EFFECT OF SERVICE FEATURES, PRICE, AND SERVICE QUALITY ON ONLINE CUSTOMER SATISFACTION
(STUDY ON INDRIVE APPLICATION SERVICE USERS IN BANDUNG)

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ABSTRACT

The objective of this study is to ascertain how service features, price, and service quality affect online customer satisfaction in Bandung with the inDrive application service. This study employed a quantitative methodology that included a descriptive and verification approach. Customers who use the inDrive application service can acquire primary and secondary research data by distributing questionnaires to them. One hundred responders served as the sample. The probability sampling technique was employed in this study for the sampling procedure. Descriptive analysis, multiple linear regression testing, correlation coefficient analysis, determination coefficient analysis, hypothesis testing, and the classical assumption test are the data analysis techniques that are employed. According to descriptive research findings, respondents' answers to the questions about service features (X1), price (X2), and quality (X3) produced comparatively. The study's findings show that service factors have a major impact on customer happiness, at least in part. Additionally, studies show that price plays a significant part in determining consumer satisfaction to a certain degree. For the time being, it seems that service quality has no effect on customer satisfaction.

Keywords: service features, price, service quality, customer satisfaction, inDrive

INTRODUCTION

The existence of Online Transportation can help the community in support activities, the services provided can not only be used for passenger transport, but also for delivery services, food delivery or even shopping. The ordering process is relatively simple, just by using a smartphone and having an Internet connection, the application can be used. At the same time, however, the emergence of the phenomenon of online transport was met with controversy, as its existence was seen as competing with other forms of public transport, thereby reducing their revenues. However, despite the advantages and disadvantages, online transportation is still in widespread use, and people have their own reasons to choose online transportation over other means of transportation (Figure 1).
inDrive is a ride-hailing company based in Mountain View, California, United States. So far, it is recorded to operate in about 45 countries worldwide, including Indonesia. inDrive's services include motorcycle, car, courier, intercity, 20+kg and moving.

As a result, competition between online transport apps has become increasingly fierce, as evidenced by their percentage of users (Figure 2).

Figure 2 shows the results of the most popular online transportation companies. From this data, inDrive has the lowest percentage of online transportation services used by the community, this is why researchers want to investigate, which means many customers choose Go-Jek, Grab and Maxim. This is supposed to be one of the reasons for satisfaction. Satisfaction is one of the reasons that customers choose these companies, if the experience is not good after using these companies, the customer will not choose these companies.

Based on the above data, researchers conducted a customer satisfaction survey of 30 online transportation users with the following results.

Figure 3 shows the results of online transportation customer satisfaction, and other online transportation services, inDrive ranks the lowest in satisfaction.

According to several research findings, a few elements, including service features, have an impact on
customer satisfaction (Rukani and Marlena (2021), Syahputri, et al, 2023). Additionally, studies by Santosa and Mashyuni (2020) and Maharani and Alam (2022) find that service quality has a favorable effect on customer satisfaction, while studies by Darmawan et al. (2020) and Syahidin (2022) suggest that price has a partial effect on customer happiness. This study's goal is to ascertain and analyze how service features, price, and service quality affect inDrive users’ customer satisfaction considering these circumstances.

LITERATUR REVIEW

Customer Satisfaction
Kotler and Keller (2018) define satisfaction as the degree to which an individual feels satisfied or dissatisfied with the way a product or service performs in relation to their expectations. Indicators of customer satisfaction as stated by Kotler and Keller (2018) are
1. Loyalty
2. Buy new company products and renew products
3. Recommend products
4. Paying less attention to competing brands

Service Features
According to Tjiptono (2014), features are product-specific components that can be added or subtracted without changing the essential product characteristics. Based on this definition, the indicators of service features are
1. Simple access to product details
2. Variety in transaction services offered
3. Variety of characteristics
4. Innovation in products

Price
Prices are "the sum of money charged for a product or service, or the value consumers exchange for the benefits of ownership or use of a product or service," according to Kotler and Armstrong (2018). Kotler and Armstrong's (2018) dimensions and pricing indicators are as follows.
1. The affordability
2. Pricing as well as product quality compatibility
3. Cost-benefit compatibility
4. Competitive pricing

