The Effect of Price and Service Quality on Customer Satisfaction (Case Study on Customers of PT Jalur Nugraha Ekakurir Pematangsiantar Branch)

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Abstract

This research was conducted to determine the Effect of Price and Service Quality on Customer Satisfaction d on customers of PT Jalur Nugraha Ekakurir Pematangsiantar Branch. The data collected in this study were collected by distributing an online questionnaire. This questionnaire is aimed at people who have used the services of JNE. The method used in this study is a multiple linear regression analysis method with the variables used price (X1), quality of service (X2), and consumer satisfaction (Y). This type of research is quantitative and uses a sample of 100 respondents. The results of the study were partially known that the price had a positive and significant effect on consumer satisfaction obtained by counting (3.423) > ttabel (1.984) and a significant level of 0.001 < 0.05. It is partially known that the quality of service has a positive and significant effect on customer satisfaction obtained by counting (10.192) > ttabel (1.984) and a significant level of 0.000 < 0.05.

Keywords: Price, Quality of Service, Satisfaction

INTRODUCTION

Today's business world is already very developed rapidly, and in the current modern era, it is also inseparable from the competition in the business world and the increasingly fierce industrial world. Of course, corporate companies are required to be more creative and innovative to achieve and increase customer satisfaction, especially companies engaged in services that are getting faster and faster. Currently, competition by companies providing shipping services is in fierce competition. This is because the higher the level of public need for the use of delivery services. Judging from the increase in the use of e-commerce, it can be seen from data that shows that in 2021 Indonesia is

included in the category of 10 countries with the highest percentage of E-Commerce use in the world, with the first place. With the increasing public need for shipping services, several companies have given birth to the same service products, namely expedition services (delivery services).

There are also several companies that are competing in the field of expedition, namely J&T, JNE, SiCepat, Ninja Express, SAP and several other logistics companies. Seeing the increasing number of companies engaged in logistics, to be able to maintain its existence, of course, every company must be able to improve its skills, abilities and knowledge to provide satisfaction to consumers so that they can face increasingly fierce competition.

J&T leads the logistics market by having the largest shipping volume in Indonesia. J&T is able to send 2 million packages every day. Meanwhile, JNE as the holder of the logistics market has been ranked second for a long time. JNE is only able to send 1.6 million packages every day. SiCepat ranked third with the delivery of 1 million packages per day, then Ninja Express was recorded to send 0.65 million packages per day and SAP as many as 0.15 million packages per day. From the data above, it can be seen that JNE until November 2021 still cannot be ranked first as the largest courier service delivery. When viewed from the long standing, of course, JNE has been established and operated as a delivery service company but the largest delivery until November 2021 is still won by J&T. The service provider business is currently certainly very much needed by the wider community amidst the many activities carried out online, especially since the Covid-19 pandemic. the frequency of using courier services during the Covid-19 pandemic noted that the use of courier services to deliver goods increased. In detail, there were 39% of respondents who admitted that the frequency of using courier services increased significantly during the pandemic. As many as 39% of respondents stated that the use of courier services has increased slightly. Then 13% of respondents said the frequency of using couriers during the pandemic has not changed compared to before. As many as 4% of respondents admitted that the use of courier services decreased slightly during the pandemic. Meanwhile, 5% of respondents stated that the use of courier services has decreased significantly at this time. The Indonesian Consumers Foundation (YLKI) reported that as many as 3.2% of the total 535 complaints were complaints about expedition service companies or package delivery companies. Anter is the expedition service company with the highest number of complaints at 35% of the total complaints against the expedition service company. JNE ranked second with 18% of total complaints. It can be seen that quite a lot of customers have complained about JNE's delivery service. Based on the statement above, this indicates that since the Covid-19 pandemic, the use of freight forwarding services has increased rapidly, one of which is JNE, making JNE the no. 2 most delivery service, but in addition to JNE as the no. 2 most service

delivery after J&T, JNE also received the no. 2 most complaints, which means there are things that must be considered from JNE Company. That way JNE must improve service, both in terms of price and in terms of the quality of service provided so that it can make consumers feel satisfied so as to give a good impression to consumers.

