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## The Influence of Service Quality and Price on Customer Satisfaction at AHHAS Karya **Perdana Workshop**

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#### Abstract

The AHHAS Karya Perdana workshop is located on Jl. DI. Panjaitan, Karanganyar, Kec. Indramayu, Indramayu Regency, West Java 45213. The workshop provides a complete range of spare parts products and motor vehicle repair services. The workshop has a very comfortable waiting room atmosphere, quality of service is a priority with varying prices, and a strategic workshop location in the city center makes it easy for the people of Indramayu to find and repair motorbikes, influencing customer satisfaction. The method used in this study uses descriptive and associative research methods using a quantitative approach. This study's sample number was 95 AHHAS Karya Perdana Workshop customers. By collecting data using a questionnaire. Data analysis technique using multiple linear regression analysis, correlation, and coefficient of determination. Calculations using the SPSS software tool version 20. The results showed that service quality and price significantly and positively affected customer satisfaction. In this study, service quality and price can explain customer satisfaction by 62.1%, while the remaining 37.9% is influenced by factors not examined. Keywords: Service Quality, Price, Customer Satisfaction

#### 1. Introduction

The business world is experiencing speedy development and progress, a feature characterized by companies producing the exact product/service. So, in this case, the company must know the market situation from any changes in politics, society, and economics. All companies must always want the quality of the services they produce to be better so that the services they produce become trusted in their customers' hearts and the company's services can be remembered, as well as the choice of consumers through customer satisfaction. To gain market share, you can carry out various appropriate strategies to compete so that later, the services sold and offered can excel in the market. This is necessary in order to maintain and satisfy existing consumers and customers.

Motorbike service providers in the Indramayu area, AHHAS Karya Perdana Workshop, have tried to make their customers feel satisfied after using motorbike service services by always providing maximum service quality such as in terms of providing good vehicle repairs, repairing customer vehicles swiftly, always being responsive in explaining the products to be used on customer vehicles and providing services according to the requests and expectations of their customers. In addition to service quality, it also pays attention to the cost of prices to its customers. This aims to make products affordable for customers who want to use and buy them. The Price offered varies according to the level of service and products provided. However, there are still customers who feel unsatisfied due to the existence of influencing factors, including product quality, service quality, emotional, Price, and cost factors. After observation and investigation, it is found that the leading causes that make customers feel unsatisfied are service quality and Price, which are the main factors for customers to be unsatisfied; this is because the quality of service is not to customer requests, the vehicle repair time is quite long, and customers still feel that the vehicle after the repair is still damaged. In addition, the price factor is due to the cost of vehicle repair services and the relatively expensive Price of spare parts; customers are dissatisfied, so researchers are

interested in making this problem phenomenon research. Therefore, the title of this study is The Effect of Service Quality and Price on Customer Satisfaction.

Hasan (2014:89) defines *Customer Satisfaction* as a feeling of pleasure or disappointment that arises after comparing the performance (results) of the product that is thought against the expected performance (results). According to Tjiptono (2014:354), customer satisfaction can be interpreted as comparing expectations and perceptions of performance after purchase. Customer satisfaction is a condition where someone feels happy or disappointed, which comes from a comparison between his impression of a product's performance (results) and his expectations. Every company wants its customers to be satisfied with what they have done to their customers. So many companies try to provide good quality service and affordable prices to their customers.

Indrasari (2019:92), indicators of customer satisfaction are as follows: (1) conformity with expectations, (2) interest in visiting again, and (3) willingness to recommend. Service quality, according to Indra and Siagian (2021), is a form of consumer assessment of the level of service perceived (perceived service) with the level of service expected (expected value). Flora Han (2000: 88) states that service quality is a customer's service expectation. Is the customer's expectation of service influenced externally by word-of-mouth communication and internally by the customer's personal needs and past experiences? Service Quality is the totality of perceptions and comparisons of customers to the quality of service received by customers with expected service.

Service Quality Indicators According to Indra and Siagian (2021), there are five indicators, namely: (1) Tangible (Physical Evidence), (2) Reliability, (3) Responsiveness, (4) Assurance, and (5) Empathy. Asaloei (2018) explains that Price is the most essential decision because every product or service has a price. Moreover, it is the amount of money consumers exchange for the benefits of owning or using a product. Sugianto (2019: 7) states that Price is the amount of money billed for a product and service or the value customers exchange to benefit from owning or using a product or service. Price is the only element of the marketing mix that provides revenue or income for the company and is flexible.

