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THE EFFECT OF SERVICE QUALITY AND PRICE ON CUSTOMER SATISFACTION

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Abstract: To be able to compete, companies must be able to get as many consumers as possible and retain their customers. To be able to retain customers, companies must improve the things that make customers less or not. Customer satisfaction of service companies is closely related to the quality of service and the prices offered by the company. The purpose of this study was to determine and analyze how the condition of service quality, price, and customer satisfaction in the Workshop Division of PT. Wahana Sun Hutama Bandung and to find out and analyze the influence of Service Quality and Price on Customer Satisfaction. The analytical method used is descriptive and verification methods with a quantitative approach. The results showed that the quality of service was in the fairly good category, the price was in the fairly good category and satisfaction was in a good category. PA partial test shows that service quality has an effect on customer satisfaction and the price has an effect on customer satisfaction. While in the simultaneous test, service quality and price affect customer satisfaction.
Keywords: Customer Satisfaction; Price; Service Quality

INTRODUCTION

Indonesia is a large market for the automotive industry, this is because the use of cars has now become a basic need for some people. One of the effects of a large number of car users is the proliferation of workshop or car repair businesses, both authorized by manufacturers (authorized dealers) and non-official manufacturers (public workshops). The size of the market makes the type of vehicle repair service business attractive, resulting in fierce competition in this type of business.

Many things must be considered in increasing customer satisfaction. Tjiptono (2019) explains that customer satisfaction is the customer's emotional response to the experience produced by certain purchased products or services, retail outlets, or the market as a whole. Service company customer satisfaction, is closely related to the quality of service and the price offered by the company. Service quality is closely related to what benefits customers get when servicing and repairing vehicles and how they are served when carrying out the service and repair process for these vehicles.

Service quality is the 'mismatch between consumer expectations and consumer perceptions'. If the service received or perceived is as expected, then the service quality is perceived as good and satisfactory. According to Laksana (2015) said that "the quality of service received by consumers is stated by the magnitude of the difference between the expectations or desires of consumers and their level of perception".

Customers will assess and compare whether the benefits they get are commensurate with their expectations of what they will get. The cost that the customer incurs is the price that the seller has set. Price is the amount of money charged for a product or service that is exchanged by customers for the benefits of an item or service (Armstrong & Kotler, 2017). Zeitahml & Bitner (2003) quoted in Tjiptono & Chandra (2016) stated that the perception of value is the consumer's overall assessment of the utility of a service based on what is received and provided.

To be able to compete, companies must be able to get as many consumers as possible and retain their customers. To be able to retain its customers, the repair shop must fix the things that make customers less or dissatisfied. One of the workshops that compete in the vehicle repair service business is PT. Wahana Sun Hutama Bandung or

better known as Nissan-Datsun Veteran Bandung is one of the official Nissan-Datsun dealers which is quite large in the city of Bandung, precisely at Veteran Street number 51, Kebon Pisang Village, Sumur Bandung District, Bandung City. This dealer provides 3S+BR (Sales, Service, Spare Parts + Body Repair) services. This service is what competes in the type of vehicle repair business/workshop.

The number of unit entries in this company's workshop section is one of the largest in West Java, but according to data obtained from the company in recent years, there has been a significant decrease in the number of workshop entry units. Unit entry is calculated based on the number of work orders created. The decline in unit entries cannot be used as an indicator of the decline in the number of workshop customers at the company directly, although if you look at the decreasing number of unit entries, there may be customers who no longer service and repair vehicles at the workshop or maybe their cars are sold or customers who usually servicing several times a year, now the retention is dropping or maybe something else. However, what is clear from these facts can be seen that there are problems in the workshop related to the decrease in customers. The following is data on the number of unit entries in the workshop division of PT. Wahana Sun Hutama Bandung in the last 3 years that I got from interviews with the company and to make it easier to compare, the author shows a graph of the decline in a unit entry from 2017 to 2019 in the Workshop Division of PT. Wahana Sun Hutama Bandung in Figure 1:

