

The Effect Of Promotion, Price, And Quality Of Service In Decision Making Using Online Transportation

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Abstract

The results of the study show that the variables of promotion, price and service quality have a significant influence on decision making on online transportation. The equation $Y = 5.709 + 0.072X_1 - 0.022X_2 + 0.845X_3$, which means that if there is an increase or decrease in promotion of 1 point, decision making will increase or decrease by 0.072 and if there is an increase or decrease in service quality by 1 point, decision making will experience an increase or decrease in service quality. increase or decrease by 0.022. And if there is an increase or decrease in the price of 1 point, the decision making will increase or decrease by 0.845. From the results of the analysis of the influence of promotion, promotion, service quality factors in making decisions using online transportation, it is known that promotion has a positive and strong correlation to decision-making that is equal to 0.739, price has a positive and strong correlation to decision-making of 0.654 and service quality has a correlation which is positive and very strong on decision making of 0.942. And the results of the coefficient of determination between promotion, price and service quality in decision making, it was found that promotions influenced decision making by 54.6%, the remaining 45.4% was influenced by other factors. promotions and prices affect decision making by 56.5%, the remaining 43.5% is influenced by other factors. and promotion, From the annova test, the Fcount for model 1 is 117.718 with a significant level of 0.000. Where the number $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $117.718 > 3.09$, thus H_0 is rejected and H_a is accepted. From the annova test, Fcount for model 2 is 63.051 with a significant level of 0.000. Where the number $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $63.051 > 3.09$, thus H_0 is rejected and H_a is accepted. From the results of the annova test, Fcount for model 3 is 265.552 with a significant level of 0.000. Where the number is $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $265.552 > 3.09$, thus H_0 is rejected and H_a is accepted. This proves that there is a significant influence between promotion, price and service quality in making decisions using online transportation.

I. INTRODUCTION

Transportation services at this time are a means that cannot be separated and are needed by the community in everyday life. Generally, people use private vehicles or other alternatives as a means of transportation to take them to their destination. Likewise, companies that need a transportation fleet to distribute their goods from the warehouse to reach consumers in the market. People who have private vehicles will not have difficulty in carrying out their daily activities both at work and other purposes. But for those who do not have their own vehicle, public transportation will be a means for every activity.

Starting from the number of transportation services that have sprung up resulting in even stronger competition faced by motorcycle taxi drivers. Many are found on every corner of major roads and campus areas of these drivers. However, if you look closely, there are many things that must be considered in the current motorcycle taxi service,

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especially the issue of safety, courtesy and the reasonableness of the service price. Price is the most common problem for motorcycle taxi passengers. Ojek drivers charge their own fare. Ojek fares for short distances are not much adrift with ordinary car taxis. The idea emerged of an online motorcycle taxi company, which is managed professionally, by providing a call center and office that provides added value that is different from motorcycle taxis in general.

In Indonesia, online motorcycle taxis were pioneered by PT. Gojek Indonesia. Gojek was founded by an Indonesian entrepreneur named Nadiem Makarim (30). Since January 2015 Gojek has launched an online messaging application that can be accessed via Android smartphones. Just like a virus that is mushrooming so fast, and busy Go-Jek as a local startup company that is growing very rapidly expanding to big cities in Indonesia and transforming into a company that offers transportation services between passengers by motorbike or ojek. Every transportation service is required to always be sensitive to changes that occur in the market and be able to create creative ideas, it is intended that the services it offers can be attractive to consumers, so that what consumers want can be fulfilled by the company

Apart from Gojek, there is also GrabBike, which is included in the GrabTaxi application, which was created in Malaysia by a graduate of Harvard Business School, Anthony Tan. Prior to starting the company in 2012, Anthony worked as head of marketing at his family company, Tan Chong and Sons Motor Company. At the end of May 2015 GrabTaxi opened its GrabBike service in Jakarta. GrabTaxi spent \$340 million (Rp 4.5 trillion) to launch this service. As stated by CEO and Co-Founder of GrabTaxi, Anthony Tan, users can try this service for free for two weeks. GrabBike reports that it has gained 8,000 users of the service in the first week of its launch.

