The Influence of Service Quality and Price on The Decision to Use Grab Services

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ABSTRACT
This research was conducted to determine the influence of service quality and price on the decision to use Grab services in Gorontalo. The sampling technique used was Accidental Sampling by determining 50 respondents. The research method uses quantitative descriptive with the Statistical Program for Social Science (SPSS). The results of this research show that Service Quality and Price significantly influence the Decision to Use Grab Services with an F value of 22.528, with a total influence of 0.484 or 48.4%. Service Quality has a significant effect on the Decision to Use Grab Services with a t-value of 4.021, Price has a significant effect on the Decision to Use Grab Services with a t-value of 3.415.

Keywords: Decision to Use Grab Services, Price, Service Quality

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1. INTRODUCTION
The internet has become an inseparable element in everyday life, penetrating various levels of society. The presence of the internet provides convenience, speed and affordable availability of information for its users. This facility is the main choice for many people looking for information, because the process is simple, responsive and economical. The advantages of the internet which include convenience, speed and efficiency in obtaining information have changed the paradigm of people's information search. In the past, getting information could take time and effort, but with the internet, this process has become more efficient and faster. Not only that, the internet also provides the freedom to access various types of information from various sources without having to leave the house [1].

The proliferation of internet users in Indonesia has a fast trajectory [2]. The Indonesian Internet Service Providers Association (APJII) study revealed that the total number of internet users in Indonesia during the 2022-2023 timeframe amounted to 215.63 million individuals. This figure reflects the high enthusiasm and dependence of society on the internet as the main means of obtaining information and interacting digitally. Through this development, the internet is not just an information medium but also a platform for various activities such as business, education, entertainment and social interaction. Therefore, understanding internet user growth trends is important in identifying opportunities and challenges in this digital era.
The proliferation of internet users has exerted a substantial influence on several facets of human existence, encompassing the realms of commerce and transportation. The development of communication technology has become a driving force for the birth of business innovation, one of which is the emergence of online motorcycle taxi services. This business provides practical and efficient transportation solutions for consumers. Online motorcycle taxi services utilize the sophistication of gadgets and applications to provide more accessible means of transportation. Consumers can quickly order a motorbike taxi via the application, and the motorbike taxi driver will pick them up at the specified location [3]–[5]. The trend of using online motorcycle taxi services is growing rapidly, driven by the ease, comfort and efficiency they offer.

The presence of internet motorbike taxi services has a beneficial effect on alleviating traffic congestion, particularly in more populated cities [6], [7]. By utilizing this service, users can avoid uncontrolled traffic queues. In Gorontalo, there are three online motorcycle taxi transportation service providers, namely Go-Jek, Grab, and Maxim, which further enrich transportation options and provide alternatives that suit consumer needs. Thus, the development of online motorcycle taxi services not only creates new business opportunities but also makes a positive contribution to community mobility and the quality of transportation in cities, including Gorontalo.

In assessing Grab’s services, it can be observed that Grab provides striking convenience in the ordering process. Users only need to use a gadget such as a smartphone or tablet, select a destination location, and then the online motorcycle taxi driver from Grab will come to the customer according to the specified location. This advantage provides a high level of comfort for consumers [8]. Apart from ease of ordering, Grab also shows its concern for consumer safety. The helmet facility provided as head protection shows Grab's commitment to safety aspects during travel. Furthermore, providing masks as part of the facilities provided shows concern for consumer welfare, especially in a health context, such as currently where the use of masks is a primary necessity. Thus, Grab’s service not only focuses on the efficiency of the ordering process but also emphasizes its commitment to consumer safety and welfare, making it a user-friendly choice and responsive to customer needs.

This research focuses on two main variables, namely rates and service quality. Tariff variables are the focus because they have a significant impact on Using Decisions, especially for customers who tend to be price sensitive. For them, the value obtained for the money spent is a key factor in purchasing, and good pricing policies can provide a competitive advantage by providing high value for money. On the other hand, service quality variables are considered crucial in influencing customer satisfaction [9], [10]. While price strategy can provide a competitive edge in decision-making, service quality plays a crucial part in fostering consumer happiness. Customer satisfaction depends not only on low prices but also on positive experiences and good service. The importance of focusing on service quality is also due to the fact that pricing policies tend to be easily adopted by competitors, while service quality can create advantages that are difficult to imitate. Thus, this research details that pricing policy plays a strategic role in the Using Decision, while service quality is a key factor in achieving long-term customer satisfaction.

