

THE EFFECT OF SERVICE QUALITY AND PRICE ON CITILINK INDONESIA'S CUSTOMER SATISFACTION AT HALIM PERDANA KUSUMA AIRPORT IN 2023

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Abstract: As a sub business unit (SBU) of PT Garuda Indonesia, Citilink Indonesia is a service provider for low-cost airlines on point-to-point flying routes. In addition, Citilink Indonesia offers LCC services. After being founded in 2001, Citilink Indonesia started flying the Fokker 28, a plane with 65–85 passengers, which was previously operated by Garuda Indonesia. The idea and goal of the research in this Grost Log is to ascertain the cost and level of service that will satisfy customers at Halim Perdana Kusuma Airport for Citilink Indonesia in 2023. This study employs a quantitative descriptive methodology and uses primary and secondary data, with secondary data coming from questionnaires and secondary data from books, journals, and company data being good sources. Likert scale weighing, descriptive statistics, regression analysis, correlation coefficient analysis, determination coefficient analysis, and simple and multiple hypothesis testing were among the data analysis techniques employed.

Keywords: *Service Quality, Price, Facilities, Customer Satisfaction*

Background

Transportation is now a necessity for the Indonesian people in carrying out daily activities, one of the transportation that has experienced an increase in the number of users from year to year is air transportation. Generally, air transportation is used for various needs, including for work, vacation, study, and for certain events organized by a country. In using air transportation services, passengers can determine which type of service will be used during the flight.

In air transportation, there are three types of services provided by airlines, namely full service, medium service, and low cost carrier (LCC). Full-service airlines prioritize the service provided to their passengers. Medium service airlines do not prioritize the service and price provided to passengers. Meanwhile, low cost carriers, often referred to as Budget Airlines or Discounter Carriers, are airlines that prioritize prices to a minimum by reducing some of the services provided, especially during flights in order to reduce operating costs. Low cost carriers eliminate their services, namely by eliminating catering, minimizing reservations which makes reservations simpler with the help of IT technology.

Citilink Indonesia is a service company engaged in air transportation that also applies low cost carriers, where Citilink Indonesia is a sub business unit (SBU) of PT Garuda Indonesia, Citilink Indonesia serves point-to-point flight routes with low cost carrier (LCC) services. Citilink Indonesia was established in 2001 and began operating using the aircraft that was once used by Garuda Indonesia, namely the Fokker 28 with a capacity of 65-85 seats. Citilink's first flight was held on July 16, 2001 on the route Surabaya as the departure

point, Tarakan as the destination. At the moment, Citilink is flying 62 aircraft: 41 Airbus A320-200 aircraft with 180 seats; 10 Airbus A320neo aircraft with 180 seats; 2 Airbus A330-900neo aircraft with 365 seats; ATR 72-600 aircraft with 70 seats; 1 Boeing 737-300 aircraft with 110 seats; and 1 Boeing 737-500 aircraft with 96 seats. Citilink only provides basic services to customers in order to reduce the costs charged to customers so that they can offer low-cost flights. Simplifying the ordering and purchasing procedures is one of the ways taken by Citilink, besides that it also introduces online-ticketing which is a new distribution channel that has been implemented since 2001. Citilink Indonesia does not provide food or entertainment in its flight services to reduce costs.

Citilink Indonesia in running its business has experienced quite rapid development in the field of aviation services. This development creates its own image of the quality of services provided by Citilink. The image of good service quality can be seen from the perspective of customers or the community, so to be able to create good service quality requires perception from customers.

The facilities provided by Citilink Indonesia are not optimal from the customer's point of view, such as the manual check-in system which often experiences disruptions that cause the boarding process to take longer which ultimately causes flights to be late. This causes inconvenience for customers who are waiting for the check-in process. Frequent disruptions in the system sometimes make customers have to wait longer in the check-in and boarding process. In addition, the limited manual check-in system available results in customers sometimes having to wait for the system to be repaired.

Given the presence of rivals or competitors operating in related industries, Citilink Indonesia is able to identify the factors influencing customer satisfaction and consistently innovates to satisfy their wants. One factor that might meet client expectations is the appropriateness of the services offered in relation to the agreed upon price. Good customer service has a big impact on how customers view a business. Furthermore, the pricing element influences how a business is operated.

The number of companies that offer similar services requires Citilink Indonesia to always pay attention to every service and price provided. In addition, Citilink Indonesia must also always study the market situation, how competitors can provide affordable prices with services that can meet customer expectations. In marketing its services, Citilink Indonesia must set the right price according to customer wishes, but in reality the price offered by Citilink Indonesia is still somewhat more expensive than other low cost carrier airlines.