And one more thing, namely the entry of Uber into Indonesia on August 13, 2014. Initially, Uber only served its customers in CBD areas such as Kuningan or Sudirman, Jakarta. And following that was introduced by Uber, namely UberMotor which was just launched on April 12, 2016 in Jakarta. UberMotor provides users with more choices, at a lower cost but with a high-quality Uber experience, and to motorcycle drivers who can now access technology to cover their travel costs by sharing rides with other Jakartans. Uber also offers easy payments. by cash, credit or debit card, which makes this Uber experience all-encompassing.

Thus, for making decisions that lead to the use of online motorcycle taxi services, marketers are not only aggressively promoting and providing the best prices, but also providing superior service and unique experiences to consumers so that consumers are impressed and always remember the transportation service used. It can be concluded that the problem that often occurs in online motorcycle taxi users is that there is an influence of service quality, promotion, and price factors in making decisions to choose online motorcycle taxi services to be used. The existence of problems that occur in the field, online motorcycle taxi companies should be able to continue to see what is a factor in consumer decision making, to remain competitive and maintain their existence.

II. RELATED WORKS/LITERATURE REVIEW (OPTIONAL)

Promotion

According to William J. Stanton in the book Danang Sunyoto (2013; 152) in his book entitled Consumer Behavior states that:

"Promotion is an element in a company's marketing mix that is used to inform, persuade, and remind about the company's products."

According to the notion of promotion, Buchari Alma (2013; 179) in his book Marketing Management and Service Marketing states that:

"Promotion is a type of communication that gives convincing explanations to potential consumers about goods or services."

Meanwhile, according to Deliyanti Oentoro (2012; 173) in his book Modern Marketing Management states that:

"Promotion is an attempt by marketers to inform and influence other people or parties so that they are interested in conducting transactions or exchanging products or services they market."

From the above understanding, it can be concluded that promotional activities are an element in the company's marketing mix that informs and influences other people or parties so that they are interested in making purchases. Thus, when consumers know the products being marketed, there will be buying interest and even purchasing decisions for the products or services being marketed.

Price

Price is an element of the marketing mix that is flexible which can change at any time according to time and place. Prices are not just the numbers listed on the label of a package or store shelf, but prices take many forms and

perform many functions. Rent, tuition, fees, wages, interest, fees, storage fees, and salaries are all prices you have to pay for goods or services.

According to Danang Sunyoto (2013; 131) in his book *Fundamentals of Marketing Management* states that:

"Price is the amount of money needed to get a number of products that are being traded in the market but also applies to other products."

Another opinion according to Fandy Tjiptono and Gregorius Chandra (2012; 315) states that:

"Price is defined as the amount of money (monetary unit) and or other (non-monetary) aspects that contain certain utilities or uses needed to get a product."

Meanwhile, according to Deliyanti Oentoro (2012; 149) in his book *Marketing and Modern Management* states that:

"Price is an exchange rate that can be equated with money or other goods for the benefits obtained from an item or service for a person or group at a certain time and a certain place."

From some of the above understanding of price, it can be concluded that price is the amount of money (monetary unit) or exchange rate needed or given to a certain product that is being traded in the market.

Service quality

Service quality has an effect on customer satisfaction, customer retention, repeat purchases, customer loyalty, market share and profitability. The quality of service at the company is used to improve the ability of the organization or company to retain customers which in turn affects profitability.

Service is one element that greatly influences decision making. One way to place service results that are superior to their competitors is to provide higher quality services, namely providing and meeting the expectations they want.

Definition of service quality according to Fandy Tjiptono & Gregorius Chandra (2012;77) namely as follows:

"The definition of service quality is built on a comparison of the two main factors, namely the customer's perception of the real service they receive with the service that is actually expected."

In his book Fandy Tjiptono (2012; 143) which states that:

"Quality is seen depending on the person who judges it, so the product that most satisfies a person's reference is the product of the highest quality."

Meanwhile, according to Wahyu Nugroho (2013; 236) in his book *Marketing and Consumer Research* states that:

"Service quality is defined as how far the difference between reality and customer expectations for the service they receive or receive."

Based on the opinion above, it can be concluded that there are main factors that affect the quality of service, namely the expected service and the perceived service, then the quality of the expectation is perceived as good and satisfactory. If the service received exceeds consumer expectations, then the service quality is perceived as ideal quality, and conversely if the service received is easier than expected, then the service quality is perceived as bad or not good.

III. METHODS

The research method is a system or method of working in a systematic field that aims to obtain adequate results in scientific research. In this study, the author uses several research methods which are one way to collect data and information in an objective and relevant manner so that it is easy to prepare quantitatively.

