The Effect of Quality of Service and Price on Customer Satisfaction at RM Mang Kabayan

Suryanto Sosrowidigdo

Faculty of Economics and Business, Universitas Bina Sarana Informatika, Indonesia
Jl. Kramat Raya No.98, RT.2/RW.9, Kwitang, Kec. Senen, Kota Jakarta Pusat, Daerah Khusus Ibukota Jakarta 10450

A R T I C L E I N F O	ABSTRACT
Keywords: Quality of Service; Price; Customer Satisfaction.	To meet the needs of people's lives, today's service companies are becoming increasingly diverse. A service business is a business that works for the happiness of the customer. Service companies such as RM Mang Kabayan are well-known examples of service businesses. This study aims to determine and assess the impact of service quality and price on customer satisfaction. Participants in this study were customers of the RM Mang Kabayan Bintaro branch. This study uses quantitative approaches such as interviews, questionnaires, and documentation. Primary data was obtained through the distribution of a short survey using the Slovin method and a sample of 150 respondents. Multiple linear regression was used in this study. The findings reveal that service quality and price affect customer satisfaction with the RM Mang Kabayan Bintaro branch services. Each element has a beneficial and significant influence on customer satisfaction with the RM Mang Kabayan Bintaro branch service.
E-mail: suryanto.sys@bsi.ac.id	

1. Introduction

Along with the development of the culinary world, many people find it. More and more entrepreneurs are opening their businesses in the franchise, retail, or other culinary worlds. Progress in business, of course, is balanced with service quality that can provide advantages and roles in business ventures. Not only relying on business ventures but can open other businesses.

One of them is the best service to guests who visit the restaurant. A restaurant is a place for the culinary business world, such as food and beverages. The restaurant world requires the best, polite, and most friendly waiters for customers; of course, the service goes through procedures or stages that must be carried out according to the rules for the influence of service quality and price. A better quality of work can be done with the influence of service quality and price on customer satisfaction at a restaurant.

Currently, many business companies have services, one of which is RM Mang Kabayan, Bintaro Branch. This company is a Sundanese restaurant that is engaged in the franchise. This restaurant's main activity in service is very friendly and polite to customers. With increasing competition, consumers also tend to pay attention to the quality of service and product prices when choosing a restaurant location. Therefore, Mang Kabayan Restaurant must create customer satisfaction by

knowing the factors that affect the quality of service and reasonable prices before or after a transaction to make expected innovations and improvements and compete with other restaurants.

According to Luniyoadi and Hamdan, service quality is the difference between reality and consumer expectations for the service they receive. (Anggriana et al., 2017). Meanwhile, Nasution defines Service Quality as the required level of quality and control over that level to achieve customer desires. (Gofur, 2019).

Tjiptono specifies the dimensions or features that must be addressed in service quality as the following (Djafri, 2018): Physical form/tangibles are generally employed by businesses to improve their image in the eyes of clients. These are the physical conditions that exist in providing services, such as physical facilities, equipment, workers, and methods of communication; Reliability is the capacity to deliver the promised service performance consistently and precisely; Responsiveness is the staff's eagerness to assist customers and deliver prompt and suitable service; Assurance involves the staff's knowledge, aptitude, civility, and trustworthy nature in building client trust; Empathy is individual attention provided by care providers is preferred.

According to Tjiptono, the only component of the marketing mix that generates revenue or money for the business is price. In contrast, the other three components (product, distribution, and promotion) generate expenses. Meanwhile, Kotler and Armstrong define price as the sum of money consumers (buyers) must spend to receive a thing. (Trianah et al., 2017).

According to Stanton, several factors usually influence product pricing decisions, including (Daga, 2019): Product demand, there are two processes for evaluating product demand: establish whether the market expects a specific price and estimate sales volume based on different pricing; In order to increase market share, a firm can set more aggressive prices than competitors. Market share is influenced by the company's production capacity and ease of entry into the market; Competition is often driven by the availability of identical commodities, alternative products, and the presence of different products aimed at the same consumers; There are two pricing strategies to consider when developing a pricing strategy. The first is a competitive pricing strategy, which is a pricing strategy for new goods where the price is set high but still within the scope of consumer expectations, and the second is a penetration pricing strategy, which is setting a low initial price to attract a large number of consumers quickly; Products, distribution, and promotion channels. Some consumers choose cheaper products with the required quality and criteria. Pricing for products sold directly and through distribution will be different. For promotion, the price set will be lower if the promotion costs are not too burdensome to the company; Companies need to consider the costs incurred to produce goods effectively.

Tjiptono defines customer satisfaction as "a person's feelings of joy and disappointment that arise from comparing perceptions of a product's performance (results) with their expectations." (Ofela & Agustin, 2019).

