



The Effect of Service Quality, Price Perception, and Location on Customer Satisfaction at Harris Suites Fx Sudirman Hotel

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ABSTRACT

This study analyzes service quality, price perception, and location on customer satisfaction at Hotel Harris Suites fX Sudirman Jakarta. The type of data in this study is primary data or data from respondents containing respondents' opinions of service quality, price perception, and location on customer satisfaction. Data collection can be found questionnaire instrument. The population in this research is customers of Hotel Harris Suites fX Sudirman Jakarta with a sample of 100 respondents by Purposive Sampling. The method of analysis uses descriptive and quantitative methods. The calculated value is more significant than the t table from the research results on partial variables. This study shows and states a positive and considerable influence of service quality, price perception, and location on customer satisfaction. At the same time, the percentage of impact on service quality, price perception, and place on customer satisfaction at Hotel Harris Suites fX Sudirman Jakarta amounted to 78.4%. In contrast, the rest is influenced by others.

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1. Introduction

The current industrial growth is increasing rapidly. As we know, the development of hotels has a history that began more or less in the 18th century in major countries, namely Europe and America, where modern hotels began to appear. Besides being stylish, it also has complete facilities and also has a large number of rooms. Meanwhile, in Indonesia, the development of hotels began with the establishment of Hotel Indonesia in 1962. The national entrepreneurs at that time formed an association called the Organization of Similar Companies (OPS). Currently, an organization in Indonesia called the Indonesian Hotel and Restaurant Association or PHRI, which acts as an association that participates in developing the hotel and restaurant business.

Talking about hotel development, let's take the example of the city of Jakarta. The capital city with its charm for tourism connoisseurs, the city of Jakarta has many hotels with various facilities that complement almost the entire Jakarta area. The city of Jakarta is considered to have excellent prospects and potential in the hospitality industry. Judging from the growth of Jakarta's tourism and business industries, the Hospitality Industry has become one of the critical supporting facilities for the ongoing development of tourism and business in Jakarta. The hospitality industry plays a significant role in providing facilities to tourists and entrepreneurs in delivering accommodation, with the main product being services and lodging facilities. In providing lodging facilities and services, of course, many things must be considered to create customer satisfaction. To achieve this, various strategies are needed, ranging from improving service quality, providing a reasonable price perception, and establishing a company in a strategic location.

Service quality is the essential thing in the industrial and business world through the quality of service provided can determine whether someone will return to the product sold or not; defined by Wilson et al. (2016), service quality is an act, process, and performance in providing service to

customers. Quality has a significant impact on a company if it delivers what each customer expects. It is hoped that customer satisfaction can continue to increase over time. The quality of service that continues to be improved will increase customer satisfaction empirically by previous research conducted by Sholeha et.

In addition to maximum service quality, price perception also has a vital role in clearly providing customer price information to feel satisfied. Thus defined by Peter and Olson (2010), Price perception relates to how consumers fully understand price information and gives deep meaning to them. One approach to understanding price perception is information processing promoted by Jacoby and Olson. Price is one of the determinants of how much profit the company will get from selling products or services. When the price is appropriate and followed by excellent service quality, it can increase customer satisfaction.

In addition to service quality and price perceptions that must be considered, one thing can also affect customer satisfaction, namely location. Why is that a strategic and easy-to-find location makes it easy for customers to find the position of the company/service? Citing Lupiyoadi's (2014) statement that location is a company's decision about where its operations and staff will be assigned. An essential factor in the development of a business is the location of the urban area, the way to achieve it, and the travel time to the destination. There are previous studies whose results state that location has a positive and significant effect on customer satisfaction (Setiawati et al., 2020)

The things above support the increase in customer satisfaction. Customer satisfaction is a comparison between expectations or expectations before purchase and perceptions of performance after purchase Tjiptono (2015). Irawan (2002) argues that five factors determine customer satisfaction: service quality, product quality, price, emotional factors, and costs. Firdiyansyah (2017) researches that the quality of service, price, and location simultaneously affect customer satisfaction.

