

The Factors Influencing Customers Choosing Delivery Services Using Less Container Load (LCL) PT ECU World Wide

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Abstract: The purpose of this study is to understand and analyze the impact of pricing, service, and brand image on customers' decisions to use PT ECU World Wide LCL Services. This study explains the findings of the survey, which was managed for Less Container Load of PT ECU World Wide. This research used a survey of companies which were using and corporating with PT ECU World Wide. This study gathered primary data from 40 respondents. The results show that price, services, and brand image all have a substantial impact on why customers chose PT ECU World Wide LCL Services. Price and Services have an impact on consumer decisions, but Brand Image does not have an impact on customers to choose PT ECU World Wide LCL Services, according to partial testing (T Test).

Keywords: Price, Services, Brand Image, Customer Decision

INTRODUCTION

Background

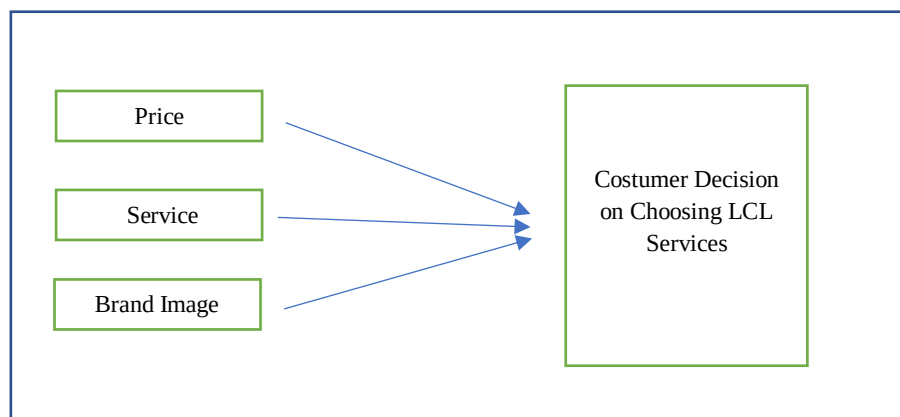
One strategy that can support the success rate of a shipping company is to offer best prices and best service quality. Prices and services provided are important benchmarks in keeping up with competitors (Harsanto & Hidayat, 2017).

Service quality is very closely related to customer satisfaction. The progress of a company is influenced by the company's ability to serve its customers. The more people who use delivery services, the quality of service becomes very important to win the competition (Resti, Devi; Soesanto, 2016). By understanding what consumers want from the services, the company will get its own added value.

The company is regulated in Government Regulation of the Republic of Indonesia Number 2 of 1969 concerning the Implementation and Operation of Sea Transportation, in Article 2. It is explained that Indonesian merchant ships are operators of sea transportation services which aims at fostering the economic unity of the Indonesian archipelago, and encourage national economic growth.

PT ECU Worldwide is a logistics company that serves shipments by land,

air, and sea. PT ECU worldwide serves the delivery of goods using the less container load (LCL) method. LCL is the delivery of goods using a container where the delivery of goods in one full container consists of several shippers who are members of the container. Therefore, in one container there are mixed goods owned by different people. The analytical structure for this study is below (Figure 1).



Literature Review

Price

According to (Harsanto & Hidayat, 2017) argues that prices are all forms of costs paid by consumers to obtain, own, utilize a number of combinations of goods and services from a product. Consumers will always look for products and services that are commensurate with the benefits, but they also still consider the price. Pricing is referred to as a company's strategy to compete, and the plans that have been made must be consistent with the way the company wants to determine its position in the competition (Simarmata et al., 2019). There are 4 (four) indicators that characterize prices, they are: price affordability, price conformity with product quality, price competitiveness, and price conformity with benefits (Harsanto & Hidayat, 2017). Therefore, the price is a measure of the size of the value of consumer satisfaction with the product they buy (Oktarini, 2020).

Service

Service according to (Handoko, 2017) is a thing providing everything that people need. Meanwhile, according to (Handoko, 2017) service is an effort that aims to satisfy an individual by fulfilling the individual's needs or wants. Service quality is a crucial issue for every company, regardless of what the product is. In simple terms, the quality of service provided by the company is a measure that will be assessed by customers before making a product purchase (Wijaya et al., 2020). According to (Wijaya et al., 2020) service quality is a measure of how well the level of service provided is able to match customer expectations. This means that in this case the prospective customer has expectations about the services of a company related to the product.

