

# The Influence of Service Quality, Promotion, and Price towards Customer Satisfaction at Mr. DIY Pakuwon Mall Surabaya

Bayu Kresna Pratama<sup>1</sup>, Tin Agustina Karnawati<sup>2</sup>, Yunus Handoko<sup>3</sup>

<sup>1</sup>Post-graduate student, Institut Teknologi dan Bisnis Asia Malang, Malang, Indonesia

<sup>2,3</sup>Lecturer, Institut Teknologi dan Bisnis Asia Malang, Malang, Indonesia.

Date of Submission: 01-08-2023

Date of Acceptance: 10-08-2023

**ABSTRACT:** This study aims to partially and simultaneously analyze the effect of service quality, promotion, and price on customer satisfaction in MR. DIY Pakuwon Mall Surabaya. This study used a sampling technique by taking a purposive sampling sample of 96 MR. DIY respondents Pakuwon Mall Surabaya that has shopped at least 2 times. The research data was processed quantitatively with multiple linear regression analysis methods using SPSS application software. The results of this study were supported by primary data using questionnaires. The results of this study show that: Service Quality variable (X1) has a significant positive effect on MR Customer Satisfaction variable. DIY Pakuwon Mall Surabaya (Y). The Promotion variable (X2) has a significant positive effect on the MR Customer Satisfaction variable. DIY Pakuwon Mall Surabaya (Y). And the Price variable (X3) has a significant positive effect on the MR Customer Satisfaction variable. DIY Pakuwon Mall Surabaya (Y). The results of simultaneous influence testing obtained the results of Service quality, Promotion and Price have a positive and significant effect on Satisfaction in MR. DIY Pakuwon Mall Surabaya.

**KEYWORDS:** service quality, promotion, price and customer satisfaction

## I. INTRODUCTION

In today's globalization, there has been a lot of competition in the retail business entering Indonesia, one of which is the retail business which has penetrated everywhere, including malls. One of them is the retail business which is now developing

everywhere, namely MR. D.I.Y located at Pakuwon Mall Surabaya. Mr. DIY is a company that develops in the field of home equipment and accessories retail, based in Malaysia. There are 10 categories of cellular products including hardware, household appliances, electrical, furniture, car accessories, stationery and sports, toys, gifts, computer or mobile accessories, as well as jewellery and cosmetics. MR DIY's first event occurred on Jl. Tuanku Abdull Rahman in Kuala Lumpur in 2005.

Now, the telco company already has more than 2,000 stores in all of Asia, including Singapore, Thailand, Brunnei, Indonesia, the Philippines, and Cambodia. MR.DIY has become a hot topic of discussion recently because it managed to win many awards. In the award ceremony held at Kensington Palace, London, on 3 November 2022, MR.DIY received recognition in the Religious Award category for 2 consecutive years as 'Top Home Improvement Retail Brand' or 'Merek Retail Best Home Improvement Equipment' in four markets - Indonesia, Malaysia, Thailand, and the Philippines. Currently in the 15th edition, the 2022-2023 award program represents 1.3 million consultants and 765 delegates from 66 countries in 7 regions. The World Branding Awards have been received consistently, and MR.DIY has won several other awards in the last few weeks. This includes Delloittel Private's "Malaysia's Best Managed Companies" and Frost & Sullivan's "2022 Company of the Year in the Malaysia Home Improvement Retail Industry", both of which were achieved two years ago, in a row "Most Outstanding Company - Consultant Discretionary

Selector” in ASIAMONEY “Asia's Outstanding Companies Poll 2022” and join forces with FTSE14Good Index in 2021.

The quality of service is a direct consequence of the consultant's assessment of service improvement with the expected service level. The quality of service is an essential factor and root that can provide satisfaction to its customers related to the behaviour results of the company, such as complaints, recommendations, and transfers or transfers [4]. Otherwise [11] explains that customer satisfaction is a part of marketing and plays an important role in the market. Customer expectations are an essential factor, the quality of service that is closer to customer satisfaction will provide more expectations and vice versa [7].

Quality of Service is a consequential evaluation of the consultant on the level of service received (perceived service) with the expected service level (expected service). While price is the only element in various marketing mix proposals that will generate profits for the entrepreneur. Customers have a preference for comparing between what they receive and expect from a product or service, that is what is meant by customer satisfaction. If every customer is satisfied with the goods or services obtained, the said customer will likely return the goods or services in the future. Quality of Service and Customer Satisfaction are essential elements that must be accounted for to increase company performance [1]. According to [8], and Homburg et al. presents a comprehensive study of the determinants of service orientation as part of business strategy. One of the factors that determine the intended service orientation is quality. Promotion is all kinds of company activities to notify its products to the general public following a specific target [6].