According to Irawan, five variables contribute to consumer happiness (Djafri, 2018): Product Quality (Quality can be interpreted as everything that determines customer satisfaction and the company's efforts to make changes toward continuous improvement), Price (Price is one of the determining factors for consumers in making a buying decision), Service quality (It is vital to shaping the personnel's attitudes and behaviour to deliver good service quality and meet consumer expectations), Emotional component (Customers will be delighted with the product they purchased; they will feel proud, confident, and booming when they utilize it), Convenience (Consumer satisfaction will be created if there is ease, convenience, and efficiency in getting the product or service that will be received).

Based on the preceding definition, it is possible to conclude that service can be used through the influence of service quality and price on customer satisfaction, which adheres to the guidelines. Given the importance of service quality and price, the author proposes undertaking a study titled "The Effect of Service Quality and Price on Customer Satisfaction at RM Mang Kabayan.

2.   Methods

2.1   Research Type
This study employed a quantitative methodology. The quantitative method is a branch of research that deals with the procedures (methods) of data collection, data analysis, and interpretation of the findings of the analysis to gain information for withdrawal and decision making.

2.2   Research Variable
"A research variable is a characteristic or nature or value of people, objects, or activities that have certain changes determined by researchers to be investigated and subsequently made conclusions," according to (Sugiyono, 2015).

Table 1. Dimensions and Variable Indicators of Service Quality (X1)

Variable	Dimension	Indicator	Scale
Quality of Service (X1)	Reliability	RM Mang Kabayan's ability to serve customers reliably and accurately	Likert
	Responsive	RM Mang Kabayan's willingness to assist customers quickly and precisely	
	Guarantee	Customer's trust in RM Mang Kabayan's service	
	Empathy	Concern and attention rm Mang Kabayan service to customers	
	Physical Evidence	Performance of RM Mang Kabayan service and RM Mang Kabayan facilities	

Source: (Sunyoto, 2016)

Table 2. Dimensions and Price Variable Indicators (X2)

Variable	Dimension	Indicator	Scale
Price (X2)	Pricing Tier	Price set by RM Mang Kabayan	Likert

Source:(Sunyoto, 2016)

Table 3. Dimensions and Indicators of Customer Satisfaction Variables (Y)

Variable	Dimension	Indicator	Scale
Customer Satisfaction (AND)	Conformity of Expectations	Is the level of conformity between the performance expected by the customer and that of the	Likert

The Effect of Quality of Service and Price on Customer Satisfaction at RM Mang Kabayan (Suryanto Sosrowidigdo)

Interest in Return Visits	customer Represents the availability of customers to visit again or make repurchases.
Availability Recommends	Is the availability of customers to recommend to their friends or family

Source: (Sunyoto, 2016)

2.3 Population and Sample

"Population is a generalization region comprising of things or persons that have particular attributes or characteristics that researchers decide to analyze and then form conclusions," according to (Sugiyono, 2015). This study's demographic consists of Mang Kabayan Restaurant Bintaro Branch customers.

According to (Sugiyono, 2015), "the sample is a subset of the population in terms of size and features." Assume the population is significant, and researchers cannot investigate everything in the population due to limited funding, energy, and time. The researcher can then use samples drawn from that population.

According to numerous definitions, "population and sample are objects or persons that have the population's number and characteristics" (Sugiyono, 2015).

The authors' determination of the number of samples utilized in this study is based on the Slovin method as a measuring tool for estimating sample size because there are more than 100 known populations and 150 respondents. The Slovin formula, according to (Sugiyono, 2015), is as follows:

$$n = \frac{N}{1 + ne^2}$$

(1)

Where:
n = Sample size
N = Population size
e = Error tolerance *limit*

Based on the reasoning above, the sample size can be computed using the Slovin formula as follows:

$$n = \frac{150}{1 + 150.0,(05)^2} = 109,9$$

(2)

2.4 Data Collection Technique

a. Interview Methods

The author interviewed the head of Mang Kabayan Bintaro Branch's Rumah M branch on the impact of service quality and price on customer satisfaction at Mang Kabayan Restaurant PT Sumber Pangan Lestari Depok.

b. Questionnaire Method

A questionnaire is a series of written questions designed to elicit information from respondents through reports on their personality or known facts.

c. Documentation Methods

The author collects data from research sites used as research, books, and literature to achieve reference materials and supporting references in the research process.

