GROSTLOG 2022
Global Research on Sustainable Transport & Logistics

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Influence of Price and Quality of Service on Domestic Route Ticket Purchase Decisions at Soekarno – Hatta Airport Garuda Indonesia Airlines in the New Normal Era 2022

Putri Azzahra[1], Gabriel Tampubolon[2], Mohammad Zaini[3], Marlina Iryatie[4]

[1,2,3,4] Institut Transportasi dan Logistik Trisakti, Jakarta, Indonesia
✉ corresponding author: gabrieltmpbln16@gmail.com

Abstract: The goal of this study is to examine how the New Normal Era in 2022's purchasing decisions for domestic Garuda Indonesia airline routes are influenced by pricing and service quality. The participants in this study were Garuda Indonesia airline customers in 2022 during the New Normal Era. In order to conduct this study, up to 100 Garuda Indonesia passengers were handed questionnaires. Sample sizes were determined using the Slovin technique. The quantitative multiple linear regression approach used in this study was carried out using the Statistical Package for the Social Sciences (SPSS) program. The data were evaluated using the t-test, F test, coefficient of determination test (R2), t-test, validity, reliability, normalcy, and multiple regression analysis. According to the findings, price and service quality have a positive and considerable influence on purchasing decisions. The fact that the price and service quality variables may explain 49.2% of the purchasing decision variables serves as evidence for this.

Keywords: *Price, Service Quality, Purchase Decision.*

INTRODUCTION

In the current era of globalization, air transportation is one of the main choices because this mode of transportation has a high level of effectiveness, especially in terms of safety, time efficiency and service quality. However, in the last 2 years, the whole world has been hit by the COVID-19 pandemic which has hampered all modes of transportation. After the COVID-19 pandemic for 2 years, the government has finally issued a new policy, namely the New Normal. This New Normal has started since the "Task Force for the Acceleration of Handling COVID-19 issued Circular Letter Number 7 of 2020 concerning Criteria and Requirements for People's Travel in the Adaptation Period of New Habits Towards a Productive and Safe Society Covid-19," New Normal itself is a new order in activities in social life during the COVID-19 period. The economy is turning around, so it doesn't get any worse.

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

PT. Garuda Indonesia (Persero) Tbk as one of the modes of air transportation has certainly experienced a major impact due to this virus outbreak. In this New Normal Era, all airlines, including Garuda Indonesia, apply the principle of physical distancing in aircraft with a maximum of 70% of the total aircraft carrying capacity, which is regulated in the Circular of the Minister of Transportation SE 13 of 2020. Based on statistical data from Angkasa Pura II regarding the movement of Garuda Indonesia passengers on domestic routes during January–March 2022 there were 381,465 arrivals and 388,943 departures with a total of 770,408 passengers who chose to use Garuda Indonesia in the New Normal Era.

There are a number of considerations that potential travelers consider when choosing to purchase airline tickets in this new normal era. The pricing factor is a crucial element that might impact purchase choices. Prospective passengers think on the price first, then the level of service. Prospective passengers anticipate that the cost and level of service they will receive will be comparable. Garuda Indonesia itself is known as an airline with ticket prices that are more expensive than other airlines. Because Garuda Indonesia is an airline with full service. Several other reasons why Garuda Indonesia has expensive ticket prices, because Garuda Indonesia has on-time performance or punctuality, Garuda Indonesia also provides a lounge to wait for departure and during flights Garuda Indonesia provides food and there is inflight entertainment in the form of touch screens in each seat. Garuda Indonesia also has a spacious and comfortable cabin when compared to other airlines, Garuda Indonesia also has a cabin crew who are very friendly and ready to help and serve passengers during the flight.

LITERATUR REVIEW

Management

Management is a process that is needed in the corporate world because in the management process, there are steps or stages in achieving company goals so that they can achieve these goals effectively and efficiently. (Nursam, 2017)

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Marketing Management

By generating, offering, and exchanging valuable goods with other parties or by managing all processes involved in getting goods or services from producers to consumers, marketing management helps people or groups receive what they need and want. (Kelly, 2020)

Price

Price is the sum of money that customers pay in exchange for a good or service's benefits; it may be agreed upon by the buyer and seller through negotiation or established by the seller to be the same for all purchasers. Meanwhile, according (Zulaicha & Irawati, 2016) , price is a way for a seller to differentiate his offer from competitors.

According to (Kotler & Armstrong, 2008) There are four factors that define the price: benefits compatibility with price, affordability, price competitiveness, and product quality compatibility with price.

Service Quality

To satisfy the needs of customers, quality is the expected level of perfection and control over that level of excellence (Sopiyan, 2022). When comparing the service clients received and what they expected, service quality is frequently considered. The ability of a firm and its workforce to continuously deliver services that satisfy customers determines whether it succeeds or fails in satisfying customer expectations.

