Determining Customer Satisfaction on Telkomsel Card User in Belopa City, Luwu Regency

Ansri Jayanti¹, Tasrim², Nina Fapari Arif³

¹²Economics School of Makassar Maju
³University of Fajar

E-mail: ¹antimici07@gmail.com, ²asrilpalopo@gmail.com, ³ninafapari@gmail.com

A R T I C L E I N F O

Consumer satisfaction is an individual condition who feels the product's performance. Experience arising from using the product as part of consumer expectations. This expectation will lead to a feeling of hopelessness or dissatisfaction with product performance. This study uses expectation disconfirmation theory as a basis for thinking about customer satisfaction. The population in this study were all Telkomsel users in Belopa City, Luwu Regency, and Province of South Sulawesi with a total sample of 286 people. The sampling method used accidental sampling with a questionnaire as the main data collection tool. The data analysis used multiple linear regression analysis. The results showed that product quality, after-sales service and price perception as determinants of Telkomsel card customer satisfaction.

ABSTRACT

1. Introduction

Companies that always focus on customers and business activities to meet customer expectations are evident in the various activities and innovations they carry out in terms of quality, features, products, services and others. They also take a lot of measurements about customer satisfaction with the aim of being able to keep up with the never-ending dynamics of satisfaction. Along with technological advances, customer desires are getting higher. Facing this, companies are also required to offer a level of satisfaction that meets expectations.[1] States that every successful company has its customers on their way. Customers are looking for relevant information about the product they want to buy, especially information about product quality and price [2]. After the purchase, customers will compare the price paid with the expected price [2]. The price offered and the quality of the product are assessed through the price-quality ratio [2]. In creating and enforcing appropriate competitive strategies, we must understand how customer perceptions and their determinants helps brand managers, marketing managers, retail showroom businesses [3],[4] Said that the vital things in successes of a company is customer satisfaction; it is also important to find the factors which influencing on it. Focus on emotional state, customer satisfaction is an aspect of a customer's mood or psychological attitude [5]; [6]. Likewise, the changed of businesses and marketing environment [7] face challenges to ensure their wants[8]. Service quality from customer point of view and service quality as core factors of uncompromising service promise [3]. Like the service industry, a company based on physical products must guarantee the quality of its services. [9]said that product service after sales of tangible goods prefers to operating behavior.

Service companies, whose main product is service, are certainly more vulnerable to customer assessments in terms of their size. Entrepreneurs who work in the service sector are creating a form of maximum service to their customers, and also need to be combined with services such as prices, information provision, discounts and so on. A cycle ends when the customer is satisfied with the service of a service. Customer satisfaction in a business or organization is very important [10]; [11]; [12]. Quality products, better customer service, and a company image satisfy customers [13]. Happy and happy customers will make repurchases and repeat purchases in bulk [10]. Customers whom feel satisfied with the service ready to pay more [14]. This ways allows firm offer better servicein fair prices (Balakrishnan et al., 2013). Attention to aspects of customer satisfaction to address current customer characteristics [3]. Companies in remaining
competitive today, of course, need to pay attention to aspects of product quality, customer attitudes, innovation as a strategy to meet and satisfy various consumer needs [15]; [16]; [17]. Thus, the main focus in this study is concern in seeing the determinants of Telkomsel card user on consumer satisfaction in Belopa City, Luwu Regency is product quality, after-sales service and price perception. This research uses expectation disconfirmation theory by [18] as a basis for explaining the relationship between these variables. The expectation disconfirmation theory define that customers compare actual experiences in using products and services with their expectations. Customer will feel dissatisfied if the proper experience is below their expectations.

