The effect of Service Quality, Pricing, and Costumer Satisfaction on Costumer Loyalty Gojek Transportastion at 3rd Hamlet Paseban District, Central Jakarta

Ruwaida[1], Furwati Sihombing[2], Sri Kurniawati[3], Anwar Sulaiman[4]

[1,2,3]Universitas Persada Indonesia Y.A.I

[4]Universitas Pramita Indonesia

Corresponding email : druweda@gmail.com

Abstract

The use of online transportation in Indonesia is increasing every year, one type of online transportation in Indonesia is Gojek. This study aims to determine the effect of service quality, pricing, and customer satisfaction on customer loyalty in gojek transportation. The population in this study at 03rd hamlet paseban District, totaling 140 people who had used gojek transportation services with at least one use. The nmber of samples used in this study were 104 people. This study used a purposive sampling metod. In managing data, researchers use structural equation modeling (SEM) and SmartPLS Software. the results obtained from this study indicate that service quality has a positive and significant effect on customer loyalty for Gojek transportation. Pricing has positive effect on customer loyalty for Gojek transportation. The independent variable contribution to the dependent variable is 73%. The remaining 27% is influenced by other variables not examined in this study, such as promotion and brand image variables.

Keyword: Service Quality, Pricing, Customer Satisfaction, Costumer Loyalty ,Gojek Transportastion

I. INTRODUCTION

According to Abd-El-Salam et al. (2013);Amri et al.. (2021);Bernarto et al. (2022) Along with the rapid development of the era, which is shown by technological developments, the economic and socio-cultural sectors of society have also changed. In line with this, high mobility will raise the need for transportation. Especially the dense and varied community activities in urban areas that are prone to traffic jams, making the need for transportation that is fast, comfortable, safe and easy to find is indispensable. According to Cahyono et al. (2020); Chadha et al. (2009); Chang et al. (2009) The 2017 traffic scorecard noted that Jakarta is in the top position as a city with the most congested road network where the time spent by drivers when traffic jams reaches 63 hours a year. The condition of Jakarta as a city center for various activities is the center of all work in various lines of life including education, business or the economy.

Based on the research results of researchers, the population of RW 03 Paseban Village, Central Jakarta in 2015-2020 is 4,078 people consisting of 760 people who are workers spread across the DKI Jakarta area who use public transportation every day and go through several obstacles such as traffic jams, long waiting times for transportation , and the density of passengers heading to work. They need online transportation to facilitate mobility every day. According to David et al. (2013);Devaraj et al. (2001); Goestjahjanti et al. (2021);Jiang et al. (2015); Kim et al. (2004); Lee et al. (2013) When a need is seen as an opportunity, then it becomes a promising business. This is the reason why the trend of online transportation service providers emerged in 2009 and massively in 2015, online motorcycle taxi services are increasingly in demand. This is also what the founder of Gojek, Nadiem Makarim, is trying to do by launching his application on Android and iOS phones in 2015. The application can calculate travel costs and the driver will pick up passengers anywhere. Gojek also aims to encourage change so that the informal transformation sector, such as motorcycle taxis, which previously worked odd jobs with uncertain income, can operate professionally with better income. Gojek eventually became an online transportation provider company that bases their activities on service. So that service quality, pricing, and customer satisfaction are important to offer to gain customer loyalty.

According to Malik et al. (2012); Fate et al. (1993); Purwanto et al. (2021); Purwanto et al. (2019); Sunarsi et al. (2020); Syahril et al. (2022) Customer satisfaction also affects customer loyalty, if the customer feels satisfied then a good cooperative relationship is created between the customer and the company. But if the

customer is not satisfied with the services provided, the services and products used will be abandoned and moved to other products. After the transportation service is used, the customer will be asked to provide an assessment and review regarding the experience of using Gojek services. If the customer is satisfied, then they tend to give 5 (five) stars. If the customer is dissatisfied, they tend to give fewer stars. There are several problems that make Gojek customers dissatisfied, namely, the driver's communication is not polite enough to make customers uncomfortable, and also the license plate number and type of vehicle used by the driver do not match what is registered in the application. According to Setiawati, et al. (2021); Susilo et al. (2020); Tam et al. (2004); Tsoukatos et al. (2006) Customer loyalty is the tendency of customers to use a product or service with a high level of consistency. Customer loyalty to Gojek can be influenced by several factors including service quality, pricing, and customer satisfaction.