Brand Image

According to (Kotler dan Keller, 2008) brand image is the perception and belief of consumers, as reflected in the associations that occur in customers' thoughts. (Sunarti et al., 2018) states that brand image is a description of consumer associations and beliefs about a particular brand. According to (Oktarini, 2020) brand image is a part of the brand that is recognizable but cannot be pronounced, such as a symbol, special lettering or color design, or the customer's perception of a product or service represented by the brand. (Musay, 2013) explains that brand image is a concept created by consumers for subjective reasons and personal emotions. Consumers will imagine a product with the big name of manufacturers of the product itself.

Customer Decision on Choosing LCL Services

The purchase decision-making process, or consumer decision, refers to consistent and wise activities made to suit demands. The buying process starts with a need. The need develops as a result of the discrepancy between the current condition and the desired state. (Hidayat, 2017) The following three steps are common to all consumer decision-making models in the literature:: The pre-purchase, the purchase, and the post-purchase stages (Oke et al., 2016). There are a variety of tactics to make a decision. Some heuristics are commonly used in decision-making due to limited

Variable	Dimension	Reference	Indicators
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cognitive capacities and a desire to reduce decision-making costs.(Willman-Iivarinen, 2017)

RESEARCH METHOD

The quantitative method was applied in this study. The quantitative method is termed after the fact that the research data is in the form of numbers, and the testing is conducted using statistics . As a data collecting instrument, the questionnaire was used in this study. (Crisafuli & Singh, 2016). Quantitative research focuses on measurement and correlation analysis between variables. As a result, researchers conducted a Purposive Sampling and gathered primary data from a total of 40 respondents using a google form. This research was completed over a month (July 13, 2021 – August 13, 2021). In this study the validity and reliability tests, as well as Double Linear Regression, were implemented.

Brand Image	1.Attributes 2.Brand Attitude	(Musay, 2013)	1.Appeal 2.Innovation 3.Safety
Service	1.Delivery on Time 2.Accurately Delivery	(Wijaya et al., 2020)	1.On Time 2.Accurate 3.Guarantee
Price	1.Affordable price 2.Price match with product quality.	(Oktarini, 2020)	1.Price competitiveness 2Price suitability with product quality 3.Good Quality with Affordable Price for Service
Customers ' Decisions To Choosing Lcl Services	1.Transactionl 2.Eksploratif	(Hidayat, 2017)	1.Reusing 2.Comparison with other competitor 3.Informatif

RESULTS AND DISCUSSION

1. Validity and Reliability Test

The questionnaire is said to be feasible if it satisfies the test of validity and reliability. R value > r table is a requirement for passing the validation check. The results of a validity test with a significance level of 5% two-tailed test shows that all of the variables are valid. As a result, the r value > 0.312.

Tabel 1

Validity Test

Variable	Item	R value	R table	Information
Price	X1	0.911	0.312	Valid
	X2	0.873	0.312	Valid

	X3	0.915	0.312	Valid
	X4	0.327	0.312	Valid
	X5	0.900	0.312	Valid
	X6	0.702	0.312	Valid
<i>Services</i>	X1	0.954	0.312	Valid
	X2	0.840	0.312	Valid
	X3	0.954	0.312	Valid
	X4	0.936	0.312	Valid
	X5	0.901	0.312	Valid
	X6	0.923	0.312	Valid
<i>Brand Image</i>	X1	0.957	0.312	Valid
	X2	0.702	0.312	Valid
	X3	0.845	0.312	Valid
	X4	0.873	0.312	Valid
	X5	0.468	0.312	Valid
	X6	0.783	0.312	Valid
<i>Customer Decision</i>	Y1	0.905	0.312	Valid
	Y2	0.998	0.312	Valid
	Y3	0.830	0.312	Valid
	Y4	0.998	0.312	Valid
	Y5	0.987	0.312	Valid
	Y6	0.554	0.312	Valid

The reliability test results show that the Cronbach's Alpha Variable Price is 0.815, Delivery Service variable is 0.844, Promotion variable is 0.787, Ease of use App variable is 0.930, Brand Image variable is 0.739, Customers' Interest variable is 0.786,

so it can be inferred that all of variables are reliable because it has a Cronbach's Alpha value > 0.07 (Table 1).

