

The Influence of Price and Service Quality on Consumer Satisfaction at “Indah Beauty” Beauty Outlet in Batuaji Village, Kediri Regency

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DOI: <https://doi.org/10.52403/ijrr.20231040>

ABSTRACT

The pricing of the treatment at the “Indah Beauty” beauty salon in Batuaji Village, Ringinrejo District, Kediri Regency, had a bigger market price difference, which made consumers hesitant to get the treatment again and served as the impetus for this study. This study intends to ascertain how much price has an impact on customer satisfaction at the Indah Beauty Beauty Outlet in Batuaji Village, Kediri Regency, as well as how much service quality has an impact on customer satisfaction there. The sample in this research was consumers of the Indah Beauty “beauty outlet” in Batuaji Village, Kediri Regency. The method used to take samples was using a simple random sampling method using the Slovin formula to obtain a sample of 86 people. This research uses a quantitative approach, while the research technique uses the causality method. Analysis in the study used multiple linear regression analysis. The calculation results of this research using the SPSS version 23 program show that: 1) price partially has no influence on consumer satisfaction 2) service quality partially has an influence on customer satisfaction 3) price (X1) and service quality (X2) simultaneously influence consumer satisfaction. Based on this research, it can be concluded that companies should consider price and maintain the quality of the services provided because this greatly influences consumer satisfaction.

Keywords: price, service quality, consumer satisfaction

INTRODUCTION

In the current business era, the business world is developing very rapidly, one of which is in the beauty sector. The large number of businesses that have emerged has resulted in an increase in the number of similar businesses, resulting in increasingly tight competition. To be able to face such situations and circumstances, entrepreneurs must be able to be quick and responsive in making decisions so that the business they establish can balance well. Entrepreneurs are required to be able to maintain the market and beat the competition. The main key to winning the competition is to provide good service quality in line with price. There are several outlets in the Batuaji area that provide beauty care services in terms of price, style and quality of service. Various options for carrying out treatments according to the set price. Currently, consumers have the initiative in determining the type of behavior that will be carried out. Previous research from (Putra 2020) to be able to achieve customer satisfaction, for example, companies can pay attention to price factors where mistakes in determining prices can lead to conflicts that have an impact in the future, because the large price set will greatly influence customers to buy their products. In this way, only the excitement of good quality service will attract consumers to rethink their ideas. According to (Setyo 2017) consumer

satisfaction is a form of similarity between the performance of products and services received and the performance of products and services that consumers expect. Therefore, to attract consumer satisfaction, Indah Beauty, Beauty salon has a strategy to gain competitive advantage in achieving consumer satisfaction. It can implement the following strategies like providing affordable prices and good quality of service for consumers. Beside, companies must be able to understand consumers' desires and needs. By understanding the desires and needs of consumers, it will provide important input for companies to design good marketing strategies so that they can provide satisfaction for consumers and can survive in market competition. As business competition becomes more intense to provide consumer satisfaction, the aspect that needs to be paid attention to is price. Price is the main thing that attracts consumers' attention in facing market competition in the world of beauty.

LITERATURE REVIEW

Price

According to (Rambu Dyah Ayu Yaya H.R dan Heru Sutapa 2022) price is the amount of money that is distributed over a product or service, or the amount of value that customers spend to gain benefits from owning or using a product or service. According to (Birusman 2017) price is a measure for consumers when experiencing difficulties in assessing the quality of complex products offered to meet their needs and desires. According to (Amanah 2010) price is the only element in the marketing environment that produces revenue while the other elements are only cost elements. (Jamarnis dan Susanti 2019) price is one of the things that must be carefully monitored, because price will greatly influence several aspects of the company's activities, both regarding sales activities and aspects of the profits that the company wants to achieve.

