# INCREASING CUSTOMER SATISFACTION WITH SERVICE QUALITY, PRICE AND LOCATION

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#### **Absract**

**Background**: Consumer satisfaction is the main target that a business wants to achieve in order to survive. This research confirms the influence of service quality, price and location on customer satisfaction at the motorbike service company at PT Star Prima Tajur. Even though a lot of research has been done, this topic remains interesting because the results can vary with changes in time and situations.

**Purpose**: This study aims to analyze the factors that affect customer satisfaction, namely service quality, price and location at PT Sun Star Prima Motors Tajur.

**Methodology**: The sampling technique used was non-probability sampling using a purposive sampling method, there were. 100 respondents from the consumer population who used motorbike service services. The analysis method used multiple linear regression and processed with SPSS.

**Results**: The results show a strong relationship, there is a simultaneous and partial positive influence between consumer quality, price and location on consumer satisfaction.

**Keyword**: Service Quality, Price, Location, Customer Satisfaction.

### I. INTRODUCTION

The development of business competition in Indonesia is a very interesting phenomenon to observe. The development of the automotive world today with affordable car prices and the easier process of buying a car on credit, is evidenced by the number of car purchases that are increasing every year.

PT Sun Star Prima Motor Tajur is the 37th cooperation facility between Mitsubishi and SUN Motor Group. Its business activities include 3S Sales, Service and Spare Parts, namely maintenance, repair and sales of spare parts. Increasingly fierce competition will make business people more enthusiastic in providing services to consumers, which aims to provide a sense of satisfaction to customers and can have a competitive advantage compared to competitors. According to Firmansyah (2018: 13) one of the factors that play an important role in creating customer satisfaction includes service quality and price.

A strategic location will also affect consumer interest in repairing their vehicle. Based on the results of observations and interviews, the data obtained in table 1.3 of PT Sun Star Prima Motors Tajur's revenue fluctuates and the revenue figures obtained do not reach the predetermined target. Not achieving this revenue target is caused by many factors, including the many alternative choices of car repair shops as service locations and also decreasing customer satisfaction which is thought to be caused by service quality, price

# II. METODOLOGI

## **Literature Review and Hypothesis Development**

Management is a tool to achieve desired goals. According to Assauri (2018:12), marketing management is the activity of analyzing, planning, implementing and controlling programs carried out from exchanges through market targets to achieve organizational (company) goals in the long term. Marketing management functions according to Panjaitan (2018:19) include marketing planning, marketing implementation, control/evaluation of marketing activities.

Service quality is a process of evaluating products or services that is felt directly by consumers. according to Lupiyoadi (2014:35), is how far the difference is between reality and consumer expectations for the services they receive. Factors that influence service quality according to Kasmir (2017:17) are the number of workers, quality of labor, employee motivation, leadership, organizational culture, employee welfare, work environment and other factors including the facilities and infrastructure used. Indicators of service quality according to Kotler in Fandy Tjiptono (2016: 284) include tangible, empathy, responsiveness, reliability and assurance.

Price is one element of the marketing mix that is flexible and can change at any time according to time and place. According to Kotler and Armstrong (2016: 65), it is money charged for goods and services, or the amount of value exchanged by consumers for the benefits of using and owning goods and services. Factors that influence prices according to Kotler & Armstrong (2012) are marketing targets, marketing mix strategy, price/cost, organizational, market and government considerations, price/cost and competitor offers. Price indicators according to Kotler and Armstrong (2016:52) are price affordability, price match with quality, price competitiveness and price match with benefits.

One of the variables or factors in marketing, namely location, also provides value in the company's success. According to Tjiptono (2017: 106) location is the place where a company operates or where it carries out activities to produce goods and services that have an interest in its economic sector. Factors that influence Fandy Tjiptono (2015:15) are access, visibility, parking and the environment. Location indicators according to Aprih Santoso, Sri Yuni Widowati (in Gugun, 2015: 16) include affordability, smoothness and closeness to residents

According to Kotler and Armstrong (2016:39), consumer satisfaction is the extent to which the perceived performance of a product or service meets expectations. Consumer satisfaction factors according to Tjiptono and Gregorius (2016: 295) include service quality, price, promos, location, employee service, facilities and atmosphere

## **Hypothesis Development**

The relationship between service quality, price and location with consumer satisfaction is how all these variables can fulfill consumer expectations or desires so that in the end consumers can feel satisfied. Basically, service is an action and treatment by serving consumers to fulfill their needs and desires. There are several studies that observe the influence of service quality, price and location on consumer satisfaction, namely Dio Yohand Yoga Pratama (2020) shows that simultaneously and partially service quality, price and location have a positive and significant influence on consumer satisfaction. This shows that service quality, price and location have a positive and significant influence on employee satisfaction. Therefore, consumer satisfaction is influenced by service quality, price and location.

