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# The Influence of Customer Satisfaction, Application Quality and Price Perception on Customer Loyalty in the GRAB Application

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## **Abstract**

This research aims to determine the influence of customer satisfaction, price quality, and price perception on customer loyalty. Researchers used descriptive methods and a post-positivistic paradigm. The sample used was 73 students who had made transactions on the GRAB application. The data collection technique uses a questionnaire. The data analysis used in this research uses quantitative analysis. In-depth data analysis techniques for quantitative research using regression. Researchers use parametric statistics based on the nature of the data analyzed on an interval scale. Based on the discussion of the research results that have been conducted, it can be concluded that customer satisfaction, application quality, and price perceptions have no influence on customer loyalty. In the data obtained, the majority of respondents were satisfied with the service. The data results show that the service they feel is quite good but still not optimal. If the application can improve service in accordance with customer expectations, a positive perception of the application will arise, and customer loyalty towards the application will increase. According to the results of the data analysis, the majority of respondents felt that the quality of the application was very good. This has a positive effect because it can fulfill customer satisfaction through the application. For price perceptions, the data shows that pricing is good enough but not optimal. For this, you can adjust rates according to customer perceptions.

Keywords: customer satisfaction, price quality, price perception, customer loyalty.

# **INTRODUCTION**

Technological developments are increasingly developing, especially in helping people carry out their daily activities. There are more and more service applications in this digital era. One of the service applications that we often use is GRAB. This company was founded in 2012 by its founder, Anthony Tan, in Malaysia. This company initially had the name Myteksi, which then developed and changed its name to GRAB. Of course, after one year of the

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company's journey in Malaysia, it finally launched its application to various countries such as the Philippines, Singapore, Thailand, Indonesia, and Vietnam. This service application initially focused on pick-up and drop-off services, but as this application develops, it is starting to increase features such as food delivery services, health services, and many other features that users can take advantage of. Of course, many competitors have emerged, such as start-ups in the field of pick-up and drop-off services. This could be a threat to Grab, so it needs to pay attention to the quality provided to consumers so that the company can maintain customer loyalty. However, in 2021, there was a loss, which was, of course, due to the reduction in users of this service application. This is thought to occur due to several important factors that influence customers to use Grab. the decline and losses that occur can certainly threaten the existence of the service sector business.

There are undoubtedly a number of main causes for this decrease in loyalty. Customer satisfaction can certainly influence the level of customer loyalty. So there are several factors, namely service satisfaction, application quality, and pricing. Of course, this needs to be considered in order to maintain a good image for the community. So that the factors that have been determined cannot fulfill customer satisfaction, the problem is that they cannot maintain customer loyalty so that it can have an impact on the company. This is, of course, a consideration for continuing to improve quality and service in order to survive in the service sector. So, this research focuses on customer satisfaction in order to increase customer loyalty. Customer loyalty is one of the main success factors for companies to achieve sustainable competitiveness. Loyalty is a form of behavior that accepts decisions, namely to always buy goods or services from the company chosen by the customer. Customer loyalty is considered the strength of the relationship between a person's relationships and following orders. Customer loyalty is customer loyalty towards the application based on a positive and attractive attitude to continue repeating the use of the application. It can be concluded that loyalty consists of two components, namely loyalty as consistent repeat purchasing behavior and loyalty mindset, namely a positive attitude towards a product or manufacturer (service provider) with a consistent purchasing model.

Loyal customers have habits associated with a particular brand and endure repeated use or purchase of a product or service, even if there are many alternative options. Customer loyalty counts when a company's survival conflicts with the future growth of new competition. Customer satisfaction is very important for service providers because customers share their satisfaction with other potential customers in order to increase the reputation of the service. Once customers are happy with a product, service, or brand, they respond, such as with repeat purchase intent or positive thanks to others, one of the keys is customer loyalty, namely high customer satisfaction. The higher the customer satisfaction, the greater the profits for the company because customers repeatedly buy the company's products. If customers are satisfied with the goods or quality of services provided, it inspires loyalty, so that interest in buying increases, the number of customers increases, and they make repeat purchases.