Based on the consumer complaints data table from 2020 to 2021, there are many types of complaints felt by consumers. The complaints include lost packages, late packages and damaged packages. The total number of complaints from 2020 to 2021 was recorded at 409 complaints in pematangsiantar city. Seeing the large number of JNE consumer complaints in Pematangsiantar, to be able to maintain its consumers, of course, JNE must be able to improve the quality of its services so that consumer complaints are reduced. According to (Kotler 2016) Quality of service is any action or activity that can be offered by one party to another party, basically intangible and does not result in any ownership. According to Widjoyo, Rumambi, & Kunto (2013), to achieve and produce an excellent service quality, a service company must understand and implement all dimensions of service quality appropriately, because customers in assessing the quality of services appropriately.

Based on the description of the general research objects that have been described above, the author will conduct a study entitled The Effect of Price and Service Quality on Consumer Satisfaction in the Use of Delivery Services (Case study on PT. Nugraha Ekakurir Line / JNE Pematangsiantar Branch).

Marketing

Marketing according to Stanton (Priansa 2017:3) is a total system of business activities designed to plan, determine prices, promote and distribute goods that satisfy desires and services both to current and potential consumers.

Service

According to Gronroos in tjiptono & Chandra (2016:13) services are processes that consist of a series of activities that usually (but do not always have to) occur in the interaction between customers and service employees.

Price

According to Adisaputro pada (Chairuna Fani, 2017), there are three things that must be considered in the psychological influence of consumers on prices, namely:

1.   Reference price. This condition occurs when buyers observe a product, buyers often use their reference data which consists of internal references about prices, namely information that has been attached to the buyer's memory and external price references, namely price references obtained from promotional media and other people. Based on existing references, the buyer will

make a decision whether the price offered is too high or lower.

2. The influence of the relationship between price and quality. Consumers will use the price as an indicator of the quality of the product. Thus, the price of the product is no longer an important thing about quality, therefore marketing that has a product with high quality tends to

ask for a high price as well for the product.

3. Signals from the price. There are many factors that trigger changes in product prices which are one of the considerations for companies to take policies in increasing or lowering the prices offered to customers. Changes in factors related to pricing are relatively fast so it is necessary to anticipate so that changes in external conditions do not cause material losses to the company's operational continuity.

Pricing Dimensions

According to Kotler & Keller (2016:483) price consists of several dimensions, namely:

1. The suitability of the price with the quality of the product Consumers relatively choose a higher price because they see a difference in quality between a higher price and a lower price.the higher the price, the higher the quality of the product.

2. Affordability Consumers can reach the price that has been set on a product and usually the product has several types in a brand, but has a different price from the most expensive price to the cheapest.

3. Price competitiveness Consumers often compare the price of a product which results in the price of a product being competitive.

4. The suitability of the price with the benefits consumers make a purchase of a product depends on the benefits that will be obtained from the product. If the benefits of the product are small, the sacrifice from consumers for the purchase decision process is also getting smaller.

Quality of Service

According to (Kotler 2016) Quality of service is any action or activity that can be offered by one party to another party, basically intangible and does not result in any ownership.

According to Fandy Tjiptono (2015: 157) Service quality is a measure of how good the level of service provided is able to match the expectations of consumers or customers.

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Dimensions of Service Quality

According to Fandy Tjiptono (2016: 137) there are five determining factors for service quality, namely:

1.   Tangible , that is, with regard to the attractiveness of physical facilities, equipment and materials used by the company, as well as the appearance of employees.

2.   Empathy (Empathy), is a company that understands the problems of consumers or employees to help customers and respond to their requests, as well as informing whenever it is given and the ability to provide services quickly.

3.   Reliability, which is related to the company's ability to provide accurate services from the first time without making any mistakes.

4.   Assurance (Assurance), which is employee behavior to foster consumer or customer trust in the company.

5.   Responsiveness, which is related to the willingness and ability of employees to help customers and respond to their requests, as well as inform when services will be provided and then provide services quickly.

The Relationship between Price and Customer Satisfaction

(Tjiptono and Chandra, 2014:317) Price is one of the values that can provide considerable value for the formation of customer value. Of course, price is very influential to realize customer / consumer satisfaction. Because before deciding to buy an item, of course, we consider the price first. Where when we feel that it matches the pricethen we will immediately make a purchase of the product / service. For this reason , the company must be able to set the right price to be marketed so that it can be accepted by the community so that the community glances at the product of goods/services from our company.

