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# THE INFLUENCE OF SERVICE QUALITY AND PRICE PERCEPTION ON REUSE INTEREST IN GRAB MOTOR CONSUMERS IN JOMBANG

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#### **Abstract**

The purpose on the study he purpose of this study was to determine and analyze the effect of service quality and price perception on the re-use interest of Grab Motor consumers in Jombang. By using accidental sampling technique a number of 97 respondents. The results in this study on multiple linear regression analysis can be seen that the R square value is 0.481, which means that advertising and brand image can explain the consumer buying interest factor of 48.1% and the remaining 51.9% is explained by other factors. And in the f test, it can be seen that the probability value is 0.000 < 0.05. Thus, it can be seen that the variables of service quality and price perception simultaneously (simultaneously) have a significant effect on repurchase interest. The results of the T test show that the significance value of t = 0.000 is smaller than the value of t = 0.05, which means that service quality has a significant influence on (reuse interest. The t-count value of price perception shows the significance value of t = 0.013 which is smaller than the value of t = 0.05. This means that price perception has a significant effect on interest in reuse. The better the quality of service, the higher the interest in reuse and Price is very important in determining the interest in reuse of a product/service. The better the perception of price, the higher the interest in reuse.

## **Keywords**: service quality, price perception, interest in reuse

#### Introduction

Online transportation service companies must make the right pricing strategy, because every consumer has a different view or perception about prices. Pricing made by the company will affect the interest in reuse, if the price can be reached by consumers, then consumers will tend to reuse the servise. Grab is an online transportation service that has an attractive pricing strategy and International Brand Image. Grab's online transportation service is based in Malaysia and was founded by Tan and Ling Tan who are Malaysian citizens. Grab is the most popular online transportation service company in Southeast Asia, now operating in Singapore, Malaysia, Indonesia, Philippines, Thailand, Myanmar, Cambodia and Vietnam. Grab's main activity is to provide consumers with alternative driving that emphasizes speed, safety and certainty. Online transportation services provided by Grab use application technology as a means to order, make payments in cash or non-cash, and directions for users and drivers. Application assistance from Grab makes it easier for consumers to carry out their daily activities by not having to come directly to motorcycle taxi stands, taxi stands, shops, and restaurants. Consumers can use services from Grab by downloading the Grab application on the Playstore for Android users or the AppleStore for IOS users.

Several efforts have been made by Grab so that its customers continue to use Grab as a means of transportation. Not to be outdone, Go-Jek and others are enthusiastic and continuously create new ideas so that consumers will continue to believe and continue to use their services. In Grab itself, consumers are always their priority. Grab applies a rating system for its drivers in order to provide the best service for its consumers. The many types of services provided by Grab make companies have to really pay attention to the quality of service from drivers to customers.

In the service industry, companies will identify what needs are desired by consumers. Consumers in this case choose services that suit their needs. So that optimal service to consumers who use services must be carried out by the company [1]. Price is something that must be given by consumers to get the advantages offered by the company's marketing mix. In an effort to increase buying interest, price also plays a role in influencing consumer interest in a product [2] .

Service quality must start from customer needs and end with customer satisfaction and create a positive perception of the quality of services provided by the company [3] . The relationship between service quality and re-use

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interest can be said that the good or bad service provided has an impact on the will to use the same service in the future. Basically past behavior can directly affect interest and future behavior. The relationship between consumers and companies will be strong if consumers have a good assessment of the quality of services provided. By providing good service quality, it will lead to customer satisfaction which will then have an impact on repurchase interest.

supervision of the steps in growing repurchase interest in consumers, the company must pay attention from two points of view perception of price and service quality. factor of price perception and quality of service has a significant positive effect on interest in repeat purchases, so as to maintain the risk of regular consumers, its custodians of consumer risk stop making purchases and to develop an interest in repurchasing, the company must be more regular pricing strategy and service quality improvement [4].

#### LITERATURE REVIEW

## **Service Quality**

According to [5] defines service as "the expected level of excellence and control over that level of excellence to satisfy customer desires. According to *American Society for Quality Control* in [6] even if you define quality as a capability that can be in the characteristics or characteristics of a product and service to be able to satisfy a need.

#### Persepsi Harga

According to [7] Price perception is concerned with how price information is understood by customers and made meaningful to them. Price can be defined as the amount of money (monetary unit) and/or other (non-monetary) aspects that contain certain utilities/usages needed to obtain a service [3].