### **Research methods**

The object of this research is service quality, price, location and consumer satisfaction. The subjects of this research are consumers of PT. Sun Star Prima Motor Tajur, The location of this research is at PT. Sun Star Prima Motor Tajur which is located at Jalan Raya Tajur No. 62 RT.001 RW.004 Pakuan, Bogor. The number of population members in this study was 154 consumers. The sampling technique uses nonprobability sampling using the purposive sampling method, namely determining the sample with certain considerations.

This research uses descriptive and verification methods and uses non-probability sampling methods, while the sampling technique used is purposive sampling, namely determining the sample with certain considerations. This research is a Likert scale, with data testing using validity, reliability, classical assumption tests, namely normality test, multicollinearity test, and heteroscedasticity test. After testing the instrument, multiple linear regression analysis, multiple correlation and coefficient of determination were carried out. Then, hypothesis testing is carried out simultaneously (F test) and finally partial testing is carried out (t test).

The operationalization of research variables is a collection of definitions based on the observed characteristics of whatever is defined or replaces the concept of a sentence which can be described

according to behavior, can be observed, can be tested, and its truth can be determined. Operational variables in this study (attached).

#### III. RESULTS AND DISCUSSION

Based on the data obtained, the majority of consumers are 81 men or 81 percent and 19 women or 19 percent with an average consumer age of 35-45 years, 65 people or 65 percent with self-employed jobs or entrepreneurs of 70 people or 70 percent. With the majority monthly income being 5-10 million with the number reaching 59 people.

Validity testing is carried out with the aim of measuring statements or questions in the questionnaire. Data validity is declared fulfilled if the statement or question can reveal something. Based on instrument testing on 100 consumers of PT. Sun Star Prima Motors Tajur shows that the validity test relating to the independent variables, namely service quality, price and location and the commitment variable, namely customer satisfaction, is said to be valid so that it can be continued with the reliability test. Reliability testing is a questionnaire measuring tool for all variable indicators, the questionnaire is declared reliable, a person's answer to a question or questions can be consistent from time to time, Sugiyono (2015). Based on research instrument testing on 100 consumers, it shows that from the aspects of service quality, price and location as well as consumer satisfaction, results are said to be obtained if all items are reliable because they have a Cronbach Alpha > 0.6. The classical regression model assumption tests that have been determined using the SPSS version 25.0 program include: normality test, multicollinearity test, and heteroscedasticity test. The results of the normality test using Kolmogrov-Smirnov produce Asymp.Sig values. (2 tailed) is 0.187 and the value is greater than the significant value of 0.05 (the residual variable is normally distributed or passes the test). Therefore, based on the first criterion, the data is normally distributed. The results of the multicollinearity test show a VIF < 10 and Tolerance > 0.1, meaning that no multicollinearity problems were found in this study. The results of the heteroscedasticity test show that the scatter diagram does not form a particular pattern, so the regression does not experience heteroscedasticity interference.

Multiple regression analysis was used to determine the effect of independent variables (service quality, price and location) on the dependent variable (consumer satisfaction) which was carried out on 100 respondents who were PT consumers. Sun Star Prima Motors Tajur. Based on the results of data processing using SPSS version 25.0 software, a multiple regression equation model can be formulated in the following table (attached).

Based on the summary of calculation results using multiple regression, it can be explained that 45.3 percent is the attachment variable while the remaining 54.7 percent is influenced by other variables not included in the research such as promotion, facilities and atmosphere (Tjiptono and Gregorius, 2016:295). Meanwhile, the R value of 0.673 indicates that the correlation figure of 0.673 is in the strong 0.600 - 0.799category, so the relationship between the two variables is unidirectional and strong. This means that with a confidence level of 67% the independent variables of service quality, price and location on consumer satisfaction have a positive and significant effect together (simultaneously) on excellence. Partially, service quality, price and location also have a positive and significant influence on consumer satisfaction.

