The Effect of Price Fairness, Brand Image, and Perceived Value on Satisfaction and Word of Mouth of Go-Jek Customers

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ABSTRACT

The purpose of this study was to analyze the relationship between price fairness, brand image, and perceived value on Satisfaction and Word of Mouth of Go-Jek Customers. The survey method was applied in this study. Methods of data collection by using a questionnaire (google form). The target population in this study were all Go-jek customers in JABODETABEK within October 2021. The sampling technique was done by convenience sampling. In this study, the number of samples was 184 respondents. Data analysis with partial least square-structural equation modeling (PLS-SEM) approach with the help of SmartPls 3.0 program. Based on the data analysis, it was found that price fairness has a positive effect on satisfaction, brand image has a positive effect on satisfaction, perceived value has a positive effect on satisfaction and satisfaction has a positive effect on Word of Mouth. The perceived value variable gives the greatest contribution to satisfaction

I. Introduction

Indonesia has online transportation service providers such as Go-Jek, currently operating in several major cities in Indonesia, such as Greater Jakarta, Bandung, Surabaya, Bali, and Makassar. According to the Vice President of PT Go- Jek Indonesia, the largest area that Go-Jek currently serves is Jabodetabek, more precisely in DKI Jakarta. According to data on the number of existing customers at PT Go-Jek Indonesia, DKI Jakarta has an average number of customers in one day by 2400 subscribers. So far, there has been an increase in GoJek users. This increase is due to the increasing number of positive reviews from customers who have used Go-Jek services to the wider community about how Go-Jek provides them with a pleasant experience. Judging from the increasing number of Go-Jek service users, which is caused by the large number of customers who do positive reviews about Go-Jek, it shows that the higher level of Go-Jek customer satisfaction has caused an increase in the number of orders received. This is in accordance with the characteristics where satisfied customers will say good things about services to others or in other languages will recommend the company. Inairat, (2020); Ashraf & Niazi, (2018) There are several factors that will determine whether or not the customer is satisfied with a service offered by the company, including the price factor which is often the main benchmark where the customer of a service will be in direct contact with the price to be paid when finished using the services of the company. According to Mbango, (2019) The many price differences in various types of service providers make customers to be more careful in choosing. A clear tariff setting makes Go-Jek customers feel benefited compared to conventional motorcycle taxis. Prices on GoJek indicate that reasonable prices provide benefits to customers. The main goal of Go-Jek in providing services to each of its customers is to apply the fairness of prices or price fairness applied by the company which is different from conventional motorcycle taxis and also the service fairness they feel. Go-Jek realizes that the growing competition in the service industry makes them to continue to prioritize customer satisfaction as a strategy to survive in the competition.

According to Jaman & Sopiah, (2019); Khoironi et al., (2018); Konuk, (2019); Mbango, (2019) trust in the seller is an important key to building customer loyalty and maintaining a sustainable

relationship between buyers and sellers. According to Alzoubi & Inairat, (2020); Ashraf & Niazi, (2018); Devi & Yasa, (2021); Hanaysha & Pech, (2018) found that trust has a significant effect on repurhase intention. In addition to trust, Devi & Yasa, (2021); Hanaysha & Pech, (2018) also stated that perceived value has a significant effect on repurchase intention. Offers of high perceived value can increase the likelihood of customers to return and re-transact in the future. Ayutthaya (2013) discussing brand image and repurchase on Low Cost Carriers found that brand image has a statistically significant impact on repurchase intention. There are four dimensions that must be considered in order to measure a brand effectively. According Mbango (2019) explains that brand image triggers a much higher desire to repurchase the same brand. Meanwhile, Ashraf & Niazi, (2018); Devi & Yasa, (2021); Hanaysha & Pech, (2018) stated that the correlation between satisfaction and repurchase intention is very high. According to Alzoubi & Inairat, (2020); Ashraf & Niazi, (2018); Devi & Yasa, (2021); Hanaysha & Pech, (2018) explain that there is an additional concept for online transactions, namely "information satisfaction". This concept carries satisfaction as an emotional reaction felt by customers on the experience of the overall service provided. When customers are satisfied with the service from the company, especially online-based sales, repurchase intention can continue to increase. The purpose of this study is to determine: (1) the effect of price fairness on satisfaction; (2) The influence of Brand Image on satisfaction; (3) Influence of Perceived Value on satisfaction ; (4) Effect of Satisfaction on WoM. The results of this study are expected to provide information for decision making to maintain and improve price fairness, perceived value, brand image, and satisfaction in order to increase the occurrence of repurchase intention

