SERVICE QUALITY, BRAND IMAGE AND PRICE FAIRNESS IMPACT ON THE CUSTOMER STATISFACTION AND LOYALTY TOWARDS GRAB BIKE

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Abstract:	This study aims to analyze and explain the Effect of Service Quality, Brand Image, and Price Fairness Impact on Customer Satisfaction and Loyalty; The population used in this study are all customers who have used Grab Bike services, aged 17 years, and located in Samarinda City, with a total sample of 100 people. The data collection technique uses non-profitability sampling, the analysis is carried out using Partial Least Square (PLS) with the SmartPLS application version 3.8.9. The results showed that: Service quality has a positive and insignificant effect on customer satisfaction; Service Quality has a positive and insignificant effect on loyalty; Brand Image has a positive and significant effect on customer satisfaction; Brand Image has a positive and significant effect on loyalty; Price Fairness has a positive and significant effect on Customer Satisfaction; Price Fairness has a positive and significant effect on Loyalty; Customer Satisfaction has a positive and significant effect on Loyalty.
Keywords:	*Service Quality, Brand Image, Price fairness, Customer Satisfaction and Loyalty Toward.*

1. Introduction

The means of transportation is one of the technological advances that help humans in various daily activities in traveling to a place. Transportation can be in the form of motorbikes and private cars, taxis, public transportation, trains, ships and even airplanes. And the various means of transportation are the result of the thinking of the human mind in making it easier for someone to reach a destination that is far away in a relatively shorter or faster time.

At the end of 2014, online-based transportation such as Uber and Grab have entered the Indonesian market, followed by Gojek in 2015. The online transportation was initially only in DKI Jakarta and its surroundings, but slowly from year to year, online transportation began to mushroom to the city. One of the big cities is Samarinda.

Online-based transportation currently exists in almost all provinces in Indonesia. In its current development, transportation is ordered and paid for online. In Indonesia, transportation companies that use this online system are: Grab, Gojek and Uber. The increasing competition for transportation services makes people faced with the decision to choose to use one of several existing services. Each online transportation company has its

own characteristics such as brand logos, brand images, services and prices that vary. Therefore, people can determine their preferred online transportation service and provide satisfaction when using it.

Customer satisfaction is a measurement or indicator of the extent to which customers or users of company products or services are very happy with the products or services they receive or in other words customer satisfaction is a comparison between expectations and perceptions of the experience received and felt by customers. (Wu et al. 2011), Customer satisfaction is a person's feelings of pleasure or disappointment that arise after comparing the expected product performance (results) to the expected performance (or results). Satisfied customers tend to be loyal customers to the products or services they use. Factors that affect customer satisfaction according to Tjiptono & Fandy (2015) among others are service quality, brand image and price. Quality of service is an effort to fulfill needs coupled with consumer desires and the accuracy of the delivery method in order to meet the expectations and satisfaction of these customers. Customers will feel satisfied if they get good service or according to their expectations.

In addition to service quality, a factor that affects customer satisfaction is brand image. Positive perceptions and consumer confidence in a brand will create a positive brand image, and vice versa. So the company must be able to offer products that are attractive and easily recognizable and popular, thus creating a separate brand image in the minds of consumers because the product or service provides satisfaction for them.

Customer satisfaction can also be formed through the price offered. Products with the same quality but set a relatively low price will provide high value to its customers. Price is the amount of money paid for goods and services, or the amount of value that consumers exchange in order to obtain the benefits of owning or using the goods or services. (Meesala and Paul 2018). The price solely depends on the company's policy, the thing of concern that determines the cheap and expensive of a product depends on the specifications and advantages of the product itself which is very relative in nature. Grab is one of the transportation services that has its own market share at competitive prices compared to its competitors.

2. Literature Review
Service Quality
Service quality or service quality is centered on efforts to meet customer needs and desires and the accuracy of delivery to balance customer expectations. Service quality according to Kotler & Keller (2016) are all characteristics of a product or service that affect its ability to meet stated or implied needs and desires of consumers. Service Quality is a comparison between Expectation and Performance in (Mardikawati and Farida 2013). Service quality generally starts from customer needs and ends by customer perception, so that in service companies tend to be customer-oriented. There are five dimensions of service quality according to Parasuraman quoted by (Yarimoglu 2014) among others :
1) *Reliability*
2) *Responsiveness*
3) *Assurance*
4) *Empathy*
5) *Tangible*

Brand Image

Brand image is a consumer's perception of a brand as a reflection of the consumer's mind (Kotler & Keller, 2016). The positive image prepared by consumers of a brand allows consumers to make purchases. A good brand is the basis that is able to build a positive corporate image.

According to Sangadji & Sopiah (2013) Brand image can be considered as a type of association that arises in the minds of consumers when remembering a particular brand. These associations can simply appear in the form of certain thoughts or images associated with a brand, just as we think about other people.