Harris Suites fX Sudirman Hotel is one of the best hotels in Jakarta. This hotel has a cheerful and unique concept with a modern and straightforward design carrying a bright orange color that makes the hotel look fresh and attracts many visitors. In addition to selling quality products, Harris Suites fX Sudirman also has an unquestionable quality of service so that employees can help with what consumers need. That way, the hotel will be visited by various consumers from abroad. To achieve this, the company must provide service quality, price perception, and good location to foster customer satisfaction. Therefore, the researcher wants to prove that the theory of service quality, price perception,

2. Method

The method used in this study is a quantitative method by conducting descriptive research based on data by distributing questionnaires or a set of questions or written statements to respondents. This study uses a Likert scale to determine the effect of service quality, price perception, and location on customer satisfaction at the Harris Suites fX Sudirman Hotel, Jakarta. In this research, there are three dependent variables (independent variable) include Quality of Service (X1), Price (X2), and Location (X3), as well as on the independent variable (dependent variable), namely customer Satisfaction (Y). This research was conducted in May 2021 at the Harris Suites fX Sudirman Hotel, Jakarta. The type of data in this study is primary data sourced from consumers at the Harris Suites fX Sudirman Hotel, Jakarta. In this study, the population is customers at the Harris Suites fX Sudirman Hotel, Jakarta. The researcher used a purposive sampling technique to determine the number of samples studied to determine models with special estimates (Sugiyono, 2018). The respondents were customers who had visited at least two or more times as many as possible 100 people.

The data collection technique is shown to obtain a score that determines the influence of service quality, price perception, and location on customer satisfaction at Harris Suites Hotel FX Sudirman Jakarta. Before data analysis, the researcher tested the validity and reliability so that the data used was right between the data in the research object and the data that the researcher could report. The validity test shows that all indicators used to measure the variables in this study have a correlation coefficient more significant than the r table with the statement declared valid, according to Priyatno (2018). The items asked in a group of questions are reliable if the coefficient number is 0.60. Analysis of the data

used in this study is the analysis of Multiple Linear Regression. This analysis states that the model is good if it meets the classical assumptions. Therefore, a classical assumption test is needed before doing regression analysis. Classical assumption test consists of normality test, heteroscedasticity test, multicollinearity test, linearity test. Data that has met the assumption test will be tested Partial (t-test), Simultaneous (F-test), and the coefficient of determination (R²).

3. Result and Discussion

3.1 Validity and Reliability

The service quality variable has five valid statements based on the validity test results. In the price perception variable, there are four reasonable statements. Then in the location variable, there are eight good statements. And then, for the customer satisfaction variable, there are five valid statements so that the statements of the four variables can be used as a questionnaire.

The reliability test results show that all variables have a Cronbach Alpha coefficient which is quite large above 0.6, namely 0.844 for the service quality variable, 0.776 for the price perception variable, 0.911 for the location variable 0.883 for the customer satisfaction variable.

3.2 Respondent Description

Based on the primary data collected, most customers who stay at the Harris Suites fX Sudirman Hotel are male with an age range of 30-40 years, and the latest education is college graduates. Most respondents have visited 3-4 times because the Harris Suites fX Sudirman Hotel has maintained service quality and is strategically located for business people and travelers.

3.3 Classic assumption test

a. Data Normality Test

A good regression model is the distribution of average data or close to normal in table 1 is the normality test of the data using the SPSS version 20 program.

Table 1
Data Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters, b	<u>mean</u>	<u>0E-7</u>
	Std. Deviation	1.37792097
Most Extreme Differences	<u>Absolute</u>	<u>0.080</u>
	<u>Positive</u>	<u>0.080</u>
	negative	-.067
Kolmogorov-Smirnov Z		.796
asymp. Sig. (2-tailed)		.850

a. Test distribution is Normal.

b. Calculated from data.

Source: SPSS 20 for windows (processed by the author, July 2021)

By using the Kolmogorov Smirnov test, with a significant level = 5% = 0.05, the significance value of the Kolmogorov Smirnov test in the table above is found to be a substantial value of 0.850 > 0.05; thus, the data is usually distributed because a significance value of > 0.05 was found. Based on the analysis results above, it can be concluded that the assumption of normality of the data has been met.

3.4 Heteroscedasticity Test

A good regression model is no heteroscedasticity by looking at the pattern of dots on the regression scatterplot. If the points spread in an unclear way and are below the number 0 on the Y axis, then there is no heteroscedasticity problem.

