The Influence of Service Quality Level and Price on JNE Customer Satisfaction Bandung City Branch Express

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ABSTRACT

When customers are satisfied, harmonious relations between producers and buyers are established, a good basis for repeat purchases is formed, and recommendations are formed by word of mouth, which benefits the company. Customers enjoying service can be seen as a situation where the expectations of service consumers are following those obtained from the services provided to consumers. Customers will be disappointed if the company's services do not meet their expectations. This writing uses a quantitative research approach. The focus of this research is the influence of the level of service quality and price on customer satisfaction. The location of this research was conducted at JNE Express Bandung City Branch. Based on the discussion, 1) service quality has a positive and significant effect on customer satisfaction; 2) price has a positive and significant effect on customer satisfaction, and 3) service quality and price have a simultaneous effect on customer satisfaction. As for suggestions and recommendations to related parties, JNE Express at JNE Express Bandung City Branch is expected to be able to improve service quality and prices to increase customer satisfaction.

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1. INTRODUCTION

When impressions and expectations about the productivity (or results) of a product are compared, satisfaction can take the form of feelings of pleasure or disappointment. If you are sure you want to work with them, you can attract a lot of clients. When customers are happy, producers and consumers are in harmony, a solid foundation for repeat business is created, and word-of-mouth recommendations are built, the company benefits. Scenarios when the customer's expectations of the service are in line with the reality found. The services offered to consumers can be considered as customer satisfaction by the service business. If the company's services do not meet the standards set by client, the client will not be happy.

In Jakarta, Indonesia, there is a shipping and logistics business called PT.JNE. Sanskrit for "path Nugraha Ekakurir," Tiki Path Nugraha Ekakurir is the official name.

Now offering delivery and courier services is one of the largest online shipping and logistics companies in Indonesia.

The phenomenon of satisfaction at JNE, where the number of clients or visitors to the Bandung City PT. JNE office decreased from 97,679 people in 2021. 9,215 visits were made in January, 5,978 fewer in February, 4,989 in March, increased to 8,689 in April, and then dropped again to 7,915 in May. It increased once again, with 8,919 visitors in June and 9,831 in July. There were 9,109 visits in August, then 8,236 fewer in September, 7,897 in October, 7,450 in November, and finally 9,279 in December.

Several factors affect customer satisfaction., including Cost and service level. Customers will be happy if they are satisfied with the level of service of PT. JNE. The value of services affects a person's tendency to use or buy an item or service. A high level of service will be considered in the customer's evaluation of an item or service. To please customers, vendors must deliver goods or services in good or bad condition that exceed what the customer would reasonably expect. Consideration will be given to the actions of service providers who are shown openly, can provide reliable and accurate services, offer appropriate services and information, can win customer trust, and are courteous and considerate of customers.

Price is the number of benefits that customers exchange for owning or using something or a service or the amount of money charged for that good or service. Consumer acceptance of service is influenced by price, a variable that may be managed. Costs are purely determined by company policy, although of course several factors are considered. Service prices may be low or high depending on many different factors. To do this, we must first evaluate the cost of comparable services provided by various delivery services. Companies that provide delivery services must monitor the pricing set by competitors to ensure that their rates are reasonable or, conversely.

2. THEORETICAL FRAMEWORK

2.1 Service quality

According to [1], concentrating on needs and requirements as well as timeliness to meet customer expectations can be understood as a focus on service quality. All services offered by the business to its clients during their existence are covered by the quality of service policy. The ability of a product to meet consumer desires determines how good the product or service is of quality[2]. The activity or action of a person or organization that aims to please customers or workers is the definition of high-quality service.

2.2 Service Quality Indicator

Proposed the following service quality indicators [3]:
1. *Reliability* demonstrated by offering an appropriate and appropriate level of service quality.
2. *Tangibles* which is characterized by an adequate provision of resources. other power.
3. *Responsiveness* determined by the goal to immediately serve customers quickly.
4. *assurance* is distinguished by the level of consideration given to morals and ethics when providing exceptional service.
5. *Empathy* determined by the degree of openness to understanding customer preferences and needs.

