

ABSTRACT

Word of mouth is a personal communication about a product between the buyer and the people around him. This makes people have a very important role in promoting services. Consumers are very close to the delivery of services, in other words, the consumers are going to talk to other customers, so word of mouth gives a great impact on the marketing of services compared with other communication activities.

This study examines the factors that build institutional attractiveness in improving interest in referencing. The model developed in this study involving four research variables that include the quality of core service, quality of peripheral service, institutional attractiveness, and interest in referencing. Data on these variables were obtained through interviews using a questionnaire in which the data collected were analyzed using analysis techniques Structural Equation Modelling (SEM).

The results of the data analysis showed that attractiveness is influenced by an institution's quality of core service and peripheral service while the institution attractiveness itself statistically proved to have significant effect on interest in referencing.

Keywords : quality of core service, quality of peripheral service, institutional attractiveness, and interest in referencing