Service quality

According to (Moha and Loindong 2016) service quality is the expected level of excellence and expectations of this level of excellence to meet customer desires. According to (Abdul Gofur 2019) service quality is a form of consumer assessment of the level of service received from the expected level of service. If the service received or felt is in accordance with the expected expectations, then the quality of the service is perceived to be good and satisfactory. According to (Purba 2020) service quality can be interpreted as focusing on meeting needs and requirements, as well as on timeliness to meet customer expectations. Service Quality applies to all types of services provided by the company when the client is in the company.

Consumer Satisfaction

According to (Sarie 2018) customer satisfaction is the level of feeling that results are known or results that have been compared to expectations, while (Endro Prihastono 2012) defines customer satisfaction as an emotional response to experience the experience of consuming a product or service. . According to Tjiptono in (Ridwan dan Noviyanti 2022), customer satisfaction is a positive feeling or disappointment of a person that occurs when comparing the perception of product performance (results) with future expectations.

MATERIALS & METHODS

This research uses quantitative detection using causal research techniques. According to (Sugiyono 2015) causality is the formulation of a research problem which means asking about the relationship between two or more variables. A causal bond is a bond that is due to an effect. In this research there are independent variables (which influence) as well as independent variables (influenced). The sampling technique that will be used in this research

is the simple random sampling technique. In this research, researchers used simple random sampling. According to (Sugiyono 2015) simple random sampling is the sampling of sample members from a population that is randomly assigned without paying attention to the strata contained in that population. The entire population of this subject is 110 consumers of the Indah Beauty, Beauty Outlet in Batuaji Village, Kediri Regency. The samples in this description were taken from consumers of the Indah Beauty, Beauty

Outlet in Batuaji Village, Kediri Regency, totaling 86 people. In this research, we will collect data using questionnaires to give to consumers of Indah Beauty. Data analysis techniques in these types of research are classical assumption tests, multiple linear analysis, t tests, f tests, and theoretical coefficient tests.

RESULT & DISCUSSION

To test the normality of research data, one of the tools used is the Kolmogorov-Smirnov test as follows:

Table 1. Normality Test One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		86
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	2.20264006
Most Extreme Differences	Absolute	.076
	Positive	.076
	Negative	-.051
Test Statistic		.076
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: (SPSS Version 23 output processed, 2023)

Based on the results of the normality test in table 1, it is known that the value of significance is $0.200 > 0.05$, it can be concluded that the value of residual income is normal.

Table 2. Multicollinearity Test Coefficients^a

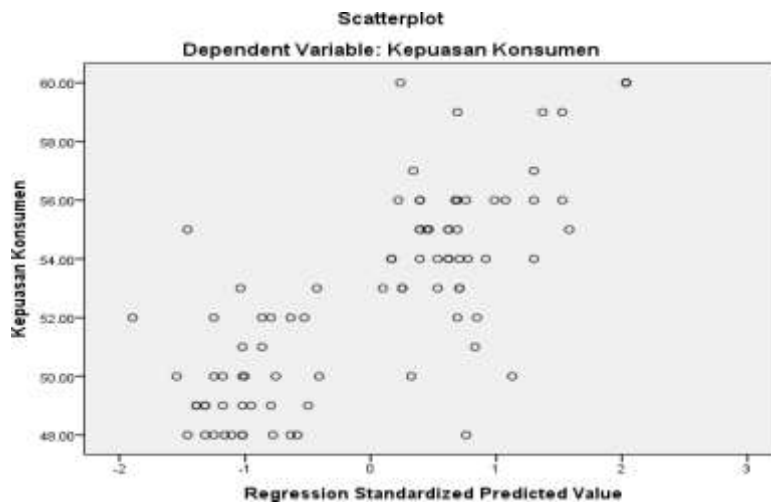
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	12.657	3.915		3.233	.002		
	Price	.183	.104	.174	1.764	.081	.516	1.939
	ServiceQuality	.589	.092	.632	6.394	.000	.516	1.939

a. Dependent Variable: Customer Satisfaction Source: (SPSS Version 23 output processed, 2023)

From table 2, a tolerance value can be obtained, namely a price of 0.516 and a service quality of 0.516, where the tolerance value is greater than 0.10 or the VIF value, they are a price of 1.939 and a service

quality of 1.939, which is less than 10. So it can be concluded that there is no correlation between variables or does not indicate the occurrence of problems with multicollinearity.

