



Perceived Value and Perceived Quality on Repurchase Intention: The Case Study Of Spotify in Bandung

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Article Info	Abstract
Article History Received: 2022-06-20 Revised: 2022-07-28 Published: 2022-08-15 Keywords: <i>Perceived Value;</i> <i>Perceived Quality;</i> <i>Repurchase Intention.</i>	The rapid development of digital music applications in Indonesia is an opportunity for digital music application providers to meet the needs and desires of the community. One of them is the Spotify app. The problem is based on the number of Spotify Freemium users than Spotify Premium and the start of many new digital music applications that are starting to emerge, this is a challenge for Spotify is increasing its repurchase intention. The research method used in this study is a quantitative method with a descriptive type of research. Sampling was carried out using a non-probability sampling technique used was purposive sampling with a total of 400 respondents using the Spotify application in Bandung City. Meanwhile, the data analysis techniques used are descriptive analysis and multiple linear regression analysis. The results of the study based on descriptive analysis for the perceived value variable are already in the excellent category by 89%, the perceived quality variable is already in the excellent category by 88%, and the intention repurchase variable is already in the excellent category by 89%. Perceived value and perceived quality have a positive and significant effect on repurchase intention with a magnitude of influence of 48.1% and the remaining 51.9% influenced by other factors that were not studied.
Artikel Info Sejarah Artikel Diterima: 2022-06-20 Direvisi: 2022-07-28 Dipublikasi: 2022-08-15 Kata kunci: <i>Perceived Value;</i> <i>Perceived Quality;</i> <i>Repurchase Intention</i>	Abstrak Pesatnya perkembangan aplikasi musik digital di Indonesia menjadi peluang bagi para penyedia aplikasi musik digital untuk memenuhi kebutuhan dan keinginan masyarakat. Salah satunya aplikasi Spotify. Permasalahan tersebut didasari oleh lebih banyaknya pengguna Spotify Freemium dari pada Spotify Premium dan mulai banyaknya aplikasi musik digital baru yang mulai bermunculan, hal ini menjadi tantangan Spotify dalam meningkatkan repurchase intention. Metode penelitian yang digunakan dalam penelitian ini adalah metode kuantitatif dengan jenis penelitian deskriptif. Pengambilan sampel dilakukan dengan Teknik non-probability sampling yang digunakan adalah purposive sampling dengan jumlah 400 responden pengguna aplikasi Spotify di Kota Bandung. Sedangkan Teknik analisis data yang digunakan adalah analisis deskriptif dan analisis regresi linier berganda. Hasil penelitian ini Perceived value dan perceived quality berpengaruh positif dan signifikan terhadap repurchase intention dengan besarnya pengaruh sebesar 48,1% dan sisanya sebesar 51,9% dipengaruhi oleh faktor-faktor lain yang tidak diteliti.

I. INTRODUCTION

The Muslim community upholds the attitude of trust because this is a moral that must be instilled in doing business. Amanah is defined from the business side as the level of trust, responsibility, and reliability because there will be no repeat purchases if there is no commitment of trust between the customer and a business. In Islam, the Amanah attitude will bring a lot of potential success because the higher the trust of a business will add value to the transaction of business activities and ultimately increase profits as customers continue to buy and continue to

trust. In the current digital era, internet users in Indonesia have reached more than 200 million the results of We are social and Hootsuite for the January 2021 period noted, that the number of internet users in Indonesia reached 73.4% of the total population, this amount of data increased from 64% compared to 2020. Information was obtained that the use of mobile phones in Indonesia has exceeded the human population itself as many as 345 million cellphones spread out to meet the needs of communication and other activities including the Internet. To further data in the Hootsuite and We Are Social 2021

report, around 170 million mobile phones are already connected to the internet and 44.9% of internet users use laptops or personal computers to access the internet whether it is for work, play, or study.