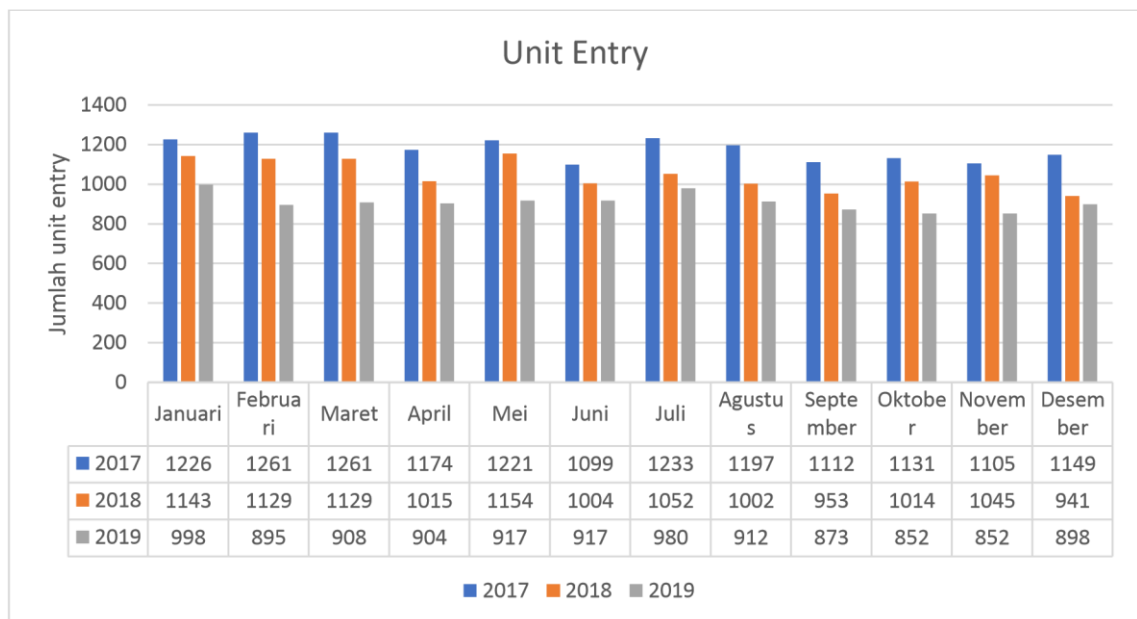|	Januari	Februari	Maret	April	Mei	Juni	Juli	Agustus	September	Oktober	November	Desember
2017	1226	1261	1261	1174	1221	1099	1233	1197	1112	1131	1105	1149
2018	1143	1129	1129	1015	1154	1004	1052	1002	953	1014	1045	941
2019	998	895	908	904	917	917	980	912	873	852	852	898

Figure 1. Graph of Unit Entry 2017 to 2019
Source: Results of interviews with processed companies (2021)

From the graph, we can see that in the last 3 years there has been a decrease in the number of workshop entry units at PT. Wahana Sun Hutama Bandung based on the number of unit entry indicators. Although the author has not been able to get 2020 data, the data for the last 3 years can be an indicator. Moreover, this data is data before the Covid-19 pandemic hit Indonesia.

The decrease in the number of unit entries was accompanied by the failure to achieve the value of the Customer Satisfaction Index / CSI in the company. The CSI value is a measurement of the level of customer satisfaction with a particular product

which is calculated within a certain period of time-based on certain indicators made by the company.

Here the authors present the value of the Customer Satisfaction Index / CSI Workshop Division of PT. Wahana Sun Hutama Bandung which the author also got from interviews with the workshop.
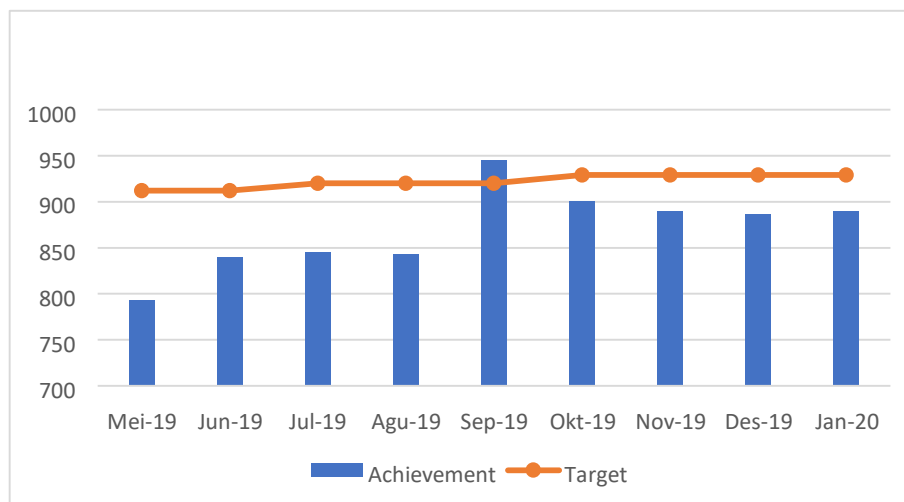