According to Kotler & Keller (2016) a brand is a name, term, sign, symbol and design that aims to identify goods or services by one seller or group of sellers and differentiate products or services from competitors. A brand can be said (successful brand) if buyers and users explain the existence of relevant, different and sustainable added value that is able to meet their needs in a satisfactory way.

Kotler & Keller (2016) states that there are six meanings that can be conveyed through a brand, namely:

1) Identification means to facilitate the process of handling or tracking products for the company.
2) Form of legal protection against unique product features or aspects.
3) Quality level signal for satisfied customers, quality level signal for satisfied customers, so they can easily choose and buy again at another time.
4) Means of creating unique associations and meanings that differentiate the product from competitors.
5) Sources of competitive advantage, especially through legal protection, customer loyalty, and a unique image that is formed in the minds of consumers.
6) The source of financial returns is mainly related to future income.

Price Fairness

Price is a value that is made to be a benchmark for the value of an item or service. According to Kotler & Armstrong (2016), the amount of money charged for an item or service or the sum of the money value exchanged by consumers for the benefits of having or using the product or service. According to Kotler & Keller (2016), price is the amount of money the customer has to pay for the product. The price of a product is not only determined based on production costs but is also influenced by other factors, such as the level of product demand, the level of competition and consumer perceptions of a product. Price indicator by Kotler & Armstrong (2016), as follows :

1. Price affordability
2. Price competitiveness
3. Price match with benefits
4. Price match with product quality

Customer Statisfaction

According to Kotler & Keller (2016), consumer satisfaction is the level of consumer feelings, either feelings of pleasure or disappointment resulting from a comparison between the product's perceived performance and what consumers expect.

According to Lovelock and Wirtz quoted by Tjiptono (2014) , satisfaction is an attitude that is decided based on the experience gained. Very needed research to prove the presence or absence of previous expectations that are part of the most important in satisfaction. With customer satisfaction, business continuity is also will wake up.

Customer satisfaction is a very valuable thing and to maintain the existence of these customers so that a business or business can continue to run (Leksono and Herwin 2017). There are several factors that affect customer satisfaction, namely:
1. Product quality
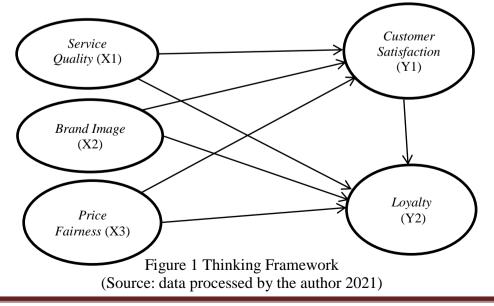2. Price
3. Quality of service
4. Emotional factor
5. Cost

Loyalty
Customer loyalty according to Kotler & Keller (2016) is a commitment held to buy or reuse a preferred product or service despite situational influences or marketing efforts to switch. (Abadi, Nursyamsi, and Munizu 2020) states that loyalty can be used in business to describe the willingness of customers to use the products or services of a company in the long term, let alone use them exclusively, and recommend these products or services to others.

Consumers will be loyal if the expectations are met with the products provided by the company. Customer expectations can be in the form of good products, low prices, and so on. Customer loyalty indicators by Kotler & Keller (2016) namely repeat purchases, retention and referrals. Customer loyalty has several stages, namely:
1. *Cognitive Loyalty*
2. *Affective Loyalty*
3. *Conative Loyalty*
4. *Action Loyalty*

Based on the description above, the framework of this research can be described as follows:

Figure 1 Thinking Framework
(Source: data processed by the author 2021)

The hypothesis of this study is as follows:
- H1: Service quality has a significant effect on customer satisfaction.
- H2: Service quality has a significant effect on loyalty.
- H3: Brand Image has a significant effect on customer satisfaction.
- H4: Brand image has a significant effect on loyalty.
- H5: Price Fairness has a significant effect on customer satisfaction.
- H6: Price Fairness has a significant effect on loyalty.
- H7: Customer satisfaction has a significant effect on loyalty.

3. Research Method

This type of research is based on quantitative descriptive research. According to Sugiyono (2015), quantitative research is a systematic scientific research on the parts and phenomena and their relationships. The nature of this research is descriptive explanatory research. According to Sugiyono (2015), explanatory research is research that intends to explain the position of the variables studied and the relationship between one variable and another. In this study, the model used is the causality model, which is a research that looks for cause-effect between several variables that have been developed.

The sample in this study are respondents who have used Grab Bike services and are 17 years old, located in Samarinda City, with 100 respondents. In this study, the measurement used is the Likert scale. The analysis was carried out using Partial Least Square (PLS) with the SmartPLS application version 3.8.9.