II. Method

The survey method was applied in this study. Methods of data collection by using a questionnaire (googole form). The target population in this study were all Go-jek customers in JABODETABEK within October 2021. The sampling technique was done by convenience sampling. Determination of the number of samples using the inverse square root method where the minimum number of samples is 160 respondents Hair et al., (2019). In this study, the number of samples was 184 respondents. Data analysis with partial least square-structural equation modeling (PLS-SEM) approach with the help of SmartPls 3.0 program. Furthermore, all questionnaire items on the price fairness construct were adapted from Simbolon et al., (2020); Susanti, (2019); Widiastiti et al., (2020); Yaqub et al., (2019); Yuliantoro et al., (2019) scale development. The Brand Image construct questionnaire items were adapted from Yaqub et al., (2019) and scale development, the construct of perceived value was adapted from Widiastiti et al., (2020); Yaqub et al., (2019); Yuliantoro et al., (2019) scale development. Satisfaction construct from According to Mukerjee, (2018) Measurement of questionnaire items by implementing 5 Likert scale ratings, namely 1 = disagree; 2=disagree; 3=sufficiently agree; 4=agree; 5=strongly agree.

III. Result

The sex proportion of all 184 respondents was dominated by female sex, around 64%. Furthermore, the majority of respondents live in Tangerang and Jakarta (60%). The respondent's age is dominated by respondents aged 20-29 years (42%), while the occupational and educational backgrounds are mostly private employees (51%) and undergraduates (79%). Then, respondents used Gojek one week before filling out the questionnaire by 76% of all respondents. In this stage, internal consistency (composite reliability) is measured; convergent validity (indicator reliability, average variance extracted/AVE); discriminant validity (Fornel-Larcker criterion). Hair et al. (2020) shows that the conditions that must be met are for composite reliability > 0.07; indicator reliability (outer loadings) > 0.7; AVE > 0.5 (Purwanto et al., 2019, 2020; Purwanto, Asbari, & Santoso, 2021d, 2021a, 2021b, 2021c; Purwanto, Asbari, Santoso, et al., 2021).
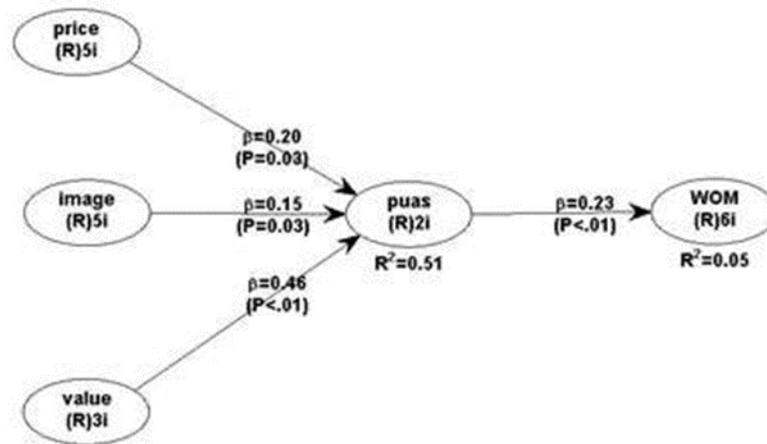
Fig. 1.Research Model Analysis

Then to assess discriminant validity, Henseler et al (2015) recommend the Heterotrait-Monotrait Ratio (HTMT) in which the HTMT value must be less than 0.90. Table 2 shows the results of data analysis that the AVE value and CR value ranged from 0.643-0.839 and 0.874-0.942, respectively. Then the value of outer loadings ranges from 0.708-0.923. Thus the measurement of internal consistency and convergent validity has met the requirements.