2. Literature Review

2.1 Expectation Disconfirmation Theory

Expectation disconfirmation theory (initiated by Oliver in 1977 and developed in 1980) is a theory that uses cognitive assumptions to provide a picture of post-purchase satisfaction[18]. This picture is part of a consumer's expectation of perceived product performance and produces a belief [3]. [19]Say that there are three types of satisfaction, namely natural feelings, confirmation (satisfaction) and dissatisfaction (disconfirmation). The natural feeling of being a part of the customer who receives a product performance according to the standards they expecting. It confirms satisfaction if actual performance is standard feeling. If substantive performance did not meet natural feelings, it will create customer under expectation[3]. Customers in the expectation disconfirmation theory assess their level of satisfaction by comparing expectations with the experiences from product quality, service quality, post evaluation behavior and also customer satisfaction. Previous research conducted by [20] showed different effects of performance. According to the disconfirmation expectation theory, customers expecting benefits or uses of the product and before buying a product. Consumers use or consume the product, compare the previous expectations of the product and performance which in turn compares the expectations with the proper performance received. The expectation appeal confirms customer satisfaction or dissatisfaction. Consumers compare their expectations before buying and after use [3].

2.2 Product Quality and Customer Satisfaction

Many research that discusses consumer behavior uses the satisfaction variable as the main model [21]. The difference between expectations and the real condition of a product's performance triggers feelings of satisfaction and consumer dissatisfaction [18]. [22]States that the expectation of a product's consumption results in a positive response (psychological aspects) called consumer satisfaction. [23]Said that the benefits that consumers receive from the service of a product are compared to the sacrifices that consumers pay as a psychological assessment that shapes consumer satisfaction from product use. If the evident experience (interest) is higher than expected (the sacrifice of the funds they spend), the customer becomes satisfied and vice versa [18]. Cognitive or rational and affective or emotional are two components on consumer satisfactionemotional[24]. Strategies to stay and remain in the business world, companies must pay attention to product performance to produce customer satisfaction [20]. Consumer satisfaction can be generated from the product quality of the company [25]. The article written by [26] states that the quality of food products gives positive attitudes to consumers, such as nutritional content that provides special value to consumer health. Organic and good food products are part of a source of consumer confidence in comparing with conventional products [27]. Thus, the first hypothesis is that product quality is the determinant in creating consumer satisfaction for Telkomsel cards user in Belopa City, Luwu Regency.

2.3 After-sales Service and Customer Satisfaction

Service quality refers to a service provided by the company during the purchase and installation of products and after-sales services (warranty, replacement, cashback, etc.) [3]. With after-sales service, companies can develop sustainable relationships with customers [28]. Maintenance of electronic products and various functions related to after-sales service is very necessary [29], a study shows that the services provided by post-purchase companies show a part of service quality both operationally and physically (product installation) [30]. Service quality (customer point of view) as core factors of uncompromising service promise [3]. Like the service industry, a company based on physical products must guarantee the quality of its services. The company’s production activities, especially those related to physical products, are closely related to services provided by the company after the purchase of products by consumers [9].
Service aspects that are physical occupy an important position in service quality to consumers [29]. The service support provided to electronic products is very much needed [31],[32],[33], and it is found that there is a strong relationship between customer satisfaction and service quality provided by the company. This relationship is positive and statistically significant. Thus, the second hypothesis is that after-sales service is a determinant in creating Telkomsel card user on consumer satisfaction in Belopa City, Luwu Regency.