According to (Sulastiyono, 2011) the service quality indicators used are: Tangibility, Realibility, Responsiveness, Assurance, Empathy.

Purchasing Decision

According to (Tjiptono & Chandra, 2012) Consumers identify a problem, look for information on a certain brand or product, and assess how effectively each alternative can handle the problem before making a purchasing decision. Making decisions to buy the products or services they most like is another way that consumers act.

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

The purchasing decision indicator consists of several factors, which consist of: number of purchases, product choice, , dealer choice, purchase time, and brand choice.

HIPOTESIS

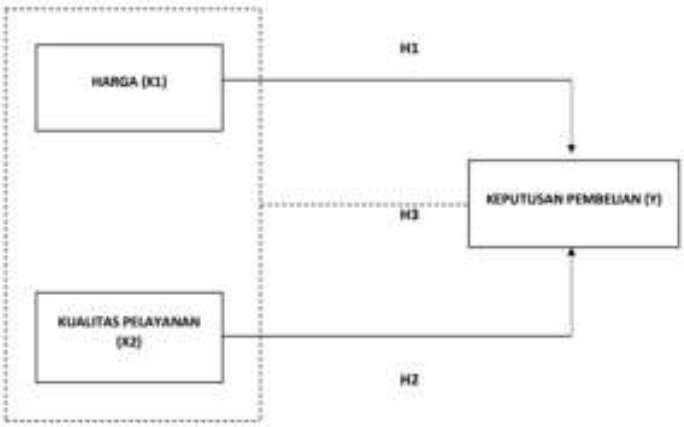


Figure 1. Conceptual Framework

The theories outlined in this study are based on the theoretical underpinnings and conceptual framework that have been defined as:

H1 : The price is suspected to have a significant effect on the decision to purchase Garuda Indonesia tickets

H2 : The quality of service is suspected to have a significant effect on the decision to purchase Garuda Indonesia tickets.

H3 : Price and quality of service are suspected to have a significant effect on the decision to purchase Garuda Indonesia tickets.

METHOD

Quantitative research is the kind that is employed. In this study, SPSS version 25 will be used to aid expedite and speed up the results of processing research data.

Population

The population in this study are users who have purchased flight tickets for the domestic airline Garuda Indonesia at Soekarno-Hatta Airport in the New Normal Era in 2022. The population in this study amounted to 770,408 passengers who used Garuda Indonesia airline in the New Normal Era.

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Sample

The population accessible for this study totaled 770 408, and a saturated sample sampling technique was utilized to ensure that the sample obtained was representative. Following is how the researchers applied the Slovin formula with a 10% error tolerance level:

$$n = \frac{N}{1 + Ne^2}$$

The following is the calculation of the research sample as follows :

$$n = \frac{770.408}{1 + 770.408\ (0.1)2}$$

$$n = \frac{770.408}{1 + 770.408\ (0.01)}$$

n = 99.987 = 100

Based on the above calculation, the number of samples obtained is 100 out of 770,408. This is the number of passengers using Garuda Indonesia airline in the New Normal Era.

DISCUSSION AND RESULT

Data research aims to ascertain how pricing (X1) and service quality (X2) affect the decision to purchase Garuda Indonesia tickets (Y) in the New Normal Era. With 100 respondents overall, 60% of them were men and 40% were women. The age distribution is 43% between the ages of 18 and 20; 39% between the ages of 21 and 30; 8% between the ages of 31 and 40; 8% between the ages of 41 and 50; and 2% over the age of 50. 64% of students are employed, 10% are government employees, 5% are business owners, 6% are self-employed, and 15% are other workers. The outcomes of the data analysis will be utilized to support hypotheses one through three using the validity test technique and reliability test with conventional assumptions. Then, the "t" test, "F" test (simultaneous), "normality test (kolmogrov-Smirnov, multicollinearity), "heteroscedasticity test (scatterplot), test for coefficient of determination, and "normality test" will be carried out (partial).