Promotion is said to be a way for marketers to communicate to market the products or services they want to offer. Promotion is one of the most important marketing activities for companies in their efforts to maintain continuity and increase sales quality. In addition to the quality of service and promotion, there is a price factor, namely the only element in the various marketing mix proposals, which will generate profits for the retailer. The company must pay attention to the price factor because the large size of the price set will greatly affect the company's ability to compete. and also able to overcome consultants to buy the product. Because the influence is in determining the price policy that will be reached so that later the company will influence the consultation. [1] “The Effect of Service Quality &

Price on Customer Customer Engagement at PT. Indosteger Jaya”,

[12] ”The Quality of Service, Price and Product Quality regarding the Consulship Service at Rumah Makan Raja OCI Manado”, [7] “Analysis of the Quality of Service, Price, Quality Promotions and Locations for MC Restaurant Consulting Groups. Donalds Cijantung”, [10] “The impact of product quality, promotion and price on customer satisfaction in the shopping mall during the Covid-19 pandemic (Studies on Students of the Faculty of Economics and Business UNSRAT)”, [6] "Analysis of the Impact of Service Quality, Price and Promotion on Customer Engagement at the Company PT. Garuda Indonesia”, [10] “The Quality of Service, Price, Location, and Promotion Concerning the Consulship Service at Habitat Ubud Restaurant”, [4] “Analysis of Quality of Service Quality, Price and promotion of the continuity satisfaction [4] The effect of quality, pricing and Promotion that you have a influence positive and significant on the variable Quality of Service on Customer Satisfaction, however, the results of this research are not the same as the research conducted by [8] regarding the Quality of Services provided by the company, it has no significant direct effect on customer satisfaction Mesin coffee processing at PT. Although Mitra Usaha's work is not significant, it has a positive direction.

The next research is related to the promotion of customer satisfaction which has been carried out by [8] “The impact on product quality, price, promotion and service on consumer satisfaction and its impact on the purchasing decision of machine tools for coffee processing machines at PT. Karya Mitra Usaha”, [6] "Analysis of the Effects of Service Quality, Price and Promotion on Customer Engagement at PT. Garuda Indonesia”, [10] “Personalization of Service Quality, Price, Location and Promotion towards Consulting Membership at Habitat Ubud Restaurant”, [4] “Analysis of Quality of Service Quality, Prices and Promotions on Customer Engagement at Dyriana Bakery and Café Pandanaran Semarang”, [2] “Affecting Quality of Service, Pricing, and Promotion on Consulting Customers at J&T Express Karawaci Kota Tangerang shows that partially has a positive effect and significant for Consultant Interests. However, the results of this research are not the same as the research conducted by [7] “Analysis of the Effects of Quality of Service, Price, Promotion and Location on Consulting Customers at the Mcdonald's Cijantung Restaurant” Mutual Promotion has had an impact but not significant to

the Customer's Pulse. The next research is related to price to customer satisfaction which has been carried out by [1] "The influence of service quality and price on customer satisfaction of PT. Indosteger Jaya". [12] "The Quality of Service, Price and Product Quality Matters to the Consulship Service at Rumah Makan Raja Oci Manado". [8] "The Effect of Quality of Service, Price, Location and Promotion.

## II. METHODOLOGY

This research method was conducted with the aim of knowing the effect of service quality, promotion, and price on customer satisfaction on at Mr. DIY Pakuwon Mall Surabaya.

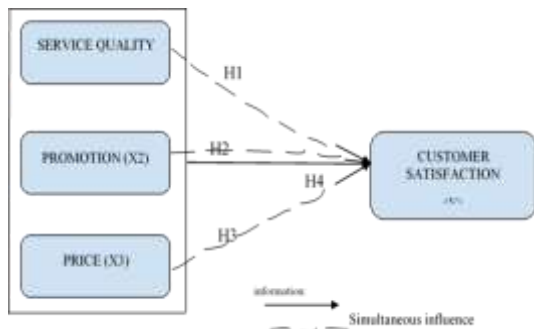


Figure 1 : Framework Model used in research, 2023

This research uses a quantitative approach. This approach was chosen because this research it examines the relationship between independent variables and dependent variables. The aim of this research is to examine the variables of Service Quality (X1), Promotion (X2), and Price (X3) on Customer Engagement (Y) at MR. DIY Pakuwon Mall Surabaya. In this research, there were all customersMR DIY Pakuwon Mall Surabaya, the amount of which cannot be known with certainty who has shopped for 2 times.

### Research Sample

- a. Data analysis technique: measured quantitatively by using a Likert scale of 4 (very much) to 1 (very not very) the sample

size was calculated using the Slovin formula, using multiple linear regression analysis.

