THE IMPORTANCE AND PERFORMANCE ANALYSIS OF SERVICE QUALITY AND PRICE ON GO-RIDE FEATURE IN MANADO

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Abstract: Transportation has become one of the most important services for supporting people’s daily activities. The presence of GO-JEK in Manado become a phenomena since this kind of online-based application as transportation service provider had used by mostly people especially for Go-Ride Feature. This research aims to analyze the service quality and price of Go-Ride Feature on GO-JEK application in Manado. Type of this research is descriptive with quantitative approach and IPA used as the measurement tool. The sample size of this research is 100 respondents who already experience the Go-Ride feature on GO-JEK application in Manado. Convenience sampling was used by collecting data through online questionnaire. The result for service quality shows, Go-Ride’s driver skill is very important to the customers and PT.GOJEK delivered good performance to the customers, this attribute located in Quadrant 2. The completeness attributes of Go-Ride drivers is the lowest average of importance and performance for service quality. The result for price shows that, affordability price is the highest level of importance and performance. Meanwhile the attributes such are: Go-Ride feature’s price comparable with the facilities and price is cheaper than other public transportation, those attributes are located in Quadrant 3 with the low average.

Keywords: importance and performance analysis, service quality, price, go-ride, go-jek.
INTRODUCTION

Research Background

Transportation is one thing that plays an important role in human life, even cannot be separated because it is very helpful and supporting people’s daily activity. In recent years, with the progress and development of information technology, transportation service providers inspired to create an application that could help people daily activities. This kind of development had brings a new look for the transportation service provider, many of them start adopt an online-based application which controls all of their services.

In the urban city like Manado, public transportation still becomes the favorite modes that are chosen by the people to help their daily activities. One of the public transportation that still exist and most chosen in Manado is the motorcycle taxi. Along with the development of nowadays technology, there are applications which introduce a motorcycle taxi booking service using technology and adopt the standards of service. Companies strive to create a public transportation that integrated into internet network and based on online application aims to enable the users to access and reach from everywhere along there is an internet connection and the application. Besides providing an easy to use concept, the companies also pay attention to the service quality of their business in order to satisfy the users or the customers.

GO-JEK is a company that integrated their business with technology and create an online-based application which provide services to the customers through several features in the application. GO-JEK has several feature that’s already available in Manado such as GO-RIDE, GO-FOOD, GO-CAR, GO-SEND, and GO-MART. All the features can be accessed as long as there is an internet connection and GO-JEK application of course.

The presence of GO-JEK as the online-based application especially GO-RIDE feature bring a new look for the public transportation in Manado even become a phenomenon which are people starting to use this kind of transportation service because of the ease and reachable from everywhere, as the development of GO-JEK, the service quality and the price is an important factor that can be measured to know customers’ satisfaction.

Research Objective

1. The research aim to know the Importance and Performance on the service quality of GO-RIDE feature on GO-JEK application in Manado.
2. The research aim to know the Importance and Performance on the price of GO-RIDE feature on GO-JEK application in Manado.

THEORETICAL FRAMEWORK

Marketing

Marketing plays an important role for all business include the transportation services. Kotler and Armstrong (2012:29) defined: Marketing is the process by which companies create value for customers and built strong customer relationship in order to capture value from customers in return.

Service Quality

Service quality is the comparison between what the customers expect and the perception of the service they received, Caruana (2002). According to Parasuraman et al (1988) has filed five dimensions of service quality are (1) Tangibles; (2) Reliability; (3) Responsiveness; (4) Assurance; and (5) Empathy.

Price

Kotler and Armstrong (2009) explain that price is one element of marketing mix that generates revenue, other elements generate costs. Swastha (2010: 147) explains that "the price is the sum of money (plus some items if possible) needed to obtain some combination of goods and services".

Customer Satisfaction

Customer satisfaction is a critical concept to marketing thought and customer research. Mardikawati and Farida (2013) state that customer satisfaction of transportation services, namely: Compliance with the expected service, compliance with the rates paid services, customer satisfy with the service offered.
E-Business, E-Commerce and E-Marketing

Bantley and Whitten (2007), E-Business or Electronic Business is a form of activity result of internet utility in taking care and supporting business activity in a company every day. E-commerce is more specific than e-business. E-marketing is the marketing side of e-commerce. It consist of company efforts to communicate about, promote and sell products and service over the internet.