2. LITERATURE REVIEW
2.1 Service Quality

Service quality as a statement that reflects attitudes towards the comparison between customer expectations and actual performance [11]. In this concept, service quality is not only related to the implementation of the service itself, but also depends on the extent to which the service meets or exceeds the expectations that have been formed by customers. Thus, measuring service quality not only
involves the technical dimensions of performance, but also takes into account psychological and emotional aspects that influence customer perceptions of the service experience.

The concept of service quality can be interpreted as the development or equality of product quality that is made by considering and meeting consumer expectations and needs [12]. In this framework, service quality is not only limited to the technical characteristics of the product itself, but also includes development aspects that ensure product conformity with consumer expectations. Thus, the understanding of service quality that is applied takes into account dimensions that are not only related to product features, but also include consumer experience and satisfaction as significant elements.

The concept of service quality, can be realized through fulfilling customer desires and accuracy in service delivery, with the aim of aligning or even exceeding customer expectations [13]. In practice, service quality is not only limited to the technical quality of a product or service, but also includes the customer's holistic experience. By understanding and fulfilling customer desires, and providing services with a high level of accuracy, organizations are able to create quality services that provide added value and build customer trust in the long term.

2.2 Price

Price as a value that must be sacrificed to obtain a product or service, or as the amount of expense determined by the consumer in return for the benefits obtained through the use of the product or service [14]. In this perspective, price is not just a transaction figure, but also reflects a close correlation with the value received by consumers. Price is often considered an indicator of value, where an increase in value is in line with an increase in benefits perceived by consumers. Thus, changes in perceived benefits can have a significant impact on consumers' assessment of the value of a product or service.

Price perception is not only limited to price information that is understood by consumers, but also includes a comprehensive understanding and giving deep meaning to this information. In this context, price perception is a consumer's assessment of the comparison between the amount of sacrifice required to obtain a product or service and the expected or perceived value of the product or service. The understanding and meaning that consumers give to prices creates an important basis in the consumer decision-making process, which can influence purchasing preferences, loyalty and general perceptions of the value of a product or service [15].

Price is not merely an amount of money charged for a product or service [11]. More than that, price includes the total value exchanged by consumers in exchange for the benefits received through ownership or use of the product or service. In this perspective, price is not only a financial transaction, but also reflects the value attributed by consumers to the quality, satisfaction and benefits they obtain from experiences with the product or service offered.

2.3 Decision to Use

The decision to use a product or service is an integral part of consumer behavior [16]. In a broader context, consumer behavior is an in-depth study of how individuals, groups and organizations make choices, make purchases, use and manage goods, services, ideas or experiences to satisfy their needs and
desires. Understanding the dynamics of consumer behavior is key in detailing the consumer's journey from the initial stage of need to the stage of using the product or service, and includes psychological, social and economic factors that shape consumer decisions.

Purchasing decisions are a personal activity, where individuals are directly involved in the decision-making process to purchase products or services offered by the seller [17]. This process involves evaluating needs, considering various product or service options, and ultimately making a decision that best suits personal preferences and expectations. Purchasing decisions not only include rational aspects, such as product features or price, but also involve emotional and psychological factors that influence consumer preferences. Purchase intention refers to an individual’s inclination or desire to acquire a product or service, which motivates them to make a purchase. Various variables, including human wants and aspirations, product or service qualities, prior experiences, perceived value, promotions, and contextual conditions, might impact purchase intentions. When an individual expresses interest in acquiring a product or service, they are inclined to engage in subsequent actions, such as obtaining further information, evaluating alternatives, and finally making a purchase [18].

Decision making is a process that involves integrating knowledge to evaluate various existing alternatives, with the final aim of choosing one of the available options [17]. This process includes critical thinking steps that assist individuals or groups in understanding, sorting, and assessing relevant information. In this context, decision making is not only an act of choice, but also a reflection of accumulated knowledge and evaluation, reflecting the ability to integrate various factors in selecting the most appropriate solution.

3. METHODS

This research used a quantitative method approach, involving 50 respondents as research samples. The sampling technique applied was Accidental Sampling, where respondents were selected by chance or based on their availability at the time the research was carried out. A quantitative approach allows researchers to collect data in the form of numbers or statistics, while Accidental Sampling is used to select respondents without prior planning, emphasizing their availability at the time the research takes place. The combination of quantitative methods and accidental sampling techniques is expected to provide a comprehensive picture in answering the research questions asked.