2.3 Price

Assert that the price of an item is the amount of money charged for it. Different techniques are used by industries to set prices. In large businesses, division managers and product line managers typically oversee pricing [4]. Price as the amount of money needed to buy a certain product or service [5]. Prices can be used for online buying and selling procedures in the market or on social media in addition to purchases made at the market or supermarket. Price according to Private (2012) is how much is paid to buy goods or services.

2.4 Price Indicator

Defined by Sabran, claim that 4 factors determine pricing, including [4],:

1. Price affordability. The customer can pay the price the company charges for its goods. The customer will consider the price when purchasing the item if it is acceptable and appropriate.
2. Price matches with product quality. Business actors choose prices concerning the quality of the goods they manufacture; for example, if the price is high, the quality of the goods offered is also high, so customers do not care whether they will buy the goods or not.
3. Price competitiveness. The company must ensure that its prices are comparable to its market competitors. If the price is set too high compared to competitors, the product will not have strong competition.
4. Price match with benefits. The item advantage must equal the cost the company charges for the item. It is advantageous if the expensive product also offers a big advantage.

2.5 Customer satisfaction

Claim that overall customer satisfaction expresses a person's perspective on a service representative's emotional or customer response to the difference between what consumers expect and what they receive[6]. Customer satisfaction, as defined by [7], is a customer's evaluation of a product or service in terms of whether it meets their needs and expectations. Client satisfaction, as defined by [8], is the feeling that consumers have when they feel that their expectations have been met or exceeded. Customer satisfaction is the belief on the part of the customer that his expectations have been satisfied after using a product from a particular organization.

2.6 Customer Satisfaction Indicator

According to [9], consumer satisfaction is determined by how successfully the expectations of customers or consumers are satisfied. Identify the measures used to measure client satisfaction:

1. Fulfilling consumer expectations
2. Attitude or desire to use the product
3. Recommend to others
4. Service quality
5. Loyal
6. Good Reputation
7. Location

3. METHOD

This writing uses a quantitative research methodology. The research focuses on how the level of service quality and cost affects customer satisfaction. The location this research was carried out at JNE Express Bandung City Branch.

4. RESULTS AND DISCUSSION

4.1 Multiple Regression Test

Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
1	(Constant)	1.051	.841		.015	.021
	Service Quality _X1	1.058	.851	.321	3,754	.000
	Price _X2	2,079	.732	.258	2.525	.005
a. Dependent Variable: Customer Satisfaction _Y						

The following is the regression equation in this study:

$$Y = b_0 + b_1X_1 + b_2X_2 + e$$

Y' = 1.051 + 1.058X1 + 2.079X2 + 0.841

Information:

Y = Customer Satisfaction
b0 = constant/reciprocal value
X1 = Service Quality
X2 = Price
b1,2 = Regression coefficient,
e = Standard error

The following is an explanation of the regression equation:

1. The constant 1.051 indicates that the value of customer satisfaction(Y) is 1.051 service quality(X1) and price(X2) are both 0.
2. The variable "Service Quality" (X1) has a regression coefficient of around 1.058 which indicates that Customers (Y) will also experience a decrease of 1.058 points. The coefficient value has a positive effect that the customer has a positive effect.

3. Variable Price(X2) has a regression coefficient of 2,079 which shows that if the value of the other independent variables continues to decrease, customer satisfaction (Y) will decrease by 2,079 points. Customer satisfaction appears to be positively correlated, as indicated by the positive coefficient value.
4. The standard error value is used to reduce the error, making the value of e in this case 0.841.

4.2 T-test

Table 2. t-test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.051	.841		.015	.021
	Service Quality _X1	1.058	.851	.321	3,754	.000
	Price _X2	2,079	.732	.258	2.525	.005
a. Dependent Variable: Customer Satisfaction _Y						

The results of the t-test (partial) statistical test revealed the following:

1. The service quality variable (X1) has a significance value (Sig) of 0.000 in the Coefficients table with a value (degree of significance) of 0.05, meaning 0.000 <0.05, and the t-count value is greater than the t-table, namely 3.754 > 1.66039. This shows that Customer Satisfaction is significantly and favorably influenced by Service Quality.