Prasetya & Indiana (2021) define *Price* as the amount of money charged for services. In broad terms, Price is the amount of value consumers exchange to obtain the benefits of owning or using a product or service. According to Prasetya & Indiana (2021), the Price has several indicators, namely: (1) affordable Price by purchasing ability, (2) price has competitiveness with other similar products, and (3) Competitiveness with other similar products.

# 2. Method

The research method used is descriptive and associative methods using a quantitative approach. The descriptive method is a research method that provides a description and reveals a problem that occurs at the time of the research. In contrast, the associative method determines the relationship between two or more variables in the sample to be tested. The formulation of the problem in this study is descriptive and associative. According to Sugiyono (2019: 35-36), the formulation of descriptive problems is a problem formulation that deals with questions regarding the existence of independent variables, either only on one or more variables or variables that stand alone. Sugiyono (2019) associative problem that asks about the relationship between two or more variables. In this study, the population is customers at the Ahhas Karya Perdana Workshop, from which data was taken from a population of 2100 people in the range 1 January - 31 December 2021. The sampling technique used by researchers is based on the Slovin formula. The sample, according to Sugiyono (2019: 131), is

part of the number and characteristics of the population. To find out how many samples to take, researchers used the Slovin formula as follows:

$$n = \frac{N}{1 + N.e^2}$$

Description:

N = Sample Size

N = Population Size

e = Allowance for inaccuracy due to tolerable sampling error.

Based on sample calculations in the study, there were 95 participants. Next, data analysis in this research uses regression analysis.

## 3. Results and Discussion

**Descriptive Analysis** 

Table 1

Descriptive Statistics

	Ν	Minimum	Maximum	Mean	Std. Deviation
Service Quality (X <sub>1</sub> )	95	28	50	40.43	4.290
Price (X <sub>2</sub> )	95	12	40	24.31	5.329
Customer satisfaction (Y)	95	12	30	24.49	3.509
Valid N (listwise)	95				

Based on Table 1, Service Quality has a minimum value of 28 and a maximum value of 50, with an average value of 40.43 and a standard deviation of 4.290. The results showed that the standard deviation value is smaller than the average, which means the data distribution is normal. Price Perception has a minimum value of 12 and a maximum value of 40, with an average value of 24.31 and a standard deviation of 5.329. The results showed that the standard deviation value is smaller than the average, which means the data distribution is normal. Customer satisfaction has a minimum value of 12 and a maximum value of 30, with an average value of 24.49 and a standard deviation of 3.509. The results showed that the standard deviation value is smaller than the average, which means the data distribution is normal.

# Analysis of Respondent Responses to Customer Satisfaction

Table 2

Recapitulation of Respondent Answers to Customer Satisfaction

No	Customer Satisfaction Indicator	Score	Total Score
1-2	Expectation Congruence	388	777
		389	
3-4	Interest in Revisiting	399	776
		377	
5-6	Willingness to Recommend	341	728
		387	
Total			2.281

Table 2 shows that the total score of the indicators is 2.281 or  $2.281/2.850 \times 100\% = 80.03\%$ , meaning that the distribution channel is included in the "Very High" classification.

## Analysis of Respondent Responses to Service Quality

#### Table 3

Recapitulation of Respondent Answers to Service Quality

No	Service Quality Indicator	Score	Total
			Score
1-2	Tangible	359	719
		360	
3-4	Reliability	377	751
		374	
5-6	Assurance	370	706
		336	
7-8	Responsiveness	357	727
	-	370	
9-10	Empathy	392	790
		398	
	Total		3.693

Based on Table 3, the total score of the indicators is 3.693 or 3.693 / 4.750 x 100% = 77.74%, meaning that the distribution channel is included in the "High" classification.

# Analysis of Respondent Responses to Price

Table 4

Recapitulation of Respondent Answers to Price

No	Price Indicator	Score	Total Score
1-2	Affordable Price by Purchasing	377	756
	Ability	379	
3-4	Price compatibility with product	377	753
	quality	376	
5-6	Competitive with other similar	374	732
	products	358	
	Total		2.241

Based on Table 3, the total score of all indicators is 2,241 or  $2.241/2.850 \times 100\% = 78.63\%$ , meaning that the distribution channel is included in the "High" classification.

