



The effect of service quality, brand image and price perception of IM3 prepaid card on customer satisfaction in central Jakarta

Section:
Marketing management

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Abstract

Along with the increasing need, communication service providers also face high demands, where consumers need fast internet access, and a vast network will be the first choice. Therefore, the factors affecting customer satisfaction become the primary concern of communication service providers. This study describes the importance of service quality, brand image, and price perception in influencing prepaid phone card user satisfaction among young people in Jakarta. Using a case study on 180 customers in Jakarta, the research findings provide evidence in line with the allegations. Service quality and brand image are two factors that positively affect consumer satisfaction, while the perceived price is not proven as an antecedent of satisfaction. This finding indicates that price perception is not a concern of consumers as long as service quality and the brand image they consider to be fulfilled when using communication services.

Received: 22 Jun 2021
Revised: 12 Nov 2021
Accepted: 15 Dec 2021
Online: 30 Dec 2021

JRMB
Jurnal Riset Manajemen
dan Bisnis

Vol. 6, No. 2, 2021
pp. 97-104

Keywords:

Service Quality, Brand Image, Price Perception and Customer Satisfaction.

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DOI: <https://doi.org/10.36407/jrmb.v6i2.365>



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INTRODUCTION

During a declining global economic situation due to the 2019-2021 pandemic, the communications sector has become one of the industries that have survived. The Central Statistics Agency 2021 stated that the information and communication sector grew 10.58 percent in 2020. The ability of the communication sector to maintain its performance is in line with the high demand for communication technology amid a pandemic. Social restrictions and work-from-home programs make all businesses run by relying on communication technology. The same thing happens in the education sector, where all learning activities are transferred through online mode. Along with the increasing need, communication service providers also face high demands, where consumers need fast internet access, and having a vast network will be the first choice. Therefore, the factors affecting customer satisfaction become the primary concern of communication service providers. Along with the increasing need, communication service providers also face high demands, where consumers need fast internet access, and having a vast network will be the first choice. Therefore, the factors affecting customer satisfaction become the primary concern of communication service providers.

Table 1.

Prepaid Sim Card 2019-2020

Brand	TBI 2019	TBI 2020
Sympathy	40.3%	34.6%
IM3	12.7%	14.6%
XL	12.0%	11.5%
three	11.0%	11.2%
Ace card	9.4%	11.1%

The table 1 shows that IM3 card users are in second place under the SimPATI prepaid card product. It can also be seen from the 2019-2020 Top Brand Sim Card Prepaid data table that IM3 prepaid cards fluctuated with a percentage of 12.7% in 2019, while in 2020, the percentage increased to 14.6%. It's not easy to be the best; besides that, you have to provide the best quality of service; there are also factors in customer behavior patterns that are not easy to predict, especially in Indonesia, which consists of various cultures. So it has a variety of different behavior patterns that are the drivers of the emergence of problems. This is in accordance with the statement (Lupiyoadi, 2001). The phenomena and problems that occur to Indosat IM3 prepaid card customers described above, the authors are interested in conducting a study on the problems that occur in IM3 Indosat in Central Jakarta. The reason for doing the research is because it is in accordance with the target market for IM3 Indosat, which is all circles of the general public in Central Jakarta.

Various problems and complaints occurred, especially in Central Jakarta. The complaints are about: often problems that occur in the product services offered (internet or telephone packages and telephone bonuses) run out suddenly without notification, internet access is relatively slow and others. Incidents like that greatly affect customer satisfaction because people experience obstacles to carrying out daily activities. Wibowo and Khuzaini (2020) conducted a study entitled the influence of service quality, brand image, and price on customer satisfaction. This research was

conducted in 2020. The results of this study have three independent variables, namely service quality, brand image, and price. And the dependent variable is customer satisfaction. It can be said that this research provides information about service quality, brand image, and price on customer satisfaction. However, with various internet package features issued by IM3, it is possible for customers not to have complaints.

Along with the increasing need, communication service providers also face high demands, where consumers need fast internet access, and a vast network will be the first choice. Therefore, the factors affecting customer satisfaction become the primary concern of communication service providers. Along with the increasing need, communication service providers also face high demands, where consumers need fast internet access, and a vast network will be the first choice. Therefore, the factors affecting customer satisfaction become the primary concern of communication service providers. It is undeniable that service quality is considered a determining factor for competitiveness. Through quality services, producers or service providers can obtain loyal consumers, which can improve the company's business performance (Lin et al., 2021).

