THE EFFECT OF SERVICE PRICE AND QUALITY ON CUSTOMER SATISFACTION ONLINE TRANSPORTATION SERVICES

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Abstract

One of the service businesses that are currently developing is the two-wheeled transportation service business or often referred to as a motorcycle taxi. One of these motorcycle taxi companies is Grab Bike; Grab Bike is a provider of online motorcycle taxi service that always provides what we need, especially people who are tired of traffic jams. Does the price partially affect customer satisfaction online motorcycle taxi services (study of Grab Bike consumers in South Cikarang region)? Does service quality partially affect customer satisfaction with online motorcycle taxi services (a study of Grab Bike consumers in South Cikarang region)? Does service quality and price simultaneously influence customer satisfaction with online motorcycle taxi services (a study of Grab Bike consumers in South Cikarang region)? This type of research is quantitative research. The sample collection technique uses nonprobability sampling technique with accidental sampling approach. Data was collected using a survey method through a questionnaire filled out by respondents and interviews in person. The research sample used was 50 respondents. This study uses multiple linear regression analysis methods. Hypothesis testing using the F test and T-test. The results of research using the T-test note that price significantly influences customer satisfaction, while service quality significantly influences customer satisfaction; this shows the most dominant variable in influencing customer satisfaction is the price variable. While the results of the study using the F test the price and service quality variables have a simultaneous influence on customer satisfaction.

Keywords: Price, Quality, Service, Satisfaction.

1. Introduction

In the era of globalization, population development and growth is very rapid, many changes and increasing community needs. This condition makes the community must be able to work and carry out all other activities appropriately and efficiently. This has led to very sharp business competition, both in the national market (domestic) and in international or global markets. In that case, it certainly requires the business sector to make new developments and changes to meet all the needs of the community, one of the business sectors that has a vital role in supporting daily community activities is the transportation service sector. Transportation service is one of the efforts of the community in general in overcoming the problem of distance to carry out various activities in daily life. Seeing the existence of transportation services currently offered by the government to the community is considered inadequate transportation. Many people still often complain about the public transport they use, which is often felt by the community, including lack of fleets or vehicles from one
place to another, and sometimes drivers force passengers to board, which often results in accidents or overload borne by vehicle.

They are starting from the number of transportation services that have sprung up resulting in increasingly strong competition faced by the motorcycle taxi drivers, almost in every corner of the main road, and many campus areas found by these drivers. However, if we look closely, there are many things that must be addressed in the current motorcycle taxi services, especially safety issues, politeness and fairness of service prices. The price problem is most often a passenger block. Motorcycle taxi drivers can charge all they want. Motorcycle taxi rates for short distances are not far from regular car taxis. The idea of an online motorcycle taxi company, which is managed professionally, by providing a call center and value-added that is different from motorcycle taxi in general. The Indonesian Consumer Foundation (YLKI) surveyed public satisfaction with online transportation services. The result is about 41 percent of consumers claim to have been disappointed by online transportation. "The survey was conducted on 5-16 April 2017, involving 4,668 respondents. When asked whether consumers have ever been disappointed by their services, as many as 41 percents of respondents claimed to have been disappointed, and vice versa, 59 percent of respondents were never let down. "Said YLKI chief executive Tulus Abadi in his statement, Friday (05/12/2017).

2. Literature Review

Price

In the context of service marketing, in simple terms the price according to Tjiptono (2014): an amount of money (monetary unit) or other aspects (non-monetary) that contain certain utilities or uses needed to obtain a service. Utility is an attribute or factor that has the potential to satisfy certain desires. The definition of the price according to Alma (2013) "price (price) is the value of an item expressed in money."

According to Kotler and Armstrong (2012), price is the tendency of customers to assess the suitability of the benefits of products and services. The valuation of the price of a product or service's benefit depends on the individual's perception which is motivated by the environment and the individual's condition. Referring to kertajaya (2006) in (Cahya, 2015) indicators of prices can be stated in consumers' assessments of the amount of financial sacrifice given about specifications in the form of product quality. Besides, the price assessment can be seen from the suitability of sacrifice from the consumer to the value received after making a purchase, and from there the consumer will perceive, from the product or service. Positive perception is the result of being satisfied with a purchase made, while a negative perception is a form of consumer dissatisfaction with the product or service it purchases. According to Pepadri and Sitinjak in Wibowo and Karimah (2012) there are four dimensions used to measure the price of a product or service, namely: price reference, relatively cheaper prices, fairness of prices, suitability of sacrifice and prices following benefits.