Figure 2. Customer Satisfaction Index Chart
Source: Results of interviews with processed companies

This CSI value is a 3rd party assessment of the workshop customer satisfaction in the company. The assessment is based on specific items such as the physical quality of the workshop and its supporting facilities and the performance of the system and the employees in it. From the data above, we can know that there are problems with the level of customer satisfaction in the company. Although there is an increase in the level of customer satisfaction, this does not change the fact that the company's CSI value is still below the target set by the company in general. The trend that occurs in this company is interesting to examine so that the authors conduct an initial pre-survey outside the variables regarding what factors are most expected by customers when servicing or repairing vehicles at the PT. Wahana Sun Hutama Bandung.

In this study, the factors that are thought to significantly affect customer satisfaction are Service Quality and Price. Research Objectives: (1) To determine and analyze the significant effect of Service Quality on Customer Satisfaction; (2) To find out and analyze the significant effect of Price on Customer Satisfaction; (3) To determine the effect of Service Quality and Price simultaneously on Customer Satisfaction.

METHODS
The method in this study is a descriptive and verification method with a quantitative approach. The data used are primary data obtained from questionnaires by providing statements with a Likert scale and respondents will choose their level of agreement. The population of this study is all customers who service or repair vehicles at the company at least once in the past year. For this research, the sample used the purposive sampling method with a total sample of 90 respondents. The number of respondents was obtained from the iteration formula where 88 respondents were obtained and rounded up to 90. The data analysis techniques used were descriptive statistical analysis, path analysis, and hypothesis testing.

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RESULTS AND DISCUSSION

To test whether or not the results of this study are used is to test the results of the questionnaire with validity and reliability tests. The data used in this study is primary data. The data of this research was obtained by distributing questionnaires to the customers of PT. Wahana Sun Hutama Bandung.

Table 1. Service Quality Validity Test Results (X_1) conclusion

No.	R_{Count}	$R_{Critical}$	Conclusion
1	0,888	0,300	Valid
2	0,809	0,300	Valid
3	0,789	0,300	Valid
4	0,778	0,300	Valid
5	0,913	0,300	Valid
6	0,781	0,300	valid
7	0,898	0,300	Valid
8	0,649	0,300	Valid
9	0,865	0,300	Valid
10	0,845	0,300	Valid
11	0,675	0,300	Valid
12	0,754	0,300	Valid
13	0,774	0,300	Valid
14	0,867	0,300	Valid
15	0,856	0,300	Valid
16	0,863	0,300	Valid
17	0,910	0,300	Valid
18	0,839	0,300	Valid
19	0,897	0,300	Valid
20	0,741	0,300	Valid

Source: Processed questionnaire data (2021)

In the table above, it can be seen that all r_{counts} are above 0.300. This shows that the questionnaire items regarding service quality are all valid.

Table 2. Price Validity Test Results (X_2)

No.	R_{Count}	$R_{Critical}$	Conclusion
1	0,854	0,300	Valid
2	0,853	0,300	Valid
3	0,895	0,300	Valid
4	0,747	0,300	Valid
5	0,945	0,300	Valid
6	0,915	0,300	Valid
7	0,915	0,300	Valid
8	0,897	0,300	Valid

Source: Processed questionnaire data (2021)

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In the table of the results of the price validity test (X_2), it can be seen that the r_{count} is above 0.300 so from the results of this calculation, all items regarding the price statestatedhe questionnaire are also valid.