Relationship of Service Quality with Customer/Consumer Satisfaction

The importance of awareness in providing superior service quality to create satisfaction and grow customer loyalty and achieve goals in order to survive in the competition of the business world (Kuntari et al, 2016: 197) Service quality is very important in a company both in the field of goods/services products. When customers get good service from the company, it will certainly make customers feel valued so as to make customers / consumers feel satisfied with the service provided. Even when customers feel satisfied, customers also do not hesitate to disseminate that the company provides good service, so as to make other customers intend / interested in trying goods /

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services products in the company. But when the customer is not satisfied with the service provided by the company, the customer will also not use the company's services in the future. That way when the company is unable to provide good service, the company will slowly lose its customers and cause bankruptcy to the company.

Customer/Consumer Satisfaction

According to Brown dala Sudaryono (2016: 79) Satisfaction is a condition where consumers' needs, desires, and expectations for a product or service, are in accordance with or are met with the appearance of the service product.

Dimensions of Customer Satisfaction

According to Kotler and Keller (2016:153) the customer is declared satisfied then the customer will:

1) Using the service again one way to measure customer satisfaction is to directly ask the customer how satisfied the service or product is. This can be done by measuring the level of customer satisfaction with the company's services or products, and comparing with the overall level of customer satisfaction with competitors' services, whether to continue to use the company's services, or whether to move to competitors' products.

2) Customers will recommend the service to others If the customer is satisfied, the customer will recommend the service to other people such as family, friends, neighbors and so on. If the customer is not satisfied, the customer will not use the service again and does not recommend to others, even the customer will recommend other services that make the customer satisfied with the service provided and so on.

3) Service as expected Several factors to find out customer satisfaction, by seeing directly what customer expectations of a service are like by being able to ask directly or using satisfaction surveys so that it can be a standard benchmark for how service is appropriate and expected by customers.

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Framework

Based on the description of the theoretical review, the framework of this research is formed as follows
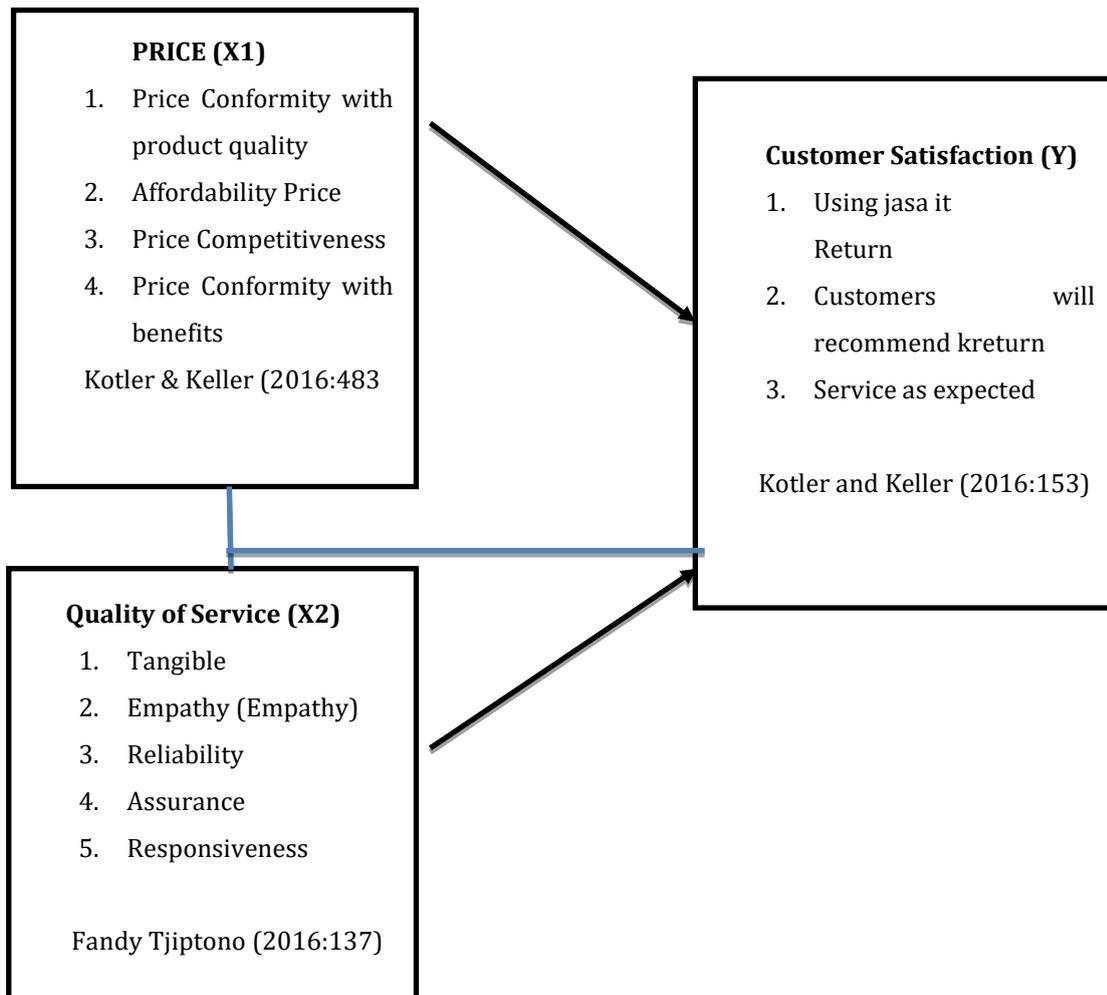