Service Quality
According to Kotler & Keller (2016), a service quality model compares expected services with felt or received services to characterize
customer circumstances in terms of service expectations based on prior experiences, word-of-mouth, and advertising. As a result, the Kotler & Keller (2016) dimensions and indicators of service excellence include:

1. Reliability
2. Responsiveness
3. Assurance
4. Empathy
5. Physical evidence

**RESEARCH METHOD**

The study's research methodology involves quantitative techniques. Interview and questionnaire survey techniques used in this study (Riduwan, 2015). The study population was residents of Bandung City. They were aged between 17 and 50 years. In this study, the sample size of 100 respondents was chosen because it provides a reasonably accurate representation of the overall population. Furthermore, it is thought that having 100 responders is adequate to get meaningful results. Samples are taken from consumers who have been using inDrive online transport services more than twice in Bandung City Sampling technique used Purposive sampling.

Descriptive analysis was used to identify the data collected, which was then processed and analyzed to reach a conclusion (Sugiono, 2017). While verification analysis aims to test theories and hypotheses to reach an inference, whether to accept or reject hypotheses. Classical hypothesis testing, multiple linear regression analysis, multiple correlation analysis and coefficient of determination were employed to examine the data in this research.

**RESULT AND DISCUSSION**

The descriptive analysis's findings show that the customer satisfaction variable falls into the lower satisfaction category, then the service features variable falls into the lower quality category, then the price variable falls into the lower price category and the service quality variable falls into the lower service quality category.

A multiple linear regression approach was applied in this study's data analysis. Therefore, a classic assumption test was performed to meet the criteria for a suitable regression
equation. The outcomes are listed below.

**Test of Normality**

The regression equation is said to be good if the independent and dependent variables are close to normal or normally distributed (Table 1).

**Table 1. Normality Test**

<table>
<thead>
<tr>
<th>One-Sample Kolmogorov-Smirnov Test</th>
<th>Unstandardized Residual</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>100</td>
</tr>
<tr>
<td>Normal Parameters a(^b)</td>
<td></td>
</tr>
<tr>
<td>Mean</td>
<td>.0000000</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>3.0964425</td>
</tr>
<tr>
<td>Absolute</td>
<td>.062</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
<td></td>
</tr>
<tr>
<td>Positive</td>
<td>.036</td>
</tr>
<tr>
<td>Negative</td>
<td>-.062</td>
</tr>
<tr>
<td>Test Statistic</td>
<td></td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>.062</td>
</tr>
<tr>
<td>(2-tailed)</td>
<td>.200 (^cd)</td>
</tr>
</tbody>
</table>

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of true significance.

Table 1’s One-Sample Kolmogorov-Smirnov Test indicates that the Asymp Sig. (2-tailed) significance value for each study variable is 0.200; this value is more than 0.05, indicating that the test findings for normality have been fulfilled and the data are distributed normally.

**Heteroscedasticity Test**

The purpose of this test is to determine if the regression model exhibits inequality of variance between variables (Figure 4).

![Figure 4. Scatterplot Chart](image)

Figure 4 shows that all the data are scattered and there is no pattern in the data. In addition, the data are dispersed above and below the y-axis's zero point. Therefore, there are no signs of heteroscedasticity in the research's data.

**Multicollinearity Test**

The test was to see if the independent variables and the regression model showed any correlation (Table 2).

**Table 2. Multicollinearity Test**

<table>
<thead>
<tr>
<th>Coefficients *</th>
<th>Unstandardized</th>
<th>Standardized</th>
<th>Collinearity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 (Const)</td>
<td>3.87</td>
<td>1.810</td>
<td>2.142</td>
</tr>
<tr>
<td>Service</td>
<td>.224</td>
<td>.108</td>
<td>.206</td>
</tr>
<tr>
<td>Feature</td>
<td>.356</td>
<td>.128</td>
<td>.317</td>
</tr>
<tr>
<td>Price</td>
<td>.047</td>
<td>.111</td>
<td>.044</td>
</tr>
<tr>
<td>Service quality</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer satisfaction

It is possible to conclude that there are no signs of multicollinearity among
the independent variables based on the test results.