CASE DESCRIPTION

The effect of service quality on customer satisfaction

Service quality plays an essential role in influencing consumer attitudes and behavior, including customer satisfaction. In other words, providing exemplary customer service is one of the most critical factors in attracting new customers and retaining present customers (Wang et al., 2019). A quality of service is an effort to fulfill the wishes and desires of consumers and deliver accuracy in balancing customer expectations (Yang et al., 2018). Good service quality is not based on the perspective/perception of the service provider, but based on the perspective/perception of the customer. This is because customers feel and enjoy the service. The consumer's perception of service quality is an overall assessment of the company's service excellence. The focus of marketing on service quality is clear: low quality will place the company at a competitive disadvantage, potentially sending unsatisfied customers. The ultimate quality of customer service is conforming to the specified specifications. The customer decides how quality is meant and what is considered important. Customers consider the quality of service. Thus, improving the quality of service must be carried out by effective communication with customers. Based on the research results (Hong et al., 2020) found that the service quality was proven to have a significant effect on customer satisfaction.

H1: Service quality has a positive and significant impact on customer satisfaction at Central Jakarta.

The effect of brand image on customer satisfaction

Brand image is part of a brand that can be recognized but cannot be uttered, such as a symbol, logo or color design, or customer perception of the product represented by the brand. Brand image is able to influence customer satisfaction by creating superior and competitive products, as well as creating affordable products and prices, thus enabling the company to survive in various economic conditions. Consumers who have a positive image of brand ethics will be more likely to make repeat purchases (Setiadi, 2003). Meanwhile, according to Pulsparani & Rastini (2014) stated that the brand image has a significant positive effect on customer satisfaction if the

company continues to form a positive brand image, creates the characteristics of the brand, and introduces the product brand more to the general public product brand that is widely known by the public. So it can be concluded that brand image can affect customer satisfaction.

H2: Brand image has a positive and significant impact on customer satisfaction at Central Jakarta.

The influence of price perception on customer satisfaction

Price is the resale amount determined by the product to be paid by the consumer or the primary customer to cover the costs of production, distribution and sale of the product, including the return that represents the effort and risk. Menulrult (Kotler & Armstrong, 2001). Meanwhile, according to Peter and Olson (2000) price perception is price information that is fully understood by customers and provides deep meaning for them. The price of a product is the main determining factor of market demand, the price has a competitive position and is part of the company. The customer's perception of the price can influence the decision to buy the product. Therefore, every customer will try to give a good perception of the product or service. Thus the price can influence the customer in determining the level of satisfaction.

H3: Price Perception has a positive and significant effect on customer satisfaction at Central Jakarta.

METHODS

The data collection carried out by researchers in this research is in the form of information related to the problem to be studied. This study's independent variables are service quality, brand image, and price. At the same time, the dependent variable (the dependent variable) is the variable that is influenced or the result of the independent variable (the independent variable). In this study, the dependent variable is customer satisfaction. This research is intended for 180 customers or users of the IM3 prepaid card in the Ulmum community in Central Jakarta. The type of research applied in this research is quantitative research, where the data is in the form of numbers and analyzed using statistics. The method used in this research is the survey method. The survey obtains data from a particular area and uses questionnaires as a data mining tool. This method aims to obtain information about the thing to be studied from a number of respondents who are considered to represent the population.

RESULTS AND EVALUATION

This study proves that the quality of service on the IM3 Prepaid Card positively and significantly affects customer satisfaction. This is shown by the results of the t-test, which measures whether service quality affects customer satisfaction. The t-test shows a significance value below 0.05, which is 0.000. The magnitude of the significant value of this test becomes the basis for making decisions to reject Ho and accept H1, so it can be concluded that there is an influence between service quality and customer satisfaction.

Table 2.
Regression results

Variable	Coeff	SE	t	Sig
Quality Service	.335	.089	3.769	.000
Brand Image	.269	.062	4.339	.000
Price Perception	-.059	.053	1.109	.270

First, service quality has a positive effect on customer satisfaction, which means that the better the quality of service provided by the IM3 Prepaid Card, the more customer satisfaction will increase. Meanwhile, if the quality of service provided by the IM3 Prepaid Card to customers is not good, then customer satisfaction will decrease. This study's results align with previous research conducted by Farid Tiza et al. (2019), which stated that there was a positive and significant influence between service quality and customer satisfaction. Quality has a close relationship with customer satisfaction determining customer satisfaction. Quality provides a boost to customers. Thus, the company can increase customer satisfaction positively and significantly so that H1, which states that service quality has a positive and significant impact on customer satisfaction with IM3 Prepaid Cards in Central Jakarta, is proven true. So it can be concluded if the service quality variable affects customer satisfaction positively and significantly, H1 which states that service quality has a positive and significant impact on customer satisfaction with Prepaid Cards in Central Jakarta

Second, this study confirms that the brand image of the IM3 Prepaid Card has a positive and significant impact on customer satisfaction. This is indicated by the results of the t-test, which measures whether the brand image affects customer satisfaction. The t-test shows that the significance value of this test is the basis for making decisions to reject Ho and accept H2, so it can be concluded that there is an influence between the brand image on customer satisfaction.