Table 1. AVE, CR, dan outer loadings Evaluation

	Constructs & items	Outer loadings
	Price Fairness/price (AVE=0.765; CR=0.942)	
Pr1	The price of Gojek services is affordable for me.	**0.859**
Pr2	Gojek service prices are in accordance with the benefits	**0.840**
Pr3	The price for Gojek services is reasonable	**0.802**
Pr4	Gojek service prices are fair	**0.847**
Pr5	Gojek fees are acceptable	**0.921**
	Brand Image/image (AVE=0.643; CR=0.900)	
Bim1	Gojek brand has a good image	**0.838**
Bim2	In my opinion, the Gojek brand is unique	**0.757**
Bim4	The Gojek brand reflects reliability	**0.832**
Bim5	I admit that the Gojek brand has a positive brand	**0.863**
Bim6	Gojek's brand image is better than competitors	**0.708**
	Perceived Value/value (AVE=0.698; CR=0.874)	
Pv1	In my opinion, the value of Gojek is the benefits	**0.824**
Pv2	The experience of using Gojek services is worth the price	**0.856**
Pv3	I feel safe when using Gojek services	**0.826**
	Satisfaction/satisfy (AVE=0.839; CR=0.912)	
Kp1	I feel happy using the services of Gojek	**0.909**
Kp2	My choice to choose Gojek is a wise choice	**0.923**
	Word of Mouth/wom (AVE=0.696; CR=0.932)	
Wom1	I share my experience using gojek services to my friends	**0.781**
Wom2	I say positive things about Gojek	**0.801**
Wom3	I recommend Gojek to others	**0.901**
Wom4	I express my opinion about Gojek to my friends	**0.873**
Wom5	I always explain the advantages of Gojek to my friends	**0.737**
WOM7	I love talking about Gojek with my friends	
	Note: AVE=average variance extracted; CR=compiste reliability	

Next table 2 reveals that the HTMT value has met the requirements where the HTMT value is less than 0.90. This the discriminant validity assessment has met the predetermined requirements.

Table 2. Evaluation of HTMT

	Price Fairness	Brand Image	Perceived Value	Satisfaction	WOM
Price Fairness					
Brand Image	0.560				
Perceived Value	0.801	0.844			
Satisfaction	0.670	0.659	0.870		
WOM	**0.321**	**0.375**	**0.332**	**0.252**	

Table 3 reveals that the determinant coefficient (R2) is 0.512. This shows that the variation in the value of the construct of endogenous satisfaction can be explained by the constructs of exogenous price fairness, brand image, and the perceived value of 51.2%. The remaining 48.80% is explained by other constructs that are not included in this research model. Then the construct of Word of Mouth (WOM) can be explained by the satisfaction construct of 5.2%.

Table 3. Coefficient of Determination

Indicator	R-square (R^2)
Satisfaction	**0.512**
WOM	**0.052**

The next assessment is the evaluation of the magnitude of the f2 effect which shows the impact of changes in f2when an exogenous construct is omitted. As a guideline regarding the impact of changes in f2, Cohen (quoted from Hair et al., 2019) explains that the values of 0.02, 0.15, and 0.35 are small, medium, and large, respectively. Table 7 reveals that the perceived value construct has a moderate impact on changes in f2. The rest, namely the constructs of brand image and price fairness, each have a small impact.

Table 4. f^2 Effect Sizes Evaluation

	Satisfaction
Price Fairness	**0.045**
Brand Image	**0.025**
Perceived Value	**0.147**

According to Cohen (1988) explaining that the guideline for assessing f2 is that values of 0.02 (= small), 0.15 (= moderate), and 0.35 (= large), respectively, represent small, medium, and large effects. large (Hair et al. 2017). For the Price Fairness variable, the f2 value of 0.045 is small, for the Brand Image variable, the f2 value of 0.025 is small, and for the Perceived Value variable, the f2 value of 0.147 is large.

Table 5. Q2 Evaluation

Construct	Q2
Satisfaction	**0.514**
WOM	**0.052**

Q2 value greater than 0 indicates that the model has predictive relevance for certain endogenous constructs. Conversely, values of 0 and below indicate a lack of predictive relevance (Hair et al 2017). The value of Q2 for the Satisfaction variable is 0.514> 0.000, meaning that this variable has predictive relevance. The Q2value of the WOM variable is 0.052 > 0.000, meaning that this variable has predictive relevance.

