

THE EFFECT OF SERVICE QUALITY, BRAND IMAGE AND FAIRNESS OF PRICES ON THE DECISION TO PURCHASE LOW-COST CARRIER (LCC) AIRLINE TICKETS

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Abstract: This observes aims to research the connection between service quality, brand image and price fairness on ticket purchasing decisions on Low Cost Carrier (LCC) airlines. The population in this study were the service users of the Low Cost Carrier (LCC) airlines. This study used a random sampling technique to collect data through questionnaire distributed to 100 Low Cost Carrier (LCC) customers. The method used in this research is quantitative with multiple linear regression approach using the Statistical Package for the Social Sciences (SPSS) program. The data were analyzed by validity test, reliability test, normality test, multiple regression analysis, coefficient of determination test (R²), t test, and F test. positive and significant impact on purchasing decisions, has a positive and significant influence on purchasing decisions, with the conclusions obtained showing that service quality, brand image, and fairness of prices have a positive and significant effect on purchasing decisions. It is confirmed that 52% of the purchasing decision variables can be explained by the variables of service quality, brand image and price fairness.

Keywords: *Kualitas Pelayanan, Citra Merek, Kewajaran Harga, Keputusan Pembelian*

Introduction

The aviation industry belongs to the transport sector. The aviation industry is one of the industries that have an essential role, considering that Indonesia is an archipelagic country. Although in Indonesia, the aviation industry experienced ups and downs in its business trips, in the past, many consumers considered transportation to be used because they thought prices. Hence, it Created a Low-Cost Carrier (LCC) based airline.

Low-Cost Carrier (LCC) flights in Indonesia are one of the most popular choices by the public because the Low-Cost Carrier (LCC) market segment is much more flexible than Full-Service Carriers. Moreover, in 2019,

2020, and 2021, Lion Air became the airline with the highest number of passengers, namely 46,146,947 people and the highest percentage of domestic aviator passenger data of 30%. On the other hand, the airline with the second highest number of passengers is Citilink Indonesia, which is 24,807,040 and has a rate of 22.8%. Therefore, the Indonesian people are dominant in purchasing decisions for LCC-based airlines.

The airline's market share in Indonesia is in the recovery phase from the Covid-19 pandemic, where customers pay attention to several aspects in determining their purchasing decisions. One of them is the fairness of the price. LCC airlines offer more affordable prices than other airlines. So this makes it easier for customers to determine the decision to buy a plane ticket to be purchased. In addition to offering more affordable prices, service quality also plays a vital role in buying decisions. An airline that provides the best service to consumers will give a satisfying experience for consumers, and this has a positive impact on the airline's image. A good brand image is also crucial in buying airline tickets because airlines with a good brand image will gain consumers' trust. Thus, an airline that can offer a suitable price, good service quality, and a good brand image, can improve purchasing decisions the airline. (Samosir et al., 2021)

Quality of Service

Service quality is one of the key factors in a company's success, and a company's success can be measured by the ability of the company and its employees to consistently meet the needs and desires of its customers. "Service quality is a term that aptly describes the core of service delivery: excellence (reliability) versus customer-operated sales counters" .(Lesmana, 2019) Therefore, the quality of service is very dependent on the ability of the company and staff to get full customer satisfaction.

(Rangaswami et al., 2019) stated that the ten dimensions of service quality can be summarized into five dimensions, namely: Tangibles, Reliability, Responsiveness, Assurance, Empathy

Brand Image

Brand Image is an essential factor in a company because a good brand image can attract consumers to purchase a product and can create a positive impression in the minds of costumers of product. Brand image is what customers suppose and experience once they pay attention or see a logo. A tremendous purchaser photo of logo is more likely for consumers to make purchases.(Rowena, 2019). From this understanding, it can be concluded that Brand Image is a view and belief in a brand that occurs in the minds of consumers.

Brand image indicators According to (Rizqillah & Kurniawan, 2019) there are three brand image indicators, namely: Corporate Image, User Imagery, Product Image.

Price Fairness

Fairness of price can be interpreted as the perception of consumers in assessing the suitability of the benefits of a product/service with the price given. The price assessment of a product that is said to be expensive, cheap or moderate by each individual is different because each individual has a perception that is motivated by the environment and conditions of the individual himself. Reasonable prices contribute to the response of consumer behaviour. This role gives rise to a strengthening of purchasing intentions. Price fairness is consumers' tendency to use prices to assess the suitability of the benefits of products/services. The assessment of the price of product/service benefit is said to be expensive, cheap or moderate because it

depends on the individual's perception of the individual who is motivated by the environment and the condition individual. (Fakhrudin, 2019)

According to (Khairunnisa et al., 2019) Price is essential to selling products and services because it directly affects the sales results (Setiawan et al., 2016)

