

ANALYSIS OF THE EFFECT OF GO-PAY PRODUCT QUALITY ON USER SATISFACTION AND LOYALTY

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Abstract

Financial technology has become a business field that grow fast in Indonesia. According to a survey conducted by DailySocial in 2019, Go-Pay is still the most widely used digital wallet application. This study aims to determine the effect of the quality of Go-Pay as a digital wallet service application on user loyalty which is mediated by user satisfaction.

This research using questionnaire as a research instrument. The instrument tested using validity and reliability testing, and data analysis techniques, used simple linear regression and multiple regression methods with the results of the t test and F test, to determine the effect of variables partially or simultaneously.

The results of this study indicate that product quality variables significantly effect user satisfaction, this is indicated by the significance value $< \alpha$ (0.00 < 0.05). Product quality also has a significant effect on user loyalty as indicated by the significance value $< \alpha$ (0.00 < 0.05). Satisfaction shows a significant effect on user loyalty with a significance value $< \alpha$ (0.00 < 0.05). While simultaneously the effect of product quality on user loyalty mediated by user satisfaction has a significant effect on user loyalty. This was proven by the results of the F test calculation of 91,984 with a significance of 0,000.

Keywords: product quality, user satisfaction, user loyalty

1. Introduction

Based on a survey conducted by the Asosiasi Penyelenggara Jasa Internet Indonesia, in 2018, out of 264 million Indonesians, 171 million people accessed the internet, equivalent to 64.8%. That number continues to increase from 2017, internet penetration in Indonesia was recorded at 54.86%. Java Island is an island whose population uses the internet, which is 55.7%, followed by Sumatra Island at 21.6%.

From the data above, we can see that a business that uses the internet as a technology base for its services is a very promising business. Financial technology (fintech) industry is one of the methods of financial services that is gaining popularity in today's digital era. Technology-based payment systems are one of the most developed sectors in the FinTech industry in Indonesia. This sector is then the most expected by the government and society to encourage an increase in the number of people who have access to financial services (Sukma, 2016).

PT. Aplikasi Karya Anak Bangsa with its products that we know as GO-Jek, is a mobile application provider company that provides a complete range of services ranging from transportation, logistics, payment services, and others. GO-Jek develops various innovations in its services as a solution and convenience for the community.

A quality product is an effort to meet and even exceed the expectations of consumers. If a product has proven quality, it is hoped that consumers will be satisfied with the product. Once satisfied with the products used, consumers are expected to buy and reuse them. It can be said that these consumers are loyal.

2. Theoretical Background

2.1 Product Quality

The definition of product quality is the overall features and characteristics of a product or service that is capable of meeting obvious or hidden needs (Heizer and Render, 2006). According to Tjiptono (2008) product quality is a combination of traits and characteristics that determine the extent to which output can meet customer requirements or assess to what extent those characteristics and characteristics meet their needs.

2.2 Consumer Satisfaction

Consumer satisfaction is an individual's perception of the performance of a product or service associated with consumer expectations (Sciffman and Kanuk, 2004). Consumer satisfaction is also defined as a post-purchase evaluation assessment where the selected alternatives at least give results equal to or exceed consumer expectations (Hawkins, Mothersbaugh and Best, 2007)

2.3 Consumer Loyalty

Customer loyalty is a customer commitment to re-subscribe or to consistently repurchase selected products or services in the future even though the influence of the situation and marketing efforts have the potential to cause behavior change (Oliver, 1996). In another theory, it is also stated that loyalty is a commitment to buy a product or service on an ongoing basis and is insensitive to situations that cause customer relocation (Widjaja, 2008).

3. Review of Literature

Studies on customer loyalty have indeed been widely researched by previous researchers, such as research conducted by Dewi and Suprapti (2018) who examined customer loyalty using variables of product quality, price perception and brand image, and customer satisfaction as an intervening.

In that study, product quality has a positive and significant effect on customer satisfaction and satisfaction has a positive and significant effect on customer loyalty. However, it is different from research conducted by Hidayat et al. (2017) who found that product quality has an insignificant effect on customer satisfaction.

Then in research conducted by Lestari and Yulianto (2018) found that product quality has a positive and significant effect on customer loyalty, while in Hidayat's research (2009) it shows that product quality is

not significant to customer loyalty.

4. Statement of the Problem

There is a difference in results between research conducted by Dewi and Suprapti (2018) with Arief Hidayat et al (2017) and research by Lestari and Yulianto with Hidayat (2009) which examines product quality in terms of customer satisfaction and loyalty.