4. RESULTS AND DISCUSSION

4.1 Results

a. Validity test

From the results of distributing the questionnaire to 50 respondents, it was declared valid or suitable to be involved in the validity test. At the validity testing stage of this research, using a significance level of 5%, a value of r=50 and rtable was obtained at 0.279. The analysis results show that the calculated r value for all instruments related to this variable is greater than the critical value listed in the reference table (see Table 1). Therefore, it can be concluded that all instruments on this variable can be considered valid and suitable for use in the context of this research.
Table 1. Validity Test Results

<table>
<thead>
<tr>
<th>Statement Items</th>
<th>Rcalculated value</th>
<th>Tcount value</th>
<th>Sig value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Quality Variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>0.804</td>
<td>0.279</td>
<td>0.000</td>
</tr>
<tr>
<td>2</td>
<td>0.751</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>0.881</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>0.720</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>0.550</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Price Variables</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>0.581</td>
<td>0.279</td>
<td>0.000</td>
</tr>
<tr>
<td>7</td>
<td>0.403</td>
<td></td>
<td>0.003</td>
</tr>
<tr>
<td>8</td>
<td>0.655</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>9</td>
<td>0.828</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>10</td>
<td>0.709</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td><strong>Decision Variables Using</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>0.635</td>
<td>0.279</td>
<td>0.000</td>
</tr>
<tr>
<td>12</td>
<td>0.754</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>0.808</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>0.756</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>0.665</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS, 2023

An assessment of the validity of each question item in the research questionnaire can be determined through a comparison between the rcount and rtable values [19]. If the calculated r value exceeds the r table value and at the same time the significance level is below 5%, then it can be considered that the questionnaire is declared valid and suitable for use. This approach allows researchers to measure the accuracy and precision of the questions in the questionnaire by considering the predetermined level of significance, in accordance with research standards and statistical analysis.

b. Reliability Test

Reliability test results are considered adequate if the reliability coefficient (r11) has a value greater than 0.6. The purpose of the reliability test in this study is to assess the consistency of the questionnaire as a measuring instrument, as well as ensuring that the measurement results are reliable and consistent. Based on the results of the reliability test in this study, it can be revealed that all instruments were proven to be valid, considering that the Cronbach’s Alpha value exceeded the coefficient value (r11) which was set at 0.6, as seen in Table 2.

Table 2 Reliability Test Results

<table>
<thead>
<tr>
<th>Research variable</th>
<th>Cronbach’s Alha score</th>
<th>Nilia Coefficient (r11)</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality (X1)</td>
<td>0.798</td>
<td>0.6</td>
<td>Reliable</td>
</tr>
<tr>
<td>Price (X2)</td>
<td>0.631</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decision Using (Y)</td>
<td>0.744</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS, 2023

c. Normality test

To determine the normality of the data, one might examine the Normal PP Plot graph of the regression standardised residuals. If the data
The data points are evenly distributed around the diagonal line and adhere to the pattern of the diagonal line, then it may be concluded that the regression model satisfies the condition of normality. Conversely, if the data points are widely dispersed from the diagonal line or do not adhere to the pattern of the diagonal line, it can be inferred that the regression model does not satisfy the assumption of normality. The results of the normality test can be found in Figure 1.

![Normal P-P Plot of Regression Standardized Residual](image)

**Figure 1. Data Normality Test**

Figure 1 demonstrates that the data points are evenly distributed along the diagonal line and conform to its pattern. Thus, it may be inferred that the data follows a normal distribution and the regression model satisfies the requirements of normality.

d. Coefficient of Determination Test

The analysis shown in Table 3 displays the findings of the determination (R²) in this study, indicating a coefficient of determination value of 0.484, which corresponds to 48.4%. This data demonstrates that the combined factors of service quality and price account for 48.4% of the impact on respondents' choice to utilise. Furthermore, about 51.6% of the variation in Decision to Use may be ascribed to additional factors that were not taken into account in this regression equation. These results provide a comprehensive picture of the extent to which the variables studied can explain variation in Use Decisions, while acknowledging the existence of other factors that may influence the observed results.
Table 3. Determination Coefficient Test

