The Influence Of Service Quality And Price On Customer Satisfaction (An Empirical Study Of The Jne Sales Counter At PT Forty Resource)

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Article Info	ABSTRACT
Keywords: Service Quality, Price, Customer Satisfaction	Consumers seek affordable prices that meet their needs while leveraging new opportunities to ensure the service quality provided satisfies prospective customers. The purpose of this study is to examine the influence of service quality and price on customer satisfaction. The research population consists of customers at the JNE Sales Counter of PT Forty Resource, with a sample size of 100 respondents. The data analysis method employed is multiple regression using SmartPLS 4, utilizing Structural Equation Modelling (SEM). The study results indicate that service quality has a positive but not significant effect on customer satisfaction, while price has a positive and significant effect on customer satisfaction. The implications of this study suggest that better service quality and competitive pricing can enhance customer satisfaction, particularly at the Sales Counter of PT Forty Resource. The limitations of this study include a sample size of only 100 respondents and reliance solely on data analysis results. Future research is encouraged to further explore service quality, price, and customer satisfaction using different research methods, a broader sample, and alternative research instruments. The use of SmartPLS 4 distinguishes this study from previous research.
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INTRODUCTION

Globalization drives businesses to act swiftly and responsibly in responding to competition within a dynamic commercial environment. Companies now focus on enhancing their competitiveness to achieve optimal performance and profitability. To gain a competitive edge, businesses must attract potential customers to purchase their products or services, ultimately increasing revenue and outperforming competitors (Edi, 2015).

The growth of online businesses, both locally and globally, has bridged the gap between vendors and buyers, even in remote areas. Distance barriers, whether inter-island or cross-country, no longer hinder transactions. Safe, timely, and reliable delivery has become a critical aspect of online business. To address this need, online businesses require partnerships with courier or logistics services. In Indonesia, major companies such as JNE, Pos Indonesia, J&T,

SiCepat, TIKI, DHL, and FedEx have catered to the community's demand for inter-regional and international shipments (Ministry of Communication and Information, 2019).

The courier service industry in Indonesia has witnessed rapid development, partly driven by the enactment of Law Number 38 of 2009. This law has opened opportunities for various business organizations, including state-owned enterprises, regional government enterprises, cooperatives, and private companies, to enter the courier service sector. Consequently, competition in this sector has intensified as more players have joined the market (https://ditjenpp.kemenkumham.go.id/, 2020).

JNE, one of Indonesia's leading courier and logistics service providers, was established in 1990. Initially, the company focused on customs clearance services for time-sensitive imported goods (Rush Handling). One of JNE's partners, PT Forty Resource, has been operating since 2014 and continues to improve service quality to meet customer needs. JNE offers various delivery options, such as Super Speed, YES (Yakin Esok Sampai), regular services, economical services, JLC, and others (www.jne.co.id, 2021).

The courier industry faces increasingly fierce competition, fueled by rising consumer demand for fast and reliable delivery services. Nugrahani (2018) notes that these conditions compel companies to develop effective marketing strategies to attract consumers. A primary focus of marketing strategies is achieving customer satisfaction, as satisfied consumers are more likely to recommend services to others through word-of-mouth marketing.

According to Rangkuti (2010), customer satisfaction is a response to the discrepancy between expectations before using a service and the performance perceived after usage. Factors such as service quality, product quality, price, and personal and situational conditions are key determinants of customer satisfaction. The five dimensions of service quality—tangibles, empathy, reliability, responsiveness, and assurance—play a significant role in shaping consumer perceptions. High service quality forms the foundation of customer satisfaction. Boone and Kurtz (2011) similarly emphasize that service quality is a crucial factor in determining customer satisfaction or dissatisfaction.

Consumers tend to seek the best offers, superior services, and competitive prices. While non-price instruments like promotions are costlier, pricing remains a critical marketing tool for retaining customer loyalty (Cakici et al., 2019). Mediti (2020) shows that e-service quality and price positively influence customer satisfaction, consistent with findings by Raza (2015), Dharmanto et al. (2022), and Wu (2014). However, other studies, such as Brady et al. (2001), note that American consumers often weigh trade-offs between service experiences and price quality.

