# Effect of Service Quality, Price and Promotion on Customer Satisfaction at PT. Mestika Power

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#### Abstract

Researchers took the object of research at PT. Mestika Sakti, due to a decrease in customer satisfaction. Customer satisfaction is a stimulus for customers to rate a product or service after using it. Quality of service, price and promotion is one of the causes of decreased customer satisfaction. The research approach used is a quantitative approach. The type of research used in this research is descriptive quantitative. In accordance with the research objectives, the nature of this research is descriptive explanatory. The population used is the company's customers as many as 124 people and the sample of this study amounted to 95 people obtained from the Slovin formula. used to test the validity and reliability are as many as 30 customers at the same company. The results of linear regression analysis show Customer Satisfaction = 10.730 + 0.173 Quality of Service + 0.177 Price + 0.279 Promotion. The results showed that partially service quality, price and promotion had a significant influence on customer satisfaction at PT. Mestika Sakti. The results of the study simultaneously obtained that service quality and promotion had a significant effect on customer satisfaction. The value of Adjusted R Square is 0.367 which means that it implies that the influence of other independent variable on the dependent variable is 36.7% and the remaining % is the influence of other independent variables.

#### Keywords: Service Quality, Price, Promotion, Customer Satisfaction

## 1. Introduction

Nowadays, medicines are one of the necessities of people's lives where the existence of medicines will greatly help the community in curing the pain complaints they have. Therefore, medicine is very important in today's era. PT. Mestika Sakti is a company engaged in the distribution of pharmaceutical and consumer goods. PT. Mestika Sakti has become one of the main distributors for several pharmaceutical products including the existence of GSK, Nature-E products and has also become a distributor covering the Sumatra area. However, customer satisfaction with PT. Mestika Sakti decreased where Sales from PT. Mestika Sakti is decreasing from year to year. Decreased customer satisfaction is caused by several things, including the quality of service. Service quality is the level of service related to meeting consumer expectations and needs, which means that service can be called quality if it meets most of the expectations of consumers. Service quality is one of the components that can increase customer satisfaction where poor service will make customers less comfortable in conducting transactions with the company. this happens in this company where the

© Authors. Terms and conditions of this job is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License apply. Correspondence: Demak Claudia Yosephine Simanjuntak, *Universitas Prima Indonesia*. Email: claudiayoseph8@gmail.com

company is considered not good at serving customers where customers feel the company is taking too long to deliver their ordered goods.

In addition, the return of goods that are classified as difficult and also the company employees are less friendly to customers. From this it can be seen that the quality of service owned by PT. Mestika Sakti is classified as not good which has a direct impact on customer satisfaction of PT. Mestika Sakti In addition, price can also affect customer satisfaction. Price is the amount of money that the buyer must pay to the seller to get the goods or services he wants to buy. Price is very important for the sale of the product because the price determines the ability of the buyer. the price offered by PT. Mestika Sakti to its customers is relatively high where the company offers a price with a fairly low price cut compared to its competitors.

This makes the company feel less satisfied with the price given by the company. Apart from promotional prices can also affect customer satisfaction. Where promotion is an activity carried out in order to increase the development of something, be it a brand, product, or the company itself. Promotions carried out by the company are classified as minimal where the company only promotes directly to customers which makes customers less confident in the products offered. In addition, promotions such as renting shelves in stores are also rarely carried out where the purpose of promotions using store displays is to make customers more familiar with and also believe in the products offered.

#### 2. Literature Review

#### **Organizational Service Quality**

According to Tjptono and Chandra (2012), Service Quality reflects all dimensions of product offerings that generate benefits for customers. According to Sunyoto (2013), in descriptive analysis service quality is measured based on the following indicators: Physical facilities, Reliability, Service readiness and speed, Certainty, Ease.

## Price

According to Setyo (2017), price is the amount of money needed to get a number of combinations of goods and their servants According to Setyo (2017), states that there are several indicators in determining the right price, namely: Set prices, Price affordability, Price compatibility with quality, Price competitiveness, Price discounts.

## Promotion

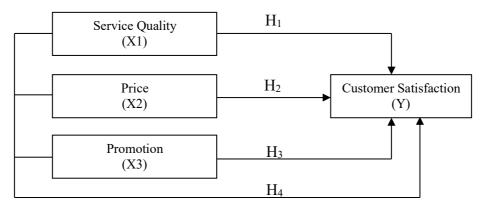
According to Fauzi, et al (2019), promotion is a marketing function that focuses on communicating marketing programs persuasively to target customers or potential customers to encourage the creation of transactions between companies and customers. According to Fauzi, et al (2019), there are 5 indicators for promotion, namely: Advertising (advertising), Face-to-face selling (personal selling), Sales promotion (sales promotion), Publicity (publicity), Direct marketing (direct marketing).