Table 6. Size and significance of path coefficient

Path	Standardized Path Coefficient	p-values	Result
Price Fairness->Satisfaction	0.197	0.029	**Supported**
Brand Image->Satisfaction	0.145	0.031	**Supported**
Perceived value->Satisfaction	0.457	<0.001	**Supported**
Satisfaction->WOM	0.228	0.001	**Supported**
Note: p-values < α (=0.05); one-tailed test			

Based on the analysis, it was found that the Standardized Path Coefficient was 0.197 (positive) and p-values were 0.029 < 0.050, so it was concluded that Price fairness has a positive and significant effect on satisfaction. An increase in the price fairness variable will encourage an increase in the satisfaction variable, and a decrease in the price fairness variable will encourage a decrease in the satisfaction variable. These results are in line with the research by Simbolon et al., (2020); Widiastiti et al., (2020); Yaqub et al., (2019); Yuliantoro et al., (2019) that Price fairness has a positive and significant effect on satisfaction and is supported by research According to Mukerjee, (2018); Putu & Ekawati, (2020); Severt et al., (2020); Susanti, (2019) Price fairness has a positive and significant effect on satisfaction. To increase customer satisfaction, Gojek management must increase the price fairness variable and its indicators because the price fairness variable has been shown to have a positive and significant effect on Gojek's consumer satisfaction.

Based on the analysis, it was found that the Standardized Path Coefficient was 0.145 (positive) and p-values were 0.031 < 0.050, so it was concluded that Brand Image has a positive and significant effect on satisfaction. An increase in the Brand Image variable will encourage an increase in the satisfaction variable, and a decrease in the Brand Image variable will encourage a decrease in the satisfaction variable. These results are in line with research by Alzoubi & Inairat, (2020); Ashraf & Niazi, (2018); Devi & Yasa, (2021) that Brand Image has a positive and significant effect on satisfaction and is supported by research by Hanaysha & Pech, (2018); Jaman & Sopiah, (2019); Khoironi et al., (2018) that Brand Image has a positive and significant effect on satisfaction. To increase customer satisfaction, Gojek management must increase the Brand Image variable and its indicators because the Brand Image variable has been proven to have a positive and significant effect on Gojek's customer satisfaction.

Effect of Perceived Value on SatisfactionBased on the analysis, it was found that the Standardized Path Coefficient value was 0.457 (positive) and p-values were 0.000 < 0.050 so it was concluded that the Perceived Value has a positive and significant effect on satisfaction. An increase in the perceived value variable will encourage an increase in the satisfaction variable, and a decrease in the perceived value variable will encourage a decrease in the satisfaction variable. These results are in line with research by Yuliantoro et al., (2019) that Perceived Value has a positive and significant effect on satisfaction and is supported by research by Alzoubi & Inairat, (2020); Ashraf & Niazi, (2018); Devi & Yasa, (2021) that Perceived Value has a positive and significant effect on satisfaction. To increase customer satisfaction, Gojek management must increase the Perceived Value variable and its indicators because the Perceived Value variable has been shown to have a positive and significant effect on Gojek's customer satisfaction.

Based on the analysis, it was found that the Standardized Path Coefficient was 0.228 (positive) and p-values were 0.001 < 0.050, so it was concluded that Satisfaction has a positive and significant effect on Word of Mouth. An increase in the Satisfaction variable will encourage an increase in the Word of Mouth variable, and a decrease in the Satisfaction variable will encourage a decrease in the Word of Mouth variable. These results are in line with research by Khoironi et al., (2018); Konuk, (2019); Mbango, (2019) that Satisfaction has a positive and significant effect on Word of Mouth and is supported by research by Jaman & Sopiah, (2019); Khoironi et al., (2018); Mbango, (2019) that Satisfaction has a positive and significant effect on Word of Mouth. To improve the

Word of Mouth, the Gojek management must increase the Satisfaction variable and its indicators because the Satisfaction variable has been shown to have a positive and significant effect on the Word of Mouth

IV. Conclusion

Based on the data analysis, it was found that price fairness has a positive effect on satisfaction, brand image has a positive effect on satisfaction, perceived value has a positive effect on satisfaction and satisfaction has a positive effect on Word of Mouth. The perceived value variable gives the biggest contribution to satisfaction. To increase customer satisfaction, Gojek management must increase the price fairness variable and its indicators because the price fairness variable has been shown to have a positive and significant effect on Gojek customer satisfaction. proven to have a positive and significant effect on Gojek's consumer satisfaction. To increase customer satisfaction, Gojek management must increase the Perceived Value variable and its indicators because the Perceived Value variable has been shown to have a positive and significant effect on Gojek's customer satisfaction. To improve the Word of Mouth, the Gojek management must increase the Satisfaction variable and its indicators because the Satisfaction variable has been proven to have a positive and significant effect on the Word of Mouth. Suggestions for further research are to increase the number of respondents and analyze it in other organizations in other places. Further research should add other variables that are not discussed in this study

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