Table 3. Customer Satisfaction Validity Test Results

No.	R_{Count}	$R_{Critical}$	Conclusion
1	0,890	0,300	Valid
2	0,756	0,300	Valid
3	0,869	0,300	Valid
4	0,882	0,300	Valid
5	0,852	0,300	Valid
6	0,881	0,300	Valid
7	0,859	0,300	Valid
8	0,846	0,300	Valid
9	0,875	0,300	Valid
10	0,858	0,300	Valid
11	0,844	0,300	Valid
12	0,888	0,300	Valid
13	0,714	0,300	Valid
14	0,826	0,300	Valid
15	0,834	0,300	Valid

Source: Processed questionnaire data (2021)

Next in the table of the results of the validity test of Customer Satisfaction, all the results of the correlation calculation are also above 0.300. This means that all statements regarding customer satisfaction are valid. Based on the Descriptive Calculation of the Score Calculation of Each Variable, the following results are obtained:

Table 4. Category of Achievement of Each Variable

Variable	N	Average	Standard Deviation	Range		Category	Rank
Quality of Service	90	3,398	0,150	3,111	3.678	Quite good	2
Price	90	3,311	0,081	3,178	3,389	Quite good	3
Customer Satisfaction	90	3,450	0,145	3,266	3,678	Good	1

Source: Processed questionnaire data (2021)

From the table, we can know that the value for customer satisfaction is higher than other variables with an average score of 3,450. Then for the quality of service, the average score of 3,398 is ranked 2 and the price with an average of 3,311 is ranked 3.

In this study, variable X_1 is quality of service and variable X_2 is Price. The ordinal data of the questionnaire results are converted into interval data and then a correlation analysis is carried out. The results of the correlation calculation are presented in the table below:

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Table 5. Pearson Correlation between X_1 and X_2

		TOTAL_X1	TOTAL_X2
TOTAL_X1	Pearson Correlation	1	,931**
	Sig. (2-tailed)		,000
	N	90	90
TOTAL_X2	Pearson Correlation	,931**	1
	Sig. (2-tailed)	,000	
	N	90	90

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

Source: Processed data (2021)

In the table, it can be seen that the closeness of the relationship or the correlation coefficient (rx1rx2) is 0.931 or 93.1%, then the Service Quality variable (X_1) and Price Variable (X_2) can be concluded to have a very strong correlation.

Then to measure the path coefficient, using path analysis with the formula:

$Y = PYX1X1 + PYX2X2 + PY\in$

Information:
X_1 = Service Quality
X_2 = Price
Y = Customer Satisfaction
PYX1 = Coefficient of Service Quality Path to Customer Satisfaction
PYX2 = Price path coefficient to interest Customer Satisfaction
PY$\in$ = Epsilon path coefficient to Customer Satisfaction

Table 6. Path Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,570	2,011		,781	,437
	TOTAL_ X_1	,495	,083	,643	5,951	,000
	TOTAL_ X_2	,542	,194	,302	2,794	,006

Source: Processed data (2021)

In the table above, the path coefficient indicators are shown in the Standardized Coefficient, Beta column. Namely, the path coefficient for Service Quality (X_1) to customer satisfaction is 0.643 or 64.3% and the path coefficient for the price (X_2) to customer satisfaction (Y) is 0.302 or 30.2%.

Furthermore, determination (R Square) can be interpreted as the contribution of the influence given by the independent variable to the dependent/dependent variable. In this study, the independent/independent variables are Service Quality (X_1) and Price (X_2) while the dependent/dependent variable is Customer Satisfaction (Y). The following is the result of the calculation of the Coefficient of Determination:

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Table 7. Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,930[a]	,865	,862	4,464

a. Predictors: (Constant), TOTAL_X2, TOTAL_X1

Source: Processed data (2021)

From these tables, it can be seen that R Square or the coefficient of determination of the simultaneous influence of X_1 and X_2 on Y is 0.865 or 86.5 percent. While the magnitude of the effect of the variables not examined is 1-0,865 = 0.135 or 13.5%. The purpose of the variables not examined are the variables outside of Service Quality (X_1) and Price (X_2).

To prove whether or not the variables X_1 and X_2 have an effect on Y, a hypothesis test is carried out. Hypothesis testing is carried out in 2 ways, namely partial hypothesis testing (t-test) and simultaneous hypothesis testing (f-test).