2.4 Price Perception and Consumer Satisfaction

Price is best defined as "sacrifice", from the customer's point of view, [34]. Research that show that prices can easily become sensitive constructs that can influence customer purchasing decisions [35]; [36]. The price component is the objective price and the price that is perceived [2]. While the price perceived is the price coded by the customer [34]. Customers view a product or service in terms of cost. This can come in several forms, such as the most recently paid price, the most frequently paid price, the bid price, the market price, and also the price installed from the business itself [37]. If a customer is faced with a price that is lower than the reference price, he will likely consider it reasonable; meanwhile, if presented otherwise, he will likely consider it a loss [38]. Price categories in the service industry include prices, tariffs, fees, fees, additional fees, service fees, penalties, price quotes, coupons or price promotions [39]. The definition of a perception of the fairness value of the price of the company's products mentioned in equity theory that it is related to the equation in transactions which can affect the value of customer satisfaction [40]; [34]. Internal customer evaluation as explained in the S-O-R theory states that an acceptable and reasonable price from an organic food menu can determine customer judgment and this can increase return visits [21]. Another theoretical foundation of price fairness is the principle of multiple rights [21]. This principle states that "in economic transactions, the buyer is entitled to a fair price and the seller is entitled to a fair profit" [41]. Based on this principle, when the rights of one party are ignored, a perception of injustice arises [42]. When the consumer's reference price is below the retail price, they can ultimately judge this price as unfair [40]. The perception of the fairness of consumer prices can be explained by referring to equity theory. This theory argues that "parties involved in social change compare with each other the ratios of their input into exchange with their outcomes from the exchange [43]. Consumers always look for the balance value of prices in the range they perceive according to the product they buy [44]. Price reference is a part of previous customer price encounters with purchases [38]. Consumers on the mode of transportation give an important note on prices, they mention that price is an important part [45]. This condition shows that consumer choices regarding prices in the mode of transportation are a rational choice, where prices have an influence on consumers to choose the product again [38]. The views of several previous scientific studies show that the perception of the price of a product determines the consumer in giving its own value to the product. The price of the product will later become material for a separate evaluation of what they sacrifice with what they get. Thus, the third hypothesis is that the product price is a determinant in shaping consumer satisfaction of Telkomsel cards user in Belopa City, Luwu Regency.

3. Research Methods

This research was conducted in Belopa City, Luwu Regency. This research was conducted from May to July 2020. The population in this study were Telkomsel card user in Belopa City based on data from the last 1 month from the PT ComindoMitra Sulawesi TAP office or better known as the ComindoBelopa office as many as 1,000 people. The research sample was 286. The sampling technique used accidental sampling. The main data collection used a questionnaire with an assessment interval of 1 to 5 (strongly disagree - strongly agree). Data analysis used multiple regression analysis, which was first tested for the validity and reliability of the research instrument.

4. Research Results and Discussion

4.1 Multiple Regression Analysis

The results of data analysis, obtained the t test results from the determinants of Telkomsel customer satisfaction from the three research variables as follows:
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Table 1
Multiple Regression Analysis

<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 (Constant)</td>
<td>.230</td>
<td>1,507</td>
<td>.153</td>
<td>.879</td>
</tr>
<tr>
<td>Kualitasproduk</td>
<td>.303</td>
<td>.129</td>
<td>.312</td>
<td>2.348</td>
</tr>
<tr>
<td>Pelayanan</td>
<td>.255</td>
<td>.096</td>
<td>.283</td>
<td>2.661</td>
</tr>
<tr>
<td>Harga</td>
<td>.383</td>
<td>.122</td>
<td>.403</td>
<td>3.135</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer Satisfaction

Based on the t test as in the table above, it produces a regression equation for Telkomsel's customer satisfaction in Luwu Regency with the determining variables of product quality, service, and product price: Y = 0.230 + 0.303 X1 + 0.255 X2 + 0.383 X3. The t test results show that the variables of product quality, service and price are determinants of Telkomsel card customer satisfaction in Belopa City, Luwu Regency. This can be seen from the sig value of the three independent variables which shows a value less than 0.05. The results of the F test for determining Telkomsel customer satisfaction in Luwu Regency are as follows:

Table 2
F test

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Regression</td>
<td>161,485</td>
<td>3</td>
<td>53,828</td>
<td>38,625</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>47,383</td>
<td>34</td>
<td>1,394</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>208,868</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Customer Satisfaction
b. Predictors: (Constant) Price, Service, Product quality

The table shows that the independent variables (product quality, service, and price) simultaneously have a positive and significant effect on customer satisfaction of Telkomsel cards user in Belopa City. This is because the calculated F value (38.625)> F table (2.65) or the significance coefficient is smaller than the significance probability value of 0.05. (0.000 <0.05) with the coefficient termination as in the following table,

Table 3
Test of determination

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.879a</td>
<td>.773</td>
<td>.753</td>
<td>1,18052</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant) Price, Service, Product quality

The coefficient of determination of the determinant value of Telkomsel's customer satisfaction in Luwu Regency with three independent variables (product quality, service and price) is 0.773 (RSquare value) or 77.30%. While the remaining 22.70% is influenced by other variables not involved in the research.