To evaluate the increase in consumer loyalty to Gojek, problems can be identified, namely promotional prices which are rarely given by online transportation service companies, the importance of the brand image used by customers, reckless drivers are found resulting in inconvenience for customers, driver delays picking up customers, safety equipment such as helmets and raincoats that are often inappropriate for customers to use, mismatch between the address points in the application and the customer's actual address, setting prices that are higher than competitor transportation. the driver's impolite communication makes the customer uncomfortable, the license plate number and the type of vehicle used do not match the vehicle registered in the application. Based on the background above, this study aims to determine and analyze the effect of service quality on customer loyalty to Gojek transportation customers, to determine and analyze the effect of pricing on customer loyalty to Gojek transportation customers, to determine and analyze the effect of customer satisfaction on customer loyalty. on Gojek transportation customers.

The relationship between service quality and customer loyalty
Quality of service, namely the actions taken by the company to its customers to foster trust in the products or services offered with services that are fast, pleasant, do not contain errors or according to established procedures.This is also supported by According to Setiawati, et al. (2021); Susilo et al. (2020); Tam et al. (2004); Tsoukatos et al. (2006) showed that service quality has a significant influence on customer loyalty compared to the price perception variable which only slightly influences customer loyalty. Based on the results of the description of the previous researchers above, it can be assumed that service quality affects customer loyalty.
H1: service quality affects customer loyalty.

Relationship between Pricing Against Customer Loyalty
Pricing is the process by which companies will set a selling price for the products or services they have. Prices can indicate product quality, corporate image to maintain the company's position in the market and customer loyalty.This is also supported by David et al. (2013);Devaraj et al. (2001); Goestjahjanti et al. (2021);Jiang et al. (2015); Kim et al. (2004); Lee et al. (2013) showed that the independent variable has a significant effect and dependence. Found that the importance of image, product quality, and price to Customer Loyalty.Based on the results of the description of the previous researchers above, it can be assumed that pricing affects customer loyalty.
H2: Pricing affects customer loyalty.

Relationship between Customer Satisfaction and Customer Loyalty
Customer satisfaction is the overall attitude shown by customers, whether they are happy or disappointed that arises because they receive service from a quality product or service performance produced by the company. If the customer is satisfied with the product sold by the company, then the customer will be loyal to the product. And if the quality is far below expectations, then the customer will experience dissatisfaction.This is also supported by David et al. (2013);Devaraj et al. (2001); Goestjahjanti et al. (2021);Jiang et al. (2015); Kim et al. (2004); Lee et al. (2013) showed that all hypotheses were accepted, namely service quality had a positive and significant effect on satisfaction, price perceptions had a positive and significant effect on satisfaction, quality had a positive and significant effect on customer loyalty, price perceptions had a positive and significant effect on customer loyalty. customer satisfaction has a positive and significant effect on customer loyalty. Based on the results of the description of the previous researchers above, it can be assumed that customer satisfaction affects customer loyalty.
H3: Customer satisfaction affects customer loyalty.

II. METHOD

In an effort to collect data, the objects in this study were conducted with Gojek customers, PT. Gojek Indonesia, in RW 03 Kel Paseban, Central Jakarta. The data collection method used by researchers for this research is a questionnaire. Questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents to answer. The researcher distributed questionnaires to Gojek customers at RW 03 Paseban Kel, Central Jakarta as respondents distributed through the Google form. The population used in this study were Paseban urban residents, totaling 140 respondents. The criteria that can be used as respondents are: 1. Respondents live in the paseban sub-district, central Jakarta. 2. Respondents are male/female aged 17 years and over who can provide accurate data that can be accounted for. 3. Respondents are customers who have used Gojek transportation services at least more than once. This study used a purposive sampling method. In managing data, researchers use structural equation modeling (SEM) and SmartPLS Software.
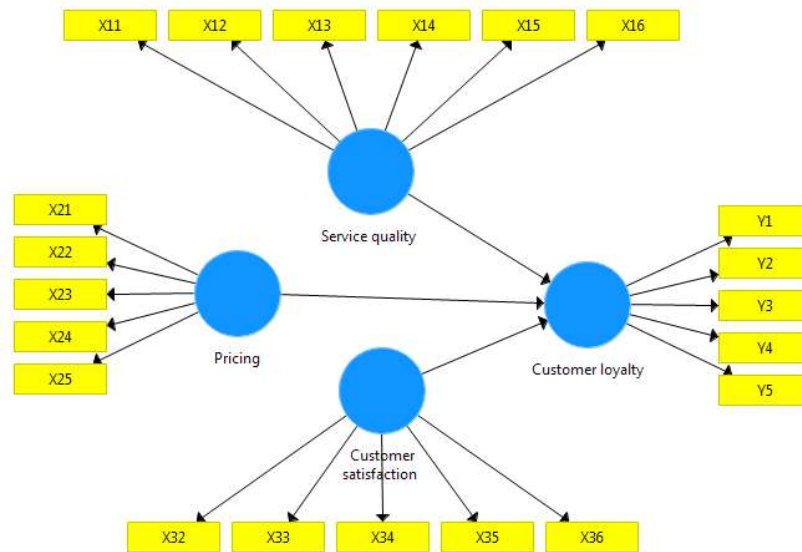