### ResearchHypothesis

- a. H1: It is opined that the variable Quality of Service (X1) has a positive effect on Customer Engagement (Y) on MR Customers. DIY Pakuwon Mall Surabaya
- b. H2: It is opined that the promotion variable (X2) has a positive effect on customer satisfaction (Y) on MR customers. DIY Pakuwon Mall Surabaya.
- c. H3: It is opined that price (X3) has a positive effect on customer satisfaction (Y) on MR customers. DIY Pakuwon Mall Surabaya.
- d. H4: It is opined that the variables of Service Quality, Promotion, and Price simultaneously have a simultaneous effect on customer satisfaction at MR. DIY Pakuwon Mall Surabaya.

## III. RESULT AND DISCUSSION

### Respondent Characteristics

Respondent characteristics are based on gender, male responders are 60.4% more than females with 39.6% percentage. Respondents around 31-40 years old are the most respondents who make purchases at MR. DIY Pakuwon Mall Surabaya, with the acquisition of 36% equals 35 people. Private employees amount to 37.5% with a total of 36 people. the respondent who carried out the purchase at MR. DIY Pakuwon Mall Surabaya was dominated at the time of delivery by 42.7% with a total of 41 people.

### Hypothesis Test Results

Multiple linear analysis is used to test the impact of several independent variables on one dependent variable. This analysis was also carried out to find out the direction and extent of the impact of the independent variables on the dependent variable. The output results of multiple linear regression in the following research are:

Figure 2. Multiple Linear Regression Test Results  
Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.901	.643		1.402	.164		
	Kualitas Pelayanan	.116	.029	.338	4.022	.000	.692	1.445
	Promosi	.136	.050	.232	2.702	.008	.665	1.504
	Harga	.270	.072	.335	3.765	.000	.618	1.617

a. Dependent Variable: Kenuasan Pelanggan

Source: Primary data, processed in 2023

The Adjusted R Square value from the table above is 0.536, which means that approximately 53.6% of the total independent variables are influenced by other independent variables, while the remaining 46.4% is influenced by other independent variables, besides Quality of Service, Promotion, and Price.

The magnitude of the F count is broader than the F table, which means it is significant until the hypothesis is accepted. This result means that the quality of service, promotion, and price simultaneously or simultaneously have an impact on customer satisfaction at MR. DIY Pakuwon Mall Surabaya.

The t-test on Quality of Service has a positive effect between X1 and Y with a significant magnitude of 0.000 < 0.05 and a calculated t value (4.022) > t-table (1.661), Promotion of a positive influence between X2 and Y with a significant magnitude of 0.008 < 0.05 and t count (2.702) > t table (1.661), there is a positive effect between X3 and Y with a significant magnitude of 0.000 < 0.05 and t count (3.765) > t table (1.661).

Also based on Figure 2, it is known that the results of multiple regression analysis which were processed with the help of IBM SPSS Statistics 26 are as follows:

$$Y = 0,901 + 0,116X_1 + 0,136X_2 + 0,270X_3 + \varepsilon$$

So it can be conclude that Customer satisfaction (Y) will be greater than 0.901 if the coefficient values of service quality (X1), promotion (X2), and price (X3) are equal to 0. The correlation coefficient values of service quality correlation are greater than 0.116 with the assumption that the coefficient values of the variable promotion (X2) and price (X3) constant with a positive value indicates a corresponding change

#### IV. CONCLUSION

Based on the results of the problem formulation, research objectives, hypotheses and discussion in the previous section, the conclusions of this study can be conveyed as follows: 1) Service quality has had a positive and significant impact on customer satisfaction at MR. DIY Pakuwon Mall Surabaya, the results of the research indicate that the better the Quality of Service MR. DIY Pakuwon Mall Surabaya, customer engagement will increasingly uplift, including from the point of view of the physical appearance of the goods being sold that are very attractive, the ability to service is also timely and highly trusted by the customers so that customers can buy goods at MR. DIY Pakuwon Mall Surabaya. 2) Promotions have a positive and significant effect on MR customer satisfaction. DIY Pakuwon Mall Surabaya, the results of the research indicated that the promotion was being carried out by MR. DIY Pakuwon Mall Surabaya can attract customers to buy travel goods through the process of elevating the arrangement of display goods, promotional gifts when shopping, or branding activities in schools or secondary branding in villages through brochures. So that the customer is mutual to buy goods at MR. DIY Pakuwon Mall Surabaya. 3) Price has a positive and significant impact on customer engagement at MR. DIY Pakuwon Mall Surabaya research results are getting better Price MR. DIY Pakuwon Mall Surabaya, customer satisfaction will increasingly escalate, including the price of the products being sold, which are very affordable and also from the pockets of students, besides that, the price of the products at MR. DIY Pakuwon Mall Surabaya can compete with other similar products and can also compete with prices in other markets. By that so, customers are mutual to buy goods at MR. DIY Pakuwon Mall Surabaya. 4) It is found a simultaneous impact of service quality, promotion, and price on customer satisfaction at MR. DIY

Pakuwon Mall Surabaya jointly has an impact on customer engagement at MR. DIY Pakuwon Mall Surabaya.