**Linearity Test**

This test determines the linearity of the data, whether the two variables have a linear relationship. A straight line connecting the independent and dependent variables indicates high-quality data.

Table 3 presents the findings of the linearity test conducted on the independent variables (service features, price and service quality) related to the dependent variable (customer satisfaction).

<table>
<thead>
<tr>
<th>Deviation of Linearity</th>
<th>Sig</th>
<th>Linear</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service feature ( \rightarrow ) Customer Satisfaction</td>
<td>0.309</td>
<td>0.05</td>
</tr>
<tr>
<td>Price ( \rightarrow ) Customer Satisfaction</td>
<td>0.595</td>
<td>0.05</td>
</tr>
<tr>
<td>Service quality ( \rightarrow ) Customer Satisfaction</td>
<td>0.007</td>
<td>0.05</td>
</tr>
</tbody>
</table>

The varied service features \( (X_1) \) linearity test results on the variable customer satisfaction \( (Y) \) show the linearity value of \( 0.309 > 0.05 \), which means the relation between service features and customer satisfaction is linear.

It can also be argued that there is a linear relationship between price and customer satisfaction because the linearity test of pricing \( (X_2) \) on customer satisfaction \( (Y) \) yields a significant linearity result of \( 0.595>0.05 \). Nonetheless, the linearity value is \( 0.007<0.05 \) according to the findings of the linearity test of the service quality variable \( (X_3) \) on the customer satisfaction variable \( (Y) \).

Furthermore, the outcomes of regression analysis in the form of regression equations explaining this research model as a predictive function of variable service feature, price and service quality on customer satisfaction (Table 4).

**Table 4. Multiple regression**

<table>
<thead>
<tr>
<th>Coefficients</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>Unstandardized Coefficients</td>
</tr>
<tr>
<td>L</td>
<td>Constant</td>
</tr>
<tr>
<td>L</td>
<td>Service feature</td>
</tr>
<tr>
<td>L</td>
<td>Price</td>
</tr>
<tr>
<td>L</td>
<td>Service quality</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer satisfaction

The multiple linear regression equation used in this investigation is as follows, based on Table 4.

\[ Y = 3.877 + 0.224X_1 + 0.356X_2 + 0.047X_3 \]

The following is explained based on the regression equation that was found.

1. The constant's value is positive, indicating that the movement of the dependent variable and the
independent variables are correlated only in one direction. Customer Satisfaction (Y) performance value is 3.877 if all independent variables have a value of 0% or are unchanged.

2. Customer satisfaction (Y) is positively impacted by the regression coefficient for service features (X₁), which is 0.224. This indicates that customer satisfaction (Y) will rise by 22.4% if service features (X₁) improve by 1%.

3. The regression coefficient for price (X₂) of 0.356 exhibits a positive relationship between the movement of the dependent variable and the independent variable, i.e., a 1% rise in price (X₂) will raise customer satisfaction by 35.6% (Y).

4. The regression coefficient for service quality (X₃) of 0.047 positively affects customer satisfaction (Y), meaning that a 1% increase in service quality (X₃) increases customer satisfaction (Y) by 4.7%.

Next, this study conducted data analysis related to the analysis of the coefficient of determination. It's the correlation coefficient squared or also known as the R-square. Its purpose is to determine to what extent a model can explain variations in a dependent variable. In this study, the analysis was carried out to explain the ability of the independent variables (service features, price and service quality) in the explanation of the variable customer satisfaction as a dependent variable (Table 5).