5. Objectives of the Study

- To test the user satisfaction model which is determined by product quality.
- To test the user loyalty model which is determined by product quality.
- To test the user loyalty model which is determined by user satisfaction.
- To test the user loyalty model which is determined by the quality and user satisfaction.

6. Method

To achieve the objectives of this study, direct observations were made of the object under study to obtain relevant data. The method used in this research is to use quantitative analysis research methods, a research method based on a specific population or sample.

Data obtained by distributing questionnaires in which there are several statements to be filled in by respondents. The population of this study are people who use the e-money application. While the sample is people who use the Go-Jek application with the e-money feature in it, namely Go-Pay.

7. Results and Discussion

Research instrument testing was carried out using the SPSS Statistics 20 for Windows.

7.1 Validity and Reliability Test

Table 1. Validity Test

Code	Factor Component			Status
	Product Quality	User Satisfaction	User Loyalty	
X ₁ .P ₁	0.771			Valid
X ₁ .P ₂	0.750			Valid
X ₁ .P ₃	0.746			Valid
X ₁ .P ₄	0.804			Valid
X ₂ .P ₁		0.836		Valid
X ₂ .P ₂		0.899		Valid
X ₂ .P ₃		0.855		Valid
X ₃ .P ₁			0.837	Valid
X ₃ .P ₂			0.828	Valid
X ₃ .P ₃			0.866	Valid

From the validity test, show that all variable are valid, indicate by factor loading value ≥ 0.5 .

Table 2. Reliability Test

Variable	Cronbach's alpha	Status
Product Quality (X1)	0.768	Reliable
User Satisfaction (X2)	0.829	Reliable
User Loyalty (Y)	0.795	Reliable

Reliability test show that all variable are reliable. All the value are more than 0.6.

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7.2 Simple Regression Analysis

Simple regression analysis is used to partially determine the effect between variables. Following are the results of simple regression analysis using SPSS

Table 3. Simple Regression Analysis Product Quality on User Satisfaction Test

Model	b	t Statistic	Sig.
Constant	-7.116E-17	.000	1.000
Product Quality	.465	5.200	.000

Table 4. Simple Regression Analysis Product Quality on User Loyalty Test

Model	b	t Statistic	Sig.
Constant	7.012E-18	.000	1.000
Product Quality	.372	3.973	.000

Table 5. Simple Regression Analysis User Satisfaction on User Loyalty Test

Model	b	t Statistic	Sig.
Constant	6.448E-17	.000	1.000
Satisfaction	.809	13.633	.000

7.3 Multiple Regression Analysis

Table 6. Multiple Regression Analysis Test

Model	b	t Statistic	Sig.
(Constant)	6.475E-17	0.000	1.000
Product Quality	-0.005	-0.073	0.942
Satisfaction	0.811	12.041	0.000

7.4 Partial Hypothesis Testing

Table 7. Partial Hypothesis Test

Product Quality on Satisfaction			
Variable	Coefficient	t value	Sig.
Const.	-7.116E-17	.000	1.000
Product Quality	.465	5.200	.000
Product Quality on Loyalty			
Variable	Coefficient	t value	Sig.
Const.	7.012E-18	.000	1.000
Product Quality	.372	3.973	.000
Satisfaction on Loyalty			
Variable	Coefficient	t value	Sig.

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Const.	6.448E-17	.000	1.000
Satisfaction	.809	13.633	.000

From the table above, several conclusions can be drawn as follows :

1. There is no significant effect between product quality on Go-Pay user satisfaction.
2. There is a significant effect between product quality on GoPay user satisfaction.
3. There is no significant effect between product quality on Go-Pay user loyalty.
4. There is a significant effect between product quality on GoPay user loyalty.

7.5 Simultan Hypothesis Testing

Table 8. Simultan Hypothesis Test

Model	F	Sig.
Regression	91.984	.000 ^b

Based on the results of data processing using SPSS, the sig. < alpha (0.000 < 0.05). Thus, it can be concluded that there is a significant influence between product quality and user satisfaction on user loyalty.

7.6 Determination Coefficient Test

Table 9. Determination Coefficient Test

Model	R square
1	0.655

The coefficient of determination R square is 0.655. This figure shows that 65.5% of user loyalty is effect by the variation of the two variables used, namely product quality and user satisfaction.

8. Conclusions

Based on the results of the analysis in this study, the following conclusions can be drawn:

- a. Product quality variable has a significant effect on user satisfaction.
- b. Product quality variables have a significant effect on user loyalty
- c. User satisfaction variables have a significant effect on user loyalty
- d. From the results of the F test data processing, the two independent variables have a significant effect on the dependent variable. So it can be concluded that the variable product quality and user satisfaction simultaneously or together have an influence on Go-Pay user loyalty.

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