To meet customer satisfaction, the company must also pay attention to the prices offered to customers and what will be obtained with these prices. Price is an important factor for companies to earn profits and also to attract customers. Every company tries to set prices that can be reached by consumers to be more. To meet customer satisfaction, companies must also pay attention to the prices offered to customers and what will be obtained with these prices. Price is an important factor for companies to earn profits and also to attract customers. Every company tries to set a price that can be reached by consumers so that it is more.

Because there is no research that is able to prove the quality of service and prices provided by Citilink Indonesia which will later produce customer satisfaction. So the researcher is interested in being able to prove the extent to which customers are satisfied or not with the quality of service and prices provided by Citilink. Based on this description,

this researcher chose the title **"THE EFFECT OF SERVICE QUALITY AND PRICE ON CITILINK INDONESIA'S CUSTOMER SATISFACTION AT HALIM PERDANA KUSUMA AIRPORT IN 2023"**

Research Questions

1. Does service quality affect Citilink Indonesia's customer satisfaction ?
2. Does price affect Citilink Indonesia's customer satisfaction ?
3. Does service quality and price affect Citilink Indonesia's customer satisfaction ?

Research Objectives

1. To find out the effect of service quality on Citilink Indonesia's customer satisfaction.
2. To find out the effect of price on Citilink Indonesia's customer satisfaction.
3. To find out the effect of service quality and price on Citilink Indonesia's customer satisfaction.

Literature Review

Quality of Service

A service company is obliged to maintain the quality of service offered above competitors and greater than what is reflected by customers. The business must also understand what consumers desire from the goods and services it provides. Tjiptono (2011) translated Lovelock-Wright's 2011 statement, which reads, "Service quality is the level of excellence of products and services that are expected of that level of excellence to meet consumer desires." Customers will accept services provided if they meet their expectations. Service quality, as defined by Tjiptono, 2011 (Rohaeni & Marwa, 2018), is an endeavor to satisfy customer needs in terms of both goods and services and the precision of their delivery to balance client desires. According to the experts' interpretation, if the quality of a service is defined as meeting the needs of the client, then this may be attributed to the superiority of the product or service in matching the dream, thereby satisfying the customer's will.

Quality of service according to Kotler, 2008 (Lubis et al., n.d.) is an ability that can be offered by one person to another. This ability can be in the form of activities that are intangible and do not have an impact on the ownership of any goods and to anyone. Special value is service, which is an activity that a trader tries to meet the desires and wishes of customers to consumers. This attitude means the achievement of consumer happiness itself. A service can be tried at the time the customer chooses the product or after the end of the product purchase transaction. Good service quality also wants to share a good impact for the company because it will be a loyal consumer and share profits for the company.

According to Kasmir, 2017 (Eva & Lestari, 2020) explained that good service is the ability of companies to distribute services that can share happiness with consumers according to their needs and desires. This means that consumers will feel more satisfied and continue to increase their transactions or consumption from time to time.

Five dominant factors or determinants of service quality according to Tjiptono (2014:282).

- a. Tangible, is in the form of the appearance of forms, equipment and various visible modules that can be well estimated.
- b. Empathy is *the* willingness of employees to maintain relationships, good communication, individual concern and explanations based on the individual desires of consumers.

- c. Responsiveness, is the desire in the ability of employees to distribute services in a fast and responsive way. The readiness of the employees to meet the wishes of customers with responsiveness and friendliness.
- d. Reliability is the ability to distribute services promptly, carefully, unchangingly, and happily.
- e. Assurance, is the understanding, competence, manners and disposition that can be trusted who have staff regarding the conditions submitted, free from threats, consequences or doubts.

Price

Kotler claims that while the other components of the marketing mix incur expenses, price is essentially one of the components that might create income. Price is one of the four Ps—price, product, place, and promotion—that make up the marketing mix, according to Kotler's revelation. While other components of the marketing mix, such as Product, Place/Channel, and Promotion, entail expenses or responsibilities that must be incurred by a business or business entity, prices for a business or business entity produce profits.

If price is income for entrepreneurs, then from the consumer's point of view, price is an expense or sacrifice that must be spent by consumers to get the desired product to meet the needs of the consumer. For entrepreneurs/traders, the price is easiest to adjust to market conditions while other elements such as product, place.

according to (Marlina Wijayanti, Saidani, and Fadillah Fidhyallah 2021) One factor that affects a business's ability to succeed is its price, as it establishes the amount of profit the enterprise will receive from the sale of its goods and services. Price is also a determinant of the creation of sales, and will always be associated with the financial ability of consumers Price is the value of a product or service in nominal form or other aspects that must be sacrificed by consumers to get a desired product or service, and price is the only element of the marketing mix that brings revenue to the company.

