The Influence of Service Quality and Price and Location on Consumer Satisfaction at LegianJember Restaurant

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Abstract

This study aims to examine and analyze the effects of (a) service quality; (b) price; (c) location. Quantitative research approach. This type of research is explanatory research. This study uses primary data of distributing questionnaires online. for the last 1 month period with a purposive sampling with the criteria of respondents being at least 19 years old and consumers who visit and make purchases at Legian Resto so that a total sample of 114 observation for last 1 month period. The research model multiple linear regression analysis using SPSS analyzed. The results of the study found that (a) service quality has a significant effect positive on customer satisfaction (b) price has a significant and positive effect on customer satisfaction ; (c) location has a significant and positive effect on customer satisfaction. LegianJember Restaurant better keeps it up to service quality design indicators of the dining room and small space should be kept clean and must be selective in choosing the quality of food ingredients. Price compatibility should be in accordance with the quality of the product. The location should pay more attention to the traffic around the restaurant. Future research needs to add customer loyalty variables.

Keyword: customer satisfaction, location, service quality, price

1.INTRODUCTION

In the current era, business competition in various fields is getting tougher, including in the culinary field, from time to time the business in the culinary or food sector has become an increasing trend, viewed from the aspect of quality and quantity. Demand in the food sector continues to increase due to being an initial human need which will of course result in an increase in the food supply which is in accordance with the law of supply and demand so that the culinary business will continue to increase.

The culinary business always gets a clear market. The reason is with a simple thought where everyone definitely needs to eat so the food business will definitely sell well (Jemberkab, 2014). The culinary business will certainly trigger the culinary business to mushroom in various cities, including the city of Jember. The culinary business is proven by the presence of a number of restaurants with unique and fun concepts, both emerging and legendary, such as the LegianJember restaurant. Resto Legian is the first best culinary place that is quite famous in the city of Jember (Erlina, 2020). Resto Legian is located on Jl. Gajah Mada No. 234 KaliwatesDistrict, Jember Regency. This restaurant serves various types of special seafood menus as well as other menus such as cap cay, fried chicken, carp, grilled ribs, noodles, and other dishes.

According to Hidayah (2019), to face their competitors, entrepreneurs in the culinary business, including the owner of the Legian Resto, must continue to maintain the existence of the products they sell in the long term to attract and gain consumers so that they can increase profits. Maintaining the existence of a product is very important to do because the success of a business or food business depends on the management of an entrepreneur in meeting the needs and desires that can trigger consumer satisfaction. According to Yulisetiarini et al. (2020) that the size of customer satisfaction has an impact on a company, if satisfaction is at a high level it will provide benefits for a company, for example by enjoying similar products and services again.

Customer satisfaction can be influenced by the quality of service. Service quality or service quality needs attention for companies because service quality has a direct relationship with the ability to compete and the level of company profits (Panjaitan, 2016). Wulandari and N. Ari (2015) revealed that the quality of friendly service is the main goal of consumers considering their choices in choosing similar companies. Yulisetiarini and Mawarni (2021) also revealed that service quality has a significant effect on customer satisfaction. The quality of service plays an important role in influencing customer satisfaction, the higher the quality of service provided by the company can create its satisfaction for consumers so that the quality of service can provide benefits for the company (Panjaitan, 2016). Resto Legian always strives to provide the best service for its customers. Legian Resto services can be seen from the arrangement of attractive room designs, clean eating and drinking utensils, and the service of employees who are always friendly to consumers. However, some shortcomings are felt by consumers, namely in terms of service quality which seems long. Based on observations of several people who stated that the serving of food at the LegianJember Restaurant seemed long so that it could result in a reduced appetite for consumers due to waiting too long.

Price is a factor that also significantly and strongly influences the level of consumer satisfaction. According to Yulisetiarini et al. (2017) prices are used for intensive information until finally, people can determine the value of a product. The price must also be adjusted to the product because the right price will be accepted by consumers while a bad price can be rejected by consumers (Yulisetiarini and Ade, 2019). Setting a price on a product symbolizes a very important thing for the company in an effort to provide a good profit for the company as a target setter in the long and short term of the company. According to Erlina (2020), Resto LegianJember sets prices that tend to be more expensive than its competitors.

In addition to service quality factors and also pricing, according to Nurhanifah (2014), a strategic location also determines customer satisfaction. Consumer response and mood are significantly influenced by the design, layout of service facilities, and location. Entrepreneurs must consider always improving the location of the business becausethe location that is easily accessible can create a satisfying impression on consumers so that in the end consumers become customers. According to Erlina (2020), Resto LegianJember is located in a strategic location. Resto LegianJember is located not far from the city center, which is right on Jalan Gajah Mada No. 234 Kaliwates District, Jember Regency. The location is very close to the city center so it is very easy to reach by consumers.

