

EFFORTS TO IMPROVE WOM' TO ACHIEVE CONSUMER SATISFACTION BY IMPROVING SERQUAL AND PRICE POLICY IN THE HOTEL. "JANEVALLA" BANDUNG

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Abstract

The object of this research is the Hotel. "Janevalla" Bandung, with the unit of research analysis being hotel consumers who have stayed there and know the hotel very well. "Janevalla", this hotel is located in a very strategic location in the city of Bandung, precisely on Jalan Merdeka and close to Mall Bandung Indah Plaza, this research was carried out in an effort to improve word of mouth for the achievement of consumer satisfaction by improving service quality and price policies at hotels. "Janevalla" Bandung, where the hypothesis test uses Phat Analysis, where the results of this study are that there is a significant influence between the creation of good word of mouth from consumers after consumers are satisfied with the quality of service and the price policy offered by the hotel. "Janevalla" Bandung

Keywords: Service Quality, Price, Customer Satisfaction, Word of Mouth,

Introduction

Indonesia has an attractive tourism sector, both natural tourism and cultural diversity. With excellent and directed management, it is hoped that tourism in Indonesia will be able to attract foreign and domestic tourists to visit. Increasing visits to Indonesia is expected to be able to help drive the national economy so as to spur higher economic growth in the future. All sectors must support Indonesia's tourism development. The government has planned that tourism should be the mainstay of Indonesia's development,

The progress of the Indonesian tourism sector, spurred the provinces in Indonesia to further improve tourism management in their respective regions. The city of Bandung as the capital of the province of West Java is one of the tourist destinations that tourists are interested in. The city of Bandung as a city full of tourism potential with a variety of creativity and culture. Special events such as the 2020 National Sports Week and regional events, hotels are the right target for resting in the city (www.minded-rakyat.com).

As a tourist destination, the city of Bandung is a representative city that has been supported by various supporting facilities for tourist attractions, for example by the establishment of many hotels and inns in the city of Bandung which facilitates tourists and foreign tourists who want to enjoy the beauty of tourist attractions in the city of Bandung with satisfied and longer (<http://id.gopher.co.id>).

According to Parasuraman in Tjiptono (2015), there are factors that affect the quality of a service, namely expected service and perceived service. If the service received is in accordance with what is expected, then the service is said to be good or positive. If the perceived service exceeds the expected service, then the service quality is perceived as an ideal quality. On the other hand, if the perceived service is worse than the expected service, then the service quality is perceived to be negative or bad. Therefore, whether or not the quality of service depends on the ability of the company and its employees to consistently meet customer expectations.



Figure.1.

"JANEVALLA" Hotel Bandung

In addition to service quality, one of the influencing factors in creating customer satisfaction is price. Price is the only element of the marketing mix that provides income or income for the company. Determining the right price in accordance with the service and performance of the company can create customer satisfaction. In fact, the company must be able to adjust the quality of service and price so that the facilities at the price set by the Hotel "JANEVALLA" can go straight with the level of satisfaction of hotel visitors. Price is usually the consumer's point of view and is often used as an indicator of value because it relates to the direct benefits felt by consumers.

After the customer is satisfied, the results of Word of Mouth are respondents who are willing to recommend 37.5% agree and 62.5% disagree. Respondents who spoke positively about the hotel "JANEVALLA" 41% agree and 59% did not agree. While respondents who are willing to invite 19% agree and 81% disagree. From some of the respondents' answers, the lowest is to encourage or influence someone to use the services of the "JANEVALLA" hotel. This of course must be addressed immediately because Word of Mouth communication is very influential for service companies. According to Kotler (2015) customer satisfaction has a regular impact on a company, among others: highly satisfied customers are generally loyal longer, buy more when the company introduces new products and improve existing products, talk about pleasant things about the company and its products (Word of Mouth), and pay little attention to competing products and brands. Where Word of Mouth has a big influence and impact on service companies, in this case Word of Mouth can help companies improve the company's image in the minds of consumers and result in customer trust to consume these service products again.

Literature Review

Service Quality

Understanding the quality of services or services that are based on the needs and desires of customers through products, services, processes, human resources, and the environment that meet expectations as desired by customers. Service quality according to Wyckof quoted (2014) Service quality is the level of excellence that is expected and control over these advantages to fulfill customer desires. The dimensions of service quality according to Lovelock and Wright (2007:98) consist of: a. Reliability Is the company reliable in delivering services as promised, from time to time? Tangible What do the physical facilities, equipment, employees, and communication materials of the service provider look like. Responsiveness, Are the employees of the company happy sufficiently knowledgeable, courteous, competent, and trustworthy. Empathy Does the service company give great and special attention?