There are two Price Fairness : indicators Use comparison options and consumer knowledge to determine prices

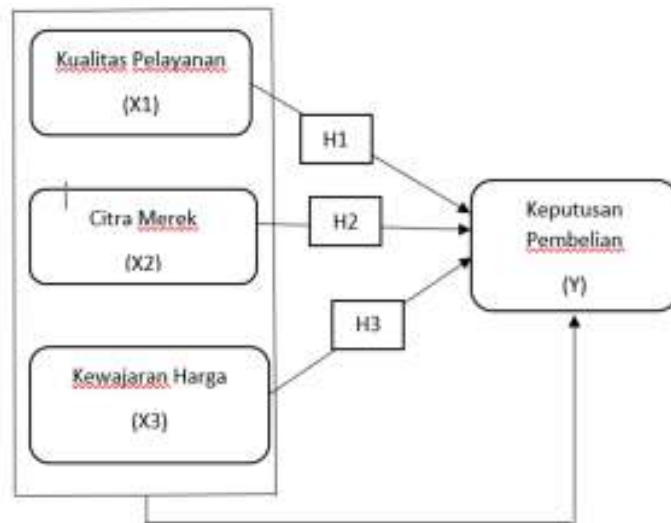
Purchase Decision

The decision to purchase a product/service made by consumers will be preceded by an awareness of meeting needs and desires. Then, from the various criteria in the consumer's mind, the consumer will determine the product/service to be purchased. Of course, every consumer has different considerations in determining the purchase decision. According to (Farhat, 2020) consumer decisions in purchasing are highly dependent on price. Price explains many dimensions, such as product quality, social class, prestige/lifestyle, social status, dignity, position, Etc. In simple terms, price is a lure; in the consumer, there is a measure to judge it.

Research conducted (Lestari & Saifuddin, 2020). Purchasing decisions are problem-solving activities that individuals perform by going through the first stage of the decision-making process, choosing alternative actions that can be selected and viewed as the most appropriate action at the time of purchase.

Correspondence (Rizqillah & Kurniawan, 2019) there are four indicators of purchasing decisions, namely: Identify needs, Digging for product information, Doing buyers, Behaviour after purchase

Hypotesis



From the theoretical foundation and framework of thought above, the hypotheses in this study are:

H1 : Service quality significantly affects the Purchasing Decision of Low-Cost Carrier airline tickets.

H2 : Brand Image significantly affects the Decision to Purchase Low-Cost Carrier airline aircraft.

H3 : Fairness of Price significantly affects the Decision to Purchase Low-Cost Carrier airline tickets.

H4 : Service Quality, Brand Image and Fairness of Price significantly affect the Purchasing Decision of Low-Cost Carrier airline tickets.

Method

The type of research used is quantitative research. According to (P. Sugiyono, 2019) Quantitative research is a research method based on a positivist philosophy, used to study specific populations or samples, collecting data using quantitative data analysis and research tools.

Quantitative/statistical to test predefined assumptions. And the data obtained in this study were analyzed using SPSS version 26.

Population

According to Margono (Hardani et al., 2020) A population is a whole object of research consisting of humans, objects, plants, symptoms, test scores, or incidents to be the origin of data that has exclusive characteristics in a study. The population in this study were Low-Cost Carrier (LCC) airline consumers who had purchased Low-Cost Carrier (LCC) airline tickets.

Sample

According to (Sugiyono, 2010:116) the sample is a fraction of the quantity and characteristics possessed by a population. Assume the population is large and the researcher can only study a few things in the population, for example due to limited funds, energi and time. In this case, the researcher can use samples taken from this population. This study uses a random sampling method with a total 100 respondents. With a random sampling technique, namely a random sampling technique (D. Sugiyono, 2013).

Discussion and Result

The purpose of this data analysis is to determine the effect of Service Quality (X1), Brand Image (X2), and Price Fairness (X3) on the Purchasing Decision (Y) of Low-Cost Carrier Airline tickets. Of the total number of respondents totalling 100 people, the percentage of sex amounted to 50% male and 50% female, the percentage of age amounted to 84% 17-20 years, 7% 21-30 years, 9% 31-40 years, the percentage of employment amounted to 59% students/ students, 4% public employees, 17% private employees, 7% self-employed, and 13% others. Data analysis result are used to prove hypotheses one to three using validity test methods, and reliability tests, with classical assumptions that include normality tests (Kolmogorov-Smirnov, multicollinearity),

heteroskedasticity tests (scatterplot), followed by multiple linear regression analysis, coefficient of determination test, "F" test (simultaneous), and "t" test (partial).

