

Effect of Word of Mouth, Perception of Quality and Use of Technology on Decisions of Application-Based Transportation Users (Study on Muslimah Community in Purwokerto)

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Abstract

This study analyzes the effect of word of mouth, perceived quality, and use of technology on application-based transportation decisions. The method used in this research is a case study of the Muslim community in Purwokerto. Questionnaires were given to 100 respondents consisting of several members of the Muslim community in Purwokerto. The data analysis technique used is PLS (Partial Least Square) analysis using Smart PLS 3.0. The results showed that word of mouth had a significant positive effect on decisions to use application-based transportation, perceived quality had a significant positive effect on decisions to use application-based transportation, and use of technology had a negative effect on decisions to use application-based transportation.

Keywords: *word of mouth, quality perception and technology utilization, decisions to use*

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1. INTRODUCTION

Technological developments led to the presence of E-Commerce that utilizes internet technology as a means of doing business. One of the targets is the transportation sector. These technological advances cannot be predicted with certainty, but their impact is sure to be significantly felt in various fields, including the transportation sector. This is a great opportunity for transportation entrepreneurs in Indonesia to be able to do their business online. Often the facilities provided by the government are not a solution for the community. At times such as online transportation appears as a solution with services that can serve the community directly. So that in the end the preferences of users of transportation services, of course, will prefer a transportation system that is easy and automatic.

Online transportation serves areas with high activity centers such as urban areas. Currently, online transportation is developing in Indonesia by 2 companies, namely Go-Jek and Grab, which have services in several major cities in Indonesia, including

Purwokerto. The high use of online transportation is based on efficiency and security for users of transportation services. Efficiency and security are internal factors that influence the development of online transportation. Especially for Muslim users because they can choose female drivers so they feel safer.

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Purwokerto is one of the cities in Central Java that is not autonomous because it is still part of Banyumas Regency as the center of government. Purwokerto is divided into 4 sub-districts and 57 sub-districts. The total population of 237,905 people in 2019 according to BPS data from Banyumas Regency. Currently, Purwokerto has a high activity intensity so that the demand for online transportation is increasing.

User decisions on online transportation can be influenced by word of mouth, perceived quality, and use of technology. , explains that consumer decision-making is an integration process that combines knowledge to evaluate two or more alternative behaviors, and chooses one of them.

The result of this integration is a choice (choice), which is presented cognitively, as a desire to behave. The buying decision-making process has five stages, namely, the problem recognition stage, the information search stage, the alternative evaluation stage, the purchase decision stage, and the post-purchase behavior stage.

In making purchasing decisions, word of mouth is one of the opportunities that support in encouraging consumers to make decisions. revealed that word of mouth is news of word of mouth as well as the number and nature of communication conversations between various parties. Word of mouth or word of mouth communication will occur naturally when people become supporters of a brand or product because they are satisfied with the product they use or consume and have a desire or desire that comes from themselves and are enthusiastic to invite others to choose a brand or product that is suitable for them. it has been used.

Consumers, especially Muslim consumers, in making purchasing decisions will consider several factors including the perception of product quality. Quality products are expected to provide value for consumers who use them. states that perceived quality is the image and reputation of the product as well as the company's responsibility towards it.

In addition to perceived quality, decisions are also influenced by the use of technology. According to , information technology is all forms of technology applied to process and transmit information in electronic form. Good use of technology in online transportation provides many features and services that will provide satisfaction to customers and users of online transportation. Information technology-based transportation as a means of public transportation is one of the right solutions, especially from the advantages and ease of accessing the speed of mobilization. This is believed to be the main key to win the competition.

This study will propose the following main problems:

- a. Does word of mouth have a positive and significant effect on the decisions of Muslim women using online transportation modes in Purwokerto?
- b. Does the perception of quality have a significant positive effect on the decisions of Muslim women using online transportation modes in Purwokerto?
- c. Does the use of technology have a significant positive effect on the decisions of Muslim women using online transportation modes in Purwokerto?