### REFERENCES

- [1] Abdul, G. (2019). Pengaruh Kualitas Pelayanan dan Harga terhadap Kepuasan Pelanggan. *Jurnal Riset Manajemen dan Bisnis (JRMB) Fakultas UNIAT* 4.1, 37-44.
- [2] Agustina, Bella, A. I. (2021). Pengaruh Kualitas Pelayanan, Penetapan Harga dan Promosi terhadap Kepuasan Konsumen pada J&T Express Karawaci Kota Tangerang. *Ekonomi Bisnis*, 27 No 2 (Vol 27 No 2 (2021): EKONOMI BISNIS). doi:<https://doi.org/10.33592/jeb.v27i2.2131>
- [3] Budiono, A. (2020). Pengaruh Kualitas Pelayanan, Harga, Promosi dan Citra Merek terhadap Kepuasan Pelanggan melalui Keputusan Pembelian. *Equilibrium: Jurnal Penelitian Pendidikan dan Ekonomi* 17.02, 1-15. From A Budiono - *Equilibrium: Jurnal Penelitian Pendidikan dan ...*, 2020 - [journal.uniku.ac.id](http://journal.uniku.ac.id)
- [4] Fardiani, A. S. (2012). Analisis Pengaruh Kualitas Pelayanan, Harga dan Promosi terhadap Kepuasan Pelanggan Dyriana Bakery & Cafe Pandanaran Semarang.
- [5] Garoda, I. (2021). Analisis Pengaruh Kualitas Pelayanan, Harga, Promosi dan Lokasi terhadap Kepuasan Konsumen Restoran MCDonald's Cijayantung. *Jurnal Ilmiah Indonesia* 6.6, 2833-2841. From ISS Garoda - *Syntax Literate; Jurnal Ilmiah Indonelsia*, 2021 - [jurnal.syntaxliterate.co.id](http://jurnal.syntaxliterate.co.id)
- [6] Lanny, L. (2018). Analisa Pengaruh Kualitas Pelayanan, Harga dan Promosi terhadap Kepuasan Pelanggan pada Perusahaan PT. Garuda Indonesia. *Jurnal Manajemen Bisnis dan kewirausahaan*, Vol. 2 No. 3. From <https://journal.untar.ac.id/index.php/jmbk/issue/view/254>.
- [7] Leonardo, Brenda R., R. J. (2021). Pengaruh Kualitas Produk, Promosi dan Harga terhadap Kepuasan Pelanggan di Marketplace Shopee pada saat pandemi Covid-19. *EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan akuntansi* 9.3, 1721-1730. From BR Leonardo, RS Wenas... - *Jurnal EMBA: Jurnal Riset ...*, 2021 - [ejournal.unsrat.ac.id](http://ejournal.unsrat.ac.id).
- [8] Marpaung, B. A. (2020). Pengaruh Kualitas Produk, Harga, Promosi dan Pelayanan terhadap Kepuasan Konsumen serta dampaknya pada Keputusan Pembelian. *Jurnal ilmiah Manajemen Kesatuan* 8.1, 29-38. From B Marpaung, A Mekaniwati - *Jurnal Ilmiah Manajemen Kesatuan*, 2020 - [jurnal.ibik.ac.id](http://jurnal.ibik.ac.id)
- [9] Silaban, B. D. (2020). Pengaruh Kualitas Pelayanan, Harga dan Promosi terhadap Proses Keputusan Pembelian pada Online Shop Sociolla. *Jurnal Manajemen Bisnis* 23.3, 23, 202-224.
- [10] Sukarsih, N. G. (2021). Pengaruh Kualitas Pelayanan, Harga, Lokasi dan Promosi terhadap Kepuasan Konsumen di Restoran Habitat Ubud. *Widya Amrita: Jurnal Manajemen, Kewirausahaan dan Pariwisata*, 1 No 3, 861-872. doi: <https://doi.org/10.32795/widyaamrita.v1i3.1406>.
- [11] Tjiptono, F. (2015). *Strategi Pemasaran* (4 ed.). Yogyakarta.
- [12] Tombeng, Brigitte, F. F. (2019). pengaruh Kualitas Pelayanan, Harga dan Kualitas Produk terhadap Kepuasan Konsumen pada Rumah Makan Raja Oci Manado. *EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi* 7.1, 7 No 1.