This study aims to fill gaps in previous research by comprehensively examining factors influencing customer satisfaction. Earlier studies, such as Mediti (2020), focused on the impact of service quality and price on customer satisfaction, while others, like Cakici et al. (2018) and dos Santos and Basso (2012), used different approaches, such as mediation variables and SEM analysis. This research seeks to enrich the literature with an integrated approach to understanding customer satisfaction in the courier service industry.

METHODS

This research was conducted on employees of PT Forty Resource located in Kuningan, Karet Kuningan, Indonesia, during the period from March to June 2023. The study employed a causal design with a quantitative approach to analyze the influence of independent variables on the dependent variable. All data were presented numerically and analyzed using statistical methods. The independent variables in this study were service quality and price, while the dependent variable was customer satisfaction.

The definitions of variables in this research followed Wati's (2017) perspective, which categorizes variables as dependent, independent, and intervening. The dependent variable, customer satisfaction, reflects the impact of the independent variables. Service quality was defined through five main dimensions: tangibles, empathy, reliability, responsiveness, and assurance. These dimensions included aspects such as branch office facilities, staff skills and friendliness, and the ability to resolve customer complaints. Price was assessed in terms of affordability, competitiveness, alignment with product quality, and the benefits received by customers. Customer satisfaction encompassed the alignment of expectations, the likelihood of returning to use the service, and the willingness of customers to recommend the service to others.

The research population consisted of all employees at PT Forty Resource. According to Sugiyono (2013), a population is a generalization area with specific characteristics used as the basis for drawing conclusions. The sample size was determined based on SEM analysis methodology, following the recommendation of Hair et al. (2014), which suggests that the required sample size should be 10 times the number of indicators used in the model. With 12 indicators, the study required between 60 and 120 respondents.

Data collection involved both primary and secondary sources. Primary data were obtained directly from respondents through questionnaires distributed via Google Forms. The questionnaire employed a Likert scale to measure respondents' attitudes, opinions, and perceptions regarding the phenomena under investigation. Secondary data were sourced from relevant materials, including academic journals, books, and online references.

Data analysis was performed using multiple linear regression with SmartPLS version 4.0 software. The analysis process comprised two main stages: the measurement model (outer model) and the structural model (inner model). The measurement model was used to test the validity and reliability of the research constructs. Validity was assessed through convergent and discriminant validity, while reliability was evaluated using Composite Reliability and Cronbach's Alpha to ensure the internal consistency of the instrument. The structural model tested causal relationships between latent variables, including R Square values for determination, path coefficients to measure inter-variable effects, and predictive relevance to evaluate the model's predictive capability. This analysis aimed to provide a deeper understanding of the influence of service quality and price on customer satisfaction.

RESULTS AND DISCUSSION

Result

Descriptive Statistics

This study involved 100 respondents, who were customers of JNE PT. Resources, with data collected through questionnaires. Based on respondent characteristics, the gender distribution showed 52% male and 48% female. Female respondents exhibited slightly higher satisfaction levels compared to male respondents. In terms of age, the majority of respondents were in the 20-30 year age range, accounting for 82% of the total. Respondents aged 31-40 years made up 12%, those aged 41-50 years accounted for 4%, and those aged 51-60 years represented 2%. This indicates that younger consumers dominate the use of JNE services. Regarding education level, most respondents had completed high school or vocational school (SMA/SMK), making up 59%. Respondents with a bachelor's degree (S1) accounted for 33%, while only 8% had a diploma. This data reflects the dominance of JNE users from a mid-education background. In terms of occupation, the largest group of respondents were students, accounting for 41%. Office employees contributed 28%, entrepreneurs 16%, and housewives 8%. Other professions, such as teachers, freelancers, midwives, and civil servants, each accounted for less than 3%.