# The influence of service quality on customer satisfaction at PT. Sun Star Prima Motors Tajur

Based on the test results obtained, it can be seen that the tcount value for the service quality variable (X1) is 2.675 and the ttable value is at the  $\alpha$ =0.05 level with a ttable of 1.661. This shows that tcount is greater than ttable (tcount>ttable) of (2.675 > 1.661), so H0 is rejected and Ha is accepted, meaning that partially service quality (X1) has a positive and significant effect on consumer satisfaction (Y) at PT. Sun Star Prima Motors Tajur. This is in accordance with the results of previous research by M. Jumhari (2022) that there is a positive and significant influence of service quality on consumer satisfaction.

#### The influence of price on customer satisfaction at PT. Sun Star Prima Motors Tajur

Based on the test results obtained, it can be seen that the tcount value for the price variable (X2) is 2.675 and the ttable value is at the  $\alpha$ =0.05 level with a ttable of 1.661. This shows that tcount is greater than ttable (tcount>ttable) of (2.675 > 1.661), so H0 is rejected and Ha is accepted, meaning that partially price (X2) has a positive and significant effect on consumer satisfaction (Y) at PT. Sun Star Prima Motors Tajur. This is in accordance with the results of previous research by Sari (2018) that there is a positive and significant influence of price on consumer satisfaction.

## The influence of location on customer satisfaction at PT. Sun Star Prima Motors Tajur

Based on the test results obtained, it can be seen that the tount value for the location environmental variable (X3) is 2.675 and the ttable value is at the  $\alpha$ =0.05 level with a ttable of 1.661. This shows that tount is greater than ttable (tcount>ttable) of (2.675 > 1.661), so H0 is rejected and Ha is accepted, meaning that partially location (X3) has a positive and significant effect on consumer satisfaction (Y) at PT. Sun Star Prima Motors Tajur. This is in accordance with the results of previous research by Zain (2018) that there is a positive and significant influence of location on consumer satisfaction.

#### IV. CONCLUSIONS AND NEWNESS

Based on the results of research and hypothesis testing that has been carried out regarding the influence of service quality, price and location on employee satisfaction at PT. Sun Star Prima Motors Tajur, the following conclusions were obtained:

- 1. Consumer responses to service quality (X1), price (X2) and location (X3) to consumer satisfaction (Y) are as follows:
  - a. Consumer responses to service quality variables are included in the good criteria. The highest value is found in the tangible indicator in the statement of comfortable waiting room facilities because the Company pays attention to the layout and facilities, while the lowest value is found in the indicator of keeping service times as promised.
  - b. Consumer responses to price variables are included in the affordability criteria. The highest value is found in the price competitiveness indicator in the statement that the price of the service offered is competitive with the prices offered by competitors, while the lowest value is found in the price indicator offered in accordance with the purchasing power of consumers.
  - c. Consumer responses to location variables are included in strategic criteria. The highest value is found in the access indicator in the statement of ease of getting in and out of the highway, while the lowest value is in having the lowest value being having a large parking space.
  - d. Consumer responses to consumer satisfaction variables are included in the satisfaction criteria. The highest value is found in the indicator of willingness to recommend statements stating positive things about PT. Sun Star Prima Motors Tajur, while the lowest value is found in the indicator of increasing results achieved in the statement making PT. Sun Star Prima Motors Tajur as the main choice of car service services.
- 2. Service quality, price, location simultaneously have a positive and significant effect on customer satisfaction at PT. Indonesian Services
- 3. Partial test results of the influence of Service Quality, Price, Location on Consumer Satisfaction, namely:
  - a. Service quality has a positive and significant effect on customer satisfaction at PT. Sun Star Prima Motors Tajur
  - b. Price has a positive and significant effect on customer satisfaction at PT. Sun Star Prima Motors Tajur
  - c. Location has a positive and significant effect on PT customer satisfaction. Sun Star Prima Motors Tajur.

