrinsic motivation to help UMKM in terms of improving quality, for example UMKM asks customers/buyers to provide feedback or suggestions on goods purchased but do not have the desire to spread information to other parties through word of mouth voluntarily. 2. Customer satisfaction is proven to have a significant influence in moderating the relationship between customer citizenship behavior and word of mouth. This is evidenced by the T-statistic value of 13,528, which is significantly greater than the T-table (1,972), so that the alternative hypothesis ( $H_a$ ) is accepted. However, the direction of this moderation effect is interesting because it shows a negative relationship. This phenomenon indicates that buyers with a high level of customer satisfaction tend to reduce the negative impact of customer citizenship behavior on word of mouth. This moderation effect indicates that customers who are very satisfied with a product or service will feel the need to actively spread information or recommend the product to others. This will change consumer perceptions that the quality of the product that is in accordance with or even exceeds expectations will encourage consumers to actively disseminate information related to the products and services of UMKM Manika Kaltim so that customers consider the need for additional support from them. In other words, a high level of satisfaction can create a sense of "satisfaction," which will increase motivation to contribute through voluntary word of mouth behavior.

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