Table 1. Validity Test data processing results

Variabel	Statement	r Calculate	r Tabel	Information
Quality of Service (X1)	X1.1	0.686	0.197	VALID
	X1.2	0.746		VALID
	X1.3	0.683		VALID
	X1.4	0.624		VALID
	X1.5	0.631		VALID
	X1.6	0.474		VALID
	X1.7	0.697		VALID
	X1.8	0.701		VALID
	X1.9	0.674		VALID
	X1.10	0.657		VALID
	X1.11	0.665		VALID
	X1.12	0.690		VALID
Brand Image (X2)	X2.1	0.644	0,197	VALID
	X2.2	0.638		VALID
	X2.3	0.521		VALID
Price Fairness (X3)	X3.1	0.636	0,197	VALID
	X3.2	0.763		VALID
	X3.3	0.623		VALID
	X3.4	0.722		VALID
Purchase Decision (Y)	Y.1	0,563	0,197	VALID
	Y.2	0,594		VALID
	Y.3	0,603		VALID
	Y.4	0,604		VALID

Reliability Test

Table 2. Reliability Test data processing results

NO	Variable	Cronbach's alpha	Information
1	Quality of Service (X1)	0,916	Realibel
2	Brand Image (X2)	0,764	Realibel
3	Price Fairness (X3)	0,847	Realibel
4	Purchase Decision	0,785	Realibel

Source: data processed by the author using SPSS 26.00

From the data processing results above, that the data in this study are reliable because each variable, namely Service Quality, Brand Image, Price Fairness and Purchasing Decision, gets the value of Cronbach's alpha > 0.60.

Normality Test

Table 3. Normality Test data processing results

One-Sample Kolmogorov-Smirnov Test					
		Fasilitas Pelayanan	Citra Merek	Kewajaran Harga	Keputusan Pembelian
N		100	100	100	100
Normal Parameters ^{a,b}	Mean	46.81	11.81	15.78	18.24
	Std. Deviation	5.794	1.680	2.080	2.036
Most Extreme Differences	Absolute	.169	.205	.194	.197
	Positive	.169	.205	.194	.197
	Negative	-.083	-.105	-.166	-.153
Test Statistic		.169	.205	.194	.197
Asymp. Sig. (2-tailed)		.000 ^c	.000 ^c	.000 ^c	.000 ^c

a. Test distribution is Normal.
 b. Calculated from data.
 c. Lilliefors Significance Correction.

Source: data processed by the author using SPSS 26.00

The results of the normality test in table 6 show that they have normal distribution data in this study. This is indicated by the Kolmogorov-Smirnoff table figure, which is 0.000 of the Asymp value. Sig > 0.05.

Multicollinearity Test

Table 4. Multicollinearity Test data processing results

		Coefficients ^a					Collinearity Statistics	
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
1	(Constant)	5,147	1,340		3,841	,000		
	Kualitas Pelayanan	,110	,038	,314	2,894	,005	,425	2,353
	Citra Merek	-,156	,090	-,129	-1,631	,106	,802	1,247
	Kewajaran Harga	,493	,101	,504	4,875	,000	,469	2,134

a. Dependent Variable: Keputusan Pembelian

Source: data processed by the author using SPSS 26.00

The results in table 7 show no indication of multicollinearity. This can be inferred from the Value of Service Quality Tolerance of $0.425 > 0.10$, the Value of Brand Image Tolerance of $0.802 > 0.10$ and the Value of Price Fairness Tolerance of $0.469 > 0.10$. Meanwhile, the VIF value of Service Quality is $2,353 < 10$, the VIF value of Brand Image is $1,247 < 10$, and the VIF value of Price Fairness is $2,134 < 10$.

Heteroscedasticity Test

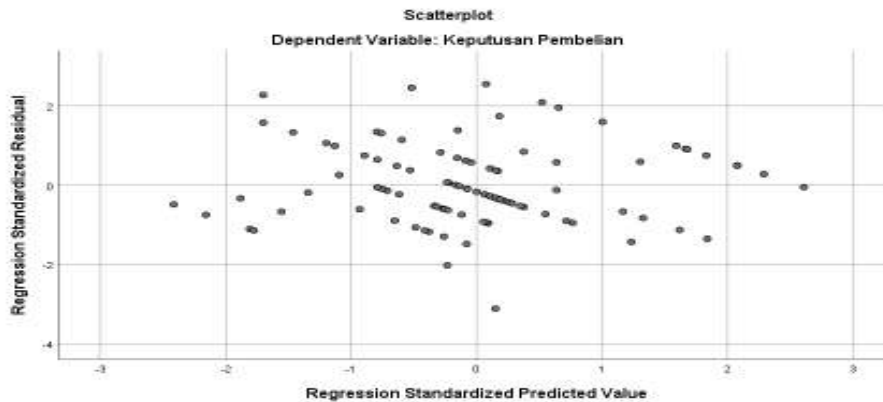


Figure 2. Heteroscedasticity Test

Source: data processed by the author using SPSS 26.00

With the image of the results of the Heterokedatisity test in a pattern formed from a scatterplot, namely spreading and not making a specific pattern.