# Newness given include:

- Quality of service at PT. Sun Star Prima Motors Tajur needs to be improved, especially for the
  indicator that has the lowest value, namely keeping service times as promised. Lack of
  communication between service advisors and mechanics means that it is not uncommon for vehicle
  repair queues to occur, the need for improvement and evaluation of the estimated time given. In
  this way, consumers decide to carry out maintenance and repairs on their vehicles again at PT. Sun
  Star Prima Motors Tajur.
- 2. Prices at PT. Sun Star Prima Motors Tajur needs to be adjusted, the indicator that has the lowest value is the price offered according to the purchasing power of consumers. PT. Sun Star Prima Motors Tajur can provide discounts to consumers at the end of the year and provide discounts on important days such as the founding day of PT. Sun Star Prima Motors Tajur. That way, consumers

- will decide to carry out maintenance and repairs on their motorbikes at PT. Sun Star Prima Motors Taiur.
- 3. Location of PT. Sun Star Prima Motors Tajur expands. The indicator with the lowest value is having a large parking area. There needs to be an increase in the size of the parking area so that the queue of cars leaving and entering carries out repairs at PT. Sun Star Prima Motors Tajur is more comfortable.
- 4. Consumer satisfaction at PT. Sun Star Prima Motors Tajur needs to be improved further and needs to be maintained properly, especially on the indicator that has the lowest value, namely PT. Sun Star Prima Motors Tajur as the main choice of car service services. The need for improvement in the quality of services provided by PT. Sun Star Prima Motors Tajur with the aim of making consumers feel satisfied and fostering a sense of interest in visiting PT again. Sun Star Prima Motors Tajur to carry out maintenance and repairs on its vehicles at PT. Sun Star Prima Motors Tajur.
- 5. For further research, hopefully this research will become a benchmark and reference. Future researchers can use this researcher as a benchmark and reference. Future researchers are advised to look for other variables that influence PT customer satisfaction. Sun Star Prima Motors Tajur, apart from service quality, price and location, can obtain more varied results and influence consumer satisfaction to obtain greater significant value.

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# **TABLES AND FIGURES**

The attached tables and figures are as follows:

Table 1. 3 Official Workshop Income Data at PT Sun Star Prima Motor Tajur in 2021

No	Mounth	Income Target (Rp)	Income Realization (Rp)	Achievement (%)	Information
1	January	417.750.000	205.160.225	49%	Not Achievement
2	February	417.750.000	240.245.072	58%	Not Achievement
3	March	417.750.000	242.326.140	59%	Not Achievement
4	April	417.750.000	420.122.146	100%	Achievement
5	May	417.750.000	420.184.121	105%	Achievement
6	Juni	417.750.000	300.152 .145	71%	Not Achievement
7	July	417.750.000	285.210.474	69%	Not Achievement
8	August	417.750.000	430.205.411	102%	Achievement
9	September	417.750.000	320.150.200	77%	Not Achievement
10	October	417.750.000	440.187.763	105%	Achievement
11	November	417.750.000	418.152.000	100%	Achievement
12	December	417.750.000	520.100.096	124%	Achievement
	Total	5.013.000.000	4.243.195.793		
	Average	417.750.000	353.599.649	85%	Not Achievement

Source: PT. Sun Star Prima Motor, 2022

Table 1. 4 Preliminary Survey Results of Consumer Assessment of Consumer Satisfaction at PT.

Sun Star Prima Motor Tajur 2021

		Sun Star 1	IIIIa Mot	or rajur 20	/41
No.	Indicator	Statement	Yes	No	Interpetation
1	Matching expectations	The services provided meet consumer expectations	10	20	Some consumers (80%) stated that the services

No.	Indicator	Statement	Yes	No	Interpetation
					provided did not meet consumer expectations.
2	Interested in visiting again	Will make PT. Sun Star Prima Motor Tajur as the main choice of car service services	14	16	Some consumers (63%) stated that they could not make PT. Sun Star Pima Motor Tajur as the main choice for car service.
3	Willingness to recommend again	I would recommend to others	16	14	Some consumers (57%) stated that they could not recommend PT. Sun Star Prima Motor Tajur to others.
		Customer Satisfaction	8 (%)	12 (%)	Most consumers (67%) stated that PT. Sun Star Prima Motor Tajur has not been able to meet consumer satisfaction.