In this study there are four variables from the title that the author has determined, namely Promotion, Service Quality, Price and Decision Making. Where there are three independent variables (independent variables) that are related to one dependent variable (dependent variable). The operationalization stage is the concept translation stage which is still a variable, indicator, and operationalization definition.

In this study it can be explained as follows:

1. Promotion is the first independent variable (X1)
2. Service Quality is the second independent variable (X2)
3. Price is the third independent variable (X3)
4. Decision Making is the dependent variable (Y)

IV. RESULTS

Validity and Reality Test

Promotional Variable Validity and Reliability Test (X1)

In this study, the authors make 10 statements that are stated for the X1 variable about Promotion. To find out more, whether all of the questions are reliable, a reliability test can be done with the results of the reliability test as follows:

Table 1. Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

Source: SPSS version 16

From the Processing summary table above, it can be seen that the respondents who were careful on the results of the questionnaire recognized the promotion variable amounting to 100 people and all data were not excluded from the analysis.

Table 2. Reliability Statistics

Cronbach's Alpha	N of Items
.845	10

In the reliability statistics table above, it can be seen that the value of Cronbach's Alpha is 0.845 with a total of 10 statements. When compared with the alpha value according to Sayuti and Sujianto, (2009: p97) in their book entitled "Application of Statistics with SPSS 16.0". The reliability of a variable construct is said to be good if it has Cronbach's alpha > 0.60. So all statements about promotions are proven reliable.

Validity and Reliability Test of Price Variables (X2)

In this study, the authors make 10 statements that are stated for the X2 variable about price. To find out more, whether all of the questions are reliable, a reliability test can be done with the results of the reliability test as follows:

Table 3. Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

From the Processing summary table above, it can be seen that the respondents who were careful in the results of the questionnaire recognized the price variable, amounting to 100 people and all data were not excluded from the analysis.

Table 4. Reliability Statistics

Cronbach's Alpha	N of Items
.835	10

In the reliability statistics table above, it can be seen that the value of Cronbach's Alpha is 0.835 with a total of 10 statements. When compared with the alpha value according to Sayuti and Sujianto, (2009: p97) in their book entitled "Application of Statistics with SPSS 16.0". The reliability of a variable construct is said to be good if it has Cronbach's alpha > 0.60. So all statements about service quality are proven to be reliable.

Test the Validity and Reliability of Service Quality Variables (X3)

In this study the authors make 10 statements that are stated for the X3 variable about price. To find out more, whether all of the questions are reliable, a reliability test can be done with the results of the reliability test as follows:

Table 5. Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

From the Processing summary table above, it can be seen that the respondents who were careful on the results of the questionnaire recognized the Service Quality variable. totaled 100 people and all data were not excluded from the analysis.

Table 6. Reliability Statistics

Cronbach's Alpha	N of Items
.753	10

In the reliability statistics table above, it can be seen that the value of Cronbach's Alpha is 0.753 with a total of 10 statements. When compared with the alpha value according to Sayuti and Sujianto, (2009: p97) in their book entitled "Application of Statistics with SPSS 16.0". The reliability of a variable construct is said to be good if it has Cronbach's alpha > 0.60. So all statements about Quality of Service are proven reliable.

Test the Validity and Reality of Decision Making Variables (Y)

In this research , the writer makes 10 statements which are stated for variable Y about Decision Making . To find out more, whether all the questions are reliable, a reliability test can be done with the results of the reliability test as follows:

Table 7. Case Processing Summary

		N	%
Cases	Valid	100	100.0
	Excluded	0	.0
	Total	100	100.0

a. Listwise deletion based on all variables in the procedure.

Source: SPSS version 16

From the Processing summary table above, it can be seen that the respondents who are careful on the results of the questionnaire know the decision-making variables. totaled 100 people and all data were not excluded from the analysis.

Table 8. Reliability Statistics

Cronbach's Alpha	N of Items
.744	10

Source: SPSS version 16

In the reliability statistics table above, it can be seen that the value of Cronbach's Alpha is 0.744 with a total of 10 questions. When compared with the alpha value according to Sayuti and Sujianto, (2009: p97) in their book entitled "Application of Statistics with SPSS 16.0". The reliability of a variable construct is said to be good if it has Cronbach's alpha > 0.60. So all statements about decision making are proven to be reliable.