The general description of the research object above has explained that the development of the internet greatly affects the music industry and even provides many positive changes in terms of dissemination of information and the ease of obtaining royalties as a form of appreciation for the artworks that have been created. Of course, the main impact that is most felt is a new source of income from the use of digital content or digital music by 3rd party platforms such as Spotify. Spotify has more than 500 million users with a composition of 54% being free members or 45% being paid members who use the Spotify Premium feature. Of course, this condition is a challenge how Spotify converts free members into premium members, especially keeping them subscribed so that there are repeated purchases from members. In customer trust, it is built based on the results of the quality of the product or service received by the customer (Perceived Quality) and in it contained the value of the product that has benefit to the customer (Perceived Value). A reliable business is a business that provides services according to promises reliably and accurately. Allah Almighty commands every one of His people to keep the promises that have been made as in His words in the Qur" a surah An-Nahl verse 91 which means: "And keep the covenant with Allah when you promise and do not cancel the vows (you) after confirming them, while you have made Allah your witness (to those vows), verily Allah knows what you are doing." Another big problem faced by Spotify is the quality of the application with more and more users, of course, increasing the workload of the technology, will affect the quality received by customers or perceived quality as a result of which problems will arise such as the application not running properly, interruptions during payment, decreased music quality due to bandwidth overload, and inaccessibility of the application in the worst conditions.

Based on previous research, the factors that influence repurchase intention include perceived quality and relationship quality (Su, Swanson, & Chen, 2016). Perceived quality is also a factor that affects repurchase intention because by being familiar with a brand, the perception of quality or perceived quality increases the repurchase intention of products or services

(Foroudi et al., 2018). Perceived quality is a part that is directly related to repurchase intention (Mirabi, Akbariyeh, & Tahmasebifard, 2016). According to Cheng (2017) users will evaluate and compare it with the perceived quality that they have been getting. Users will switch to another music streaming app if Spotify relies solely on their podcast program without adding innovative features and programs. Consumers have certain views-views on a product. The views that each consumer has will influence the purchase decision. This view can be in the form of expected quality, knowing the quality perception factor will be able to influence the repurchase decision on Spotify. Quality perception is the perception of consumers who will directly or indirectly assess the products or services they have purchased or that have consumed (Boniran, 2019). Based on the description above, researchers are trying to find out why the repurchase intention occurred on Spotify, judging from the perception of quality (performance, reliability, features, etc.) and the perception of value (expectations of song quality, ease of use, and comparing prices with all the qualities that are traded) so that it can make consumers have the intention to buy back, given that Spotify is a leading music streaming company.

II. METHOD

The method used in this study is the quantitative method. According to Noor (2017: 38), quantitative research is a method to test certain theories by examining the relationship between variables. This variable is measured using research instruments so that data consisting of numbers can be analyzed based on statistical procedures. Meanwhile, according to Ahmad (2016: 2), quantitative methods include determining the selection of subjects from which information or data will be obtained, the techniques used in data collection, and the treatment to be held. Quantitative methods also generally want to find out the relationship of two or more variables that have been explained in advance according to the theory on which they are based.

III. RESULT AND DISCUSSION

A. Result

This study also presents validity and reliability tests by presenting the convergent validity of data as in table 1.

Table 1. Validity and Reliability Test Results

Construct	Correlation Value	Description	Cronbach's Alpha	Description
Perceived Value				
X1.1	0,536	Valid	0,648	Reliable
X1.2	0,513			
X1.3	0,584			
X1.4	0,512			
X1.5	0,530			
X1.6	0,535			
X1.7	0,533			
X1.8	0,553			
Perceived Quality				
X2.1	0,668	Valid	0,775	Reliable
X2.2	0,615			
X2.3	0,730			
X2.4	0,606			
X2.5	0,748			
X2.6	0,624			
X2.7	0,572			
Repurchase Intention				
Y1.1	0,526	Valid	0,778	Reliable
Y1.2	0,672			
Y1.3	0,688			
Y1.4	0,657			
Y1.5	0,671			
Y1.6	0,632			
Y1.7	0,611			
Y1.8	0,555			

The data that has been collected through the questionnaire is then analyzed with multiple regression analysis techniques to determine the influence of perceived value and perceived quality variables on Spotify's repurchase intention through the help of the SPSS Application 25 analysis results will provide an overview of the calculation table which will be outlined in the Multiple Linear Regression model equation which can be seen in the table below.