An application is a user-created program that is designed to perform a specific task. An application program is a finished program or a program designed to perform a function for a user or another application. Application is also defined as the use or application of a concept that is the subject of discussion or a computer program created to help people complete a specific task. Software for special purposes: this area classification can be divided into two, namely: Specialist software applications and programs with incorporated documentation designed to carry out specific tasks. A packaged application is a program with incorporated documentation designed for a specific type of problem. From the two definitions above, it can be concluded that an application is a set of instructions or code that is systematically arranged to be executed. Commands are given by people via computer components or hardware that run application programs. In this way, it can help people find solutions to what they want.

Services are actions or deeds that can be offered by one party to another party that are intangible and do not lead to ownership. It may not be attached to the physical product. Service is the key to success in various sectors of service companies. This role will become greater and determine whether competitive service activities (competition) are tight enough to seek market share or customers. So in conditions of quite tight competition, this means that each company can offer high-quality services to maintain members who are already loyal to the company. Price perception is a process where consumers interpret the expected price values or attributes of goods and services. When consumers evaluate and research product prices, this is largely influenced by consumer behavior itself. Price perception is about understanding the price information preferred by consumers and making it meaningful. Regarding price information, consumers can compare published prices with imagined product prices or price ranges. Price perceptions will shape people's perception of the appropriate price for a product.

# **METHOD**

This descriptive research method is carried out to describe processes or events that are currently taking place in the field, which are used as research objects, and then the data or information is analyzed so that a solution to the problem is obtained. Researchers use this descriptive method because they pay attention to informants who are interesting in terms of how communication actors, both communicators and communicants, interact. Meanwhile, this research uses a post-positivistic paradigm. The sample used was 73 students who had made transactions on the GRAB application. This research uses a Likert scale with a score interval of 1-5. The data collection technique uses a questionnaire. After all the data is collected, it is analyzed to draw conclusions. The questionnaire used in this research is a closed type of questionnaire because respondents must give only one mark for one of the correct answers. After the data required by the author is collected, the next step is to analyze the data. The data analysis used in this research uses quantitative analysis. In-depth data analysis techniques for quantitative research using regression. The analysis of the data that has been collected is measured by testing the validity of the variables in the questionnaire. This can measure whether the indicator is valid for measuring latent variables. Apart from validity JSSBS (Journal of Social Sciences and Business Studies), Volume 1, No. 4, pp. 128-133

tests, this research also measures reliability using reliability tests. And also, this research analyzes existing data using the regression analysis method. In inferential statistics, there are parametric and non-parametric statistics. Researchers use parametric statistics based on the nature of the data analyzed on an interval scale. Parametric statistics require many assumptions to be met. This assumption The main thing is that the data analyzed is normally distributed. One step back: the assumption of linearity must be met. With this, the data obtained from the research results is checked for normality and linearity before being used to test the hypothesis.

## RESULT AND DISCUSSION

Based on the research results, there were 73 respondents who filled out the questionnaire. Of the 73 respondents, 36 were female, with a percentage of 49.3%, and 37 were male, with a percentage of 50.7%. This questionnaire was dominated by men, with 50.7%. There were 63 respondents aged 15–20, with a percentage of 86.30%. Then there were 8 respondents aged 21–25 years, with a percentage of 11%. 2 respondents aged 26–30 years with a percentage of 2.70% and 0 respondents aged 31–35 years and more than 35 years. This questionnaire is dominated by respondents aged 15–20 years. There are 69 respondents domiciled in JaBoDeTaBek, with a percentage of 94.50%. Two respondents live in Garut with a percentage of 2.70%. 1 respondent lives in Papua with a percentage of 1.40%, and 1 respondent lives in Bandung with a percentage of 1.40%. There were 70 student profession respondents with a percentage of 95.50%. 1 respondent was self-employed, with a percentage of 1.40%. 1 respondent is a housewife, with a percentage of 1.40%. 0 respondents in the employee profession had a percentage of 0%, and 1 respondent in the professional profession had a percentage of 1.40%. So, this questionnaire is dominated by respondents who have student professions.