Table 5. Coefficient Determination Analysis

<table>
<thead>
<tr>
<th>Model Summary²</th>
<th>R</th>
<th>Adjusted R Square</th>
<th>Estimate</th>
<th>Change</th>
<th>F</th>
<th>df1</th>
<th>df2</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>.404</td>
<td>.188</td>
<td>3.444</td>
<td>213</td>
<td>0.038</td>
<td>3</td>
<td>99</td>
<td>.000</td>
</tr>
</tbody>
</table>

Table 5 reveals that the R-squared value is 0.213, indicating that there is a 21.3% ability for the change in the variables of prices, service quality, and service features to explain consumer satisfaction as a dependent variable. This indicates that the independent variables that are left out of the research's model vary by 78.7%.

This study involves hypothesis testing. Hypothesis testing allows researchers to use sample data to draw conclusions about a population. Whether or not the hypothesis can be accepted or rejected is determined in this step. Hypotheses are tested partly using the t-test (Table 6) and
simultaneously using the F test (Table 7). The following is what comes out of the hypothesis test.

Table 6. T Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>3.877</td>
<td>1.810</td>
<td>.206</td>
</tr>
<tr>
<td></td>
<td>Service feature</td>
<td>.224</td>
<td>.108</td>
<td>.206</td>
</tr>
<tr>
<td></td>
<td>Price</td>
<td>.356</td>
<td>.118</td>
<td>.317</td>
</tr>
<tr>
<td></td>
<td>Service quality</td>
<td>.047</td>
<td>.111</td>
<td>.044</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer satisfaction

Table 6 explains that, with a significant level of 0.042, the t-counts of 2.065 for service features ($X_1$) is higher than the t-table value of 1.98498. This indicates that, at least in part, service features have a significant impact on customer satisfaction ($Y$).

A service feature is an element unique to a product that can be increased or decreased without affecting the fundamental qualities of the product in question (Tjiptono, 2014, p.11). Customer satisfaction is impacted by service features, based on the research. This implies that a comprehensive service feature will impact customer pleasure; that is, a variety of services within an application will make users happy, which will generate a favorable impression that will further develop conditions that will satisfy users.

The rationale presented above aligns with a previous investigation conducted by Maharani & Iskandar (2022), and Syaputri et al. (2023) which scrutinized the impact of location, prices, and service features on customer contentment transactions on the "Modern Fastpay Store" application. Customer satisfaction is impacted by service features according to the survey.

Customer satisfaction will be impacted by every aspect of the Service thoroughly. This is since a service feature is a particular aspect of a good or service that can be modified or changed to create a range of desirable goods or services. When comparing the performance of a perceived product or service, this becomes an individual point of assessment for every customer. Users will be delighted if the service features live up to their expectations. The customer will, however, be dissatisfied if the service features are not performed in a way that meets their expectations if they are not provided in line with their expectations.

Furthermore, Prices ($X_2$) obtained a t-counts of 3.004 or greater than the t-table value (1.98498) with a significant level of 0.003. Thus, it may be said that
a considerable portion of customer satisfaction (Y) is influenced by pricing (X2).

Kotler & Armstrong (2018:308) define price as the overall value that the buyer has given up in exchange for the benefits of owning the good or service. Price is frequently used to measure the perceived worth of an item or service; thus, it follows that optimum customer satisfaction would occur at a given price point where the benefits that the client receives, and experiences are greater.

This condition explains that the price is used as an indicator of value associated with the perceived benefit of a good or service. This study's findings are consistent with those of studies by Syahidin (2022) and Maharani & Nature (2022), which found that customer satisfaction is influenced by prices.

Price is what customers are willing to pay for the advantages of owning and utilizing a good or service, and it is determined by marketers. Considering this, pricing is frequently used as a value indicator, through price being correlated with the benefits that customers experience from a good or service. This leads to the conclusion that, at a particular price point, if customers perceive greater benefits, this will result in higher levels of customer satisfaction. We can conclude that if customers perceive and receive greater benefits at a particular price point, this will lead to increased customer satisfaction.

In the meantime, the service quality (X3) t-value has a significant value of 0.669 and is 0.429, which is less than the t-table value of 1.98498. These findings suggest that there is no discernible relationship between partial service quality (X3) and customer satisfaction (Y).