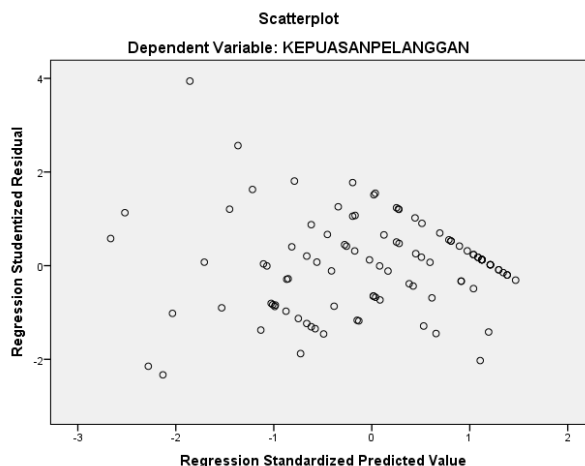


Figure 1. Heteroscedasticity Test

The picture above shows that the points spread with an unclear pattern above and below the number 0 on the Y-axis. So it can be concluded that there is no heteroscedasticity problem in the regression model.

a. Multicollinearity Test

A good regression model should not correlate with independent variables; if the independent variables are associated, this variable is not orthogonal. Orthogonal variables are independent variables whose correlation value between independent variables equals zero.

Table 2
Multicollinearity Test

Coefficients		
Model	Collinearity Statistics	
	Tolerance	VIF
Service quality	.967	1.035
Price Perception	.411	2.436
Location	.410	2.440

a. Dependent Variable: Customer Satisfaction

Source: SPSS 20 for windows (processed by the author, July 2021)

Variable showing symptoms of multicollinearity can be seen from the value of VIF (Variance Inflation Factor). Suppose the VIF value is less than 10 and the tolerance value is more than 0.1 for the three variables. In that case, it can be concluded that the regression model does not have multicollinearity problems.

3.5 Linearity Test

For linearity test on SPSS version 20, used Test for Linearity with a significant level of 0.05. Two variables have a linear relationship if the considerable value on linearity is less than 0.05.

Table 3

Linearity Test

Variable	Method	Sum of squares	df	Mean Square	F	Sig.
Service quality	linearity	139.793	1	139.793	1.570	.000
Price Perception	linearity	275.498	1	275.498	126.750	.000
Location	linearity	226.153	1	226.153	95.185	.000

Source: SPSS 20 for windows (processed by the author, July 2021)

Based on the results of data processing with the help of SPSS version 20, it can be seen that the significance value for linearity is 0.000. Because the significance is less than 0.05, it can be concluded

that there is a linear relationship between the variables of service quality, price perception, location, and customer satisfaction. With this, the assumption of linearity is met.

3.6 Multiple Linear Regression Analysis

Using SPSS version 20, a regression model shows the relationship between service quality, price perception, location, and customer satisfaction.

Table 4
Multiple Linear Regression Test

Coefficients				
Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	5.398	1.866	
	Service quality	0.149	0.066	0.145
	Price Perception	0.595	0.099	0.592
	Location	0.110	0.049	0.221

a. Dependent Variable: Consumer Satisfaction

Source: SPSS 20 for windows (processed by the author, July 2021)

From the table above it is found that the resulting linear regression model is: Customer Satisfaction = 5.398 + 0.149 (Service Quality) + 0.595 (Price Perception) + 0.110 (Location)

- The constant value = 5.398 means that customer satisfaction will be worth 5.398 if all independent variables have a value of 0.
- The value of service quality 0.149 means that if there is an increase in service quality by 1 unit, customer satisfaction will increase by 0.149 times.
- The value of price perception is 0.595, which means that if there is an increase in price perception of 1 unit, then customer satisfaction will increase by 0.595 times.
- The location value of 0.110 means that if there is an increase in the location of 1 unit, customer satisfaction will increase 0.110 times.

