



The Effect of Price, Promotion, and Ease of Use Application Online Transportation on the Usage Decision in Surabaya City

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ABSTRACT

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The study aims to determine the effect of price, promotional appeal and ease of use of applications on the decision of use of online transportation. The type of research used in this study is "Explanatory Research", which is a type of research that aims to find out the small relationship and influence of one variable on other variables, as well as test the proposed hypothesis (accepted or rejected). The population in this study is the overall consumers of online motorcycle-taxi drivers (known as ojek) in Surabaya. The sampling technique used is purposive sampling, the population element is selected on the basis of its availability based on certain criteria. Test results through SPSS indicate that there is a significant positive relationship between price on usage decisions, promotion on usage decisions, and the ease of application on usage decisions. The results showed that of the four variables of price, promotion, ease of application simultaneously affect the decision to use the online transportation.

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1. Introduction

The online transportation industry has experienced a very rapid development, where entrepreneurs in the industry must think creatively to survive. Online transportation services are one of the alternatives of Indonesian people in supporting the mobility of the community, as well as improving efficiency and productivity. Online transportation as one of the creative industry services in the field of online transportation services, customers can order motor or car services by using an application that can be downloaded from each user's smartphone. Drivers can respond to orders directly through apps already installed on the driver's smartphone and service users (Wallsten, 2015).

Surabaya is one of the major cities in Indonesia that is a potential target market for the online transportation services industry. Popular online transportation services in Indonesia include Go Jek, Grab and Maxim. There are many other online transportation services but still limited on the local scale and are located in certain areas only. The highest market share was held by Grab and Go Jek (Donnelly, 2019)

Some research on the topic of online transportation services has been done a lot such as research conducted by Farin (Farin et al., 2016) online transportation becomes an alternative choice chosen by consumers as one of the general transportation options that are convenient and affordable. This is according to comScore data at the end of 2017 that the users of online transportation applications reached 15.73 million people. It can be concluded that the interest of Indonesian people using online transportation services is very high, therefore becomes a great opportunity for entrepreneurs in this field.

The concept of marketing simply states that an organization must satisfy the needs and desires of consumers in order to be profitable (Peter & Olson, 2013) A loyal customer will be a valuable asset to a company. Repurchase is a faithful behavior that is expected to increase customer retention (Ramadan

et al., 2019) The goal of marketing is not just to sell their products to consumers, but the company must be able to create customer satisfaction which is the beginning of building loyalty. Therefore, the company is required to be able to provide good quality service so that consumer satisfaction can be fulfilled, which in the end customers will be loyal to the company's products. Regarding the increase in online transportation users in Indonesia, researchers are interested in conducting research with the title "Effect of Price Perception, Promotional, and Ease of Use of Application On The Decision To Use Online Transportation On Urban People In Surabaya City As Alternative Options Of Public Transportation Mode".

2. Methods

This study is a type of causal research to explain the causal relationship of a phenomenon. This research seeks to understand the relationship between variables that are differentiated into independent variables that are the cause and dependent variables that are the result of a phenomenon.

The data collection technique used in this study is a survey conducted on online transportation users in Surabaya. Questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to answer. The use of this questionnaire is based on the belief that what the respondent said is true and reliable. This technique is considered relevant to the constructed hypothesis.

The population of this study is online transportation users in Surabaya. The sample taken was an online transportation user in Surabaya. Sampling technique according to Hair et al. (2011) the number of samples in the study as in this study, the size of the sample can be determined by multiplying 10 times the number of informative indicators that are the most in a construct of variables in the model. Therefore, in this study the number of samples of 100 respondents was enough to see Y2 has the most informative indicators with the number of 10. The sample of 100 respondents was taken accidentally by choosing respondents who fit the criteria and willing to fill out questionnaires when primary data collection was taken, namely August 15 to October 15, 2021.

Sampling in this study using purposive sampling techniques based on five criteria, namely: 1. Online transportation customers who use the application at least 4 times 2. Minimum age 17 years 3. Domiciled in the city of Surabaya. The data collection technique in this study is a questionnaire, so that the collected data is information sourced from the real phenomenon observed. Data obtained in the framework of hypothesis testing in the form of primary data obtained from the results of respondent responses to a list of questions (questionnaires) given to respondents before or after conducting banking transactions. The use of this questionnaire is based on the belief that what the respondent said is true and reliable.

3. Results and Discussion

3.1 Validity Test

The validity test will test each of the variables used in the study, where the entire research variable contains a statement that must be answered by the respondent. Confidence level = 95 percent ($\alpha = 5$ percent), the degree of freedom (df) = $n - 3 = 100 - 3 = 97$, r -table = 0.198. If the calculated r (for each item can be seen in the Corrected Item -Total Correlation) column greater than the r table and the r value is positive, then the statement item is said to be valid (Ghozali, 2005). Based on the analysis that has been done, the results of validity testing can be shown in the following table:

Table 1
Validity Testing Results

No.	Question Item A	r-count	r-table	Result
1.	X11	0,807	0.198	Valid
2.	X12	0,767	0.198	Valid
3.	X13	0,855	0.198	Valid
4.	X14	0,733	0.198	Valid