Price

Price is one element of the marketing mix that generates revenue for a company or organization, in determining the company's pricing must be consistent. Price is not just a label, if in a service company the price will determine what kind of quality will be provided by the company to match the price offered to customers. Kotler and Armstrong (2009) state that price is the amount of money charged for a product or service or the amount of value exchanged by customers to benefit from owning or using a product or service. To set the price the company requires several methods so that the price set can achieve its objectives. Pricing methods according to (Kotler and Armstrong, 2010) include: Mark Up Pricing, namely the selling price is determined based on the percentage of expected profit added to the overall production cost as profit or profit. Target Return Pricing,

Customer Satisfaction

The definition of customer satisfaction according to Kotler and Armstrong (2009) customer satisfaction (Customer Satisfaction) depends on the perceived performance of the product relative to buyer expectations. If the product's performance does not meet expectations, the customer is disappointed. If the product performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is very satisfied. Nova (2012) stated that there are several factors in customer satisfaction, namely: Quality, Satisfaction comes from the quality products and services they receive. Price, Loyalty is given not on quality, not on brand, but on price. Consumers who are price sensitive are certainly more numerous in Indonesia. Service Quality, Service is one factor to consumers that is not easy to imitate. Friendliness and competence are two factors to satisfy consumers. Emotional Factor, talking about how much a product or service gives pride to consumers who use it. Ease, means the ease of getting the product or service because it is available everywhere. Or ease of operation.

Word of Mouth

According to Kotler & Keller (2009) Word of Mouth Marketing is a marketing activity through person-to-person intermediaries either orally, in writing, or electronic communication tools related to the experience of

purchasing services or experiences using products or services. From some of the definitions above regarding word of mouth, it can be concluded that word of mouth is a marketing activity to discuss, promote, recommend and sell products so that they spread very quickly through one individual to another by providing information about the experience of using a product or service. The influence of a person in Word of Mouth is very strong because information from word of mouth sources is relatively reliable and trustworthy. The word of mouth dimension according to Rosiana (2011) is as follows: Positive story is the consumer's desire to report or tell positive things about the products/services they consume to others. Recommendation, is the desire of consumers to notify recommendations to others who need information about quality products. Invitation is the willingness of consumers to invite others to use the products they have consumed.

Research Paradigm

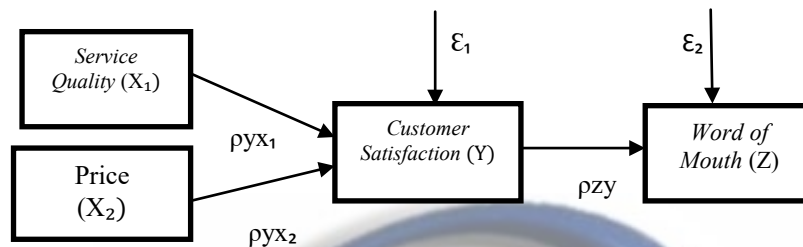


Figure 2. Relationship Flow Framework between Latent Variables

- H₀: $\rho_{yx_1} = \rho_{yx_2} = \rho_{zy} = 0$ Poor Service Quality, Uncompetitive Prices, Unsatisfactory Customer Satisfaction And Negative Word Of Mouth At Hotel "Janevalla" Bandung.
- H₁: $\rho_{yx_1} = \rho_{yx_2} = \rho_{zy} \neq 0$ Service Quality, Competitive Prices, Satisfactory Customer Satisfaction, And A Positive Word Of Mouth At The Hotel "JANEVALLA" Bandung.

Hypothesis Research

- 1: Quality service quality, competitive prices, fulfilledSQ and WOM.
- 2: Service quality has a significant effect on customer satisfaction at the "JANEVALLA" hotel.
- 3: Price has a significant effect on customer satisfaction at the "JANEVALLA" hotel.
- 4: Service quality and price have a simultaneous and significant effect on customer satisfaction at the "JANEVALLA" hotel.

