QUALITY OF SERVICE TO CUSTOMER SATISFACTION AND LOYALTY TO THE ONLINE TRANSPORTATIONS (GOJEK) IN INDONESIA POST-PANDEMIC COVID-

19

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ABSTRACT

The existence of covid-19 brings any changes in this world. All industries around us experience a significant impact. Many industries end up closing down companies or firing employees because of the losses that have been caused by the spread of the covid-19 virus. Keeping physical distancing and not leaving the house if it is not important is a solution to breaking the chain of distribution of covid-19 which has claimed many lives around the world, including in Indonesia. However, such regulations become a big loss for online transportation, especially motorcycle taxi or what is often called an "ojek". Keeping a distance for ojek is not easy because every day they are dealing directly with consumers. The threat of covid-19 virus transmission is not averted by calls for cleanliness and the use of masks carried out when the covid-19 virus enters Indonesia until the enactment of Large-Scale Social Restrictions similar to Lock Down but there is still economic activity with certain requirements. With the data generated service quality has a positive effect on customer satisfaction 0.673 and service quality has a positive effect on customer loyalty 0.524. With an average value of Reliability service quality with a value of 4.23 (84.6%), then Tangible 4.12 (82.4%), Responsiveness 4.01 (80.2%), Assurance 3.96 (79.2%), Empathy 3.83 (76.6%).

KEYWORDS: SEM-PLS, Service Quality, Customer Satisfaction, Customer Loyalty, Online Transportation, Motorcycle Taxi, Covid-19

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INTRODUCTION

The impact of the covid-19 virus has the effect of disrupting the economy in all countries including Indonesia. Developing startups contribute to the decline in the economy. GoJek companies (Indonesian native application-based industry engaged in online transportation services), especially GoRide, have a very big impact because of the rules of keeping distance to consumers which results in not being allowed to take passengers in any form. The loss of the main source of income for GoRide partners is in line with the satisfaction and loyalty of GoJek customers, especially in passenger delivery services. "Ojek" or motorcycle taxi online at this time is really needed at this time because the solution to avoid traffic jams and relatively cheap prices. With the entry of covid-19 virus into Indonesia will affect customer satisfaction or not. Looking for solutions how customer satisfaction and loyalty is maintained in the midst of the covid-19 pandemic is the answer with the goal that GoRide can move back with protocols that are believed to be safe to avoid and cut off the spread of covid-19.

LITERATURE REVIEW

The conceptual definition of service quality developed by Parasuraman et al., (1988) has largely been used to compare excellence in service relationships with customers. Bitner (1990) defines service quality as the overall impression of the customer from the relative inferiority / superiority of the service provider and is often considered to be similar to the overall attitude of the customer towards the company. The definition of service quality includes several points. One of them is the attitude developed over all previous relationships with service companies (Bitner, 1990; Parasuraman et al., 1985, 1988).

Parasuraman et al., (1988) also identified five dimensions of service quality (reliability, responsiveness, assurance, empathy, and tangibles) that connect certain service characteristics with consumer expectations:

- Reliability, namely the ability to provide services in accordance with the promises offered
- Responsiveness, which is the response or alertness of employees in helping customers and providing services that are fast and responsive
- Assurance, including the ability of employees to appropriately know product, the quality of hospitality, attention and courtesy in providing services, skills in providing information, skills in providing security in utilizing the services offered, and the ability to instill customer trust in the company.
- Emphaty, namely individual attention given by the company to customers such as the ease of contacting the company, the ability of employees to communicate with customers, and the company's efforts to understand the wants and needs of its customers.
- Tangibles, including the appearance of physical facilities such as buildings and front office rooms, the availability of parking lots, cleanliness, neatness and comfort of the room, the completeness of communication equipment, and the appearance of employees.

To be able to measure the level of customer satisfaction, then we need some dimensions to measure that satisfaction. According to Kotler and Keller (2009) dimensions of customer satisfaction are: suitability of expectations, customer expectations regarding the speed of service provided, performance perceptions, customer ratings, customer experience, total satisfaction.

Gremler and Brown (1996) state the definition of customer loyalty is the extent to which the customer repeats the buying behavior of the service provider, has a positive disposition towards the provider, and considers only using this provider when service is needed. According to Bloemer and Kasper (1995), loyalty is defined as true loyalty compared to repeated buying behavior, which actually repurchases a brand, regardless of commitment. Zeithaml et al., (1996) stated that loyalty is a multi-dimensional construct and includes positive and negative responses. Buttle (2007) defines and measures loyalty in two ways, based on customer behavior and attitude:

- Behavioral loyalty, measured by customer buying behavior as indicated by the high frequency of customers coming to a store or buying a product. The most loyal customers are those who get the highest score on three variables, namely recency of purchase (R), frequency of purchase (F), and what monetary value of purchase (M). The three variables are measured in the following way:

R= The length of time interval since they last bought

F= Frequency of purchases made within a certain period

M = The amount of money they spend in a certain period.