According to Tjiptono 2008 in [8] To determine the right price, it can be measured by several indicators, including the following:

- 1) Price match with product quality
- 2) price-to-benefit
- 3) Competitive

#### Minat Penggunaan Ulang

According to [9] (2007) Re-peatPurchasers continue to buy the same brand thought they do not have an emotional attachment to it. repeat purchase sales show the attitude of continued purchasing towards the same product and service brands, because consumers do not own. According to [10] Repurchase intention is the individual's judgement about buying again a designated service from the same company, taking into account his or her current situation and likely circumstances. The interest in repurchasing is an individual assessment of a repeat purchase that is assessed based on service at a particular company, taking into account the current situation and a possible situation for a repeat purchase to be made. According to [11] is part of the component of consumer behavior in consuming attitudes, the tendency of respondents to act before the buying decision is actually implemented. Buying interest is the tendency of consumers to buy a brand or take actions related to purchases as measured by the level of possibility of consumers to make purchases [12].

#### **METHODE**

This research is quantitative, the data collection method uses a questionnaire. Here, researchers will obtain primary data from distributing questionnaires to the community currently using GrabMotor in Jombang by using a stratified random sampling technique of 97 respondent.

The instrument test in this study used validity and reliability tests. Where is the validity test using bivariate Pearson (Product Moment Pearson) with a significance level of 0.05, which means an item is considered valid if it is correlated with the total score. The reliability test uses the Cronbach alpha ( $\alpha$ ) statistical test if the Cronbach Alpha value > 0.60 then the statement is reliable or acceptable (Sugiyono, 2017) in [13].

Data analysis in this study used multiple linear regression analysis. With multiple regression equation as

Y = a + b1.X1 + b2.X2

Which in:

below:

Y = Reuse Interest

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X1 = Quality of service X2 = price perception

a = Constant, namely the influence of various factors on the interest in reuse

b1 = Service Quality Coefficient

b2= Price perception coeficient

The hypothesis test using t test and f test. The t-test aims to determine the partial effect of the independent variable on the dependent variable by comparing the probability value <0.05. And the F test was conducted to determine the effect of the independent variables simultaneously on the dependent variable. By comparing the probability value <0.05 (Sugiyono, 2017) in [13].

#### RESULT AND DISCUSSION

Description of Service Quality Variables (X1)

Table 1

Description of Service Quality Variables (X1)

No	Service Quality	Frequency	Persentase
1	Less < 60 %	0	0%
2	Enough (60 % - 75 %)	60	63%
3	Good (75 % - 100 %)	36	38%
		96	100%

Source: Data Processed, 2021

Based on the table above shows that the number of respondents consists of 96 people. 60 respondents with a percentage of 63% with sufficient criteria, 36 respondents with a percentage of 38% with good criteria, while there are no criteria for less.

In terms of service quality, the majority of respondents stated that this was good because they felt fast and satisfying service, responsive to consumer needs, responsive to orders from applications. The company provides a guarantee of any risks that will arise, besides that the empathy from the drivers also satisfies consumers. The company also strives to provide all forms of facilities that benefit consumers

### **Description of Price Perception (X2)**

Table 2
Description of Price Perception (X2)

No	Price Perception	Frequency	Persentase
1	Less < 60 %	0	0%
2	Enough (60 % - 75 %)	54	56%
3	Good (75 % - 100 %)	42	44%
		96	100%

Source: Data Processed, 2021

Based on the table above shows that the number of respondents consists of 96 people. 54 respondents with a percentage of 56% with sufficient criteria, 42 respondents with a percentage of 44% with good criteria, while the criteria for less are not available.

Viewed in terms of price perception where the majority of respondents said it was good this is because there is a match between price and quality of services provided, the price paid has commensurate benefits that can be enjoyed by consumers, providing low prices is one marketing strategy to be able to compete with other services. Often provide discounts or price discounts for service users.

## Description of Interest in Reuse Variable (Y)

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Table 3

## Description of Interest in Reuse Variable (Y)

No	Interest in Reuse	Jumlah	Persentase
1	Less < 60 %	0	0%
2	Enough (60 % - 75 %)	39	41%
3	Good (75 % - 100 %)	57	59%
		96	100%

Source: Data Processed, 2021

Based on the table above shows that the number of respondents consists of 96 people. 60 respondents with a percentage of 63% with sufficient criteria, 36 respondents with a percentage of 38% with good criteria, while there are no criteria for less.