PRICE (X1)
1. Price Conformity with product quality
2. Affordability Price
3. Price Competitiveness
4. Price Conformity with benefits

Kotler & Keller (2016:483

Customer Satisfaction (Y)
1. Using jasa it Return
2. Customers will recommend kreturn
3. Service as expected

Kotler and Keller (2016:153)

Quality of Service (X2)
1. Tangible
2. Empathy (Empathy)
3. Reliability
4. Assurance
5. Responsiveness

Fandy Tjiptono (2016:137)

Figure 1 Research Model

Source: Author's Processed Results,2022

Research Methods

The method used is a quantitative method. According to Sugiyono (2017: 8), quantitative research is a research method based on the philosophy of positivism, used to research certain populations or samples, data collection using research instruments, quantitative or statistical data analysis, with the aim of testing hypotheses that have been set.

Results And Discussion

Normality Test

This test is usually performed to measure data on an interval ordinal scale. The normality of the data can be seen using the Kolmogrov-Smirnoc test. The significance level used in this study was 5%. If the value is said to be significant then the > 0.05 thus it is concluded that the population is normally distributed and if the significant value < 0.05 then it can be concluded that the population is not normally distributed.

Based on the results of data processing with the help of SPSS 25 and obtained the results of the normality test as follows:

The results of the Kolmogorov-Smirnov normality test were obtained with a significance result of 0.112 > 0.05, it can be concluded that the residual variable; is normally distributed.

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	2.53640382
Most Extreme Differences	Absolute	.080
	Positive	.080
	Negative	-.057
Statistical Test		.080
Asymp. Sig. (2-tailed)		.112[c]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Draw 2

Processed Products Kolmogorov Smirnov

Based on table 4.4 Above, the results of the Kolmogorov-Smirnov normality test were obtained with a significance result of 0.112 > 0.05, it can be concluded that the residual variable; normally distributed.

Multiple Linear Regression Analysis

Multiple linear regression analysis was used to determine the influence between the free variables, namely Price (X1) and Service Quality (X2) on the bound variable, namely Consumer / Customer Satisfaction (Y) which was carried out on 100 respondents who used the pt Tiki Jalur Nugraha Ekakurir Pematangsiantar expedition service. The equation used is as follows :

$$Y = a + b1\ X1 + b2\ X2$$

Coefficients^a

Type		B	Std. Error	Beta	T	Sig.	Tolerance	VIF
		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
1	(Constant)	3.047	1.428		2.134	.035		
	Price (X1)	.156	.045	.229	3.423	.001	.733	1.364
	Quality of Service	.430	.042	.683	10.192	.000	.733	1.364

a. Dependent Variable: Customer Satisfaction

Draw 3

Multiple Linear Regression Results

Based on table 4.6 Which is the result of multiple linear regression analysis test, it can be obtained for the following equation :

$$Y = 3.047 + 0.156\ X1 + 0.430\ X2$$

From the above equation it can be known that the value of the constant is 3.047. The constant value indicates that the bound variable is customer /consumer satisfaction, if it is not influenced by Price (X1) and Service Quality (X2) then the average amount of Consumer / customer Satisfaction will be worth 3,047.