Source: Preliminary survey, 2023

Table 1. 6 Results of Preliminary Service Quality Presurvey
At PT. Sun Star Prima Motor Tajur

	Att 1. Sun Star 1 inna Motor Tajur					
No	Indicator	Statement	Yes	No	Interpretation	
1	Tangibles	Service facilities provided by PT. Sun Star Prima Motor Tajur is adequate.	10	20	Most consumers (67%) stated that the facilities provided by PT. Sun Star Prima Motor Tajur is not adequate.	
2	Reliability	PT. Sun Star Prima Motor Tajur is able to provide services as promised	12	18	Some consumers (60%) stated that PT. Sun Star Prima Motor Tajur does not match what was promised.	
3	Responsiveness	PT. Sun Star Prima Motor Tajur is able to resolve consumer complaints	14	16	Some consumers (53%) stated that PT. Sun Star Prima Motor Tajur has not been able to resolve consumer complaints optimally.	
4	Assurance	PT. Sun Star Prima Motor Tajur has skilled mechanics and staff	13	17	Most consumers (57%) stated that. PT staff and mechanics. Sun Star Prima Motor Tajur is not yet skilled in carrying out service activities.	
5	Empathy	PT staff and mechanics. Sun Star Prima Motor Tajur is able to serve and fulfill consumer needs.	20	10	Some consumers (67%) stated that PT. Sun Star Prima Motor Tajur has been able to serve consumers well.	
		Total	14 46%	16 54%	Most consumers (54%) stated that the service quality of PT. Sun Star Prima Motor Tajur has not been able to meet consumer expectations.	

Source: Preliminary survey, 2023

**Table 1. 7 Price Comparison List** 

Product	PT. Sun Star Prima Motor	Makmur Jaya Motor	Information
Spark Plug	Rp. 1.300.000	Rp. 400.000	More expensive
Battery	Rp. 1.030.000	Rp. 835.000	More expensive
Machine oil	Rp. 468.000	Rp. 260.000	More expensive

Oil Filter	Rp. 52.000	Rp. 62.000	Cheaper
AC filters	Rp. 150.000	Rp. 128.500	More expensive
Clutch canvas	Rp. 1.845.000	Rp. 1.750.000	More expensive
Brake canvass	Rp. 555.000	Rp. 569.000	Cheaper
Light	Rp. 259.500	Rp. 65.000	More expensive
Car Bumpers	Rp. 1.300.000	Rp. 1.100.000	More expensive
Car tires	Rp. 1.156.248	Rp. 1.033.000	More expensive

Source: Processed by the Author, 2023

Table 1. 8 Preliminary Survey Results of Consumer Assessment of Locations at PT. Sun Star Prima Motor Tajur 2022

No.	Indicator	Statement	Yes	No	Interpretation
1	Access	Location of PT. Sun Star Prima Motor is very easy to reach	12	18	Some consumers (60%) stated that access to PT Sun Star Prima Motor is still relatively difficult to reach. Meanwhile (40%) of consumers stated the opposite.
2	Visibility	PT. Sun Star Prima Motor can be seen clearly from a distance	11	19	Some consumers (63%) stated that PT. Sun Star Pima Motor Tajur is not clearly visible from a distance. Meanwhile (37%) consumers stated the opposite
3	Parking Facilities	PT. Sun Star Prima Motor provides a fairly large parking area	13	17	Some consumers (57%) stated that the available parking space was not enough to accommodate consumers making repairs. Meanwhile (43%) consumers stated the opposite
4	Environment	PT. Sun Star Pria Motor is near the center of the crowd	17	13	Some consumers (43%) stated that PT. Sun Star Prima Motor is surrounded by many shops located around the company area. Meanwhile (57%) some consumers said the opposite
		Lokasi	13 (45%)	17 (55%)	Most consumers (55%) stated that the location of PT. Sun Star Prima Motor Tajur is not strategic enough.

Source: Preliminary survey, 2023

Summary of Calculation Results of Service Quality, Price and Location on Consumer Satisfaction at PT. Sun Star Prima Motors Tajur

	Coefficients <sup>a</sup>						
	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	
		В	Std. Error	Beta			
	(Cosntant)	3.282	2.265		1.449	.15	
1	Service Quality	.164	.061	.250	2.675	.009	
	Price	.229	.081	.271	2.831	.006	
	Location t-tabel	.211 1.661	.074	.286	2.871	.00:	

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F-count	26.544	
Sig	.000	
F tabel	2,699	
R	.673	
$\mathbb{R}^2$	.453	
Adjust R <sup>2</sup>	.436	
Alpha (α)	5%	