#### **Customer Satisfaction**

According to Maulana (2016) Satisfaction can be interpreted as a feeling of satisfaction, pleasure and relief for someone due to consuming a product or service to get the service of a service. According to Maulana (2016) there are four indicators in measuring customer satisfaction, namely:

Identifying who the customer is, Understanding the level of customer expectations for quality, understanding customer service quality strategies, Understanding the measurement cycle and feedback from customer satisfaction.

#### Framework



**Figure 1. Research Framework** 

According to Sugiyono (2016), the hypothesis is a temporary answer to the research problem formulation, where the research problem formula has been stated in the form of a question sentence. A hypothesis is a proposition or conjecture that has not been proven. Based on the description above, the hypotheses in this study are:

1. Service Quality has an effect on Customer Satisfaction at PT. Mestika Sakti

2. Price affects customer satisfaction at PT. Mestika Sakti.

3. Promotion has an effect on Customer Satisfaction at PT. Mestika Sakti.

4. Quality of Service, Price and Promotion have an effect on Customer Satisfaction at PT. Mestika Sakti.

## 3. Methods

According to Sugiyono (2016) the research approach used is a quantitative approach, which is an approach that in research proposals, processes, hypotheses, goes to the field, data analysis and data conclusions until the writing uses aspects of measurement, calculation, formulas and certainty of numerical data. According to Sugiyono (2016) the type of research used is descriptive quantitative research, which is a method that aims to create an image or descriptive about a situation objectively using numbers, starting from data collection, interpretation of the data and appearance and results. According to Sugiyono (2016) the nature of this research is explanatory research, which is a research method that intends to explain the position of the variables studied and the influence between one variable and another. According to Sugiyono (2016) in this study, the population is all customers of PT. Mestika Sakti from January 2021 s.d. December 2021 ranged among 124 subscribers. To determine the minimum sample required, the slovin test is carried out which aims to determine the number of samples in this study

$$n = \frac{N}{1 + Ne^2}$$

Description : n = Number of samples N = Population sizee = Error rate in sampling (5%).From the formula above, it can be calculated the number of samples, namely.

$$n = \frac{124}{1 + (124 \times 0.05^2)}$$

n = 94,6564885 or 95 customers

The results of the sample calculation using the Slovin formula after the rounding results obtained a sample of 95 customers. And for testing the validity and reliability, 30 customers will be taken outside of the sample used in the study. According to Sugiyono (2016), the data collection techniques used in this study were Questionnaires/Questionnaires, Documentation and Interviews. According to Sugiyono (2016), the type of data used in this study is a type of quantitative data where the data consists of primary data whose data sources are interviews, questionnaires and secondary data whose data sources are data provided by the company.

## 4. Results and Discussion

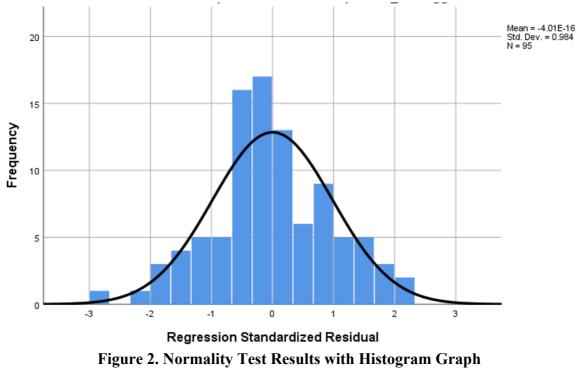
## **Descriptive Statistical Analysis**

	Ν	Minimum	Maximum	Mean	Std. Deviation
Service Quality	95	11.00	33.00	22.2632	5.16372
Price	95	14.00	42.00	31.4526	5.22834
Promotion	95	17.00	45.00	34.1895	4.77425
Customer Satisfaction	95	18.00	37.00	29.7158	4.10413

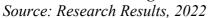
 Table 1. Descriptive Statistical Analysis Results

Source: Research Results, 2022

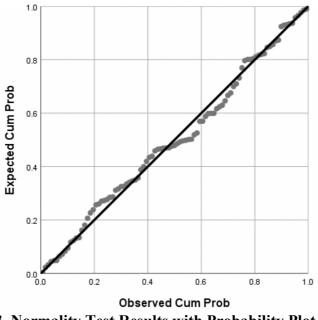
From Table 1 it can be seen that the amount of data used is as many as 95 people who are consumers of PT. Mestika Sakti, the Service Quality variable has a minimum value of 11 and a maximum value of 33 with an average of 22.2632 and a standard deviation of 5.16372. Price variable has a minimum value of 14 and a maximum value of 42 with an average of 31.4526 and a standard deviation of 5.22834. Promotion variable has a minimum value of 17 and a maximum value of 45 with an average value of 34.1895 and a standard deviation of 4.77425. The Customer Satisfaction variable has a minimum value of 18 and a maximum value of 37 with an average value of 29.7158 and a standard deviation of 4.10413.