Quality of Service

Service quality, according to Wyckof, quoted by Tjiptono (2014) "Service quality is the expected level of excellence and control over excellence to meet customer desires." In the service management book realizing excellent service according to Lewis & Booms cited by Tjiptono (2012) service quality can be interpreted as "a measure of how well the level of service provided is able to match customer expectations" Tjiptono (2014) explains that service quality focuses on efforts to meet the needs customers as well as the accuracy of the delivery to balance customer expectations. Service quality can be evaluated by comparing the quality experienced and received by the company's customers with the expected service. Mardikawati and Farida (2013) stated that service quality is the nature of product appearance or performance which is a major part of the
company's strategy in order to achieve sustainable excellence, both as a market leader or a strategy to continue
to grow. The concept of service quality is defined as a long-term cognitive assessment of "organizational
excellence" (Ma and Zhao, 2012). Customer-oriented Quality strategies are important for service companies to
drive customer behavior For continuous patronage, Quality of service that is felt will result in repeat patronage
and customer loyalty. Likewise, poor service quality will lead to negative word of mouth and consequently lose
sales and profits as customers migrate to competitors. (Ma and Zhao, 2012).

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sales and profits as customers migrate to competitors. (Ma and Zhao, 2012).

Hypothesis

Purnomo Edwin setyo in his study entitled the effect of product quality and price on consumer
satisfaction best Autoworks in management journals and business star up volume 1, number 6 February 2017:
755-764 explains Price has a positive effect on customer satisfaction. Based on this description, the first
hypothesis proposed in this study is as follows:

\[ H1: \text{Price has a positive and significant effect on customer satisfaction} \]

Previous research, according to Januar EP and A Lili Y, entitled the influence of service quality on
customer satisfaction at JNE Bandung branch in the journal Management Vol.11 No 02 September 2016
explains the quality of service has a positive effect on customer satisfaction. Based on the description, the
second hypothesis proposed in this study is as follows:

\[ H2: \text{Service quality has a positive and significant effect on customer satisfaction} \]

In the EMBA Journal Vol 6 No. 03 July 2018, Pages 1778 -1787 entitled the effect of price and
service quality on customer satisfaction of online taxi transportation services at FEB Unsrat Manado students
explained that price and service quality had a positive and significant effect on customer satisfaction. Based
on the description, the third hypothesis proposed in this study is as follows:

\[ H3: \text{Price and service quality has a positive and significant effect on customer satisfaction} \]
3. Methods

This research uses descriptive assessment method; the type of research used in this study is a quantitative approach through survey methods. According to (Sugiyono: 2013) quantitative approach is a research method based on the philosophy of positivism, used to examine populations and certain samples, sampling techniques are generally carried out randomly, data collection using research instruments, quantitative data analysis to test predetermined hypothesis. Statistical analysis tool used to analyze research data using the Statistical Package for the Social Science (SPSS) program.

4. Results and Discussion

Description of Respondents

1. Characteristics of Respondents by Sex

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man</td>
<td>46</td>
<td>92</td>
</tr>
<tr>
<td>Women</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Based on sex, the majority of respondents are male as much as 46 respondents (92%), and the rest are women that are 4 respondents (8%).

2. Characteristics of Respondents by Age

<table>
<thead>
<tr>
<th>Age of Respondents</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16 Years</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>17-25 Years</td>
<td>37</td>
<td>74</td>
</tr>
<tr>
<td>26-35 Years</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>36-40 Years</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>50</td>
<td>100</td>
</tr>
</tbody>
</table>

Based on the table above, the characteristics of respondents based on age are dominated by Age 17-25 years, which is equal to 74%.

3. Characteristics of Respondents by Occupation

<table>
<thead>
<tr>
<th>Occupation of Respondents</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
</table>

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Based on the table above, the characteristics of respondents based on work are dominated by private employees, which is as much as 72%.