2. METHOD

The research method used is an explanatory survey, namely research that aims to explain a symptom, to find out the relationship between variables. This explanatory research is intended to obtain clarity or explain a phenomenon, explain the relationship, test the effect (causal relationship) between variables, evaluate, and find out the differences or comparisons of one or more groups (which are treated with those who are not treated) or differences in conditions. one or more groups. This study describes the effect of Word of Mouth, Quality Perception, Technology Utilization, on the Decisions of Muslimah Users of Application-based Transportation Modes.

The population in this study were Muslim women users of application-based transportation modes in Purwokerto covering four sub-districts, namely East Purwokerto District, West Purwokerto District, North Purwokerto District, and South Purwokerto District. For the sampling technique using the Purposive Sampling technique, namely the technique of determining the sample with certain considerations.

The criteria are having a transportation application, besides that respondents have used application-based transportation at least once in the last six months. In this study, because it did not get clear data about the population, so to find the sample size, the study was guided by the opinion expressed by who proposed a reasonable sample size in research between 30 to 500 and in multivariate research.

With this statement, it can be calculated to determine the sample, namely, because the number of research variables is 4 (independent and dependent), the number of sample members is $25 \times 4 = 100$. So to take a sample of 100 respondents. From the statement above, the researchers divided the number of respondents by sub-district. The research was conducted for 6 months starting in November 2020. Partial Least Square (PLS) analysis is an analysis of the data used in this study.

Buying decision

state that the purchase decision is the selection of an option from two or alternative choices. conveys that purchasing decisions are actions taken by consumers to purchase a product. The operational definition for purchasing decisions is the process by which passengers learn, select and use based on their experiences.

Word of Mouth

Word of mouth marketing is an attempt to give people a reason to talk about brands, products, or services and to make the conversation easier. Word of mouth is the most powerful medium in communicating products or services to two or more consumers. User actions provide information to other users or potential users from one person to another, both products or services and quality.

Quality Perception

States that perceived quality is a consumer's assessment of the overall superiority of a product or service in terms of its function relative to other products. Meanwhile, according to , the perception of quality is defined as the customer's perception of the overall quality or superiority of a product or service related to what is expected by the customer. Perception is the process by which individuals select, organize and interpret stimuli into meaningful and coherent images of the world. User assessment of application-based modes of transportation on the quality of their products.

Technology Utilization

States that information technology is all forms of technology applied to process and transmit information in electronic form. According to , the use of information technology is a benefit applied by information system users in carrying out their duties where the measurement is based on the intensity of use, the frequency of use in the number of applications or software used. Utilization of information technology in all forms of technology use applied in online transportation applications to be able to process and transmit information in electronic form where the level of usefulness can be measured based on the utilization level of the number of applications used.

3. RESULT AND DISCUSSION

3.1. Result

Suggests that to assess convergent validity, namely the loading factor value above 0.5-0.6, it is considered sufficient to meet the initial stages of developing a measurement scale. Based on the calculation of the value of Average Variance Extracted (AVE). on Technology Utilization and Perception of Quality is less than 0.50, so the research analysis is continued in the second round. The calculation also shows the value of composite reliability. must be greater than 0.70 so that it meets the reliability requirements. Based on these results, the value of Technology Utilization is less than 0.70, so the research analysis is continued in the second round.

a. Reliability and Validity

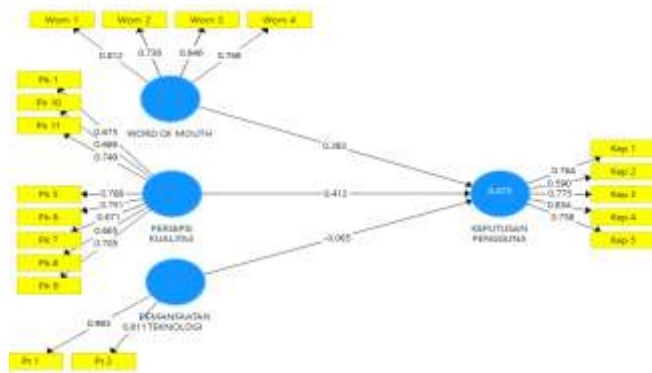
Table 1. Construct Reliability and Validity