Fig 1. Research Model

The hypothesis in this study is:

H1: Service quality have positive and significant on customer loyalty

H2: Pricing have positive and significant on customer loyalty

H3: Customer satisfaction have positive and significant on customer loyalty

III. RESULT AND DISCUSSION

Convergent Validity

Based on the data presented in fig 1, it is known that each of the research variable indicators has a value of outer loading > 0.7. However, it appears that there are still some indicators that have an outer loading value of < 0.7. According to Purwanto et al. (2020) the outer loading value between 0.5 - 0.6 is considered sufficient to meet

the convergent validity requirements. The data above shows that there is no indicator variable whose outer loading value is below 0.5, so all indicators are declared feasible or valid for research use and can be used for further analysis.
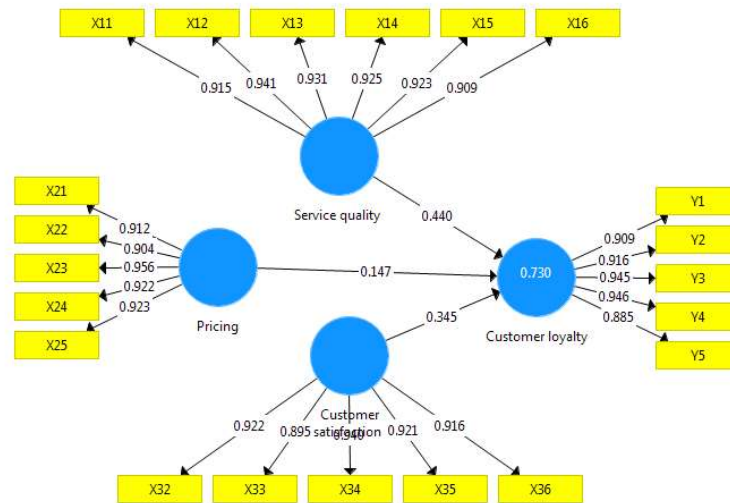

Fig 2. Loading Factors

Discriminant Validity

Based on the data presented in table 1, it is known that the AVE value of all variables is > 0.5. Thus it can be stated that each variable has good discriminant validity, the composite reliability value of all research variables > 0.7. These results indicate that each variable has met composite reliability so that it can be concluded that all variables have a high level of reliability, the Cronbach's alpha value of each research variable > 0.7. Thus these results can indicate that each research variable has met the requirements of Cronbach's alpha value, so it can be concluded that all variables have a high level of reliability.

Table 1.Reliability Testing

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Service Quality	0.854	0.887	0.713	0.616
Pricing	0.832	0.871	0.814	0.656
Customer Satisfaction	0.854	0.832	0.887	0.698
Customer Loyalty	0.816	0.876	0.716	0.665

Coefficient of Determination

Table 2. R Square

	R Square	R Square Adjusted
Customer Loyalty	0.730	0.723

Based on the data presented in table 2, it can be seen that the R Square value for the customer loyalty variable is 0.730. The obtained value explains that the percentage of customer loyalty can be explained by Service Quality, Pricing and Customer Satisfaction is 73 % and the remaining 27 % is explained by other factors not discussed in this study.

Hypothesis Testing

Hypothesis testing in this study was carried out by looking at the T-Statistics value and the P-Values value. The research hypothesis can be declared accepted if the P-Values <0.05
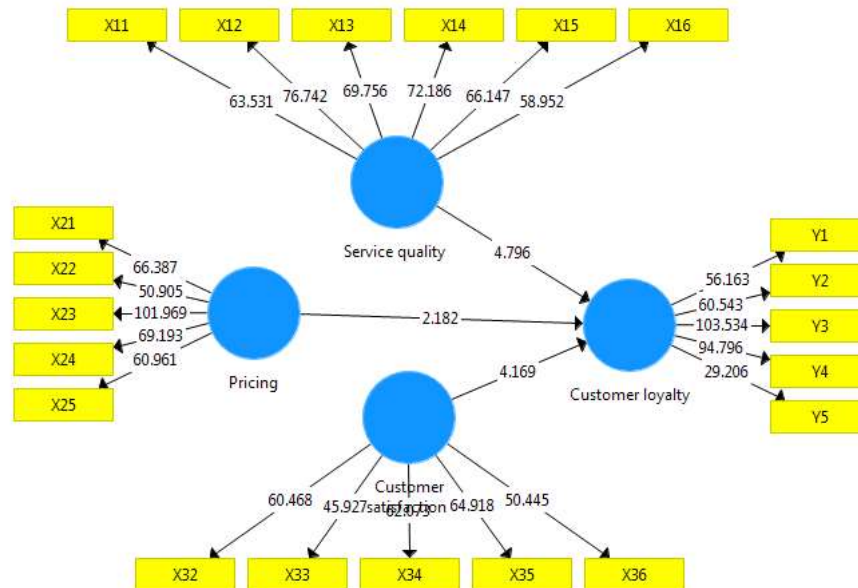