2.LITERATURE REVIEWS

Tjiptono (2011: 180), service quality is used as a measure of how good a service level is in accordance with consumer expectations because friendly service quality is the main goal of consumers considering their choices in choosing similar companies. Based on this, the quality of service can be determined by the ability of a company to meet the needs and desires of consumers in accordance with consumer expectations. Quality services certainly need to be provided by the company, in addition to attracting consumers' interest in making purchases but also being able to provide satisfaction to consumers in the end (Tjiptono, 2007: 134).

Kotler and Armstrong (2001: 439) explain that price is the amount of value that consumers exchange for benefits in exchange for obtaining or using goods and services. According to Mowen and Minor (2002: 318) price is one of the important symbols that will be evaluated by consumers, so company managers must understand its role in influencing consumer attitudes. Price as a symbol can be translated that price is a level of diversity that has different meanings for each consumer, depending on the situation, product, and consumer characteristics. Consumers feelsatisfied if the benefits they get from the product or service purchased are comparable or even higher than the costs they incur. Tjiptono (2015:147) location has an influence on all dimensions of strategic marketing, such as flexibility, competitive positioning, demand management, and strategic focus. The flexibility of a location is a measure of the extent to which a service can react or respond to all changing economic situations. The decision to choose a location is related to a long-term commitment to aspects that are capital intensive (Susanti, 2012). Meanwhile, Kotler and Keller (2009:102) state that location is any layer of marketing intermediaries who

will carry out the task of bringing products and ownership closer to the final buyer.

Satisfaction is the level of a person's feelings that express a comparison of the results of the performance of the service product received with what is expected. The main factor that determines satisfaction is the customer's perception of service quality (Lupiyoadi, 2013:228). Customers form service expectations from various sources such as past experiences, word of mouth, and advertisements (Kotler and Keller, 2009: 50). Consumers will tend to compare their perceived service with what is expected, where if the consumer's perceived service is below the expected service, the consumer will feel disappointed.

3. METHODOLOGY

The population of this study is consumers at Resto LegianJember. The sampling technique used was Non-Probability Sampling with the Purposive Sampling method with the criteria of Respondents being at least 19 years old and consumers who visited and made purchases at the LegianJember Restaurant for at least the last 1 month. This study used a sample of 114 respondents. The type of data in this study came from answers to questionnaires distributed online with a Likert scale.
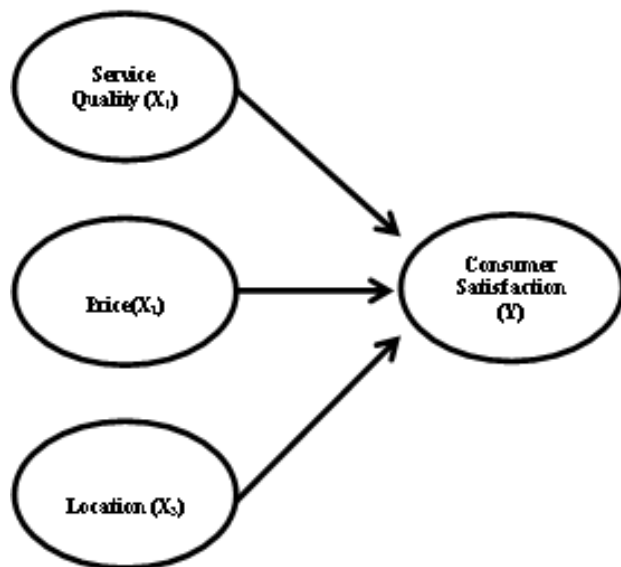

Fig 1. Conceptual Framework

4. RESULT

Multiple linear regression analysis is an analytical tool used to determine the effect of independent variables on the dependent variable. The results of multiple linear regression analysis are in Table 1 below.