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Validity Test

Table 1. Validity Test Results

Variabel	Pernyataan	r Hitung	r Tabel	Keterangan
Price (X1)	X1.1	0.346	0.197	VALID
	X1.2	0.725		VALID
	X1.3	0.723		VALID
	X1.4	0.677		VALID
	X1.5	0.674		VALID
	X1.6	0.618		VALID
	X1.7	0.584		VALID
Service Quality (X2)	X2.1	0.582	0.197	VALID
	X2.2	0.582		VALID
	X2.3	0.523		VALID
	X2.4	0.702		VALID
	X2.5	0.735		VALID
	X2.6	0.622		VALID
	X2.7	0.674		VALID
	X2.8	0.657		VALID
	X2.9	0.695		VALID
	X2.10	0.713		VALID
Purchasing Decision (Y)	Y.1	0.591	0.197	VALID
	Y.2	0.581		VALID
	Y.3	0.655		VALID
	Y.4	0.585		VALID
	Y.5	0.739		VALID
	Y.6	0.722		VALID
	Y.7	0.587		VALID
	Y.8	0.577		VALID

Source : IBM SPSS 25, 2020

Reliability Test

Table 2. Reliability Test Results

NO	Variabel	Cronbach's alpha	Keterangan
1	Price (X1)	0.899	Realibel
2	Service Quality (X2)	0.833	Realibel
3	Purchasing Decision (Y)	0.866	Realibel

Source : IBM SPSS 25, 2020

As a result of the data processing described above, it is possible to conclude that the study's data are trustworthy because each variable—price, service quality, and purchase decisions—has a Cronbach's alpha value greater than > 0.60.

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Normality Test

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters[a,b]	Mean	35.86
	Std. Deviation	10.110,333
Most Extreme Differences	Absolute	.126
	Positive	.102
	Negative	-.123
Test Statistic		.126
Asymp. Sig.		.006[c]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source : IBM SPSS 25, 2022

Table 3's normality test findings demonstrate that the data in this investigation were distributed normally. The Kolmogorof-Smirnof table number, which is 0.06 of the Asymp value, indicates this. Sig > 0.05.

Multicollinearity Test

Table 4. Multicollinearity Test Results

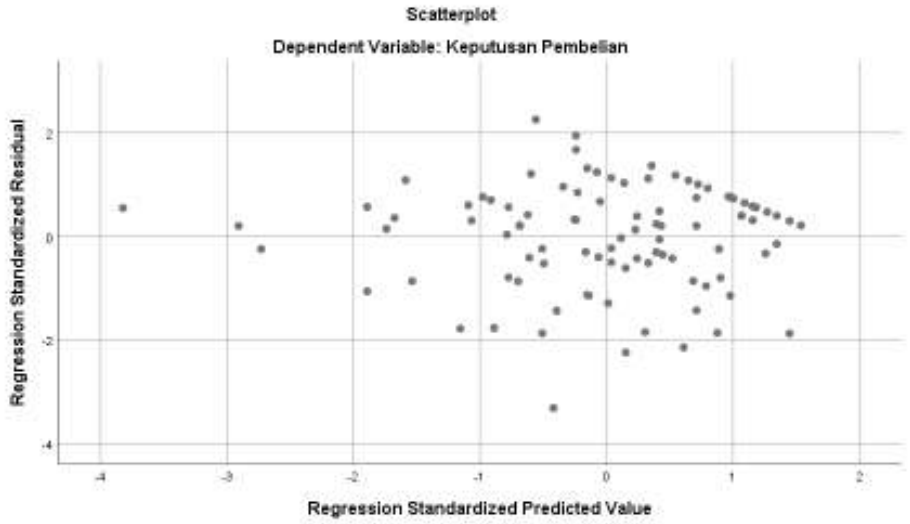
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Price	0.701	1.427
	Service Quality	0.701	1.427
a. Dependent Variable: Purchasing Decision			

Source : IBM SPSS 25, 2022

Based on the findings in table 4, it is evident that multicollinearity does not manifest any symptoms. We can draw a conclusion from the tolerance values of 0.701 > 0.10 for both pricing and service quality. While the VIF values for price and service quality are both 1.427 < 10.

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

Heteroskedasticities Test



Source : IBM SPSS 25, 2022

Figure 2. Heteroskedasticities Test Results

This study appears to be free of any evidence of heteroscedasticity, as indicated by the image of the heteroscedasticity test results with a pattern formed from a scatter plot diagram that is dispersed and does not make a distinctive pattern.

Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-0.678	3.345		- 0.182	0.856
	Price	0.684	0.119	0.498	5.768	0.000
	Service Quality	0.319	0.095	0.292	3.377	0.001
a. Dependent Variable: **Purchasing Decision**						

Source : IBM SPSS 25, 2022

From the table above, the multiple linear regression equation can be formulated, namely : **Y = - 0.678 + 0.684 (X1) + 0.319 (X2)**.