In terms of interest in reuse where the majority of respondents stated that interest in reuse is divided into three, namely transactional interest which has a tendency to use its services which arise from the first experience of feeling the service. Both referential interests have a tendency to refer to the services they enjoy to other people in the surrounding environment. Third, exploratory interest, after using the service is expected to always seek information about these services.

## Multiple Linear Regression Analysis.

Table 4.

Result Multiple Linear Regression Analysis

Model Summary <sup>b</sup>								
Model	R	Durbin-Watson						
			Square	Estimate				
1	.693ª	.481	.470	1.050	2.035			

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y **Source : Data Processed, 2021** 

The results of the above analysis explain starting from the regression efficiency, namely R where the value of R=0.481 indicates a strong relationship between the service quality variable and price perception with the variable interest in reuse. The value of R square referred to as the coefficient of determination of 0.481 indicates that the service quality variable and price perception can explain the variable interest in reuse by 48.1%, while the remaining 51.9% is explained by other factors besides the factors studied.

Table 5.

Result Multiple Linear Regression

# Coefficients<sup>a</sup>

	Model		ndardized fficients	Standardized Coefficients	t	Sig.	Collinearity	Statistics
		В	Std. Error	Beta			Tolerance	VIF
	(Constant)	-2.663	1.611		-1.653	.102		
1	X1	.259	.032	.616	7.989	.000	.930	1.075
	X2	.203	.080	.195	2.529	.013	.930	1.075

a. Dependent Variable: Y Source : Data Processed, 2021

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From table 5 above, it can be seen that the coefficient is a form of regression equation that can be generated as follows:

 $\hat{Y} = 2.663 + 0.259X_1 + 0.203X_2$ 

The explanation of the regression equation above is:

The magnitude of the regression coefficient 1 is 0.259, this shows that with the increase in the X1 variable (quality of service) it will increase the Y variable (interest in repeating) by 0.259 with the assumption that other variables are constant.

The magnitude of the regression coefficient 2 is 0.203, this shows that with the increase in the X2 variable (price perception) it will increase the Y variable (repurchase interest) by 0.203 with the assumption that other variables are constant.

## Test Hypotesis.

## Test T (Partial Test)

The T test aims to determine the effect of the independent variable individually or partially on the dependent variable. With significance ( $\alpha = 0.05$ ). The following are the results of the t-test of multiple linear regression in this study:

Table 6.

Result T Test

## Coefficients<sup>a</sup>

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity	Statistics
		В	Std. Error	Beta			Tolerance	VIF
	(Constant)	-2.663	1.611		-1.653	.102		
1	X1	.259	.032	.616	7.989	.000	.930	1.075
	X2	.203	.080	.195	2.529	.013	.930	1.075

a. Dependent Variable: Y Source : Data Processed, 2021

Based on table 6 above, it can be explained that the t value of the X1 variable (service quality) to the Y variable (reuse interest) with a significance value of t=0.000 is smaller than the value of t=0.05. This shows that the variable t=0.05 variable t=0.05 is smaller than the value of t=0.05. This shows that the variable t=0.05 is the variable t=0.05. The service quality variable is the dominant factor that influences the interest in re-use, as evidenced by the t=0.05 raithmetic value which is the largest of the other variables.

The t-count value of the X2 variable (price perception) on the Y variable (buying interest) with a significance value of t=0.013 is smaller than the value of t=0.05. This shows that the variable t=0.013 is smaller than the value of t=0.05. This shows that the variable t=0.013 is smaller than the value of t=0.013 is smaller than the value of t=0.013.

#### Uji F (Simultaneous Test )

The F test aims to determine the effect of the independent variables together on the dependent variable. With a significance level of = 0.05. The following is the f test in this study:

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Table 7.

Result F Test.

#### **ANOVA**<sup>a</sup>

_	111,0 /11									
Model		Model	Sum of Squares	Df	Mean Square	F	Sig.			
		Regression	95.808	2	47.904	43.485	.000 <sup>b</sup>			
	1	Residual	103.553	94	1.102					
		Total	199.361	96						

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1 **Source: Data Processed, 2021** 

Based on table 7 above, it can be seen that the significance f value is 0.000 < 0.05. Thus Ho is rejected and Ha is accepted. This means that the service quality and price perception variables simultaneously (simultaneously) have a significant effect on re-use interest.