# **Associative Analysis**

#### Simple Linear Regression Analysis

The simple linear regression test shows the effect of the independent variable on the dependent variable with the following equation:

$$\hat{y} = a + bx$$

Θ

*Linear Regression of Service Quality on Customer Satisfaction* Table 5

Linear Regression of Service Quality to Customer Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	В	Std. Error	Beta			
(Constant)	8.921	1.190		7.882	.000	
Service Quality	.688	.062	.830	13.622	.000	

a. Dependent Variable: Customer Satisfaction

## Based on Table 5. it can be explained that:

Simple Regression  $\hat{y} = a + bX_1$ , which has been found between service quality (X1) and customer satisfaction (Y), is  $\hat{y} = 8.921 + 0.688X_1$ . These results show a positive relationship between service quality and customer satisfaction. The constant value (a) = 8.921, meaning customer satisfaction is 8.921 units without service quality. If the service quality increases by one team, the value of customer satisfaction will increase by 0.688 units. And if there is no increase in service quality (0), the value of customer satisfaction equals the constant value (8.921).

#### **Linear Regression of Price on Customer Satisfaction** Table 6

Linear Regression of Price on Customer Satisfaction

Model	Unstandardized Coefficients		StandardizedCoefficients	t	Sig.
	В	Std. Error	Beta	_	
(Constant) 1	14.521	3.111		7.911	.000
Price	.415	.082	.522	6.222	.000

a. Dependent Variable: Customer Satisfaction

Based on Table 6. it can be explained that:

Simple Regression  $\hat{y} = a + bX_2$ , which has been found between price (X<sub>2</sub>) and customer satisfaction (Y), is  $\hat{y} = 14.521 + 0.415$  (X<sub>2</sub>). This result shows that there is a positive relationship between price and customer satisfaction. If the price increases by one unit, customer satisfaction will increase by 0.415. If there is no price increase (0), the value of customer satisfaction equals the constant value (14.521).

## **Multiple Linear Regression Analysis**

Multiple linear regression is a linear regression model involving more than one independent variable or predictor (multiple linear regression).

Multiple linear regression is a prediction or forecasting model using interval or ratio scale data, and there is more than one predictor. The data scale referred to above is on all variables, especially the dependent variable.

The formula used in multiple linear regression is as follows:

 $\hat{y} = \alpha + \beta_1 X_2 + \beta_2 X_2 + \beta n X n + e$ 

Description:

Y = Dependent variable or response variable

X = Independent variable or predictor variable

 $\alpha$  = Constant

 $\beta$  = Slope or Coefficient of determination

Table 7

Linear Regression of Service Quality and Price to Customer Satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		В	Std. Error	Beta			
	(Constant)	8.501	1.211			7.420	.000
1	Service Quality	.721	.071		.721	11.921	.000
	Price	.212	.042		.252	1.211	.015

a. Dependent Variable: Customer Satisfaction

 $\hat{y} = a + b_1 X_1 + b_2 X_2$ 

 $\hat{y} = 8,501 + 0,721X_1 + 0,212X_2$ 

#### Description:

$\mathbf{Y}_1$	= Predicted Customer Satisfaction
а	= Constant
$b_1b_2$	= Regression coefficient
$X_1$	= Service Quality
$X_2$	= Price

The regression equation can be explained as follows:

If the Service Quality variable  $(X_1)$  increases or decreases and the Price variable  $(X_2)$  also increases or decreases, the Customer Satisfaction variable (Y) will also increase with the increase in  $X_1$  and  $X_2$ . Then the constant value is 8,501, meaning that if there is no change in the Service Quality and Price variables  $(X_1 \& X_2 = 0)$ , Customer Satisfaction equals the constant value (8,501).

#### **Simple Correlation Coefficient Test**

#### Table 8

Correlation Coefficient of Service Quality Towards Customer Satisfaction

			Service Quality	Customer Satisfaction
		Correlation Coefficient	1.000	.773**
	Service	Sig. (2-tailed)		. 000
	Quality	Ν	95	95
Spearman's rho	Customer	Correlation Coefficient	.721**	1.000
	Satisfaction	Sig. (2-tailed)	.000	
		Ν	95	95