Research Methods

The hypothesis test uses a path analysis model or path analysis is used to analyze the pattern of relationships between variables with the aim of knowing the direct or indirect effect of a set of independent variables on the dependent variable. The benefit of path analysis is to explain the phenomenon being studied or the problem being studied. After making structural equations and drawing path diagrams, then calculating the regression coefficients for each substructure that has been formulated above. In calculating the regression coefficient

Results and Discussions

• Path Coefficient Estimation and Parameter Significance Test

Thus, the path equation is obtained as follows:

$$Y = 0.583 X_1 + 0.359 X_2$$

If illustrated, the above equation looks as follows:

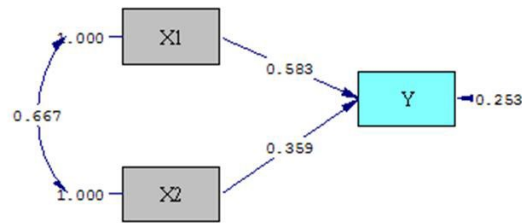
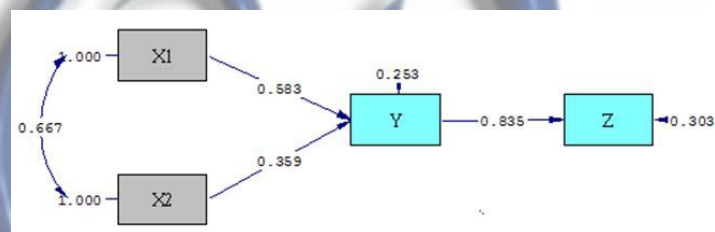


Figure 3. Substructure Path Coefficient Diagram One

Obtained an R-Square value of 0.747. Thus the coefficient of determination of the influence of Service Quality (X_1) and Price (X_2) on the dependent variable of Customer Satisfaction (Y) is 74.7%, while the remaining 25.3% is the influence of other variables not observed in this study. To test the effect of the two independent variables on the dependent variable described by the path equation above, the following will present hypothesis testing either simultaneously using the F test or partially using the t test.

• Decomposition

Based on the results of the analysis of the two sub-structures that have been discussed previously, the overall causal and non-causal relationship model can be described as follows:



Source: Research data (2021)

Figure 3. Decomposition of Sub Structure One and Sub Structure Two

From the picture above, it can be explained that the decomposition of direct and indirect effects that occur between variables is as follows:

- The influence of Service Quality variable (X_1) on Word of Mouth (Z) through Customer Satisfaction variable (Y) is equal to: $YX_1 \times ZY = 0.583 \times 0.835 = 0.487 = 48.7\%$
- The effect of Price (X_2) on Word of Mouth (Z) through Customer Satisfaction variable (Y) is: $YX_2 \times ZY = 0.359 \times 0.835 = 0.300 = 30.0\%$

Conclusion and Suggestion

Conclusion:

1. The quality of service, price, customer satisfaction, and the word of mouth hotel "JANEVALLA" are included in the high or good category.
2. Service quality has a significant effect on customer satisfaction, meaning that the better the quality of customer service, the more satisfied with the performance and facilities provided by the California hotel.
3. Price has a significant effect on customer satisfaction, meaning that if the price issued by the customer is in accordance with the perceived benefits and quality, the customer will be satisfied with the costs incurred.
4. Service quality and price have a simultaneous and significant effect on customer satisfaction with a coefficient of determination of 0.747 or 74.7%, while the remaining 25.3% is the influence of other variables not examined.
5. Customer satisfaction has a significant effect on Word of Mouth with a coefficient of determination of 0.697 or 69.7%, while the remaining 30.3% is the influence of other variables not examined.

Suggestion:

1. Even though it has been included in the good category, the service quality of the "JANEVALLA" hotel still has to be improved by several things, such as maintaining and improving the quality of both hotel facilities and human resources by continuing to provide the best.

2. Price is the most important thing for the company, therefore the "JANEVALLA" hotel should hold more promotions so that customers are not easily tempted by other hotel companies that hold discounts or promotions in certain months. Pricing must be in accordance with what is offered and provided by the hotel so that customers do not feel disappointed and dissatisfied with the benefits provided by the hotel.
3. This study has limitations, namely a narrow population and less sample. Therefore, future researchers may be able to conduct research with a wider population and larger samples. From the results of the study, the hotel "JANEVALLA" must continue to take advantage of the quality of service properly so that customers feel satisfied.

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