From this, we can conclude that this study has no symptoms of heteroscedasticity.

Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test Results
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.147	1.340		3.841	.000
	Kualitas Pelayanan	.110	.038	.314	2.894	.005
	Citra Merek	-.156	.096	-.129	-1.631	.106
	Kewajaran Harga	.493	.101	.504	4.875	.000

a. Dependent Variable: Keputusan Pembelian

Source: data processed by the author using SPSS 26.00

From the table above, the multiple linear regression equation can be formulated as follows: $Y = 5.147 + 0.110 (X_1) + (-0.156) (X_2) + 0.493 (X_3)$.

Based on the description of the multiple linear equations above, here are the interpretations of the results of the equations:

1. The value of the constant is 5.147 if the dependent variable or purchase decision (Y) is 5.594.
2. The Coefficient of Regression of Service Quality contributes 0.110 to the Purchasing Decision. If the Service Quality variable increases by 1 unit variable, it will affect the Purchase Decision by 0.110.
3. The Brand Image Regression Coefficient contributes -0.156 to the Purchase Decision variable. Therefore, if the Brand Image variable increases by 1 unit of variable, it will affect the Purchase Decision by -0.156.
4. The Price Fairness Regression Coefficient contributes 0.493 to the

Purchase Decision variable. Therefore, if the Price Fairness variable increases by 1 unit of variable, it will affect the Purchase Decision by 0.493.

Coefficient of Determination Test (R²)

Table 6. Coefficient of Determination Test Result (R²)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.721 ^a	.520	.505	1.433	2.331

a. Predictors: (Constant), Kewajaran Harga, Citra Merek, Kualitas Pelayanan

b. Dependent Variable: Keputusan Pembelian

Source: data processed by the author using SPSS 26.00

Based on the R² test, the magnitude of the Coefficient of Determination (R²) value is 0.520. This means that 52% of the variables of the Purchase Decision can be explained by the variables of price fairness, brand image and service quality. In contrast, other factors outside the regression model explain 48% analyzed in this study.

T-Test

Table 7. Test Results t

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.147	1.340		3.841	.000
	Kualitas Pelayanan	.110	.038	.314	2.894	.005
	Citra Merek	-.156	.096	-.129	-1.631	.106
	Kewajaran Harga	.493	.101	.504	4.875	.000

a. Dependent Variable: Keputusan Pembelian

Source: data processed by the author using SPSS 26.

Based on the table above, each independent variable can be concluded as follows:

1. The significant value of the Quality of Service variable (X1) is $0.005 < 0.05$, and the calculated t value is $2.894 > t$ table 1.660. From the description it can be concluded that the Service Quality variable (X1) significantly affects the Purchase Decision variable (Y).
2. The significant value of the Brand Image variable (X2) is $0.106 < 0.05$, and the calculated t value is $-1.631 > t$ table is 1.660. From the description it can be concluded that the Brand Image variable (X2) significantly affects the Purchase Decision variable (Y).
3. The significant value of the Variable Fairness of Price (X3) is $0.000 < 0.05$, and the calculated value is $4.875 > t$ table is 1.660. From the description it can be concluded that the Variable Fairness of Price (X3) significantly affects the Variable Purchase Decision (Y).

F-Test

Table 8. F Test Results

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	213.166	3	71.055	34.613	.000 ^b
	Residual	197.074	96	2.053		
	Total	410.240	99			

a. Dependent Variable: Keputusan Pembelian

b. Predictors: (Constant), Kewajaran Harga, Citra Merek, Kualitas Pelayanan

Source: data processed by the author using SPSS 26.00

In the table, we know the significance of the effect Service Quality (X1), Brand Image (X2) and Price Fairness (X3) on Purchasing Decisions (Y) is $0.000 < 0.05$, and f calculates $34.613 >$ the value of f table $(2;97) = 3.09$. Therefore, this proves that H_03 was rejected and H_a3 was accepted, This

means that there is a significant impact between Service Quality (X1), Brand Image (X2) and Price Fairness (X3) on Purchasing Decisions (Y).

Conclusion

This study shows that airline Service Quality positively influences Purchasing Decisions because airline services can meet customer expectations to achieve customer satisfaction. In addition, Brand Image positively influences Purchasing Decisions because the better the brand image of an airline in the community, the higher the buying interest of passengers against airlines. Finally, fairness of Price positively affects purchasing decisions, as the more reasonable an airline's fare can improve purchasing decisions.

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