The distribution of data for research variables showed significant insights into service quality, price, and customer satisfaction, as analyzed from the questionnaire items. Service quality received a high average score, with indicators such as friendliness, staff skills, and responsiveness to customer complaints. Price also received positive assessments, particularly regarding affordability and alignment with service quality. Overall customer satisfaction indicated good levels, reflected by indicators such as convenience, ease of process, and customer willingness to recommend the service to others. Regression analysis showed that service quality and price variables had significant relationships with customer satisfaction, as evidenced by the data distribution supporting the research hypotheses. The validity and reliability of the measurement instruments were tested to ensure accurate and consistent results.

Assumption Testing and Quality of Research Instruments

Validity testing

Validity testing was conducted using SmartPLS software, where indicators are considered valid if the loading value is above 0.5, while values below 0.5 are deemed invalid and must be removed. The initial analysis revealed that most indicators were valid, though some indicators had loading values below 0.5 and needed to be excluded. After revisions, all remaining indicators showed loading values above 0.5, indicating their validity. The T-statistic values also demonstrated that all indicators were significant at the defined confidence level, making them suitable for further analysis.

Reliability testing

Variable	AVE	Composite Reliability	Cronbach's Alpha
Service Quality	0.564	0.920	0.901
Price	0.607	0.939	0.927
Customer Satisfaction	0.640	0.920	0.937

Showed that all variables had composite reliability and Cronbach's alpha values above 0.6, indicating that the indicators for each variable had good reliability for measuring their constructs. Additionally, the Average Variance Extracted (AVE) values demonstrated high discriminant validity for each variable, making them appropriate for analyzing inter-variable relationships.

Hypothesis testing

Relationship Between Variables	Parameter Coefficient	T Statistic	P Value	Description
Service Quality -> Customer Satisfaction	0.135	1.308	0.095	Valid but Not Significant
Price -> Customer Satisfaction	0.740	8.092	0.000	Valid and Significant

Was conducted by analyzing the T-statistic values for direct paths between variables. The results showed that the effect of service quality on customer satisfaction had a parameter coefficient of 0.135 and a T-statistic value of 1.308, which is below the significance threshold of 1.660 at the 5% significance level. This indicates that service quality has a positive but not significant effect on customer satisfaction. However, the coefficient value suggests that poorer service quality tends to lower customer satisfaction, supporting the hypothesis of a positive, albeit insignificant, effect.

Meanwhile, the effect of price on customer satisfaction had a parameter coefficient of 0.740 and a T-statistic value of 8.092, well above the significance threshold of 1.660 at the 5% significance level. This indicates that price has a positive and significant effect on customer satisfaction. In other words, the more competitive and aligned the price is with customer expectations, the more significantly customer satisfaction increases, supporting the hypothesis that price has a positive and significant effect on customer satisfaction.

Discussion

The Influence of Service Quality on Customer Satisfaction

The first hypothesis result shows that service quality has a positive but not significant effect on customer satisfaction. This result supports the research of Ratih Andalusi (2018), which suggests that service quality focuses on meeting needs, requirements, and timely delivery to meet customer expectations. As stated by Dhita Tresiya, Djunaidi, and Heri Subagyo (2018), service quality refers to the actions or efforts of an individual or organization aimed at providing satisfaction to customers or employees. This satisfaction can be achieved when customer expectations are met.

The Influence of Price on Customer Satisfaction

The second hypothesis result indicates that price has a positive and significant effect on customer satisfaction. This finding supports the studies of Widyaningsih Putri Ariyanti, Haris Hermawan, Ahmad Izzudin (2022), and Kesia Rani Lumempow, Frederik G Worang, Emilia Gunawan (2023), which state that price is a factor influencing customer satisfaction and a crucial element in sales. Price plays a key role in the marketing mix, as pricing decisions are directly related to the revenue received by the company. For companies, pricing must align

with consumer economic conditions so that consumers can afford the product. For consumers, price is an important consideration when making purchasing decisions and also shapes their perception of the product.

CONCLUSION

Based on the research results regarding the influence of service quality and price on customer satisfaction at PT Forty Resources, it can be concluded that service quality has a positive but not significant effect on customer satisfaction. This suggests that while improving service quality can enhance customer satisfaction, other factors also influence this relationship, making the effect not significant. On the other hand, price has a positive and significant effect on customer satisfaction, meaning that the more competitive and suitable the price offered, the higher the level of customer satisfaction.

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