- Attitudinal loyalty is measured by referring to attitude components, such as beliefs, feelings, and will to make a purchase, according to Dick and Basu in Francis Buttle (2007), *"truly loyal consumers are those who have high frequency of repurchases and show attitudes faithful strong "*.

Figure 1: The Research Process.

RESEARCH METHODOLOGY

We conducted a qualitative and quantitative approach in the form of an online questionnaire with a total of 129 respondents who were asked questions related to the quality of online motorcycle taxi services with five SERVQUAL dimensions at the time of the co-19 virus pandemic. The entire research process will be carried out and illustrated in Figure. 1. Using multivariate analytical methods aims to analyze the data obtained from the survey using the one-way ANOVA method to find the average then use structural modeling equation modeling (SEM-PLS) techniques with the help of Smart-PLS software where each variable provides valid information. The data collected in the form of qualitative data using a Likert scale to get the values that will be processed later.

Researchers also propose a research model based on the SERVQUAL model to determine the determinants of service quality on customer satisfaction and loyalty of GoRide users when the co-19 virus pandemic.

Figure 2: Proposed Research Model.

Hipotesis Penelitian

- H1: X_Quality of Service has a positive impact on Y_Customer Satisfaction
- H2: X_Quality of Service has a positive impact on Z_Customer Loyalty
- H3: Y_Customer Satisfaction has a positive impact on Z_Customer Loyalty

RESULT AND DISCUSSIONS

Result

From the distribution of questionnaires there were 129 respondents with different backgrounds according to the format determined by the researcher.

Table 1: Characteristics of Respondents

Gender	Respondents	Percentage
Man	49	38%
Woman	80	62%
Total	129	100%
Age	Respondents	Percentage
17 - 30	91	70,5%
31 - 40	32	24,8%
41 - 50	5	3,9%
>50	1	0,8%
Total	129	100%
Education	Respondents	Percentage
Middle School	2	
High School	34	26,4%
Diploma	23	17,8%
Bachelor	56	43,4%
Graduate	14	10,8%
Postgraduate	0	0%
Total	129	100%
Duration of GoRide	Respondents	Percentage
1 Years	13	10,1%
2 Years	40	31%
3 Years	33	25,6%
4 Years	23	17,8%
> 5 Years	20	15,5%
Total	129	100%

After collecting secondary data, then proceed with premier data processing. At this initial stage the researchers conducted an ANOVA test to find the average of each service quality variable using the one way method and produce a significant value in table 3 using the SPSS application.

Table 2: Descriptive

	N	Mean	Std. Deviation	Std. Error	Min	Max
Tangible	645	4,12	,842	,033	1	5
Reliability	774	4,23	,803	0,29	1	5
Responsiveness	387	4,01	,842	0,43	1	5
Assurance	258	3,96	,753	0,47	2	5
Empathy	516	3,83	,858	0,38	1	5
Customer Satisfaction	516	2,99	1,051	0,46	1	5
Customer Loyalty	516	3,87	,939	,016	1	5

Table 3: One Way ANOVA

	Sum of Squares	df	Mean Squares	F	Sig.
Between Groups	553,762	6	92,294	126,432	,000
Within Groups	2631,600	3605	,730		
Total	3185,362	3611			

The average Tangible, Reliability, Responsiveness variables are included in the "satisfied" category, while in Assurance and Empathy the scores are "quite satisfied". Only the Assurance variable has a minimum value of "not satisfied" among the other variables.

To test the truth of the researcher's hypothesis, the researcher re-tested the value of the questionnaire by testing the SEM-PLS which was processed using the Smart-PLS version 3.0 applications.

Figure 3: Model Framework on Smart PLS.

The first step taken is the Loading Factor process which is a value generated by each indicator to measure a variable with a value limit of 0.7.

Table 4: Loading Factor

	X_Quality of Service	Y_CustomerSatisfaction	Z_CustomerLoyalty	Evaluation
X1.1	0.502			Invalid
X1.2	0.763			Valid
X1.3	0.672			Invalid
X1.4	0.580			Invalid
X1.5	0.786			Valid
X2.1	0.768			Valid
X2.2	0.762			Valid
X2.3	0.566			Invalid
X2.4	0.525			Invalid
X2.5	0.720			Valid
X2.6	0.624			Invalid
X3.1	0.719			Valid
X3.2	0.802			Valid
X3.3	0.787			Valid
X4.1	0.734			Valid
X4.2	0.738			Valid
X5.1	0.832			Valid
X5.2	0.702			Valid
X5.3	0.642			Invalid
X5.4	0.733			Valid
Y1.1		0.872		Valid
Y1.2		0.839		Valid
Y2.1		0.877		Valid
Y2.2		0.796		Valid
Z1.1			0.825	Valid
Z1.2			0.877	Valid
Z2.1			0.821	Valid
Z2.2			0.698	Invalid

Invalid indicators are then removed because they will affect the values of the variable itself and cannot calculate every variable. These indicators include X1.1 (0.502), X1.3 (0.672), X1.4 (0.580), X2.3 (0.566), X2.4 (0.525), X2.6 (0.624), X5.3 (0.642) and Z2.2 (0.698). Indicators that have been deleted will affect the value of other variables that are violated in table 5.