Table 8. Partial Testing of the Effect of Service Quality and Price Variables on Customer Satisfaction

Structural	Path coefficient	T_{count}	T_{table}	P_{value}	Conclusion
Pyx1	0,643	5,951	1,988	0,000	Ho rejected, there is an influence of X_1 on Y
Pyx2	0,302	2,794	1,988	0,006	Ho rejected, there is an influence of X_2 on Y

Source: Processed data (2021)

For t_{table} with a sample of 90 respondents is t = (n-k-1) that is 90-2-1 = 87 which is at the probability level of 0.050, then the t_{table} for 87 respondents is 1.988. From the table, it can be seen that the t_{count} is 5.951 and the p-value is 0.000, which means that there is an influence between X_1 and Y. As for X_2, the t_{count} is 2.794 and the p-value is 0.006. With t_{count} above t_{table} and p_{value} below 0.05, it can be interpreted that there is an influence between X_2 and Y.

Table 9. Simultaneous Testing of the Effect of Service Quality (X_1) and Price (X_2) on Customer Satisfaction (Y)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11122,782	2	5561,391	279,110	,000[b]
	Residual	1733,514	87	19,925		
	Total	12856,296	89			

a. Dependent Variable: TOTAL_Y

b. Predictors: (Constant), TOTAL_ X_2, TOTAL_ X_1

Source: Processed data (2021)

Based on the results of the f test where the result of f arithmetic is greater than the f_{table} and is in the rejection area of H0 in the table, it can be interpreted that there is an effect of X_1 and X_2 simultaneously on Y. So, the hypothesis is that there is an effect of Service Quality (X_1) and Price (X_2) simultaneously (simultaneously) on Customer Satisfaction (Y) is accepted.

Based on the analysis of research data, there is a positive influence caused by service quality on customer satisfaction, namely the better the service quality, the better customer satisfaction. This is evidenced by the partial hypothesis test (t-test) which shows that there is a significant relationship between service quality and customer satisfaction. This is in line with previous research by Panjaitan (2016) which states that Service Quality has a positive and significant influence on Customer Satisfaction.

Based on the analysis of research data, there is a significant influence between price and customer satisfaction. This is supported by the results of the partial test (t-test), that the more affordable the price, the higher the customer satisfaction. The results of this study are in line with the results of research by Prasetio (2012) whose research results from a state that price has a significant influence on customer satisfaction.

Based on the data and the results of research data analysis, the results were obtained at PT. Wahana Sun Hutama Bandung Workshop Division, customer satisfaction variables (X_1), and price (X_2) have a significant influence on customer satisfaction. This has been proven when conducting a simultaneous test (f test) with higher results than the F_{table} at a significance level of 0.05. The results of this study support previous research conducted by Maulana (2016) wherein this study the researchers obtained the results that Service Quality and Price had a significant effect on customer satisfaction. And Hayati (2016) that Quality Service and Price affect the value of customers together

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Based on the analysis of research data, there is a significant influence between price and customer satisfaction. This is supported by the results of a partial test (T-test), that the more affordable the price, the higher the customer satisfaction. The results of this study are in line with the results of research by Prasetio (2012), As`ad. (2013) and Harjati & Venesia. (2015) whose research results from state that price has a significant influence on customer satisfaction.

Based on the data and the results of research data analysis, the results were obtained at PT. Wahana Sun Hutama Bandung Workshop Division, customer satisfaction variables (X_1), and Price (X_2) have a significant influence on customer satisfaction. This has been proven when conducting a simultaneous test (F test) with higher results than F_{table} at a significance level of 0.05. The results of this study support previous research conducted by Maulana (2016) wherein this study the researchers obtained the results that Service Quality and Price had a significant effect on customer satisfaction.

CONCLUSION

From the results of the study, it can be concluded as follows, the quality of service in the workshop division of PT. Wahana Sun Hutama Bandung can be categorized quite well. However, there are several things that the company should improve, namely the information that SA provides to customers during the work and the warranty that must

be made easier. Prices in the workshop division of PT. Wahana Sun Hutama Bandung can be categorized quite well. However, there are still some things that need to be improved by the company, namely, regarding the affordability of service prices and prices for vehicle repairs.

Customer satisfaction in the workshop division of PT. Wahan Sun Hutama Bandung can be categorized as good. However, several things still need to be improved, namely the customer's reluctance to submit complaints and the customer reluctance to recommend vehicle service and repair services to the closest people.

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