3.7 F Uji test

To find out whether the resulting multiple linear regression model can be used as a model to predict the effect of service quality, price perception, and location on customer satisfaction at the Harris Suites fx Sudirman Hotel, Jakarta, it is necessary to use the f/ANOVA test. The following will explain the testing of each variable below:

Table 5
ANOVA Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	299.342	3	99.781	50.961	.000 ^b
	Residual	187.968	96	1.958		
	Total	487.310	99			

a) Dependent Variable: CUSTOMER SATISFACTION.

b) Predictors: (Constant), LOCATION, QUALITY OF SERVICE, PRICE PERCEPTION.

Source: SPSS 20 for windows (processed by the author, July 2021)

The f test or regression coefficient test is used to determine the independent variable has a significant effect on the dependent variable. In this case, whether service quality, price perception, and location have a significant impact or not on the level of sales. Based on the significance, if the significance 0.05 H0 is rejected and the importance is > 0.05, H0 is accepted. Based on table 5, the f test results are 0.000, the importance of the f test is less than 0.05 (0.000 < 0.05) so that H1 is accepted. This concludes that there is an influence between the variables of service quality, price perception, and location simultaneously on customer satisfaction at Harris Suites Hotel FX Sudirman Jakarta. And this is my previous research conducted by Firdiyansyah (2017), which in his study resulted in the influence of service quality,

3.8 t-test

The t-test was used to partially determine the effect of the independent variables (service quality, price perception, and location) on the dependent variable (customer satisfaction) Priyatno (2018). Based on SPSS version 20 rock, the following will explain the partial test of each variable with the test

Table 6

t-test

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	5.398	1.866		2.893	.005
Service quality	.149	.066	.145	2.250	.027
Price Perception	.595	0.099	.592	5.984	.000
Location	.110	0.049	.221	2.235	.028

a. Dependent Variable: Customer Satisfaction.

Source: SPSS 20 for windows (processed by the author, July 2021)

Based on the test results in table 6, conclusions can be drawn from the analysis as follows:

3.9 Service Quality Variable

The results of the t-test for the variable X1 (Quality of Service) obtained a significance value of 0.027 using a significance limit of 0.05. Then $0.027 < 0.05$ which H1 is accepted and H0 is rejected. Thus, the first hypothesis can be assumed that service quality significantly affects customer satisfaction. The results of the view above are by the results of previous research conducted by Sholeha et al. (2018), Firdiyansyah (2017), Firatmadi (2017), Nastiti & Astuti (2019). The results of this study indicate that service quality has a significant effect on customer satisfaction. Zeithaml et al. (1988) argue that service quality can be defined by what is received by consumers expressed the magnitude of the difference between the expectations or desires of consumers with their level of perception. Quality directly impacts product or service performance; therefore, quality is closely related to customer value and satisfaction. It can be concluded that the quality of service is very influential on customer satisfaction.

3.10 Price Perception Variables

The results of the t-test for the variable X2 (Price Perception) obtained a significance of 0.0300 using a significance limit of 0.05. Then $0.000 < 0.05$, which means H1 is accepted, and H0 is rejected. Thus, the second hypothesis can be assumed that price perception significantly affects customer satisfaction. It can be concluded that the better the price perception, the higher the customer satisfaction. The results of the above hypothesis are from previous research conducted by Nastiti & Astuti (2019). The results of this study indicate that price perception has a significant effect on customer satisfaction. This is supported by the theory of Peter and Olson (2010). Price perception is related to how consumers fully understand price information and gives deep meaning to them. One approach to understanding price perception is information processing promoted by Jacoby and Olson.

3.11 Location Variable

The results of the t-test for the X3 variable (Location) obtained a significance of 0.028 using a significance limit of 0.05, then $0.028 < 0.05$, which means H1 is accepted and H0 is rejected. Thus, the third hypothesis can be assumed that location significantly affects customer satisfaction. It can be concluded that the better the location, the higher the customer satisfaction. The hypothesis results above are from previous research researched by Setiawati et al. (2020); Firdiyansyah (2017). This last study shows that location has a significant effect on customer satisfaction. This is supported by Lupiyoadi's (2014) opinion that location is a decision made by the company regarding where its operations and staff will be located.