**Normality Test** 



In Figure 2 above, it can be seen that the line is in the shape of a bell, neither deviating to the left nor to the right. This shows that the data is normally distributed and meets the assumption of normality.



**Figure 3. Normality Test Results with Probability Plot Method** Source: Research Results, 2022

Figure 3 shows that the data spreads around the diagonal line and follows the direction of the diagonal line. This explains that the regressed data in this study is normally distributed.

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## **Multiple Linear Regression Equation Analysis**

	_	Unstandardized Coefficients		Standardized Coefficients			Collinearity S	Statistics
M	odel	В	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	10.730	2.560		4.191	.000		
	Service Quality	.173	.069	.218	2.501	.014	.886	1.129
	Price	.177	.096	.226	1.854	.067	.455	2.198
	Promotion	.279	.104	.325	2.679	.009	.457	2.187
a.	a. Dependent Variable: Customer Satisfaction							

#### Table 2. Multiple Linear Regression Test Results

Source: Research Results, 2022

From table 2, the results of the multiple linear regression equation are as follows: Customer Satisfaction = 10.730 + 0.173 Service Quality + 0.177 Price + 0.279 Promotion. The regression equation has the following meaning. The constant a value of 10.730 means that if there are no variables of Service Quality (X1), Price (X2) and Promotion (X3) = 0 then Customer Satisfaction will be worth 10,730 units. The Service Quality Variable (X1) is 0.173, which means that for every increase in the Service Quality variable by 1 unit, the value on Customer Satisfaction will increase by 0.173 units with the assumption that the other variables are constant. Price variable (X2) is 0.177, which means that for every increase in the Price variable by 1 unit, the value on Customer Satisfaction will increase (X3) is 0.279, which means that for every increase in the Promotion variables by 1 unit, the value on Customer Satisfaction will increase by 0.279 units with the assumption that the other variables remain. Promotion variable (X3) is 0.279, which means that for every increase in the Promotion variable by 1 unit, the value on Customer Satisfaction will increase by 0.279 units with the assumption that the other variables remain.

the results of statistical testing with SPSS on the variable X1 (Quality of Service) obtained the value of t count = 2.501, then the t table is with df = 92 significance level 5% (0.05) two-tailed test is 1.98260. Because the value of t count > t table (2.501 > 1.98609) and significant 0.014 < 0.05 then H0 is rejected and H1 is accepted, Service Quality partially has a positive and significant effect on Customer Satisfaction at PT. Mestika Sakti. Variable X2 (Price) obtained the value of tcount = 1.854, tcount < t table (1.854 < 1.98609), and significant 0.067 > 0.05. then H0 is rejected and H1 is accepted, meaning that the price partially has no significant effect on customer satisfaction at PT. Mestika Sakti Variable X3 (Promotion) obtained tcount = 2,679, tcount > t table (2,679 > 1,98609), and significant 0.009 < 0.05. then H0 is rejected and H1 is accepted, meaning that the promotion partially has a positive and significant effect on customer satisfaction at PT.

#### **Coefficient of Determination (R2)**

#### Table 3. Coefficient of Determination Value (R Square)

			Adjusted R	Std. Error of the	
Model	R	R Square	Square	Estimate	
1	.622ª	.387	.367	3.26569	

Source: Research Results, 2022

Table 3 explains the value of the correlation or relationship (R) between Service Quality (X1), Price (X2) and Promotion (X3) with Customer Satisfaction (Y), namely the Adjusted R Square of 0.367 which implies that the influence of the independent variable (Quality of Service, Price and Promotion) to the dependent variable (Customer Satisfaction) is 36.7%. This shows that the independent variable is only able to explain the variation of changes in the dependent variable by 63.3% while the remaining 58.8% is explained by other variables (brand image, distribution channels, etc.) which are not used in this study.

## 5. Conclusion

Service Quality Testing (X1) has a positive and significant effect on Customer Satisfaction (Y) PT. Mestika Sakti. Testing Price (X2) has no significant effect on Customer Satisfaction (Y) PT. Mestika Sakti. Promotion Test (X3) has a positive and significant effect on Customer Satisfaction (Y) PT. Mestika Sakti. Testing Service Quality (X1), Price (X2) and Promotion (X2) have a significant and significant effect on Customer Satisfaction (Y) at PT. Mestika Sakti. From the results above, the suggestions from the researchers are: For researchers, from the results obtained, researchers can provide more knowledge about the field of Marketing Management. For PT. Mestika Sakti should pay more attention to Service Quality, Price and Promotion, so it is hoped that this will increase the company's sales. For universities, the results of this research can be used as material for library studies, learning and adding insight into scientific research at Prima Indonesia University. For further researchers, to examine outside of research conducted by researchers on Customer Satisfaction, such as: Personal Selling and Product Quality.

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