Previous Research

Public Satisfaction with Service Quality of Daewoo Urban Bus Service in Lahore by Javid, Toshiyoki and Nakamura. The perceptions to service quality attributes of Daewoo bus showed 60% of the respondents are satisfied with punctuality, travel time reliability, and convenience level of bus service. Approximately 70% of the respondents are satisfied with physical conditions of bus, comfort level, safety and security of bus service. The satisfaction level for attitude of bus drivers and conductors is almost 65%. While Effect of Price, Brand, and Store Information on Buyers’ Product Evaluation by William, Monroe and Grewal reveals that Price had a positive effect on perceived quality, but a negative effect on perceived value and willingness to buy.

Conceptual Framework

![Conceptual Framework](source: Data Processed, 2017)

Figure 1. Conceptual Framework


type of research

The type of this research is descriptive research with quantitative approach. The method used in this research is Importance and Performance Analysis (IPA).

Place and Time of Research

This research will be conducted in Manado and the time of research is about 2 (two) months from April until May 2017.

Population and Sample

Population is a generalization region consisting of objects or subjects that have certain qualities and characteristics set by the researchers to be studied and then drawn conclusions, Sugiyono (2013). The population in this research is all the people in Manado which already use the online-based application “GO-JEK” especially already have an experience using the “GO-RIDE” feature. The sample size of this research is 100 and used convenience sampling.

Data Collection Method

Primary data is the data obtained directly from the original source, specifically the primary collected by researchers to answer the research questions and consist of information collected for the specific purpose at hand (Kotler et al, 2012). The researcher collected the primary data from the result of questionnaire. Online questionnaire were shared to respondents so they can respond directly on the questionnaire.
Operational Definition of Research Variable

1. Service Quality
   - Tangible: Representing the service physically
   - Reliability: Delivering promised service dependably and accurately
   - Responsiveness: Being willing to help customer and provide prompt service.
   - Assurance: Employee knowledge and courtesy and the ability of the firm and its employee to inspire trust and confidence.

2. Price
   - Affordability: The price of services that have been determined by the company which can still be owned by the consumer
   - Price Competitiveness: Ability to determine the price that can compete with the price of other products.
   - Accordance of price with the quality: The quality of products or services obtained is comparable or even greater than the value of money spent.
   - Price compliance with benefits: the perceived benefits are greater or equal to those already incurred to obtain the products or services they buy.

Data Analysis Method

Validity and Reliability

Validity test used to measure the validity of the questionnaire. To analyze that, Pearson Product Moment was used. If probability of correlation is less than 0.05 (5%) then the research instrument is considered valid. This reliability test in this research used Alpha Cronbach. If Alpha is less than 0.6 then it is unreliable.

Importance and Performance Analysis

The IPA model is divided into four quadrants, with importance on the y-axis and performance on the x-axis. The four-quadrant IPA matrix is shown in figure below. Quadrant I is labeled “Concentrate Here”, with high importance/low performance, which indicates that the attributes are perceived to be very important to respondent, but performance levels are fairly low. This sends a direct message that improvement effort should concentrate here. Quadrant II is labeled “Keep up the Good Work” with high importance/high performance, indicating that the attributes are perceived to be very important to respondent, and at the same time, the firm seems to have high level of performance on these actions. The message here is to keep up the good work. Quadrant III is labeled “Low Priority” with low importance/low performance. Any attributes falling into this quadrant are non-important and pose no threat to organizations. Quadrant IV is labeled “Possible Overkill” with low importance/high performance, indicating that employees are satisfied with the performance, but the specific attribute is relatively non-important.

![Figure 2. IPA Framework](Source: Martila and James (1977))
RESULT AND DISCUSSION

Validity and Reliability Result

Validity Test

Table 1. Validity Test Result

<table>
<thead>
<tr>
<th></th>
<th>avr_impr</th>
<th>avr_perf</th>
<th>avr_impr_perf</th>
</tr>
</thead>
<tbody>
<tr>
<td>avr_impr Pearson Correlation</td>
<td>1</td>
<td>.381**</td>
<td>.724**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>avr_perf Pearson Correlation</td>
<td>.381**</td>
<td>1</td>
<td>.914**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
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</tr>
<tr>
<td>N</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2017

Table 1. Shows that the correlation index is higher than 0.3 and below the significance level of 5%. Therefore the data is considered valid.