If the purchase decision (Y), the dependent variable, is 325, the results of the equation are interpreted as a constant value of -0.678. This is based on the

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

explanation of the multi-linear equation that was previously provided. Price regression coefficient has a 0.684 influence on purchase decisionsThe Purchase Decision will be affected by 0.648 units if the price variable goes up by one unit. The Purchasing Decision variable receives a 0.319 contribution from the Service Quality Regression Coefficient. The Purchase Decision is impacted by 0.319 units for every unit that the Service Quality variable increases.(Hidayat et al., 2021)

Coefficient of Determination Test (R^2)

Table 6. Coefficient of Determination Test Results (R^2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.702[a]	.493	.482	3.681
a. Predictors: (Constant), **Service Quality, Price**				
b. Dependent Variable: **Purchasing Decision**				

Source : IBM SPSS 25, 2022

The coefficient of determination, or R2, is 0.702, as may be shown. According to this finding, Service Quality, an independent variable, may account for 49.2% of the dependent variable, Purchase Decision, while other variables not included in this model can account for the remaining 50.8%.

T-test

Table 7. T-test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	- 0.678	3.727		- 0.182	0.856
	Price	0.684	0.119	0.498	5.768	0.000
	Service Quality	0.319	0.095	0.292	3.377	0.001
a. Dependent Variable: **Purchasing Quality**						

Source : IBM SPSS 25, 2022

According to the aforementioned table, it can be inferred that the price variable (X1) has a significant value of 0.000 < 0.05 and a t-count value of 5.768 > for each independent variable. According to the summary of t table 1.660, the price variable (X1) significantly affects the purchasing decision

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

variable. (Y). The significant value is 0.001 0.05, and the t-count value for the service quality variable (X2) is 3.377>t table 1.660. According to the description, the service quality variable (X2) has a considerable impact on the purchasing choice variable (X2).

F-test

Table 8. F-test Results

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1276.321	2	638.161	47.085	0.000[b]
	Residual	1314.679	97	13.553		
	Total	2591.000	99			
a. Dependent Variable: **Purchasing Decision**						
b. Predictors: (Constant), **Service Quality, Price**						

Source : IBM SPSS 25, 2022

The table above shows that the significant values for the impact of pricing (X1) and service quality (X2) on purchasing decisions are f count 47,085 > f table value (2;97) = 3.09 and 0.000 < 0.05. (Y). This shows that Ho3 is rejected whereas Ha3 is approved, proving that price (X1) and service quality (X2) have a significant influence on purchasing decisions (Y).

CONCLUSION

The price variable has a significant positive impact on the purchasing decision variable, and it follows that the higher the price the company offers, the more likely it is that a customer will make a purchase. Based on the outcomes of the debate that was held, this conclusion was reached. The relationship between the Service quality and Purchase Decision variables is considerable and positive, and it can be deduced that the greater the Purchase Decision, the better the Service Quality. The purchase choice variable's t-test results in a tcount of 3.377 and a significant value of 0.001, which is less than 0.05, supporting this claim. This beneficial effect suggests that the buying decision will be more favorable the better the service quality.

Purchase decisions are positively and significantly impacted when price and service quality are considered together. F calculated has a

ISSN: 2622-5778 (online)
Advances in Transportation and Logistics Research
http://proceedings.itltrisakti.ac.id/index.php/altr

significant value of 0.000 and is 47,085 in number. Based on this data values, 0.000 < 0.05 is the significant value. And it can be deduced from the study that the pricing variable has a stronger influence than the buy choice variable.

REFERENCES

Hidayat, O. H., Erson, R. A., Lesmini, L., & Indriyati. (2021). THE EFFECT OF PPKM POLICY AND SERVICE QUALITY ON PASSENGER SATISFACTION OF BATIK AIR IN THE COVID-19 PANDEMIC 2021. *Advances in Transportation and Logistics Research*, 385–398.

Kelly, T. P. M. F. (2020). Manajemen Pemasaran. *Angewandte Chemie International Edition, 6(11), 951–952.*, *8*(2), 68–78.

Kotler, P., & Armstrong, G. (2008). Prinsip-prinsip pemasaran jilid 1 edisi 12. *Jakarta: Erlangga*.

Nursam, N. (2017). Manajemen Kinerja. *Kelola: Journal of Islamic Education Management*, *2*(2), 167–175. https://doi.org/10.24256/kelola.v2i2.438

Sopiyan, P. (2022). Pengaruh Digital Marketing dan Kualitas Pelayanan Terhadap Keputusan Pembelian. *Coopetition : Jurnal Ilmiah Manajemen*, *13*(2), 249–258. https://doi.org/10.32670/coopetition.v13i2.1057

Sulastiyono, A. (2011). *Manajemen penyelenggaraan hotel*.

Tjiptono, F., & Chandra, G. (2012). Pemasaran Strategik, Edisi 2, Yogyakarta, CV. *Andi Offset*.

Zulaicha, S., & Irawati, R. (2016). Pengaruh Produk dan harga terhadap keputusan pembelian Konsumen di Morning Bakery Batam. *Inovbiz: Jurnal Inovasi Bisnis*, *4*(2), 123–136.