#### Discussions.

Based on the results of the study, it shows that service quality is able to increase interest in reusing Grab motorbike consumers in Jombang. This means that if the service quality is getting better, the interest in reusing Grab motorbikes in Jombang will increase. This is supported by respondents' answers regarding service quality, especially having the ability to provide fast service, being able to provide satisfactory service, Grab motorbikes can provide appropriate services, Grab motorbikes always say exactly when the service will be provided (especially when ordering through the application), the driver has good knowledge, have the ability to always strive to have the best reputation in the eyes of passengers well, provide courteous service, Grab motorbikes can be trusted by customers well, have good skills in riding motorbikes safely, can meet passenger needs well, Grab motorbikes use good motorbikes and are suitable for use as Grab and Grab motorbikes provide facilities that function well. So it can be said that the quality of service has a significant effect on the interest in reusing Grab motorbike consumers in Jombang. Service quality is the dominant factor that affects the interest in re-use, as evidenced by the T arithmetic value which is the largest of the other variable values.

The perception of good, reliable, and competent service quality makes new consumers tend to think and have an interest in trying again what has been used given the product or service offered by the company, if consumers have a great interest in trying and using the company's services. , then the company must automatically provide quality and best service so that consumers have an interest in reusing the services provided by the company.

[14] explained where in service quality there is a positive and significant influence on consumer interest in using products or services, in reference to Servqual's research service quality can be measured in 5 dimensions, these dimensions will affect consumer interest or desire in using a product or service. The results of this study support the research conduced [15] proves that the service has a partial effect on the decision to use Gojek.

Based on the results of this study, it is illustrated that a good price perception is able to increase interest in reusing Grab motorbike consumers in Jombang. This means that if the perception of prices is getting better, then the interest in reusing Grab motorbikes in Jombang will increase. This is supported by respondents' answers regarding price perceptions, especially Grab motorbikes often provide discounts (discounts) that consumers feel so far are good and the price of Grab motorbikes being able to compete with other motorcycle taxis is also good.

Price is the value of an item expressed in money [16]. Price is often used as an indicator of value when the price is related to the perceived benefits of a product or service. Many things are related to the price behind why buyers choose to buy a product because they really want to feel the value and benefits of the product [17], According [18] defines price perception with consumers seeing or perceiving high, low, and fair prices on products and services have a

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strong influence on buying interest or re-use interest. The author concludes that Price Perception is an assessment of products or services made by consumers from information input, buying experience, or an event received by consumers in determining whether the price received is in accordance with what is given by the company and will affect buying interest or reuse. in the future. So it can be said that price perception has a significant effect on interest in re-use among Grab motorbike consumers in Jombang.

The result of this study support research [19] proves that there is an influence of price perception on consumer buying interest in elephant sarongs sitting in Pekalongan district. Other researchers also produced the same results where the shop buana building in the Mamuju district. The results of this test prove that Service Quality, Product Quality and Price have a significant effect on consumer buying interest at Buana Building Stores, Mamuju Regency. The most dominant product quality variable influencing consumer buying interest.

[20] Similar to research [21] Staated the same thing in the results of his research that Price Perception had a positive and significant effect on repurchase intention. Along with everything there is also a result. [22] that the better the price strategy offered by the company will make consumers happier, so they will want to buy the product. The implementation of a pricing strategy is one of the important factors in attracting consumers to buy.

#### Conclusion.

The results of this study indicate that service quality and price perception partially or simultaneously have a significant effect on interest in re-use among Grab motorbike consumers in Jombang. repeat to a product/service. The better the price perception, the higher the interest in reuse.

Thus, it is hoped that the Grab motorbikes in Jombang need to pay attention to the quality of services, especially regarding Grab motorbikes to be able to provide services properly, this can be done by using a device to access the Grab application, they should use a provider that has fast and easily accessible internet access. In addition, it also pays more attention to the perception of the price of Grab motorbikes, especially price competition with other motorcycle taxis by considering the fastest route so that Grab users perceive prices to be much cheaper in the hope of increasing interest in reuse, especially the tendency to refer Grab motorbikes to others by always prioritizing passenger safety.

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