Table 5: Loading Factor Elimination of Indicators Less Than 0.7

	X_Quality of Service	Y_Customer Satisfaction	Z_Customer Loyalty	Evaluation
X1.2	0.780			Valid
X1.5	0.803			Valid
X2.1	0.783			Valid
X2.2	0.782			Valid
X2.5	0.703			Valid
X3.1	0.707			Valid
X3.2	0.804			Valid
X3.3	0.801			Valid
X4.1	0.747			Valid
X4.2	0.781			Valid
X5.1	0.852			Valid
X5.2	0.702			Valid
X5.4	0.739			Valid
Y1.1		0.874		Valid
Y1.2		0.837		Valid
Y2.1		0.877		Valid
Y2.2		0.796		Valid
Z1.1			0.894	Valid
Z1.2			0.897	Valid
Z2.1			0.896	Valid

Furthermore, testing to know whether each variable has a valid indicator or not in the process of Average Variance Extracted (AVE) is the value of each variable above 0.5.

Table 6: Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)	Evaluation
X_Quality of Service	0.592	Valid
Y_Customer Satisfaction	0.717	Valid
Z_Customer Loyalty	0.803	Valid

And then testing R-Square, Path Coefficient, T-Statistic.

Table 7: R-Square

	R Square	R Square Adjusted	Persentase R-Square
Y_Customer Satisfaction	0,453	0,449	45,3 %
Z_Customer Loyalty	0,272	0,260	27,2 %

Table 8: Path Coefficient

	X_Quality of Service	Y_Customer Satisfaction	Z_Customer Loyalty	Evaluation
X_Quality of Service		0.673	-0.003	Positive
Y_Customer Satisfaction			0.524	Positive
Z_Customer Loyalty				

Table 9: T-Statistic

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X_Quality of Service ->Y_Customer Satisfaction	0.673	0.680	0.058	11.662	0.000
X_Quality of Service ->Z_Customer Loyalty	-0.003	-0.005	0.092	0.036	0.971
Y_Customer Satisfaction ->Z_Customer Loyalty	0.524	0.526	0.087	6.016	0.000

The percentage value of R-Square is very small 45.3% in Customer Satisfaction and 27.2% in Customer Loyalty can be interpreted as variables outside have a greater impact. In this final stage, testing is carried out on one variable to another with a minimum value of more than 1.96, then the variable is declared significant. Then the final results obtained are Quality of Service effect on Customer Satisfaction and Customer Satisfaction influence on Customer Loyalty get a significant and positive value (hypothesis accepted). While Quality of Service has an effect on Customer Loyalty, the value is not significant (hypothesis rejected), but it is still categorized positively in Path Coefficient testing. Then we can then see the final structural framework in Figure 2.

Figure 4: Model Framework on Smart PLS.

DISCUSSION

From the results of these tests the average value of the largest service quality on the variable reliability with a value of 4.23 (84.6%), then manifested 4.12 (82.4%), Responsiveness 4.01 (80.2%), Collateral 3.96 (79.2%), Empathy 3.83 (76.6%). For Customer Satisfaction, the average value is 3.78 (75.6%) and Customer Loyalty 2.99 (59.8%). Means the reliability of the driver (Reliability) is more important than the provision of masks (Tangible) and others. With other support stating that the R-Square testing resulted in Customer Satisfaction 0.453 (45.3%) and Customer Loyalty 0.272 (27.2%). This proves that the other indicators outside of this variable that are owned are very large.

CONCLUSIONS

In this situation all roles must be involved, starting from the government, companies, online motorcycle taxi drivers and consumers in order to decide on the spread of the covid-19 virus. We know the government is trying to prevent and cure

patients with the covid-19 virus. While online transportation companies make new rules which, as recommended by the government, provide action for violating online transportation drivers. Online motorcycle taxi drivers must comply with protocols that make consumers feel safe and comfortable when driving on the road. Consumers also have to remind themselves about educating the danger of covid-19 virus by prioritizing health rather than having to get to their destination on time. There will be segment changes going forward for consumers who are accustomed to clean living, while companies and online motorcycle taxi drivers make the pandemic covid-19 virus a new opportunity to increase customer satisfaction and loyalty.

In this study, take the sample respondents with high transportation activity precisely the border area with Jakarta (Indonesian capital) with the surrounding cities, precisely the Depok area, whose population actually has jobs in the capital. Depok is the first city in Indonesia to be known to have positive citizens infected with the covid virus - 19. This research still has many shortcomings, it could also be a reference for further research. The many limitations of conducting research such as the implementation of PSBB / Large-scale social restrictions (Almost the same as lock down with different rules) are the main obstacles in this study. Hopefully this research is also useful as information to the general public about the phenomenon occurring when the co-19 pandemic takes place.

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