Reliability Test

Table 2. Reliability Test Result

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>.833</td>
<td>3</td>
</tr>
</tbody>
</table>

Source: SPSS Output, 2017

Table 2. Shows that Alpha Cronbach is 0.833 which is above the acceptance limit of 0.6; therefore the research instrument is reliable.

Importance and Performance Analysis of Service Quality

Table 3. Attributes, Importance Mean, Performance Mean, Quadrant

<table>
<thead>
<tr>
<th>Service Quality Attributes</th>
<th>Importance Mean</th>
<th>Performance Mean</th>
<th>Quadrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go-Ride driver wearing full attributes (helmet and uniform) of GO-JEK</td>
<td>4.11</td>
<td>3.87</td>
<td>3</td>
</tr>
<tr>
<td>Go-Ride driver using a good condition of motorcycles</td>
<td>4.78</td>
<td>4.2</td>
<td>2</td>
</tr>
<tr>
<td>Go-Ride give 24 hours service</td>
<td>4.35</td>
<td>4.14</td>
<td>4</td>
</tr>
<tr>
<td>Customer feel easy to order Go-Ride feature</td>
<td>4.71</td>
<td>4.37</td>
<td>2</td>
</tr>
<tr>
<td>Go-Ride driver responsive to customer order</td>
<td>4.65</td>
<td>3.91</td>
<td>1</td>
</tr>
<tr>
<td>Service Quality Attributes</td>
<td>Importance Mean</td>
<td>Performance Mean</td>
<td>Quadrant</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------</td>
<td>------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Driver Go-Ride able to drive well</td>
<td>4.88</td>
<td>4.2</td>
<td>2</td>
</tr>
</tbody>
</table>

**Table 4. Attributes, Importance Mean, Performance Mean, Quadrant**

<table>
<thead>
<tr>
<th>Price Attributes</th>
<th>Importance Mean</th>
<th>Performance Mean</th>
<th>Quadrant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go-Ride feature had an affordability price</td>
<td>4.59</td>
<td>4.39</td>
<td>2</td>
</tr>
<tr>
<td>Customer can reach the price</td>
<td>4.06</td>
<td>4.08</td>
<td>3</td>
</tr>
<tr>
<td>Competitive price of Go-Ride feature</td>
<td>4.25</td>
<td>4.29</td>
<td>4</td>
</tr>
<tr>
<td>Go-Ride feature is cheaper than other public transportation</td>
<td>4.37</td>
<td>4.21</td>
<td>3</td>
</tr>
<tr>
<td>Go-Ride feature’s price accordance with the safety of customer</td>
<td>4.49</td>
<td>4.17</td>
<td>1</td>
</tr>
<tr>
<td>Go-Ride feature’s price comparable with the facilities given to customers</td>
<td>4.38</td>
<td>4.24</td>
<td>3</td>
</tr>
<tr>
<td>Go-Ride feature’s price accordance with travel distance</td>
<td>4.5</td>
<td>4.34</td>
<td>2</td>
</tr>
<tr>
<td>Go-Ride feature’s price accordance with the customer’s benefit</td>
<td>4.49</td>
<td>4.34</td>
<td>2</td>
</tr>
<tr>
<td>Average</td>
<td>4.3912</td>
<td>4.2575</td>
<td></td>
</tr>
</tbody>
</table>
Discussion

Based on the problem statement in this research, the researcher attempts to answer that question, which already expounded earlier and again will be mentioned as follows:

1. How is the Importance and Performance of Service Quality of GO-RIDE feature on GO-JEK application in Manado?

This research has identified each eight attributes for the service quality and price at Go-Ride Feature on GO-JEK Application, for service quality the attributes are: The completeness attributes of Go-Ride driver, the motorcycle condition, Go-Ride feature 24 hours full service, ease of ordering, Go-Ride driver responsiveness towards customer order, Go-Ride driver’s knowledge about addresses also understanding of traffic, Driver Go-Ride attitudes and how the customer feel safe when using Go-Ride feature. For the Service Quality, the research shows that Go-Ride feature driver’s skill to drive well is very important to customer compared with others attributes. It then followed by a customer feel safe when using Go-Ride feature, Go-Ride feature provide a good condition of the motorcycle to the customers, ease of ordering Go-Ride feature, Go-Ride driver knowledge about addresses also understanding of traffic and Go-Ride driver’s responsiveness. After that Go-Ride feature gives 24 hour service and the completeness of wearing GO-JEK’s attributes are below the average level of importance for customers and have the lowest level of importance of customer Go-Ride feature based on the data plotting.