2.5 Data Analysis Technique

a. Correlation Analysis

According to (Sunyoto, 2016) concluded, "The purpose of the correlation test is to test whether two variables, namely free variables and bound variables, have a strong or not strong relationship, whether the relationship is positive or negative."

b. Multiple Regression Analysis

"Multiple Linear Regression Analysis is a multiple linear regression analysis used by the researcher when the researcher intends to predict how the state (ups and downs) of the dependent variable will change when two or more independent variables as predictor factors are manipulated," according to (Sugiyono, 2015).

From some of the definitions above, correlation analysis and regression analysis are free variables, and bound variables have a strong or not strong relationship. Multiple Linear Regression is carried out to find out how much influence between two or more independent variables and dependent variables (Sugiyono, 2015).

c. Determination Analysis

"The coefficient of determination R2 simply assesses how far the model can explain dependent variables," says Gozhali (Ofela & Agustin, 2019).

According to Gozhali, a low R2 value indicates that the number of independent factors used to explain the fluctuation of dependent variables is quite limited. A number close to one indicates that independent variables supply nearly all the information required to anticipate changes independent variables (Trianah et al., 2017).

According to some of the definitions above, a determination is "the measurement of very few dependent variables when values close to independent variables offer practically all of the information required" (Trianah et al., 2017).

3. Results and Discusion

3.1 Validity Test Results

The validity test was used using IBM SPSS 22. The signification test is carried out by comparing the calculated r-value (for f count, each item can be seen from the corrected value of the total correlation item) with the r table for the degree of freedom df = (n-2).

To find out the value of the r table, namely with the formula:

df = (n - 2)
df = (109 – 2)
= 107, the table r-value of significance level 0.5. A total of 109 samples was 0.1882

The following table shows the results of the validity test for service quality, price, and customer satisfaction:

Table 3. Service Quality Validity Test Results

No Item Questions	r-Calculate	r-Table	Information
X1.1	0,327	0,1882	Valid
X1.2	0,592	0,1882	Valid
X1.3	0,506	0,1882	Valid
X1.4	0,514	0,1882	Valid
X1.5	0,307	0,1882	Valid
X1.6	0,395	0,1882	Valid
X1.7	0,271	0,1882	Valid

Source: SPSS 22 Data Processing Result

The table's validity test results reveal that all the question items used to measure product quality factors are valid. The r-count, which is more than the r-table, demonstrates this.

Table 4. Price Validity Test Results

No Item Questions	r-Calculate	r-Table	Information
X2.1	0,391	0,1882	Valid
X2.2	0,534	0,1882	Valid
X2.3	0,548	0,1882	Valid
X2.4	0,569	0,1882	Valid
X2.5	0,393	0,1882	Valid
X2.6	0,371	0,1882	Valid

Source: SPSS 22 Data Processing Results

The table's validity test results reveal that all the question items used to measure prestige variables are valid. This is evidenced by the r-count being more than the r-table.

Table 5. Customer Satisfaction Validity Test Results

No Item Questions	r-Calculate	r-Table	Information
Y.1	0,405	0,1882	Valid
Y.2	0,558	0,1882	Valid
Y.3	0,384	0,1882	Valid
Y.4	0,594	0,1882	Valid
Y.5	0,367	0,1882	Valid
Y.6	0,566	0,1882	Valid
Y.7	0,431	0,1882	Valid
Y.8	0,571	0,1882	Valid
Y.9	0,571	0,1882	Valid

Source: SPSS 22 Data Processing Results

The validity test results are shown in the table above. It is possible to conclude that all the question items used to assess prestige variables are valid. This is evidenced by the r-count being more than the r-table.

3.2 Reliability Test Results

This reliability testing uses SPSS Ver 22 with Cronbach's alpha technique. Based on the test results, a questionnaire can be reliable if the Cronbach's alpha value> 0.600.

Table 6. Reliability Test Results

Variable	Croncbach's required Alpha	Cronbach's Alpha	Information
Quality of Service	0,600	0,633	Reliable
Price	0,600	0,644	Reliable
Customer Satisfaction	0,600	0,683	Reliable

Source: SPSS 22 Data Processing Results

From the table above, an overview can be obtained that the assessment of the variables of Quality, Price, and Customer Satisfaction is reliable. This can be seen from the value of Cronbach's Alpha which is more significant than 0.600.