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

Based on Table 8, a significant relationship between Service Quality variables and Customer Satisfaction can be seen as a significant value or sig. (2-tailed) of 0.000. Because of the sig value. (2-tailed) 0.000 <0.05 means that there is a significant relationship (means) between the Service Quality variable and Customer Satisfaction. Based on the strength (tightness) of the relationship between the Service Quality variable and Customer Satisfaction, the correlation coefficient value is 0.721. This means that the strength of the relationship (correlation) between the Service Quality variable and Customer Satisfaction is 0.721 (extreme), so the relationship between the two variables is unidirectional and positive. **Test the Correlation Coefficient of Price Towards Customer Satisfaction** 

# Table 9

Correlation Coefficient Price Towards Customer Satisfaction

			Price	Customer
				Satisfaction
		Correlation	1.000	.425**
	Price	CoefficientSig. (2-		.000
		tailed)	95	95
		Ν	.463**	1.000
Spearman's rho	)			
	Customer	Correlation	.000	•
	Satisfaction	CoefficientSig. (2-	05	05
	Satisfaction	tailed)	95	95
		Ν		

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

Table 9 The significant relationship between the price variable and customer satisfaction can be seen as a significant value or significance. (2-tailed) of 0.000. Because of the sig value. (2tailed) 0.000 < 0.05, it means that there is a significant relationship (meaningful) between the Price variable and Customer Satisfaction. Judging from the strength (tightness) of the relationship between the Price variable and Customer Satisfaction, a correlation coefficient of 0 463 is obtained. This means that the strength of the relationship (correlation) between the Price variable and Customer Satisfaction is 0.463 (strong), so the relationship between the two variables is unidirectional and positive.

# **Multiple Correlation Coefficient Test**

Table10

Correlation Coefficient of Service Quality and Price Towards Customer Satisfaction Model Summary

Model	R	R Square	Adjusted RSquare	Std. Error of theEstimate				
1	.913ª	.723	.699	2.03379				

a. Predictors: (Constant), Price, Service Quality

b. Dependent Variable: Customer Satisfaction

Table 10 obtained an R number of 0.913, which shows a solid relationship between Service Quality and Price toward Customer Satisfaction.

# **Hypothesis Test**

#### T-test (Partial)

Table 11

Influence of Service Quality Towards Customer Satisfaction

Mc	odel	Unstandardized Coefficients		Standardized Coefficients	t Sig	•
		В	Std. Error	Beta	-	
	(Constant)	8.270	1.321		8.222	.000
1	Service Quality	.720	.072	.680	9.201	.000
	Price	.044	.063	.046	1.640	.411

a. Dependent Variable: Customer Satisfaction

Based on Table 11, it is known that the t is 9.201. While in the t distribution table at a = 5%: 2 = 0.25% (two-sided test) with degrees of freedom (df) n-k-1 or 95-2-1 = 92. n (is the number of respondents and k is the number of independent variables). With a 2-sided test (significance = 0.025) the results obtained for the t<sub>table</sub> are 1.986. Because the count is greater than the table, namely (9.201> 1.986), H<sub>0</sub> is rejected, and Ha is accepted. Table 12

Influence of Price Towards Customer Satisfaction

Model U		Unstar	Unstandardized Coefficients Standardized Coefficients			Т	Sig.	
		В	Std.	Error	Beta			
	(Constant)	8.270	1.321				8.222	.000
1	Service Quali	ty.720	.072		.680		9.201	.000
	Price		.044	.06	3	.046	1.640	0.411

a. Dependent Variable: Customer Satisfaction

Based on Table 12, it is known that the t is 1.640. Meanwhile, the t distribution table is sought at a = 5%: 2 = 0.25% (two-sided test) with degrees of freedom (df) n-k-1 or 95-2-1 = 92. n (is the number of respondents, and k is the number of independent variables). With a 2-sided test (significance = 0.025), the results obtained for the t table are 1.986. Because the count is smaller than the table (1.640 < 1.986), then H<sub>0</sub> is accepted, and Ha is rejected.

# F Test (Simultaneous)

The F test tests independent variables that have a relationship or influence on the dependent variable. Based on testing with SPSS, the ANOVA output is obtained in the following table: Table13

The Effect of Service Quality and Price Towards Customer Satisfaction

	ANOVA <sup>a</sup>						
Mo	odel	Sum of Squares	Df	Mean Square	F	Sig.	
	Regression	828.422	3	408.221	98.211	.000 <sup>b</sup>	
1	Residual	394.111	92	4.192			
	Total	1182.521	95				

1. Dependent Variable: Customer Satisfaction (Y)

2. Predictors:(Constant): Service Quality (X2), Price (X1)

Based on Table 13, it is known that  $F_{hitung}$  is 98.211, then compared with  $F_{tabel}$  with dk numerator k = 2 with an error rate of 5%,  $F_{tabel}$  = 3.10, then  $F_{hitung}$ >  $F_{tabel}$  (98.211> 3.10) is obtained, so Ho is rejected and Ha is accepted.