4. Respondent Characteristics Based on Income

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 1 Million</td>
<td>1</td>
<td>2 %</td>
</tr>
<tr>
<td>1-3 Million</td>
<td>15</td>
<td>30 %</td>
</tr>
<tr>
<td>3-5 Million</td>
<td>25</td>
<td>50 %</td>
</tr>
<tr>
<td>&gt; 5 Million</td>
<td>9</td>
<td>18 %</td>
</tr>
<tr>
<td>TOTAL</td>
<td>119</td>
<td>100 %</td>
</tr>
</tbody>
</table>

Based on the above table, the characteristics of respondents based on income are dominated by income levels between 3 to 5 million rupiah.

Hypothesis testing

The results of multiple linear regression analysis using SPSS software produce two main tables, as follows:

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>143,173</td>
<td>2</td>
<td>71,587</td>
<td>25,089</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>47</td>
<td>2,853</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>134,107</td>
<td>49</td>
<td>2,853</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The multiple linear regression equation is as follows:

\[ Y = a + b_1 X_1 + b_2 X_2 \]
Y = 0.371 + 0.6861 + 0.0912

Explanation of the equation as follows:
1. A constant of 0.371; meaning that if the price and quality of service gain value of 0, then customer satisfaction is worth 0.371.
2. Price variable regression coefficient of 0.686; meaning that if the price increases by one unit, then customer satisfaction will increase by 0.686 units assuming the other independent variables are of fixed value.
3. The coefficient of regression of the service quality variable is 0.091; meaning that if the price increases by one unit, then customer satisfaction will increase by 0.091 units assuming the other independent variables have a fixed value.

Hypothesis testing is carried out three times following the proposed hypothesis, which is as follows:
Based on the hypothesis test path diagram above, all dimensions of each variable has a value of statistics greater than 1.660 so that dimensions can measure each construct. While to test the relationship between variables (hypothesis test), then used the statistic value of Smart PLS output that compared with the table value. Here is a table that gives the result of the relationship between constructs (variables).

Discussion

The price affects the satisfaction of online ojek transportation service customers in South Cikarang. T-test results show the value of the price coefficient of 0.505 with t arithmetic 4.741 and a significance level of 0.000. From this it can be seen that the price affects customer satisfaction; it can be stated that H1 is accepted.
Service quality affects customer satisfaction online ojek transportation services in South Cikarang region. The results of t-test calculations showed the value of the service quality coefficient of 0.381 with t arithmetic 3.584 and a significance level of 0.001. From this it can be seen that the quality of service affects customer satisfaction; with this, it can be stated that H2 is accepted. The simultaneous influence of price (X1) and service quality (X2) on customer satisfaction (Y) online motorcycle taxi transportation services in South Cikarang region. The results of the study based on the ANOVA test in table 5.10, showed an F count of 25.089 with a significance level of 0.00 <0.05 or 5%. Then it can be seen that the price and quality of service together affect the satisfaction of online ojek transportation service customers in South Cikarang region. Based on the coefficient of determination shown by the Adjusted R Square value of 0.496 which means that 50% can be explained by the independent variables (price and quality of service) of customer satisfaction. While the remaining 50% is influenced by other variables not included in this study, such as emotional factors, convenience, communication through advertisements, experiences from friends, and needs and desires.

Based on the results of multiple linear regression analysis, this research equation model is as follows:

![Framework Diagram]

Fig 1: Framework

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5. Conclusion

Based on the results of research on the effect of price and quality of service on customer satisfaction of online motorcycle taxi transportation services studies on Grab Bike consumers in the South Cikarang region, several conclusions are drawn, first that the results of the research that have been carried out can be seen that the price variable has a significant effect on the dependent variable is customer satisfaction of online motorcycle taxi transportation services study on Grab Bike consumers in South Cikarang region. Service quality variables have a significant influence partially on the dependent variable, namely customer satisfaction of online study motorcycle taxi service for Grab Bike consumers in South Cikarang. And the price variable has a more dominant influence. Second, From the results of research that has been done, it can be seen that the variable price of service quality has a significant and joint (simultaneous) influence on the dependent variable, namely customer satisfaction of online motorcycle taxi transportation services for consumers on Grab Bike in South Cikarang region.

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