The results of data processing for assessing the customer satisfaction variable are on a scale of  $3.41 < a \le 4.20$  with an overall average of 3.90, and this data is included in the good category level. This illustrates that customer agree that the service satisfaction they feel is good but not optimal. The application quality variable shows that the majority of respondents' assessments are on a scale of  $4.20 < a \le 5.00$  with an overall average of 4.28, and this data is included in the strongly agree category level. This illustrates that customer strongly agree that the quality of the Grab application is very good. The price perception variable shows that the majority of respondents' assessments are on a scale of  $3.41 < a \le 4.20$  with an overall average of 3.68, and this data is included in the good category level. This illustrates that Grab customers agree that their price perception is good but not optimal. The customer loyalty variable shows that the majority of respondents' assessments are on a scale of  $3.41 < a \le 4.20$  with an overall average of 3.90, and this data is included in the good category level. This illustrates that Grab customers agree that the existing indicators are able to make them loyal, but what they feel is not optimal.

Coefficients	•
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Unstandardized Coefficie Model B Std. Erro		d Coefficients	Standardized Coefficients			Collinearity Statistics		
		В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	3.456	.476		7.263	<.001		
	kp	226	.140	273	-1.608	.112	.468	2.135
	KA	.113	.126	.149	.896	.373	.493	2.030
	PH	.213	.115	.234	1.858	.067	.854	1.172

a. Dependent Variable: LP

Figure 1. T-Test

It can be seen that in the coefficients model 1 (KP) column, there is a sig value of 0.112. The sig value is greater than the probability value of 0.05, namely 0.112 > 0.05, so it can be said that H1 is rejected and H0 is accepted. It can be concluded that customer satisfaction does not have a significant influence on customer loyalty. It can be seen that in the coefficients model 2 (KA) column, there is a sig value of 0.373. The sig value is greater than the probability value of 0.05, namely 0.373 > 0.05, so it can be said that H1 is rejected and H0 is accepted. It can be concluded that application quality does not have a significant influence on customer loyalty. It can be seen that in the coefficients model 3 (PH) column, there is a sig value of 0.067. The sig value is greater than the probability value of 0.05, namely 0.067 > 0.05, so it can be said that H1 is rejected and H0 is accepted. It can be concluded that price perception does not have a significant influence on customer loyalty.

# **CONCLUSION**

Based on the discussion of the research results that have been conducted, it can be concluded that customer satisfaction, application quality, and price perceptions have no influence on customer loyalty. In the data obtained, the majority of respondents were satisfied with GRAB's services. The data results show that the service they feel is quite good but still not optimal. If GRAB can improve services in accordance with customer expectations, a positive perception of GRAB will arise, and customer loyalty towards GRAB will increase. According to the results of the data analysis, the majority of respondents felt that the quality of the application was very good. This has a positive effect because it can fulfill customer satisfaction through the application. For price perceptions, the data shows that pricing is good enough but not optimal. For this, you can adjust rates according to customer perceptions. Customer satisfaction does not have a significant influence on loyalty. This means that if you are able to provide good and quality service, the level of customer loyalty will not necessarily increase. However, according to the data obtained, the majority of respondents were satisfied with the service. The data results show that the service they feel is quite good but still not optimal. If you can improve service in accordance with customer expectations, a positive perception of GRAB will arise, but this does not guarantee an increase in customer loyalty towards GRAB.

Application quality does not have a significant influence on customer loyalty. This means that being able to provide optimal and comfortable application quality means that consumers will not necessarily be more satisfied with GRAB. According to the results of the data analysis, the majority of respondents felt that the quality of the application was very good. GRAB can maintain this to maintain positive customer perceptions of GRAB. For price perceptions, the data shows that GRAB's pricing is quite good but not optimal. For this, GRAB can adjust rates according to customer perceptions. GRAB management is advised to pay attention to the price perceptions expected by consumers so that consumers can perceive prices with the benefits provided after using GRAB compared to other online-based transportation service providers. GRAB can also pay attention to the promotion side, especially for GRAB users, so that the promotions given are able to attract consumers to continue using GRAB.

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