4.2 Discussion
Product quality is the item to provide results or performance that is appropriate and even exceeds what the customer wants (Kotler & Keller, 2012). The result of regression analysis shows that the variable product quality is the determinant in creating customer satisfaction. This illustrates that the quality of the company's products is important and requires attention from the company. Today's business environment, research needs on product quality, innovation, and various ways to provide satisfaction to consumers and prepare a...
supportive organizational strategy to certify every consumer attitude [15]; [16]; [17]. Consumer satisfaction that arises from a value attached to the product. This has its own value which will provide an assessment of the quality of the company's products. The good taste (satisfaction) that comes from consuming the company's products will later make the product a measuring tool for purchasing other similar products. So it is very important for companies to maintain the quality of the products they produce, which in turn will have an impact on customer satisfaction. The customer acts based on the quality of the product e.g. whether the communication signal used is clearer and more reliable. If so, does customer satisfaction match the higher rates charged by a company? Research states that product quality contributes to satisfaction [25]. Research by [26]; [27]. The company's success in providing quality services to its consumers. The results showed that the after-sales service provided by Telkomsel has a positive and significant effect on consumer satisfaction of Telkomsel cards user in Belopa City, Luwu Regency. The company provides an inherent post-purchase service by the consumer which gives the company its own position in building a sustainable relationship [28]. Perceptions of good quality of service to consumers are perceptions that come from consumers, not from service providers. Service quality from customer point of view and service quality as core factors of uncompromising service promise [3]. Like the service industry, a company based on physical products must guarantee the quality of its services. Customer service post-purchasing is inseparable form production process [9]. Consumer service has gradually become the main weapon in an effort to win the competition, as many companies have the same product to offer to consumers. Customer service is not just the intention of serving consumers but is an effort to build a long-term cooperation with the principle of mutual benefit. Quality products, better customer service, and a company image satisfy customers [13]. Previous research has shown that customer satisfaction affects business firms, a happy customers who will make repurchases and repeat purchases in large quantities [10]. Consumers are ready to spend more than a product performance that can provide their own decisions [14]. Price is an amount of money that must be spent by consumers to get the products or services they buy to meet their needs and wants (Kotler and Armstrong 2008). If the benefits felt by consumers increase the value will also increase in a certain price level. Research that studies prices show that prices can easily become sensitive constructs that can influence customer purchasing decisions [35]; [36]. The results of the regression analysis show that the price has a positive and significant effect on customer satisfaction of Telkomsel cards user in Belopa City, Luwu Regency. Thus, product prices are an important item in creating customer satisfaction. Price and product quality has significant effect on customer satisfaction [46]Fairness of price affects satisfaction ratings [40]; [34]. The consumer view of price is a sacrifice (see Consumer point of view, price is best defined as a "sacrifice"[34]. Thus, the perception of the price of a product shows things that are reasonable and unreasonable according to what consumers feel. The equity theory approach of a reasonable product price offered by the company states that all parties try to see the ratio value they spend in exchange for what they receive [43]. In addition, competition firms enable firms to offer fair prices and better products (Balakrishnan et al., 2013).

5. Conclusion

Based on the research results, it can be concluded that 1) Product quality has a positive and significant effect on customer satisfaction, 2) Service has a positive and significant effect on customer satisfaction, 3) Price has a positive and significant effect on customer satisfaction, and 4) Product quality, service and price Simultaneously, it has a positive and significant effect on customer satisfaction of Telkomsel cards user in Belopa City. For the management of the TelkomselCard in City Belopa in order to maintain product quality, optimal service, and affordable prices in an effort to maintain customer satisfaction. Further researchers, in order to add other variables that can affect customer satisfaction because in this study the independent variables (product quality, service and price) can only have an effect of 77.30%. The theoretical concept is that consumers' expectations of product performance will be compared with the real performance they receive after consuming. If what they (consumers) feel from consuming these products has a lower value than what they expect, then they will not be satisfied. But on the contrary, if they rise above their expectations (at least the value is the same), then they feel satisfaction [19]. The results of the comparison depends on customer satisfaction [3]. In addition, the company (Telkomsel) should pay more attention to aspects of quality, service and price attached to cards, both new and old consumers.
References