3.12 Analysis of Correlation (r) and Coefficient of Determination (R2)

Table 7

Correlation coefficient and coefficient of determination (R2)

Model	Partial	Category	Coefficient of Determination %	Rtable	Conclusion
Service quality	0.224	Weak	5.01	0.196	Significant
Price Perception	0.251	Weak	6.30	0.196	Significant
Location	0.298	Weak	8.88	0.196	Significant
Simultaneous	0.784	Strong	61.46	0.196	Significant

Source: SPSS 20 for windows (processed by the author, July 2021)

Based on the results of the analysis of table 7 on the correlation coefficient and the coefficient of determination between each variable partially or simultaneously, it was found that the partial correlation coefficient value of the service quality variable and customer satisfaction was 0.224, meaning that there was an honest but weak relationship between the service quality variable and partial customer satisfaction. The coefficient of determination of the service quality variable is 5.01%, meaning that the ability of the service quality variable to explain the diversity of customer satisfaction at the Harris Suites fX Sudirman Hotel is 5.01%. According to Zeithaml et al. (1988), this is by the theory that service quality can be defined that what is received by consumers is stated by the magnitude of the difference between the expectations or desires of consumers with their level of perception. Service quality is closely related to customer value and satisfaction. From the description above, it can be concluded that the quality of service is a need to satisfy its customers. Therefore, the quality of service is essential in customer satisfaction. Where the quality of service is getting better, customer satisfaction is getting higher.

The correlation coefficient and the coefficient of determination simultaneously found the value of the partial correlation coefficient of the price perception variable with customer satisfaction is 0.251, meaning a genuine but weak relationship between the price perception variable and partial customer satisfaction. The value of the coefficient of determination of the price perception variable is 6.30%, meaning that the ability of the price perception variable to provide a variety of customer satisfaction at the Harris Suites fX Sudirman Hotel is partially 6.30%. According to Shichiffman and Kanuk (2018), this is by the theory that perception is a process of an individual selecting, organizing, and translating the incoming information stimulus into a comprehensive picture. There is a natural but intense relationship between the price perception variable and partial customer satisfaction. This is because some respondents considered that the price perception given by Harris Suites fX Sudirman Jakarta could compete with other similar hotels.

Based on the correlation coefficient and the coefficient of determination between each location variable and the purchase decision is 0.298, there is a genuine but weak relationship between the location variable and partial customer satisfaction. The value above shows a positive value which produces a unidirectional relationship so that if a service increases, the purchasing decision will increase. The coefficient of determination of the location variable is 8.88%, meaning that the ability of the location variable to explain the diversity of customer satisfaction at the Harris Suites fX Sudirman Hotel is 8.88%. This is by the theory said by Kotler and Armstrong (2008). Place or location includes company activities that make products available to target customers.

Simultaneously or together, it is known that the correlation coefficient of service quality, price perception, and location simultaneous variables is 0.784, meaning that there is a real relationship in the strong category between service quality, price perception, and location variables on customer satisfaction at the Harris Suites fX Sudirman Hotel. The ability of these three variables to explain the diversity of customer satisfaction is 61.46%, this means that the percentage of the influence of the independent variables of service quality, price perception, and location on customer satisfaction is 61.46%, the remaining 38.54% is influenced by other variables. which are not listed in this research model such as brand, product quality, customer loyalty, trust, promotion, and various other factors.

4. Conclusion

Some conclusions obtained by the author after completing this research are:

- a. Price perception significantly affects customer satisfaction at the Harris Suites fX Sudirman Hotel, Jakarta. The ability of the price perception variable to explain customer satisfaction is 52.1%.
- b. The location has a significant effect on Service Quality Satisfaction, is having a substantial impact on Customer Satisfaction at the Harris Suites fX Sudirman Hotel, Jakarta. The ability of the service quality variable to explain customer satisfaction is 52.4%.
- c. Customers at the Harris Suites fX Sudirman Hotel, Jakarta. The ability of the Location variable to explain customer satisfaction is 42.2%.
- d. Simultaneously, there is a significant effect on the three variables to determine customer satisfaction at the Harris Suites fX Sudirman Hotel, Jakarta. With a contribution of 78.4%. The remaining 21.6%

The Effect of Service Quality, Price Perception, and Location on Customer Satisfaction at Harris Suites Fx Sudirman Hotel (Chatarina Yunita Tarigan, et al)

are other influential factors that are not discussed in this study, including brand image, product quality, and so on.

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