Brand image has a positive effect on customer satisfaction, meaning that the better the brand image of the IM3 Prepaid Card in the eyes of consumers, the higher the customer satisfaction with the IM3 prepaid card. Meanwhile, if the IM3 Prepaid Card brand image is unsuitable for customers, customer satisfaction will also be less reasonable. The results of this study follow previous research conducted by Satria Mirsya Affandy Nasution (2017), which states that brand image has a positive and significant effect on customer satisfaction. Brand image can influence customer satisfaction by creating superior and competitive products and affordable products and prices, thus enabling companies to survive in various economic conditions. So it can be concluded that the brand image) affects customer satisfaction positively and significantly, so H2 states that price perception has a positive and significant effect on customer satisfaction with IM3 Prepaid Cards in Central Jakarta.

This study proves that the perception of the price of the IM3 Prepaid Card has a negative and insignificant effect on customer satisfaction. These results prove that the higher price perception will affect the decrease in consumer satisfaction of IM3 prepaid card users. It can also be interpreted that consumer satisfaction arises because consumers perceive the price of a product as a product that is still unable to provide sufficient value and benefits for consumers who use IM3 prepaid cards. Price competition between other provider brands can influence consumers to feel satisfied, as stated that one of the indicators used in this study is price competitiveness. This result is supported by the research of Wariki et al. (2015) that price perception has a negative and insignificant effect on consumer satisfaction because consumers have many considerations when looking at the price of a product and expect promotions such as discounts or price cuts. Meanwhile,

Cahya & Shihab's research (2018) states that price perception has no significant effect on customer satisfaction, which means that price is not a factor that determines customer satisfaction, so the high or low price does not have a substantial effect on the level of customer satisfaction. Sulistiyanto WS and Euis (2015) show that price perception does not affect increasing customer satisfaction, so better price perception will not increase customer satisfaction.

CONCLUSION

According to the results of research on the service quality variable, the statement has an influence on customer satisfaction. Therefore, it is possible for the IM3 Prepaid Card in Central Jakarta to improve the quality of service, especially providing more friendly service to customers, so that it can meet the needs and desires of customers to be able to support increased customer satisfaction. If there is a change in the service quality variable, it will affect customer satisfaction. The results of research on the brand image variable, the statement has an influence on customer satisfaction. Therefore, it is possible for the IM3 prepaid card in Central Jakarta to improve the brand image, especially to provide a positive image to customers so that customers feel guaranteed about the quality of the IM3 prepaid card products that have been provided. So that it can meet the needs and desires of customers and can support increased customer satisfaction. If there is a change in the Brand Image variable, it will affect customer satisfaction.

According to the results of research on the price perception variable, the statement has a negative and insignificant effect on customer satisfaction. Therefore, it is perception for the IM3 prepaid card in Central Jakarta to increase the perception of price because these results prove that the higher the price will affect the decrease in consumer satisfaction of IM3 prepaid card users. It can also be interpreted that consumer satisfaction arises because consumers perceive the price of a product as a product that is still unable to provide sufficient value and benefits for consumers who use IM3 prepaid cards.

Price competition between other provider brands can be one of the things that can influence consumers to feel satisfied, as stated that one of the indicators used in this study is price competitiveness. This result is supported by the research of Wariki et al. (2015) that price perception has a negative and insignificant effect on consumer satisfaction, because consumers have many considerations when looking at the price of a product and expect promotions such as discounts or price cuts. Meanwhile, Cahya & Shihab's research (2018) states that price perception has no significant effect on customer satisfaction, which means that price is not a factor that determines customer satisfaction, so the high or low price does not have a strong effect on the level of customer satisfaction. In addition to service quality, brand image and price perception that must be improved, the Indosar IM3 Prepaid Card company in Central Jakarta needs to implement strategies and be more innovative to implement other strategies outside of these three things to increase customer satisfaction with IM3 prepaid cards in Central Jakarta.

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Declarations

Funding

The authors received no financial support for the research and publication of this article.

Conflicts of interest/ Competing interests:

The authors have no conflicts of interest to declare that are relevant to the content of this article.

Data, Materials and/or Code Availability:

Data sharing is not applicable to this article as no new data were created or analyzed in this study.

How to cite this Article

Randika, M., & Yolanda, O. (2021). The effect of service quality, brand image and price perception of IM3 prepaid card on customer satisfaction in central Jakarta. *Jurnal Riset Manajemen Dan Bisnis*, 6(2), 97 - 104. <https://doi.org/10.36407/jrmb.v6i2.365>