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.696a</td>
<td>.484</td>
<td>.463</td>
<td>2.262</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Price, Service Quality  
b. Dependent Variable: Decision Using

e. Regression Analysis Test

Table 4. Regression Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standardized Coefficient Beta</th>
<th>Q</th>
<th>sig</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>2.370</td>
<td>0.815</td>
<td>0.419</td>
<td>Significant</td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.452</td>
<td>4.021</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>Price</td>
<td>0.383</td>
<td>3.415</td>
<td>0.001</td>
<td>Significant</td>
</tr>
</tbody>
</table>

4.2 Discussion

a. The Influence of Service Quality on Decisions to Use

The analysis results indicate a strong and statistically significant correlation between Service Quality (X1) and the Decision to Use (Y). These findings confirm the results of [20], [21], [22], [17], [23], [24], [25], [26], [27], [28], [29], [30], [31] and [22].

These data suggest that there is a positive correlation between the degree of service quality offered by a product or service and the probability of customers making a Use Decision. Satisfactory service quality can be an important factor influencing consumer trust and preferences, so that they are more inclined to make a purchase. As the degree of service quality offered by a product or service grows, so does the likelihood of consumers choosing to utilise it. The amount of consumer trust and preferences may be significantly influenced by the quality of service provided, which should meet satisfactory standards. As a result, consumers are more inclined to make a purchase when they experience quality and satisfying service. Hence, the quality of service plays a crucial role not only in influencing the decision to utilise a product or service, but also in fostering customer trust and promoting favourable decisions.

b. The Influence of Price on Decisions to Use

The study reveals a strong and statistically significant correlation between Price (X2) and the Decision to Use (Y). These findings confirm the results of [20], [21], [22], [17], [23], [24], [25], [26], [33], [28], [29], [30], [31], [34], [32] and [15].

The findings of this investigation suggest that when the price of a product or service is cheaper or better aligned with customer expectations, people are more inclined to choose to utilise it. The pricing element is a significant determinant in the consumer decision-making process. The data reveals that when the price is deemed acceptable or offers substantial extra value, customers are more likely to make a purchase. This can be a key factor in forming consumer preferences and decisions regarding a product or service.

The price factor, as one of the main considerations in the consumer decision making process, has a significant impact
on preferences and Use Decisions. The findings from the analysis confirm that when the price is considered reasonable or provides good added value, consumers are more likely to make a purchase. This shows that price is not just a transactional aspect, but also has a key role in shaping consumer preferences for a product or service.

Thus, a pricing strategy that takes into account consumers' perceived value can be a key factor in increasing the attractiveness of a product or service in the market. A good understanding of how consumers assess the relationship between price and the value provided can help companies design more effective pricing policies and increase the potential success of their products or services in the market.

5. CONCLUSION

Service Quality and Price have a significant influence on the Decision to Use Grab Services. Specifically, Service Quality is proven to have a significant influence on Using Decisions, indicating that consumers tend to pay special attention to the quality of services provided by Grab when making Using Decisions.

Price is also proven to have a significant impact on the decision to use Grab services. This shows that the price policy set by Grab plays an important role in shaping consumer preferences and usage decisions. If the price is considered reasonable or provides good added value, consumers are more inclined to choose Grab Services.

The combination of Service Quality and Price, as two main factors that influence the Decision to Use, provides an overview of how consumers assess and choose Grab services. A deep understanding of consumer preferences related to quality and price can help Grab to improve marketing strategies and make more effective decisions in the market.

However, it's crucial to acknowledge certain limitations in this study. Generalizing these findings beyond the specific context and timeframe should be approached with caution. The outcomes are influenced by the characteristics of the sampled population, and future research could benefit from exploring diverse demographic segments to obtain a more comprehensive understanding of user preferences. Additionally, external factors such as economic conditions or technological advancements might impact user preferences, suggesting that future studies consider incorporating these variables for a more holistic analysis.

In terms of suggestions for future research, a dynamic analysis through longitudinal studies could track changes in user preferences over time, providing insights into evolving trends and the adaptability of ride-sharing services. Exploring cross-cultural variations in the impact of service quality and pricing could contribute to a more nuanced understanding of consumer behavior in diverse markets. Furthermore, investigating the influence of technological features, such as app interface and payment methods, on user decisions could enhance the comprehensiveness of future research in the ever-evolving landscape of the ride-sharing industry. In conclusion, while this study sheds light on critical factors influencing the decision to use Grab services, ongoing research efforts should address the identified limitations and explore avenues for a more detailed and dynamic understanding of user preferences in the ride-sharing industry.

REFERENCES