According to Kotler and Armstrong (2008:345) there are four indicators that characterize prices, namely:

1. Affordability.
2. Suitability of price with the quality of the product or service.
3. Price competitiveness with competitors.
4. Price compatibility with benefits

Customer Satisfaction

The degree of a person's emotions following an assessment of the ability or outcomes that meet their expectations is known as satisfaction. Hutasoit (Rohaeni & Marwa, 2018) stated that the capacity to characterize service quality is the appropriateness and a portion of the capacity to be used from the complete characteristics of the product and service held in satisfying the needs and desires of customers with attributes and features that comprise: concrete proof, attention to detail, responsiveness, dependability, and assurances. be let down. The client will be happy if the ability matches the dream. Dreams of consumers can be shaped by their prior experiences, the views of their families, and the specifications and information provided by competitors and marketers. Customers that are happy with a brand will stick with it longer, be less price-sensitive, and have positive opinions about it.

Kotler (Pontoh et al., 2014) states that satisfaction is the feeling of a person who is

satisfied or the opposite after comparing the truth and dreams obtained from a product or service. The meaning of happiness is the customer's reaction or assumption regarding the fulfillment of desires. Happiness is the evaluation of the characteristics or privileges of a product or service, or the product itself, which provides a level of customer happiness in relation to the venting of consumer desires Zeithaml & Bitner, 2000:75 (Pontoh et al., 2014)

According to (Tjiptono and Chandra 2016) satisfaction comes from the Latin "Satis" which means quite good, adequate and "Facio" which means to carry out or make. In a simple way, happiness can be referred to as an effort to fulfill something or make something sufficient.

Based on the definitions above, it can be concluded that Customer Satisfaction is the result of a customer's evaluation of the services they use in terms of meeting needs. The aspect seen is from the side of consumer expectations where expectations arise when consumers are satisfied with previous services or get information from people around them about the service. In addition, the actual performance of the company (employees) is also an aspect where consumers will assess whether the company's performance is in accordance with what is cooled and needed by consumers.

Customer satisfaction has several dimensions, which are:

- a. Stay loyal, consumers who are satisfied with a product want to become loyal and that consumer wants to buy back from the same manufacturer.
- b. Buying the company's latest products and updating products, because satisfied consumers have the willingness to buy the products offered because there is a willingness to repeat the experience gained after consuming the product. Not only that, clients want to share recommendations and input to manufacturers so that the company can produce better goods or services.
- c. Recommending products, satisfied consumers want to get motivation to communicate by word of mouth with positive characteristics about the company and its products to others. This can be in the form of advice to other potential consumers.
- d. Less careful about competitor brands and less sensitive to prices, consumers want to pay more for the company because they are confident in the company. They have a perspective that the price is bigger so the quality is also greater.

Of the 4 (four) dimensions above, each dimension has its own indicators. Among them are as shown below:

- a. Products meet or exceed expectations
- b. Service meets or exceeds expectations
- c. Interested in using the product
- d. return because the service provided is satisfactory
- e. Recommend to friends or family for satisfactory service
- f. Suggest to friends or family because the product has its own value or benefits

Research Outline

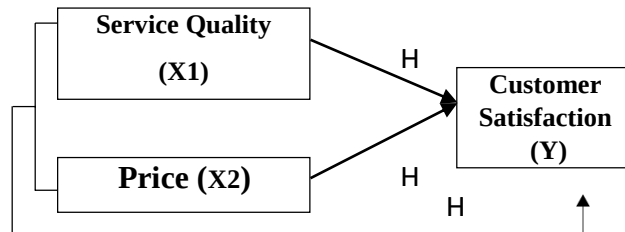


Figure 1 Research Outline

Method

The research used is quantitative. This research, first of all, is to collect data and theory, then conduct data analysis. The technique used for data collection is to distribute questionnaires. Documents related to this research were taken from Citilink customers.

The sample taken in this study is the entire Citilink user community as many as 91 respondents. The sampling technique used is the Cochran formula method, which is because the population of members is not known for its exact number.

$$n = \frac{Z^2 pq}{e^2}$$

n : Number of samples required

Z : The level of confidence required in the sample, which is 95%

p : 50% Chance of Correct

Q : 50% Chance of Error

Moe : *Margin of Error* or the maximum level of error that can be tolerated.

The level of confidence used is 95% where the Z value is 0.95 and the maximum error rate is 5%. The number of sample sizes in this study is as follows:

$$n = \frac{(0,95)^2(0,5)(0,5)}{0,05^2}$$

$$n = 90,25$$

From the results above 90.25 So that the number of samples in this study is 91 respondents. The subjects in this study are service users from Citilink. The population of this study is all Citilink customers, and in the sample there are 91 respondents.