The price regression coefficient is 0.156 and is positive. This shows that price has a relationship that is in the same direction as consumer satisfaction. With a regression coefficient of 0.156, it is interpreted that if the price increases by one, the consumer will increase by 0.156 from the price.

On product quality, the regression coefficient is 0.430 and is positively valued. This shows that there is a unidirectional relationship between service quality and customer satisfaction. With a coefficient of 0.430, and it can be interpreted that if the product quality increases by one, consumer satisfaction will increase by 0.430 from the quality of service.

T TEST

This test is carried out to find out how far the influence of a partial independent variable (individual) is on the variation of dependent variables.

To determine the T relay, it is necessary to have a free degree with the formula:

a. Degree of freedom (df) = (n-k) and degree of accuracy (a) = 5%

b. n = number of samples, n = 100

c. k= number of free variables used, k=2

d. Degree bebasv(df) = n-k = 100-2 = 98

The T test carried out is a two-way test, then the Ttable used is 1,984. In this study using SPSS 25, and had the following results:

Coefficients[a]

Type		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.047	1.428		2.134	.035		
	Price (X1)	.156	.045	.229	3.423	.001	.733	1.364
	Quality of Service	.430	.042	.683	10.192	.000	.733	1.364

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a. Dependent Variable: Customer Satisfaction

Draw 4

T Test Results

Based on table 4.7 above, it can be seen that:

a.   The Price Variable (X1) has a Thitung (3.423) > Ttable (1.984) and a significance level of 0.001 < 0.05, then Ho is rejected. Therefore, it can be concluded that there is a partial significant influence of Price (X1) on customer satisfaction (Y)

b.   The Service Quality Variable (X2) has a Thitung (10.192) > Ttabel (1.984) and a significance level of 0.000 < 0.05, then Ho is rejected. Therefore, it can be concluded that there is a partial significant influence of Service Quality (X2) on Customer Satisfaction (Y).

TEST F

This test is intended to find out whether the free variables (Price and Quality of Service) jointly affect the bound variables (Consumer / customer satisfaction).

In this study, it was known that the number of samples (n) was 100 and the number of free variables (k) was 2, so that it was obtained:

a.   Error rate (a) = 5% and degree of greatness (df) = (k; n-k)

b.   Numerator-free degree = k = 2

c.   Denominator-free degree = n-k = 100-2 = 98

d.   Then Ftabel = 3.09

ANOVA[a]

Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1357.339	2	678.669	103.361	.000[b]
	Residual	636.901	97	6.566		
	Total	1994.240	99			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Quality of Service, Price (X1)

Draw 5

F Test Processed Results

Based on table 4.8 above, the results of simultaneous hypothesis testing with the f test, obtained significant results of $0.000 < 0.05$ and Fhitung $(103.361) >$ Ftabel (3.09) then H0 was rejected and H1 accepted can be accepted it can be stated that there is a simultaneous influence of price variables and service quality on consumer satisfaction of JNE expedition service users in Pematangsiantartar city.

CONCLUSION

1.   Variable Price gets a percentage value of 81.40% the value is included in the good category. This means that it can be concluded that the price owned by the delivery of JNE expedition services in pematangsiantar city is good, from 7 dimensional price variable statements that get the highest respondent response, namely statement no. 3 which states that the price is in accordance with the quality provided with a percentage of 84%.

2.   The Service Quality variable gets a percentage of 81.64%, the value is included in the good category. This means that it can be concluded that the quality of service owned by JNE expedition services in Pematangsiantar city is good, judging from the 10 statements of service quality variables that get the highest respondents, namely statement no. 4 which states that officers and employees are able to provide solutions to every customer complaint, with a percentage of 92.80%.

3.   The consumer satisfaction variable was carried out to get a percentage of 82%. The value belongs to the category of good. Judging from the 6 statements of the consumer satisfaction variable that got the highest respondents was no. 1, and no. 2 with a similar percentage, the percentage was 87.60%. Statement no. 1 states that respondents will re-use JNE delivery services and statement no. 2 states that Respondents are satisfied with JNE's services and intend to get a discount card (JNE Loyalty Card) immediately.

4.   Price and Service Quality affect Consumer Satisfaction simultaneously with a percentage of 68.1%.

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