While in terms of performance, Go-Ride feature on GO-JEK application at Manado customer feel safe when using Go-Ride feature is on the highest level of performance followed by ease of ordering Go-Ride feature, Go-Ride driver’s skill, the motorcycle condition used by Go-Ride driver and Go-Ride give 24 hours service to the customers. After that, there are 3 attributes which are below the average of important such as: Go-Ride driver’s knowledge about addresses, Go-Ride driver responsive to the customer’s order and the last the completeness of wearing GO-JEK’s attributes are the lowest level of performance in Go-Ride feature on GO-JEK application in Manado customer’s point of view.

2. How is the Importance and Performance of Price of GO-RIDE feature on GO-JEK Application in Manado?

For the price, researcher also considered eight attributes to determine how is the importance and the performance, those attributes in this variable are: affordability of price, customer can reach the price, price competitiveness, Go-Ride feature has cheaper price from the other public transportation, the accord with customer’s safety, the comparison with the facilities delivered to the customer, the accord with travel distance and the accord with customers’ benefit. The result shows the affordability of price is very important to customer compared with others attributes. It then followed by Go-Ride feature price according with travel distance, price accord with the safety of customers and price accord with customers’ benefit. After that Go-Ride’s features price comparable with the facilities given to customers, the price is cheaper than other public transportation, the price competitiveness is below the average level of importance for customers and the last is customer can reach the price have the lowest level of importance of customer Go-Ride feature based on the data plotting.

While in terms of performance, Go-Ride feature had an affordability price is on the highest level of performance followed by Go-Ride feature’s price according with the travel distance, the price accord with customer benefit and the price competitiveness. After that, there are 4 attributes which are below the average of important such as: Go-Ride feature’s price comparable with the facilities given to customers, the price is cheaper than other public transportation, the price accord with the safety of customers and the last is customer can reach the price is the lowest level of performance in Go-Ride feature on GO-JEK application in Manado customer’s perception.

CONCLUSION AND RECOMMENDATION

Conclusion
The conclusion below are drawn using IPA tools to link the importance and performance value.

1. For the service quality, those attributes such are: customer feel safe when using Go-Ride feature, Go-Ride driver able to drive well, Customer feels easy to ordering Go-Ride feature and Go-Ride driver using a good condition of the motorcycle, was performed well by PT. GOJEK then placed in Quadrant 2. In Quadrant 1 there are Go-Ride responsive to customers’ order and Go-Ride knowledge about addresses in Manado and the understanding of traffic. In Quadrant 3 there is only about the completeness of wearing GO-JEK
attributes (Helm and uniform). In Quadrant 4, for the service quality there is only about the 24 hours full service.

2. For the Price, those attributes such as Go-Ride feature had an affordability price, the price accordance with the travel distance and the price accordance with the customers’ benefit, considered important to the customers and at the same time the company delivers a good service even better performance to the customers. Meanwhile in Quadrant 1 is only one which is Go-Ride feature price is cheaper than other public transportation. In Quadrant 3, several attributes that took placed such are Go-Ride feature is cheaper than other public transportation, the price comparable with the facilities given to the customers and customer can reach the price. And finally in Quadrant 4, for the price also is only about the price competitiveness.

Recommendation
The researcher provided recommendation to the company in order to improve the Service Quality even deliver a worth price based on the result above. The recommendation is listed as follows:

1. For the service quality’s attributes which got score lower the average, GO-JEK needs to improve all of them in order to keep the market share they have already created otherwise to keep satisfying their customers.
2. For all the service quality’s attributes that have scored higher the average level of importance and performance, PT. GOJEK needs to maintain and keep up the good performance.
3. For all of the price’s attributes which have low importance or performance neither bit of it, the company needs to improve and more emphasize even give a little bit more attention to those attributes. An action such as re-structure the pricing strategy could be one consideration for the company
4. Meanwhile, for those attributes of price that have higher scores for importance and performance they need to keep maintain their service quality and pricing strategy.

REFERENCES