Hypothesis test

To determine whether there is an influence between Promotion, Price, and Service Quality in Decision Making using online transportation, Pearson correlation analysis and multiple linear regression analysis are used. The following are the results of the analysis using the SPSS statistical application version 16.0.

Correlation Analysis

Table 9. Descriptive Statistics

	mean	Std. Deviation	N
Y	46.0000	2.77798	100
X1	40.1300	4.71545	100
X2	41.8500	4.0347	100
X3	45.3500	2.87228	100

Source: SPSS version 16

From the descriptive statistics table above, it can be seen that:

1. *mean* (average) of the promotion with the number of respondents 100 people is 40.13 with a standard deviation of 4.71545
2. *mean* (average) of the price with the number of respondents 100 people is 41.85 with a standard deviation of 4.0347
3. *mean* (average) of service quality with a total of 100 people is 45.35 with a standard deviation of 2.87228
4. *mean* (mean) of decision making with a total of 100 people is 46.00 with a standard deviation of 2.77798.

Table 10. Correlations

		Y	X1	X2	X3
Pearson Correlation	Y	1,000	.739	.654	.942
	X1	.739	1,000	.763	.733
	X2	.654	.763	1,000	.678
	X3	.942	.733	.678	1,000
Sig. (1-tailed)	Y	.	.000	.000	.000
	X1	.000	.	.000	.000
	X2	.000	.000	.	.000
	X3	.000	.000	.000	.
N	Y	100	100	100	100
	X1	100	100	100	100
	X2	100	100	100	100
	X3	100	100	100	100

Based on the Correlation table above, it can be seen that:

1. The correlation coefficient value between promotion, price, and service quality is shown by the promotion correlation coefficient value of 0.739; price of 0.654 ; service quality is 0.942 which is almost close to 1, then the relationship between promotion, promotion and price in decision making has a positive and very strong relationship. This means that it can be said that the promotion, service quality and price applied to online transportation are very good for making decisions using online transportation services.
2. The direction of a positive relationship shows the better promotion, price and quality of service will make good decision making. Vice versa, the worse the quality of service, promotion and price will further reduce the decision-making process.
3. The Correlation table shows that the relationship between promotion, price and service quality is significant or not with decision making, it can be seen from the probability number (sig) of 0.000 < 0.05. The provisions state that if the probability number is < 0.05, then there is a significant relationship between the four variables.
4. A significant value of 0.000 shows that the correlation between the four variables is significant, meaning that it rejects H_0 and accepts H_a .

Table 11. ANOVAd

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	416,917	1	416,917	117.718	.000a
	Residual	347,083	98	3.542		
	Total	764,000	99			
2	Regression	431.828	2	215,914	63.051	.000b
	Residual	332,172	97	3,424		
	Total	764,000	99			
3	Regression	681.836	3	227,279	265.552	.000c
	Residual	82.164	96	.856		
	Total	764,000	99			

- a. Predictors: (Constant), X1
- b. Predictors: (Constant), X1, X2
- c. Predictors: (Constant), X1, X2, X3
- d. Dependent Variable: Y

the table above can be seen that:

Define F table

$$Df1 = k - 1 = 2 - 1 = 1$$

$$Df2 = n - k = 100 - 2 = 98$$

$$F_{table} = 3.08$$

1. From the annova test, Fcount for model 1 is 117.718 with a significant level of 0.000. Where the number $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $117.718 > 3.08$ thus h_0 is rejected and h_a is accepted.
2. From the annova test, Fcount for model 2 was 63.051 with a significant level of 0.000. Where the number $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $63.051 > 3.08$, thus h_0 is rejected and h_a is accepted.
3. From the annova test, Fcount for model 3 is 265,552 with a significant level of 0.000. Where the number $0.000 < 0.05$ and also $F_{count} > F_{table}$ or $265.552 > 3.08$, thus h_0 is rejected and h_a is accepted.