Tabel 2
Reliability Test

NO	VARIABLE	CRONBACH'S ALPHA	N OF ITEMS
1	Price	0,789	6
2	Service	0.815	6
3	Brand Image	0.548	6
4	Customer Decision	0.813	6

Source: Primary data processed in 2020

2. Double Linear Regression Analysis

Tabel 3
Double Linear Regression Analysis

Coefficients^a

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	.104	1.391		.075	.941
	Price	.507	.046	.443	11.009	.000
	Service	.388	.023	.581	17.062	.000
	Brand Image	.113	.069	.048	1.649	.108

a. Dependent Variable: Y

Source: Primary data processed in 2020

The following calculation results can be obtained based on the results of the Double linear regression Analysis conducted with SPSS.24:

$$Y = 0.104 + 0.507 X_1 + 0.338 X_2 + 0.113 X_3 + \varepsilon$$

3. Hypothesis Testing

Tabel 4.

T Test

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.104	1.391		.075	.941
	Price	.507	.046	.443	11.009	.000
	Service	.388	.023	.581	17.062	.000
	Brand Image	.113	.069	.048	1.649	.108

a. Dependent Variable: Y

H1 Testing

Based on the table (Table 3) it can be concluded that customers chose PT ECU World Wide LCL Services was influenced significantly by the Price, which t value $11.301 > t_{table} 2.021$. As a result, The hypothesis that Price has a significant impact

on customers in choosing PT ECU World Wide LCL services can be accepted (H1 accepted).

H2 Testing

Based on the table (Table 3) it can be concluded that customers who chose PT ECU World Wide LCL Services is influenced significantly by the Services, which t value $13.438 > t$ table 2.021 . As a result, the hypothesis that Services has a significant effect on Customers in choosing PT ECU World Wide LCL services can be accepted (H2 accepted).

H3 Testing

Based on the table (Table 3) it can be concluded that Customers who chose PT ECU World Wide LCL Services does not have significant correlation with Brand Image, in which the value of t count $1.649 < t$ table 2.021 . As a result, the hypothesis that Brand Image has a significant effect on customers who chose the services of PT ECU World Wide LCL is acceptable (H3 rejected).

Tabel 5 .

Anova Test

1) F Test

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	462.414	3	154.138	694.875	.000 ^b
	Residual	7.986	36	.222		
	Total	470.400	39			

a. Dependent Variable: Y

a. Predictors: (Constant), X3, X2, X1

b. Source: Primary data processed in 2020

H4 Testing

Based on the table (table 4), it can be inferred that price (X1), service (X2), and brand image (X3) all have a considerable impact on customers' decision to use PT ECU World Wide LCL Services, with f value $694,875 > f$ table 2.866 . As a result, the hypothesis that price, service, and brand image have a significant impact on customers' decision to use PT ECU World Wide LCL Services is accepted (H4 accepted).

After testing the hypothesis in this study, the results show that Price, Service (Li et al., 2014) , and Brand Image (Oliver, 2013) significantly have an impact on Customers in choosing PT ECU World Wide LCL Services. This shows that each independent variable has a significant impact on customers' decisions to use PT ECU World Wide LCL Services. If PT ECU continues to strengthen its independent factors at the same time, client interest will increase. In a partial test, the results show that Price, and Services significantly have an impact on Customers to choose PT ECU World Wide LCL Services, but in this research Brand Image (Sasono et al., 2021) does not significantly have an impact on Customers to choose PT ECU World Wide LCL Services. In this case, customers are more interested in promotion, fast, and accurate services. They used PT ECU World Wide LCL Services because of a good corporate and also affordable price.

CONCLUSION

Based on the results, it can be concluded that Price, Service and Brand Image have significant impact on Customers to choose PT ECU World Wide LCL Services. PT ECU World Wide must pay attention to the prices by providing affordable prices for customers. so that customers are increasingly interested in using their services. PT ECU World Wide needs to maintain a Brand Image by providing satisfactory services that can be carried out through the provision of fast services and the development of Quality of Service to make it easier for customer to access and make them loyal to PT ECU Services. Price and Service are important and sensitive to customers. Paying attention to

these things will give PT.ECU World Wide an opportunity to outperform the market and attract more attention of its customers.

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