2. The calculated t value is greater than the t table, namely, 2.252 > 1.66039, and the price variable (X2) has a significance value (Sig.) of 0.005 in the Coefficients table with a value of (degree of significance) 0.05 indicating 0.005 <0.05. Thus, price differences have a large and beneficial impact on consumer satisfaction.

4.3 F Uji test

Table 4. F Test Results

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1321.102	3	321,215	24.054	.000b
	Residual	4251,690	154	29,410		
	Total	6021,201	157			

a. Dependent Variable: Customer_Satisfaction _Y
b. Predictors: (Constant), Price _X2, Quality_Service _X1

F-count is 16.975 and sig is 0.000 according to the statistics in the table above. This shows that the hypothesis is reasonable if F-count > F-table (24.054 > 2.42) and sig 0.05 (0.000<0.05). Consequently, it is possible to estimate or forecast the customer satisfaction variable using two independent variables in this situation because the service quality and price variables impact customer satisfaction simultaneously.

4.4 The Effect of Service Quality on Customer Satisfaction

Based on the results of the study, the Service Quality variable (X1) in the Coefficient table has a significance value (Sig.) of 0.000 and a value (degree of significance) of 0.05 which indicates that 0.000 <0.05 and the t-count value is higher than the t-count. 3.754 > 1.66039 in the table. This shows that Customer Satisfaction is significantly and favorably influenced by Service Quality.

To determine whether a service meets customer expectations and demands, it is necessary to compare it with the service the customer gets. Customer loyalty to the company's goods and services is influenced by service quality, which affects the market share of a product. for long-term customer retention, service quality is very important. Excellent service providers will be able to increase their financial success.

4.5 The Effect of Price on Customer Satisfaction

Based on the results of the research, the price variable (X2) has a significance value (Sig.) of 0.005 in the Coefficients table with a value of (degree of significance) 0.05 meaning 0.005 <0.05 and the t-count value is higher than t-table, which is 2.252 > 1.66039. Thus, price differences have a large and beneficial impact on consumer satisfaction.

Price is the only element of the marketing mix that generates revenue for the company. Prices reflect minimal expenditure to use product benefits. Each transaction has a price associated with it. Pricing is an important marketing strategy because certain customers are very price sensitive. Pricing affects the demand for desired goods and services and the willingness of customers to buy at a certain price point or under certain circumstances. The tendency of customers to buy goods at various price points over a long period is known as demand. According to the law of demand, there will be more demand for a good the lower its price, and less demand for it the higher its price.

4.6 The Effect of Service Quality and Price on Customer Satisfaction

The findings of this study resulted in an F-count value of 16.975 and sig 0.000. This shows that the hypothesis is reasonable if F-count > F-table (24.054 > 2.42) and sig 0.05 (0.000<0.05). In this case, it can be said that service quality and price aspects have an impact on customer satisfaction, making it possible to estimate or predict the Customer Satisfaction variable using two independent variables.

To determine whether a service meets customer expectations and demands, it is necessary to compare it with the service the customer gets. Customer loyalty to the company's goods and services is influenced by service quality, which affects the market share of a product. To retain customers in the long term, quality of service is very important. Excellent service providers will be able to increase their financial success. Price has an important role in boosting client happiness in addition to service quality.

The only element of the marketing mix that makes money for a business is price. Price is the minimum amount of money needed to buy something to make a profit. Every transaction has a price attached to it. Pricing is an important marketing tactic because certain clients are very price sensitive. Pricing affects the demand for the desired goods or services as well as the willingness of customers to buy at a certain price point or under certain circumstances. Demand is the desire of consumers to buy goods at various price points during a certain period. According to the law of demand, there will be more demand for a good the lower its price, and less demand for it the higher its price.

5. CONCLUSIONS AND RECOMMENDATIONS

Based on the discussion, 1) Customer satisfaction is positively and significantly influenced by service quality; 2) Customer satisfaction is significantly and profitably affected by price.; and 3) Customer satisfaction is simultaneously influenced by service quality and price. The suggestions and

recommendations to related parties are for JNE Express at JNE Express Bandung City Branches expected to increase Client satisfaction through quality and service costs.

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