In the column above it can be seen that:

1. On column t is used for t-testing, to test the truth of the existing hypotheses, it is done by comparing the t-count values obtained with the t-table test criteria as follows:
If $t_{count} > t_{table}$ then h_0 is rejected and h_a is accepted
If $t_{count} < t_{table}$ then h_0 is accepted and h_a is rejected
2. On column t it is known that the t count for promotion is 2.103 using the normal distribution table t and using the examiner's confidence level (1-a) of 95% and the error rate (a) of 5% and the degrees of freedom deegree of freedom (DF) $n - 2 = 100 - 2 = 98$ then the value of the distribution of t table is 2.103. Therefore, the promotion t count is greater than t table or $2.103 > 1.980$, then this condition shows that h_0 is rejected at the 5% level and h_a is accepted at the 95% confidence level.
3. On column t it is known that the t count for the price is -0.601 using the normal distribution table t and using the tester's confidence level (1-a) of 95% and the error rate (a) of 5% and the degree of freedom deegree of freedom (DF) $n - 2 = 100 - 2 = 98$ then the value of the distribution of t table is 1.980. Therefore, t count -0.601 is greater than t table or $-0.601 < 1.980$, then this condition shows that it is not significant h_0 is accepted at the 5% level and h_a is rejected at the 95% confidence level.
4. On column t it is known that the t count for service quality is 17,091 using the normal distribution table t and using the examiner's confidence level (1-a) of 95% and the error rate (a) of 5% and the degree of freedom deegree of freedom (DF) $n - 2 = 100 - 2 = 98$ then the value of the distribution of t table is 1.980. Therefore, t arithmetic 17,091 is greater than t table or $17,091 > 1,980$, then this condition shows that h_0 is rejected at the 5% level and h_a is accepted at the 95% confidence level.
5. On Sig column is used for testing the probability of the test criteria:
If probability > 0.05 then h_0 is rejected and h_a is accepted.
If probability < 0.05 then h_0 is accepted and h_a is rejected.
Seen in the column sig. it is known that in the promotion column, price and service quality have a probability value of 0.000 or a probability below 0.05, thus h_0 is rejected or the regression coefficient is significant or promotion, price and service quality have a positive effect on decision making.

From the coefficient values above, the regression equation is obtained as follows:

$$Y = 5.709 + 0.072X1 - 0.022X2 + 0.845X3$$

Description:

Y = decision making

X1 = promotion

X2 = service quality

X3 = price

When the X1 (promotion) variable increases or decreases by 1 point, the Y variable (Decision Making) will increase or decrease by 0.072.

When the X2 (price) variable increases or decreases by 1 point, then Y (Decision Making) will increase or decrease by -0.022.

When the variable X3 (quality of service) increases or decreases by 1 point, then Y (Decision Making) will increase or decrease by 0.845.

For multiple regression, the promotion correlation number of 0.122 and the service quality correlation number of -0.032 and the price correlation number of 0.874 are the results obtained in the Standardized Coefficients (beta) column.

V. CONCLUSIONS

Special conclusion

From the results of all analyzes obtained from the correlation test of respondents about the effect of promotion, price and service quality in making decisions using online transportation at companies using correlation coefficient analysis, it is known that promotion, price, and service quality have a positive and strong correlation to decision making. . The results of the calculation of the correlation coefficient for promotions show r of 0.739, which means close to 1, where the correlation has a positive and strong relationship. The results of the calculation of the correlation coefficient for promotions and prices show r of 0.752 which means close to 1, where the correlation has a positive and strong relationship. The results of the calculation of the correlation coefficient for promotion, price, and service quality show r of 0.945 which is almost close to 1, where the correlation has a positive and very strong relationship. So the relationship between promotion, price and service quality in decision making has a positive and very strong relationship

Based on hypothesis testing for promotion, price, and service quality, the results of t count of 5.709 are greater than t table of 1.980 and are in the rejection area of h_0 , which means the hypothesis of h_0 is rejected and h_a is accepted. From these results indicate that there is a significant influence between promotion, price, and service quality in decision making.

From the results of the specific conclusion above, it shows that a significant influence means that an increase in promotion, price, and service quality can affect decision making on online transportation users. And vice versa if there is a decrease in promotion, price and quality of service can cause a decrease in decision making.

Suggestion

By paying attention to the results of the analysis and discussion above, the researchers suggest for online transportation companies to be better and become more superior among competitors in online transportation.

1. Online Transportation pays more attention to and improves the prices given to consumers, and provides more clear promotional notices in existing advertising.
2. Online transportation must maintain prices that are in accordance with the use of online motorcycle taxis for consumers so that consumers can continue to use online motorcycle taxi services from Go-Jek.
3. Online transportation must maintain the current good quality of service, so that consumers become more comfortable in using the quality of online motorcycle taxi services. And always use the attributes that have been given by the company so that the identity of the driver is clearer.

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