3.3 Correlation Analysis Results

The correlation test of this study used SPSS (Statistical Program of Social Science) v.22 for windows software. The following are the results of the correlation test between service quality, price, and customer satisfaction:

Table 7. Correlation Test Results

		Correlations			
		X1	X2	And	
X1	Pearson Correlation	1	.315**		.351**
	Sig. (2-tailed)		.001		.000
	N	109	109		109
X2	Pearson Correlation	.315**	1		.282**
	Sig. (2-tailed)	.001			.003
	N	109	109		109
And	Pearson Correlation	.351**	.282**		1
	Sig. (2-tailed)	.000	.003		
	N	109	109		109

**. Correlation is significant at the 0.01 level (2-tailed).
Source: SPSS 22 Data Processing Results

The significance value of Sig. (2-tailed) is 0.00, as seen in the table above. Because it is 0.00 from 0.05, it can be concluded that there is a link between the variables of service quality, pricing, and customer happiness at Mang Kabayan Restaurant. The Pearson correlation values shown above are 0.351 and 0.282, indicating that the quality of service and price are positively related to customer satisfaction at Mang Kabayan Restaurant.

3.4 Multiple Regression Results

The hypothesis of this study was tested by conducting a multiple linear regression analysis between dependent and independent variables. Based on the results of multiple linear regression analysis, the following results were obtained:

Table 8. Multiple Regression Test Results

		Coefficients				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Itself.
		B	Std. Error	Beta		
1	(Constant)	17.775	3.232		5.499	.000
	X1	.307	.099	.291	3.093	.003
	X2	.248	.122	.191	2.027	.045

a. Dependent Variable: Y
Source: SPSS 22 Data Processing Results

Both variables substantially affect timeliness, according to the multiple linear regression study presented in the table above. With a significance value of 0.003 0.05, service quality significantly affects customer satisfaction. Meanwhile, with a significance value of 0.045 0.05, pricing substantially affects consumer satisfaction.

3.5 Coefficient of Determination Results

A Determination coefficient close to one indicates that the independent variables supply all of the information required to predict the fluctuation of the dependent variable. The coefficient of determination calculation results are shown in table 9 as follows:

Table 9. Coefficient of Determination Test Results

		Model Summary			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.395ᵃ	.156	.140		4.762

a. Predictors: (Constant), X2, X1
Source: SPSS 22 Data Processing Results

The findings of the Adjusted R2 test in this study obtained an R2 value of 0.156, indicating that service quality and price influence 15.6 per cent of customer satisfaction, while the remaining 84.4 per cent are influenced by other factors not explored in this study.

4. Conclusion

Based on the research conducted at the Mang Kabayan Restaurant, the following conclusions can be drawn:

a. Customer satisfaction is significantly influenced by service quality. With a coefficient value of 4,162 and a significant value of 0.003 0.05, it is possible to establish that service quality influences customer happiness.

b. Price has a significant impact on consumer satisfaction. With a coefficient value of 0.248 and a significant value of 0.045 0.05, it can be stated that price affects customer satisfaction.

c. Based on the coefficient of Determination results, it can be concluded that the value of the coefficient of determination is 0.156, implying that service quality and price influence customer satisfaction by 15.6 per cent, while the remaining 84.4 per cent are influenced by other factors not studied in this study

References

Anggriana, R., Qomariah, N., & Santoso, B. (2017). Pengaruh Harga, Promosi, Kualitas Layanan Terhadap Kepuasan Pelanggan Jasa Ojek Online "OM-JEK" Jember. Jurnal Sains Manajemen Dan Bisnis Indonesia, 7(2), 137–156. http://jurnal.unmuhjember.ac.id/index.php/SMBI/article/view/1229/989

Daga, R. (2019). Citra, Kualitas Produk, dan Kepuasan Pelanggan. Global Research and Consulting Institute.

Djafri, N. (2018). Manajemen Pelayanan (Berbasis Revolusi Mental). Ideas Publishing.

Gofur, A. (2019). Pengaruh Kualitas Pelayanan dan Harga Terhadap Kepuasan Pelanggan. Jurnal Riset Manajemen Dan Bisnis (JRMB) Fakultas Ekonomi UNIAT, 4(1), 37–44.

Ofela, H., & Agustin, S. (2019). Pengaruh harga, kualitas produk dan kualitas pelayanan terhadap kepuasan konsumen kebab kingabi. Jurnal Ilmu Dan Riset Manajemen, 5(1), 1–15. http://jurnalmahasiswa.stiesia.ac.id/index.php/jirm/article/view/423

Sugiyono. (2015). Metode Penelitian Kuantitatif. Kualitatif dan R&D. Alfabeta.

Sunyoto, D. (2016). Metodologi Penelitian Akuntansi. PT. Revika Aditama.

Trianah, L., Pranitasari, D., & Marichs, S. Z. (2017). Pengaruh Kualitas Produk dan Kualitas Pelayanan Terhadap Kepuasan Pelanggan dan Loyalitas Pelanggan. Jurnal STEI Ekonomi, 26(1), 105–122. https://stei.ac.id/ojsstei/index.php/JEMI/article/view/201