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No.	Question Item A	r-count	r-table	Result
5.	X15	0,777	0.198	Valid
6.	X21	0,749	0.198	Valid
7.	X22	0,648	0.198	Valid
8.	X23	0,663	0.198	Valid
9.	X24	0,834	0.198	Valid
10.	X25	0,765	0.198	Valid
11.	X26	0,847	0.198	Valid
12.	X31	0,827	0.198	Valid
13.	X32	0,874	0.198	Valid
14.	X33	0,819	0.198	Valid
15.	X34	0,849	0.198	Valid
16.	X35	0,860	0.198	Valid
17.	Y1	0,847	0.198	Valid
18.	Y2	0,827	0.198	Valid
19.	Y3	0,874	0.198	Valid

3.2 Reliability Test

Reliability is used to measure a questionnaire which is a construct or variable measurement tool. A questionnaire is said to be reliable if the respondent's answer to the question is consistent or stable over time (Ghozali, 2001). The results of reliability testing in this study can be seen in the following table:

Table 2
Validity Testing Results

No.	Variabel	Cronbach Alpha	Alpha	Result
1.	(X1)	0,828	0,6	Reliabel
2.	(X2)	0,779	0,6	Reliabel
3.	(X3)	0,870	0,6	Reliabel
4.	(Y)	0,754	0,6	Reliabel

3.3 Regression Analysis

Multiple linear regression analysis was used in this study with the aim of finding out whether or not independent variables have an effect on dependent variables. The statistical calculation in the multiple linear regression analysis used in this study using the SPSS for Windows version 23.0 computer program. Summary of data processing results is as follows

Table 3
Regression Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
Constant	-5.552	1.725		-3.201	.002		
Price	.325	0.90	.284	3.618	.000	.865	1.157
Promotion	1.76	0.60	.228	2.917	.004	.890	1.123
Easy Of Use App	.301	0.82	.280	3.669	.000	.919	1.088

a. Dependent Variable : Usage Decisions

The standardized result of the regression equation is: $Y = 0.284 X1 + 0.228 X2 + 0.280 X3$. The three independent variables tested individually that are dominant in influencing online transportation usage decisions in Surabaya is Price (with a coefficient of 0.284). The next variable that has a considerable role in the decision to influence the decision of the use of online transportation in Surabaya is ease of use of the mobile application (with a coefficient of 0.280). Promotion also has a considerable role in influencing the decision of the use of online transportation

(with a coefficient of 0.228). All independent variables of the research have a positive effect on the decision to use online transportation in Surabaya.

The results of the T-test show that all variables have a significance of less than 0.05. Of the independent variables in this study, the variable that is most dominant on dependent variables is price, meaning that this variable is the most important in determining the decision to use online transportation in Surabaya.

3.4 Effect of Price on Online Transportation Usage Decisions

The test results of hypothesis 1 found that the Price variable had a significant influence on the decision to use online transportation. This means that consumers will decide to choose to use ojek online based on the price to be paid. Hypothesis 1 indicates a positive and significant effect on usage decisions that can be supported by the results of the study.

3.5 Effect of Promotion on Online Transportation Use Decisions

Hypothesis 2 testing shows the positive and significant influence of promotion variables on online transportation usage decisions in Surabaya. These results show that consumers are guided by promotion in deciding to use online transportation.

3.6 Effect of Ease of Application on Online Transportation Usage Decisions

Testing of Hypothesis 3 showed a positive and significant influence on the ease of application variable on the decision to use online transportation. These results show that the ease of using the app becomes important because consumers only use smartphones to order transportation online.

The F test results showed that all independent variables (price, promotion, and ease of usage application) had a significant and simultaneous influence on the decision to use online transportation in Surabaya. This is shown from the calculated F value of 21.397 with a significance level of 0.000 (less than 0.05). As shown in the table below:

Table 4
The results of simultaneous regression test (F-test)
ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	148.509	3	29.702	21.397	.000a
	Residual	130.481	94	1.388		
	Total	278.990	99			

- a. Predictors: (Constant), Price, Promotion, Ease of Use App
- b. Dependent Variable: Usage Decision

Meanwhile, from the results of the calculation of the Coefficient of Determination (R²), it can be concluded that the independent variables in this study were able to explain 53.2% about the decision to use online transportation in Surabaya. The remaining 46.8% was explained by other variables not included in the study. This is in accordance with the following data processing results table:

Table 5
Coefficient of Determination (R²)
Model Summary^b

Model	R	R square	Adjusted R	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	Df2	Df2
1	.730	.532	.5	1.178	.532	21.397	5	94	.000

- a. Predictors: (Constant), Price, Promotion, Ease of Use App
- b. Dependent Variable: Usage Decision

3.7 Discussion

Based on the results of analysis and discussion, it can be concluded that price has a positive influence of the decision to use online transportation, promotion has a positive influence on the decision of the use of online transportation, and the ease of application also has a positive influence on the decision to use online transportation. All the results of the analysis have a positive influence on

every relationship between factors, it can be stated that the use of online transportation in Surabaya is influenced by price, promotion and ease of application

4. Conclusions

This research is conducted with research methods that include indicator measurement tools with Likert scale and statistical testing using SPSS analysis that has been tested through structured procedures. Therefore the source and truth can be accounted for scientifically. The aim of the study is to create decisions on the use of online transportation built by price, promotion and ease of application.

All variables in the model that include price, promotion and ease of application are developed into question items called indicators, where the indicators are made based on the characteristics of Surabaya residents who use online transportation as research objects so that they are in accordance with the concept to be measured. However, it does not rule out the possibility of being used in different contexts with adjustments based on the characteristics of the object observed. The object observed in this study focused on online transportation users in Surabaya, thus impacting the generalization of limited studies. This provides an opportunity for further studies to develop the same model in a broader context, for example conducted in other cities but still pay close attention to the characteristics attached to the object of the study.

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