As defined by Kotler & Keller (2016:440), the Quality-of-Service model compares the service that customers expect from advertisements, word-of-mouth promotions, and past experiences with what they really receive or feel. This allows the model to explain consumer circumstances. A company's ability to consistently increase customer satisfaction is influenced by the quality of service it offers its clients.

Through examining the services that consumers expect with what they receive or perceive, Kotler and Keller (2016:440) claim that the Quality-of-
Service model demonstrates the state of consumers regarding expectations for services based on prior experiences, promotions from prior experiences, and advertisements. A company's ability to consistently increase customer satisfaction is influenced by the quality of service it offers its clients. Research, however, indicates that consumer pleasure is unaffected by service quality.

This circumstance clarifies why customers evaluate all application-based transportation services equally in terms of service quality. The present circumstances are at odds with the results of a study conducted in Denpasar City by Santosa & Mashyuni (2020), which looked at the impact of promotion and service quality on customer satisfaction at Grab. According to the survey, service quality has a favorable and significant impact on customer satisfaction among Denpasar residents who use Grab Online Transportation Service.

Service quality is the output of the process elements. It is the efforts of marketers in carrying out activities to meet customer needs. Excellent service quality illustrates service to customers that is efficient, effective, understood by customers and delivered as promised.

Based on this, service quality becomes a measure of the extent to which the level of service provided meets the customer's expectations, which in turn will create customer satisfaction.

Simultaneous testing aims to ascertain whether the combination of service features, cost, and quality has a significant impact on customer satisfaction (Table 7).

Table 7. F Test

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Square</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>256.231</td>
<td>3</td>
<td>85.410</td>
<td>8.638</td>
<td>.000b</td>
</tr>
<tr>
<td>Residual</td>
<td>949.209</td>
<td>96</td>
<td>9.888</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1205.440</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

When the obtained F-count value of 8.638 is compared to the F-distribution table of F, Table 7 shows that there is a significant rate (α=0.05, df=100-3-1=96) of 3.20, meaning that 8.638 > 3.20 with a signifying value of 0.000 < 0.05. showing that the three factors of service quality (X₃), prices (X₂), and service features (X₁) all significantly affect customer satisfaction at the same time. (Y)

In accordance with Kotler and Keller (2018:138), satisfaction is the emotion that results from evaluating
how well a perceived product or service performs in relation to one's expectations. If the client is not satisfied with the performance, they will not be satisfied. When a performance surpasses expectations, the client is extremely satisfied or pleased.

According to the findings, service features, reasonable costs, and excellent service all contribute to customer satisfaction and encourage customers to return. Customer satisfaction is directly related to how well a customer feels a product or service performs in relation to their wants and expectations. To satisfy customers, the business must work to offer comprehensive and high-quality services, competitive pricing, and the highest level of service.

This is in line with research by Boimau & Bessie (2021) and Meileny & Wisdom (2020). This indicates that customer satisfaction is positively and significantly impacted by service features, prices, and service quality.

**CONCLUSION**

The research findings revealed that consumer satisfaction fell into the category of insufficient satisfaction based on a descriptive analysis. This clarifies why the client isn't using additional inDrive services since they are unsatisfied with the services they received.

Meanwhile, according to the findings of the price's descriptive analysis, the product was rated as less inexpensive. This circumstance indicates that the inDrive service's price is currently not meeting customers' wants and desires.

In conclusion, the answers provided by the evaluation of the quality of service were downgraded because of the descriptive study's findings. The condition is brought about by a few differences in the tangibility, empathy, dependability, assurance, and responsiveness that customers expect from the delivery of services.

Results from the research indicate that, to a partial extent, service aspects significantly impact consumer satisfaction. Furthermore, research indicates that price has a vital role in influencing client satisfaction to some extent. In the meantime, it appears that customer satisfaction is not significantly impacted by service quality.
It is acknowledged that the mix of Service Features, Price, and Quality of Service affects customer satisfaction, as determined by the outcomes of simultaneous testing. This condition shows how a variety of factors can influence consumer satisfaction. Accordingly, to satisfy customers, the business must have the enterprise to offer full and decent service features, competitive pricing, and the greatest possible service quality.

REFERENCES