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-,154	,228		-,677	,500
Service Quality(X_1)	,195	0,075	,167	2,583	0,011
Price (X_2)	,349	,074	,313	4,740	,000
Location (X_3)	,533	,073	,502	7,347	,000

Table 1. Results of multiple linear regression analysis

Based on the results of the multiple linear regression analysis in the table above, the equation Y = -0.154 + 0.195X1 + 0.349X2 + 0.533X3 + e. In this equation, the result is a constant value of -0.154 which means that if the value of the service quality (X1), price (X2), and location (X3) variables are equal to zero, then the value of customer satisfaction (Y) is -0.154. The coefficient value of the service quality variable (X1) is 0.195 and is positive, which means that if every one unit increase in the variable, it will increase customer satisfaction (Y) by 0.195. The coefficient value of the price variable (X2) is 0.349 and is positive, which means that if every one unit increase in the variable, it will increase consumer satisfaction (Y) by 0.349.

Hypothesis testing with a t-test is used to test the effect of independent variables individually in explaining the dependent variable. The results of hypothesis testing are in Table 2 below.

Variable	Sig	Information
Service Quality (X_1)	0,011	H_0 reject
Price (X_2)	0,000	H_0 reject
Location (X_3)	0,000	H_0 reject

Table 2. Hypothesis test results (t-test)

Based on the results of the t-test on the service quality variable (X1), it shows a significance value of 0.011, the price variable (X2) shows a significant value of 0.000 and the location variable (X3) shows a significance value of 0.000. All variables have a significance value of 0.05 so that H0 is rejected, which means that service quality, price, and location affect consumer satisfaction at Resto Legian Jember.

5.DISCUSSION

Service quality proved to affect consumer satisfaction at Resto LegianJember shown by the results of the hypothesis test which shows the significance value is smaller than the specified significance level (0.011 ≤ 0.05). The relationship shown by the positive value of the regression coefficient indicates that the better the service quality at Resto LegianJember, the more customer satisfaction will increase. According to Tjiptono (2011: 198), service quality is an effort to fulfill the needs and desires of consumers and the accuracy of delivery in balancing the expectations of consumers. Yulisetiarini and Mawarni (2021) prove that the dimensions of service quality have a significant effect on customer satisfaction. Quality service plays an important role in shaping customer satisfaction.

Price proved to affect consumer satisfaction at Resto LegianJember shown by the results of the hypothesis test which shows the significance value is smaller than the specified significance level (0.000 ≤ 0.05). The relationship shown by the positive value of the regression coefficient indicates that the better the price offered by Resto LegianJember, the more consumer satisfaction will increase. According to Alma (2011: 169) price is a monetary unit or another measure including other goods and services that are exchanged in order to obtain ownership rights or use of goods and services so as to lead to consumer satisfaction. Yulisetiarini et al. (2017) suggested that prices are used as intensive information so that people can determine the value of a product. Setting a price for a product is a very important thing for the company toprovide a good profit for the company to determine a target both short term and long term company. Resto LegianJember sets prices that tend to be more expensive than its competitors.

The location proved to affect consumer satisfaction at Resto LegianJember indicated by the results of hypothesis testing which showed a significance value smaller than the specified significance level (0.000 ≤ 0.05). The relationship shown by the regression coefficient value is positive indicating that the better the location of the LegianJember Restaurant, the more customer satisfaction will increase. Kotler and Keller (2009:102) state that location is each layer of marketing intermediaries that will carry out some kind of task in bringing the product and ownership closer to the final buyer. The choice of location is considered very important for the survival of an existing business because a strategic location will make it easier for consumers to reach the place of business. Ginting (2015) suggests that a location is a place or area where traders sell their wares. Entrepreneurs should consider always making improvements to the location because a good location greatly affects customer satisfaction and in the end, consumers will still visit the place.

6. CONCLUSION

The majority of consumers are satisfied with Resto Legian Jember due to good service quality, affordable prices, and the strategic location of the restaurant. The service quality of the Legian Jember Resto consists of satisfaction and loyalty, the appearance of the staff and restaurant interiors, individual attention, self-confidence, the appearance of the dining room and restrooms, reliableservice, fast service and the quality of the staff and attractive exterior are well perceived by consumers and lead to consumer satisfaction because consumers evaluate that the quality obtained is by their expectations. The price which consists of affordability, price conformity with product quality, price competitiveness, and price suitability with benefits are perceived by consumers as well and lead to satisfaction so that consumers are willing to tell others so that other people are interested in visiting Legian Jember Restaurant. Locations that consist of access, visibility, traffic, and parking spaces are well perceived by consumers, resulting in consumer satisfaction and the availability of consumers to recommend Legian Jember Resto to others. Consumers are satisfied with Legian Jember Resto, always choose this restaurant over other restaurants when they want to buy food or beverage products. Good service quality, pricing in accordance

with consumer purchasing power, and the right restaurant location will make consumers do not hesitate to choose Legian restaurants and feel satisfied.

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