	Composite Reliability	Average Variance Extracted (AVE)
User Decision	0.823	0.866
Word of Mouth	0.813	0.870
Quaity Perception	0.870	0.892
Technolody Utilization	1.739	0.895

Data processing is carried out up to 4 rounds and the loading factor value is above 0.5-0.6, so it is considered sufficient to meet the initial stage of developing a measurement scale. Based on the table above shows the value of reliability and validity. The loading factor value for all indicators is more than 0.50 so it can be concluded that the model is valid because it has met the convergent validity requirements. . The composite reliability value must be greater than 0.70 so that it meets the reliability requirements. Based on these results, it also shows that the composite reliability value on all variables is more than 0.70. So

it can be concluded that all the variables studied have met the criteria.

b. Structural Model Analysis



The picture above is the result of PLS version 3.0 regarding the influence of word of mouth, perceived quality, and the use of technology on user decisions. Based on the picture above, it can be seen that the R2 value of 0.467 indicates that 46.7% of the variability in the construction of user decisions is influenced by word of mouth, perceived quality, and technology utilization.

Table 2. Parameter Coefficient and Statistical Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	TStatistics (O/STDEV)	P Value
Word of Mouth =>User Decisions	0.383	0.379	0.104	3.691	0.000
Quality of Perception =>User Decisions	0.412	0.425	0.105	3.937	0.000
Technology Utilization =>User Decisions	-0.065	-0.054	0.096	0.676	0.499

Based on the table above, all relationships have positive and negative directions as seen from the original sample value which shows a positive value. The original sample value indicates that the relationship can lead to a positive or negative effect.

Based on the results of the analysis above the P Values < 0.05, shows that word of mouth has a positive and significant effect on user decisions. So that the first hypothesis which states that word of mouth has a positive and significant effect on Muslim women's decisions to use application-based transportation can be accepted. The results also show that perceived quality has a significant positive effect on user decisions. So the second hypothesis which states that perceived quality has a positive and significant effect on Muslim women's decisions to use transportation applications is accepted.

Different results were obtained for the third hypothesis. Wherefrom the table above it can be seen that the use of technology has a negative influence. This shows that the third hypothesis which states the use of technology has a positive and significant effect on Muslim decisions to use application-based transportation is rejected.

3.2. Discussion

Based on the results of the analysis obtained data that word of mouth has a positive effect on purchasing decisions. So far, Muslim women who use

transportation applications have good experiences and feel happy to share information about the facilities of these transportation applications with others. In addition, Muslim women who use transportation applications have a desire to reuse application-based transportation.

Customer perceptions will involve what is important to customers because each customer has different interests in a product or service, so it can be said that discussing quality perceptions means discussing customer involvement and interests. Muslim women have seen that transportation officers always help and prioritize parents, people with special needs, or pregnant women in using bus seats. In addition, the facilities and infrastructure in the transportation facilities are complete (use of e-tickets, direction stickers, priority seats, fire extinguishers, and air conditioning).

Along with the development of time technology is increasingly advanced and sophisticated in order to make it easier for its users and when the use of technology begins to enter the world of transportation so that transportation users are easier to access. This indicates that transportation customers who are satisfied with the services and use of information technology that has been provided so far can make consumer loyalty attitudes grow towards services and will continue to use these services but not significantly. This is evidenced by the results of

research that the use of technology has no effect on Muslim women's decisions in the use of application-based transportation.

4. CONCLUSION

Based on the results of the analysis that has been described, it can be concluded that word of mouth has a significant positive effect on decisions to use application-based transportation. In other words, word of mouth affects decisions in using application-based transportation. Perceived quality has a significant positive effect on decisions to use application-based transportation. In other words, perceived quality influences the decision to use application-based transportation. The use of technology has a negative effect on decisions to use application-based transportation. In other words, the use of technology has a negative influence on decisions in using application-based transportation.

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