Table 2. Multiple Linear Regression

Model	Coefficients ^a				t	Sig.
	Unstandardized Coefficients	Standardized Coefficients				
			Std.			
			B	Error		
1 (Constant)	15.989	1.799		8.889	.000	
Perceived_Value	.313	.055	.286	5.737	.000	
Perceived_Quality	.279	.049	.284	5.684	.000	

a. Dependent Variable: REPURCHASE_INTERNTION

The constant value of 15.989 means that the dependent variable which is a repurchase intention variable is valued at 15.989 if the perceived value variable and the perceived quality variable are considered constant (value 0). In other words, if the value of the independent variable does not change, the

value of the repurchase intention also does not change. If the value of the regression coefficient of the perceived value variable shows 0.313 this means that the perceived value variable adds one (1) and another independent variable, the perceived quality variable, is considered constant (value 0) then the addition of points to the repurchase intention variable is 0.313. A positive sign for the value of the regression coefficient indicates that the perceived value has a positive effect on the repurchase intention. This means that the higher the perceived value, the higher the repurchase intention, and vice versa. If the value of the regression coefficient of the perceived quality variable shows 0.279 this happens when the perceived quality variable increases (1) and other independent variables are considered constant (value 0) then the Repurchase intention bound variable will increase by an amount of 0.279 points. A positive sign for the regression coefficient value indicates that perceived quality has a positive effect on repurchase intention. In other words, the better the perceived quality, the higher the repurchase intention value, and vice versa.

Table 3. Simultaneous Hypothesis Testing

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	993.089	2	469.544	62.803	.000 ^b
Residual	3138.849	397	7.906		
Total	4131.938	399			

a. Dependent Variable: Repurchase_Intention
b. Predictors: (Constant), Perceived_Value, Perceived_Quality

Based on the analysis in the table above, based on the significant value in the following cases if it is below < 0.05. In the table above, it can be seen that its important value is 0.000. Therefore, from the value of its importance, we can conclude that perceived value and perceived quality affect the repurchase intention at the same time.

Table 4. Determination Coefficient

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.689 ^a	.481	.479	2.81184

a. Predictors: (Constant), Perceived_Value, Perceived_Quality
b. Dependent Variable: Repurchase_Intention

From the results listed in the table above, it shows that the value of the coefficient of

determination R square in this study is 0.481 or 48.1%, which means that repurchase intention is influenced by perceived value and perceived quality of 48.1%. While the remaining 51.9% or 0.519 was influenced by other variables or factors that were not studied. This shows that the Sportify application can increase repurchase intention through more educational marketing communication and strengthen the identity of perceived value and perceived quality intending to increase repurchase intention. So, periodically it will be followed by an increase in repurchase intention of subscribing to the Spotify application in the city of Bandung.

IV. CONCLUSION AND SUGGESTION

A. Conclusion

Based on the results of the analysis, perceived value and perceived quality influence Spotify's repurchase intention both partially and simultaneously. Test the perceived value hypothesis simultaneously indicated with the value of p (sig) = 0.000 < 0.05 then Test the perceived quality hypothesis simultaneously indicated by the value of p (sig) = 0.000 < 0.05. This it is evident that the variables perceived value and perceived quality have an influence on repurchase intention. Focusing on what is perceived by the customer by looking at Perceived Quality and Perceived Value through multiple linear equations will be easier because Joox can start from the most variable coefficient which means it has greater potential to be developed in helping to increase Repurchase Intention. Focusing on making improvements to what is a major strength will help Joox one step ahead of consumers and also save time and costs while making a thorough upgrade.

B. Suggestion

The Perceived Value of the Spotify application in Bandung city is in the excellent category with an average of 89%. The statement indicator I feel happy with the features on the Spotify premium service, I feel satisfied with the overall functionality of the premium features of Spotify, when subscribing to Spotify premium I found a good topic of conversation, I am more confident when Spotify premium when in the work environment, friendships, & family, and the price that Spotify premium offers according to my purchasing power earns the lowest per-

centage, that is, by 88%. Perceived Quality Spotify application in Bandung city is in the very good category with an average of 88%. Statement indicator after using Spotify premium I feel the quality is in line with the promised specifications and as far as I use Spotify premium everything goes smoothly and the minimal interference/defects in the stability of the application obtain the lowest percentage, which is 87%. The Repurchase Intention of the Spotify application in Bandung city is in the very good category with an average of 89%. The indicator of the quality statement that has been given in the premium service package I want to pay to continue the service obtains the lowest percentage, which is 87%. Perceived Value (X1) and Perceived Quality (X2) individually or simultaneously affect the Repurchase Intention (Y) of Sportify application users in the city of Bandung. It is obtained in the planned $F_{count} = 62,803 > F_{tabel} = 2.6049$. The value of the coefficient of determination of R square in this study was 0.481 or 48.1%, which means that Repurchase Intention is influenced by Perceived Value and Perceived Quality by 48.1%. While the remaining 51.9% or 0.519 was influenced by other variables or factors that were not studied.

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