Fig 3. Hypothesis testing

Table 4. Hypothesis testing

Hypothesis	T Statistics	P Values	Result
Service Quality -> Customer Loyalty	4.796	0.000	Supported
Pricing -> Customer Loyalty	2.182	0.000	Supported
Customer Satisfaction -> Customer Loyalty	4.169	0.00	Supported

The effect of service quality on customer loyalty

The results of statistical calculations or the results of the t test show that the service quality variable (X1) has a significance value of 0.000 or less than a significance level of 0.05, which means that there is a significant effect of service quality on customer loyalty. So the statement that "Service Quality has a positive and significant effect on Gojek Transportation Customer Loyalty" is declared accepted. So it can be concluded that the results of this study are in line with the results of previous studies according to David et al. (2013);Devaraj et al. (2001); Goestjahjanti et al. (2021);Jiang et al. (2015); Kim et al. (2004); Lee et al. (2013) states that there is a significant effect of service quality on customer loyalty.

Effect of Pricing on Customer Loyalty

The results of statistical calculations or the results of the t test show that the pricing variable (X2) has a significant value of 0.000 or smaller than the significant level of 0.05, which means that there is significant effect of pricing on customer loyalty. Then the statement "Pricing has a positive and significant influence on Customer Loyalty" is declared accepted. So it can be concluded that the results of this study are in line with the results of previous studies according to Malik et al. (2012); Fate et al. (1993); Purwanto et al. (2021); Purwanto

et al. (2019); Sunarsi et al. (2020); Syahril et al. (2022) states that there is a significant effect of pricing on customer loyalty

The Effect of Customer Satisfaction on Customer Loyalty

The results of statistical calculations or the results of the t test show that the variable customer satisfaction (X3) has a significant value of 0.000 or less than a significant level of 0.05 which means that there is a significant effect of customer satisfaction on customer loyalty. then the statement "Customer Satisfaction has a positive and significant effect on Customer Loyalty" is declared accepted. So it can be concluded that the results of this study are in line with the results of research according to Abd-El-Salam et al. (2013);Amri et al.. (2021);Bernarto et al. (2022); Cahyono et al. (2020); Chadha et al. (2009); Chang et al. (2009) states that there is a significant effect of customer satisfaction on customer loyalty.

VI. CONCLUSIONS

Based on the results of the research and discussion on the effect of Service Quality, Pricing, and Customer Satisfaction on Customer Loyalty for Gojek Transportation, it can be concluded that the Variable Quality of Service has a positive and significant effect on Customer Loyalty on Gojek Transportation. This shows the quality of service provided by Gojek attracts the attention of customers, the better the quality of service provided by Gojek will increase customer loyalty. That is, service quality (X1) is very useful for customers in using Gojek transportation. The Pricing Variable has a positive effect on Customer Loyalty on Gojek Transportation. This shows that the Pricing provided by Gojek attracts the attention of customers, the more attractive the prices provided by Gojek will increase customer loyalty. That is, Pricing (X2) is very useful for customers in using Gojek transportation. The Customer Satisfaction Variable has a positive and significant influence on Customer Loyalty on Gojek transportation. This shows that the services provided by Gojek provide satisfaction for customers. That is, Customer Satisfaction (X3) is very useful for customers in using Gojek transportation.After conducting research, discussing, and formulating conclusions from the results of the research, the researcher will provide suggestions related to the research that has been carried out to be used as input and material for consideration that is useful for interested parties, especially for Gojek companies. The suggestions from the researchers are that Gojek should pay more attention to and improve the quality of its service with the discipline of the driver's time to pick up customers, Gojek can provide more and attractive price discounts and promotions in order to increase Gojek customer loyalty, Gojek should pay more attention to the vehicle equipment provided by the driver to make it more feasible for customer use, and customers are more confident and feel safe using Gojek transportation. For future readers and researchers, the results of this study can be used as a reference for future research using different variables, for example Promotion and Brand Image. So that other factors that influence customer loyalty can be identified.

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