Discussion and Result

Analysis of Service Quality (X1) and Price (X2) on Customer Satisfaction (Y)

Table 1 Results of Multiple Linear Regression Analysis

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		t	Mr.
		B	Std. Error	Beta			
1	(Constant)	5,712	1,961			2,913	,005
	X1	,272	,099	,219		2,742	,007
	X2	,508	,061	,662		8,310	,000

a. Dependent Variable: Y

Source : Data has been processed by the author using spss 26

Obtained from the regression coefficient above, a regression equation can be made as follows: $Y = 5.712 + 0.272 X_1 + 0.508 X_2$.

The multiple linear regression equation means that every increase in the implementation score on Variable X_1 (Service Quality) of 0.272 will be followed by an increase in Y (Customer Satisfaction). Every 1 unit increase in the score for the X_2 (Price) variable of 0.508 will be followed by an increase in Y (Customer Satisfaction). From the equation above, the value of Y will be 5.712.

Table 2 Results of Multiple Correlation Coefficient Analysis

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,819a	,671	,663	1,841	1,930

a. Predictors: (Constant), X_2 , X_1

b. Dependent Variable: Y

Source : Data has been processed by the author using spss 26

The results of the calculation showed that the correlation coefficient of 0.819 stated that the three variables had a strong and positive linear relationship according to the table of correlation levels and relationship strength.

Table 3 Results of Determination Coefficient Analysis

Model Summary^b

	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,819a	,671	,663	1,841	1,930

a. Predictors: (Constant), X_2 , X_1

b. Dependent Variable: Y

Source : Data has been processed by the author using spss 26

It can be known that the adjusted determination coefficient or (r^2) is 0.671. This result means that the independent variables (Service Quality and Price) can explain 67.1% of the dependent variables, namely (Customer Availability), while the remaining 32.9% are explained by other variables that are not included in this model.

Table 4 T Test Results

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	
		B	Std. Error	Beta	t
1	(Constant)	4,436	2,603		1,704
	X_1	,795	,102	,640	7,810

a. Dependent Variable: Y

Source : Data has been processed by the author using spss 26

The tcount value for Service Quality is 7.810 while the ttable value is 1.987 So it can be known that the tcount is $7.810 > t_{table} 1.987$ and the significance value is $0.000 < 0.05$. So the hypothesis that reads is that there is a positive and significant influence between Service Quality and Customer Satisfaction.

Table 5 T Test Results

Coefficients ^a					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	10,097	1,176		8,583
	X2	,615	,049	,801	12,570

a. Dependent Variable: Y

Source : Data has been processed by the author using spss 26

the tcount value for the price is 12,570 while the ttable value is 1,987. So it can be known that the calculation of $12,570 > t_{table} 1,987$ and the significance value is $0.000 < 0.05$. So the hypothesis that reads is that there is a positive and significant influence between Price and Customer Satisfaction

Table 6 Test Results F

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Mr.
1	Regression	600,981	2	300,490	88,613	,000b
	Residual	295,019	87	3,391		
	Total	896,000	89			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Source : Data has been processed by the author using spss 26

If $F_{cal} > F_{table}$, then H_a is accepted, meaning that the independent variable simultaneously has a significant influence on the independent variable. The value of the F_{table} can be searched by the equation $df_1 = \text{number of independent variables}$; This means that $df_1 = 2$, while $df_2 = n - k - 1$; $(90 - 2 - 1)$; $df_2 = 87$. Using the significance of 5% (0.05) seen in table F in column 2 row 87, which is 3.10. So it can be concluded that $F_{cal} > F_{table}$ ($88.613 > 3.10$) and the significance value of $0.000 < 0.05$ so that H_0 is rejected and H_a is accepted. The Service Quality (X1) and Price (X2) variables had a significant and simultaneous positive effect on the Customer Satisfaction Variable (Y).

Conclusion

Based on the results of the discussion of Chapter IV regarding the Influence of Service Quality and Price on Customer Satisfaction at PT Citilink Indonesia, the following conclusions can be drawn:

The results of the t-test showed that the relationship between service quality and customer satisfaction was positive and significant. Likewise with price variables with customer satisfaction. The F test also shows that service quality and price simultaneously have a positive and significant effect on customer satisfaction. All null hypotheses are rejected and alternative hypotheses are accepted. This shows that the quality of service and price can significantly affect customer satisfaction.

Suggestion

1. For further research, researchers are advised to use several other variables that can influence the buying interest of a company. Other variables such as the Quality of the Waiter or *brand image*
2. For further research, it is recommended to use the mix method so that the results of quantitative research can be strengthened by qualitative research results.

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