# Analysis of the Coefficient of Determination

The Coefficient of Determination is used to see how much the variable  $X_1$  (Service Quality) contributes towards Y (Customer Satisfaction), the variable  $X_2$  (Price) towards Y (Customer Satisfaction), and the variables  $X_1$  (Service Quality) and  $X_2$  (Price) towards Y (Customer Satisfaction).

#### **Coefficient of Determination Service Quality Towards Customer Satisfaction** Table14

Coefficient of Determination Service Quality Towards Customer Satisfaction

Model	R	R Square	Adjusted RSquare	Std. Error of theEstimate		
1	.810ª	.687	.688	2.07205		
1 Dradiate	1 Dradiotors (Constant), Samia Quality					

1. Predictors (Constant): Service Quality

2. Dependent Variable: Customer Satisfaction

Based on Table 14, the R Square number is 0.687 or 68.7%. This shows that Service Quality to Customer Satisfaction contributes 68.7% while the remaining 31.3% is influenced by other factors not examined by the researcher.

#### **Coefficient of Determination Price towards Customer Satisfaction** Table15

Coefficient of Determination Price towards Customer Satisfaction

Model	R	R Square	Adjusted RSquare	Std. Error of theEstimate	
1	.492ª	.249	.243	3.19732	

1. Predictors (Constant): Price

2. Dependent Variable: Customer Satisfaction

Based on Table 15, the R Square number is 0.249 or 24.9%. This shows that Price to Customer Satisfaction contributes 24.9% while the remaining 75.1% is influenced by other factors not examined by the researcher.

Coefficient of Determination Service Quality and Price towards Customer Satisfaction Table16

Coefficient of Determination Service Quality and Price towards customer satisfaction

	Model	R	R Square	Adjusted RSquare	Std. Error of the Estimate
-	1	.813ª	.621	.653	2.06534
1 Des listenes (Constant) Deies Consist Oralitat					

1. Predictors: (Constant), Price, Service Quality

2. Dependent Variable: Customer Satisfaction

Based on Table 16, the R Square number is 0.621 or 62.1%. This shows that Service Quality and Price towards Customer Satisfaction contribute 62.1% while the remaining 37.9% is influenced by other factors not examined by the researcher.

#### 4. Conclusion

Based on the results of the research conducted, the following conclusions can be drawn:

- a) Customer satisfaction based on the respondent's response score on the indicators of conformity to expectations, interest in visiting again, and willingness to recommend. Solving problems of 80% is included in the "very high" category.
- b) Service quality based on respondents' response scores on indicators of Tangible (physical evidence), Reliability (reliability), Assurance (assurance), Responsiveness (responsiveness), and Empathy (empathy). Solving problems of 77% is included in the "very high" category.
- c) Price based on the score of respondents' responses to the price indicator affordable by consumer purchasing power, price compatibility with product quality, and price competitiveness with similar products. Meeting customer expectations of 78% is included in the "very high" category.
- d) Based on the results of simple linear regression analysis research Service quality on customer satisfaction, namely  $Y = 8.921 + 0.688X_1$ , if X increases, Y will increase by X. This shows that the service quality variable affects customer satisfaction. This indicates that the service quality variable positively affects customer satisfaction.
- e) Based on the simple linear regression analysis of price on customer satisfaction, namely  $Y = 14.521 + 0.415X_2$ , if X increases, Y will increase by X. This shows that the price variable positively affects customer satisfaction. This indicates that the price variable has a positive effect on customer satisfaction.
- f) Based on multiple linear regression analysis research results, service quality and price on customer satisfaction, namely  $Y = 8.501 + 0.721X_1$ , and the price linearity equation is  $Y = 8.501 + 0.212X_2$ . Then the equation  $Y = 8.501 + 0.721X_1 + 0.212X_2$ . If Y increases, then Y will increase by X. This shows that the variables of Service Quality and Price have a positive effect on Customer Satisfaction

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