Figure 1. Heteroscedasticity Test



Seeing at Figure 1 of the scatter plot graph, it can be seen that the dots scatter randomly and are scattered both above and below the

zero on the Y axis, so it can be concluded that there is no heteroscedasticity in the regression model.

Table 3. Multiple Linear Analysis Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.657	3.915		3.233	.002
	Price	.183	.104	.174	1.764	.081
	Service Quality	.589	.092	.632	6.394	.000

a. Dependent Variable: Customer Satisfaction Source: (SPSS Version 23 output processed, 2023)

Based on table 3, namely multiple linear regression analysis, it is found that the constant value coefficient is 12.657, the product price is 0.183 and the service quality is 0.589.

Table 4. t test

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	12.657	3.915		3.233	.002
	Price	.183	.104	.174	1.764	.081
	Service Quality	.589	.092	.632	6.394	.000

a. Dependent Variable: Customer Satisfaction

The significant value of the variable X1 > 0.05 is around 0.081, so H0 is accepted. This means that X1 (Price) has no influence on Y (Consumer Satisfaction). The

significant value of the variable X2 < 0.05, that is, around 0.000, then H0 is rejected. This means that X2 (Service Quality) has an influence on Y (Consumer Satisfaction).

Table 5. Test fANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	574.961	2	287.480	57.860	.000 ^b
	Residuals	412.388	83	4.969		
	Total	987.349	85			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Service Quality, Price

Source: (SPSS Version 23 output processed, 2023)

Based on the results of the f test in table 5, it can be seen that the value of the calculated value = 57,860 with a significant value of

0.000 which means that the variables X1 (Price) and X2 (Service Quality) simultaneously have an influence on Y

(Consumer Satisfaction). So H0 is rejected, stating that there is an influence of price, product quality and service quality on consumer satisfaction.

Table 6. Determination Coefficient Test Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.763 ^a	.582	.572	2.229

a. Predictors: (Constant), Service Quality, Price
Source: (SPSS Version 23 output processed, 2023)

Based on the analysis of the value of R square = 0.582 = 58.2% with the level of categories of the current relationship, the results indicate that price and service quality can jointly influence consumer satisfaction by 58.2% and the rest is influenced by other variables. 41.8% and not studied in this specification.

CONCLUSION

Based on the results of the analysis that has been carried out, it can be concluded that: 1) Based on the analysis of partial tests using SPSS verification 23, the results of the price significance value are equal to 0.081, where the price significance value is $0.081 > 0.05$, it can be stated H0 is accepted. This means that price does not partially have a significant influence on consumer satisfaction. 2) Based on the analysis of partial tests using SPSS analysis 23, the results obtained are significant for service quality, namely approximately 0.000, where the significant value is $0.000 < 0.05$, it can be stated that H0 is accepted. This means that the quality of service partially has a significant influence on consumer satisfaction. 3) Based on the analysis of the F test (simultaneous), it shows that the calculated $F = 57.860$ with a significant value of $0.000 < 0.05$, then H0 is rejected meaning that the price and quality of service simultaneously have a significant influence on consumer satisfaction.

Declaration by Authors

Acknowledgement: None

Source of Funding: None

Conflict of Interest: The authors declare no conflict of interest.

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How to cite this article: Nurul Fatmawati, Tjetjep Yusuf Afandi, Zainal Arifin. The influence of price and service quality on consumer satisfaction at “Indah Beauty” beauty outlet in Batuaji Village, Kediri Regency. *International Journal of Research and Review*. 2023; 10(10): 324-329. DOI: <https://doi.org/10.52403/ijrr.20231040>