Indicators of Reliability and Internal Consistency Reliability

Indicator Reliability and Internal Consistency Reliability are used to measure how reliable all indicators used by researchers are. The reliability indicator value is obtained from the square root of the outer loading number which is a correlation between item scores or component scores calculated by partial least square regression analysis. The indicator will be declared reliable if the reliability indicator value is more than 0.70.

Convergent Validity and Discriminant

Validity Convergent Validity and Discriminant Validity are used to measure the validity of a latent variable. Convergent validity is seen based on the average variance extracted (AVE) value obtained through partial least square regression. Path Coefficient and Coefficient of Determination

Path Coefficient

Path Coefficient and Coefficient of Determination are used to evaluate how strong the influence between the independent variables is on the dependent variable. This can be seen by looking at the path coefficient value between the numbers 0 to 1. If the path coefficient number is close to 1, then the influence of the independent variable on the dependent variable is declared to be strong. Meanwhile, if the path coefficient value is close to -1, then the influence of the independent variable on the dependent variable is declared to be strong. between $0.50 - 0.75$, it is declared moderate and the value is 0.75 and above, it is declared substantial.

T-test
T-test is used to test the hypothesis and to see whether a variable can be said to have a significant effect or not.

Convergent Validity
Convergent validity relates to the principle that the measures of a construct should be highly correlated. Convergent validity occurs if the scores obtained from two different instruments that measure the same construct have a high correlation.
Loading factor or Outer Loading
    Convergent validity test in PLS with reflective indicators is assessed based on the loading factor (correlation between item scores or component scores with construct scores) indicators that measure these constructs. The rule of thumb that is usually used in PLS for the loading factor is 0.70. Thus, the higher the loading factor value, the more important the role of the loading factor in interpreting the factor matrix.

Average Variance Extracted (AVE)
In addition to loading factor or outer factor loading, to determine convergent validity we can also see the value of Average Varience Extracted (AVE). A good model if the AVE of each construct is greater than 0.50.

4.   Results and Discussion
The results of the calculation of the outer loading value are shown in the table as follows:

Table 1 Outer Loading

Indikator	Service Quality (X_1)	Brand Image (X_2)	Price Fairness (X_3)	Customer Satisfaction (Y_1)	Loyalty (Y_2)
$X_{1.1}$	0,708				
$X_{1.2}$	0,761				
$X_{1.3}$	0,829				
$X_{1.4}$	0,775				
$X_{1.5}$	**0,862**				
$X_{2.1}$		0,812			
$X_{2.2}$		0,614			
$X_{2.3}$		**0,841**			
$X_{3.1}$			**0,925**		
$X_{3.2}$			0,922		
$X_{3.3}$			0,896		
$Y_{1.1}$				0,902	
$Y_{1.2}$				0,745	
$Y_{1.3}$				**0,914**	
$Y_{1.4}$				0,836	
$Y_{2.1}$					0,766
$Y_{2.2}$					0,653
$Y_{2.3}$					**0,839**

 Source : SmartPLS Output, 2020

Discriminant Validity
To find out the variable is said to be a valid discriminant, it can be seen from the average variance extracted (AVE) value. A construct with good validity requires that the AVE value must be above 0.50. In table 5.2 the average variance extracted shows the AVE value above 0.50, meaning that the instrument can be said to be a valid discriminant. The AVE value can be explained in the following table:

Table 2 Average Variance Extracted (AVE)

Variabel	AVE	Keterangan
X_1	0,622	Valid
X_2	0,581	Valid
X_3	0,836	Valid
Y_1	0,726	Valid
Y_2	0,572	Valid

Source : SmartPLS Output, 2020

Cronbach's Alpha
The reliability test was strengthened by the value of Cronbach's alpha. Cronbach's alpha reliability test limits between 0.60 - 0.70. Sufficient and a value between 0.70 - 0.90 is called satisfactory, then the construct is declared reliable. The results of the complete Cronbach's alpha value are described in the following table:

Table 3 Cronbach's Alpha

Variabel	Reabilitas Komposit	Keterangan
Service Quliaty (X_1)	0,849	Reliabel
Brand Image (X_2)	0,692	Tidak Realiabel
Price Fairness (X_3)	0,902	Reliabel
Customer Satisfaction (Y_1)	0,872	Reliabel
Loyalty (Y_2)	0,617	Tidak Reliabel

Source : SmartPLS Output, 2020

Composite Reliability
Knowing the reliability of the construct can be seen from the composite reliability value. The construct is reliable if the composite reliability value is above 0.70. The output results show that all constructs on the variables of service quality, brand image, price fairness, customer satisfaction and loyalty, are reliable because the composite reliability value is > 0.70, with the following table information:

Table 4 Composite Reliability

Variabel	Reabilitas Komposit	Keterangan
Service Quality (X_1)	0,891	Reliabel
Brand Image (X_2)	0,804	Reliabel
Price Fairness (X_3)	0,939	Reliabel
Customer Satisfaction (Y_1)	0,913	Reliabel

Loyalty (Y_2)	0,799	Reliabel

Source : SmartPLS Output, 2020

Goodness Test – Fit Model

Goodness-fit model can be seen from the R-square value. The value of R square is used to determine the effect of certain exogenous latent variables on endogenous latent variables. The value of R square can be explained in the table as follows:

Table 5 R Square

Variabel	R *square*
Costumer Satisfaction (Y_1)	0,764
Loyalty (Y_2)	0,655

Source : SmartPLS Output, 2020

Table R Square shows that the value of R square obtained by the customer satisfaction variable is 0.764 or 76.4%. This value explains that customer satisfaction can be explained by the variables of service quality, brand image and price fairness, while 23.6% is explained by variations of other variables outside of the research model. The value of R square Loyalty is 65.5%. This value explains that the Loyalty variable can be explained by the service quality, brand image, price fairness and customer satisfaction variables, while 34.5% of other variables are outside the research model.

Hypothesis Testing

The results of the model evaluation to show the relationship between variables can be seen in the path coefficient value or. The complete results are described in table 5.6 as follows:

Table 6 Hypothesis Test Results

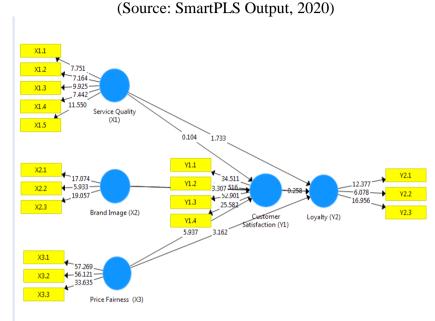| Effect Between Variables	*Original Sample Estimate*	*P Values*	Keterangan
Service Quality (X_1) → *Customer Satisfaction* (Y_1)	0,006	0,917	Positive is not significant.
Service Quality (X_1) → *Loyalty* (Y_2)	0,131	0,084	Positive is not significant.
Brand Image (X_2) → *Customer Satisfaction* (Y_1)	0,380	0,000	Significantly positive.
Brand Image (X_2) → *Loyalty* (Y_2)	0,390	0,001	Significantly positive.
Price Fairness (X_3) → *Customer Satisfaction* (Y_1)	0,564	0,000	Significantly positive.
Price Fairness (X_3) → *Loyalty* (Y_2)	0,407	0,002	Significantly positive.
Customer Satisfaction (Y_1) → *Loyalty* (Y_2)	0,036	0,797	Positive is not significant.

Source : SmartPLS Output, 2020

Figure 2 Output Research Model with Bootstrapping
(Source: SmartPLS Output, 2020)

The results of the significance value of the influence between variables are shown in the t-statistic value, fully explained in the table as follows:

Table 7 T-statistic value

Pengaruh Antar Variabel	T-statistic
Service Quality $(X_1) \rightarrow$ Customer Satisfaction (Y_1)	0,104
Service Quality $(X_1) \rightarrow$ Loyalty (Y_2)	1,733
Brand Image $(X_2) \rightarrow$ Customer Satisfaction (Y_1)	3,756
Brand Image $(X_2) \rightarrow$ Loyalty (Y_2)	3,307
Price Fairness $(X_3) \rightarrow$ Customer Satisfaction (Y_1)	5,937
Price Fairness $(X_3) \rightarrow$ Loyalty (Y_2)	3,162
Customer Satisfaction $(Y_1) \rightarrow$ Loyalty (Y_2)	0,258

Source : SmartPLS Output, 2020

5. Conclusion

1. Based on the results of the study, it is known that service quality has a positive and insignificant effect on customer satisfaction for Grabbike consumers in Samarinda City, meaning that if the company can improve the quality of service to consumers, consumers tend to be satisfied or very satisfied and this will have a positive impact on the company.
2. Based on the results of the study, it is known that service quality has a positive and insignificant effect on loyalty to Grabbike consumers in Samarinda City, meaning that it can be said that the better the quality of service that can be provided by the company, the more satisfied and loyal consumers will be to have a positive attitude and use these services effectively repeated.

3. Based on the research results, it is known that brand image has a positive and significant effect on customer satisfaction for Grabbike consumers in Samarinda City, meaning that the company's success in building a positive brand image on consumer perceptions can be seen from the level of consumer satisfaction. A positive brand image will increase consumer satisfaction and vice versa if the brand image that is built is negative it will reduce the level of consumer satisfaction

4. Based on the research results, it is known that brand image has a positive and significant effect on loyalty to Grabbike consumers in Samarinda City, meaning that when the company can create a positive brand image, customers tend to be loyal and have a positive attitude towards the brand.

5. Based on the results of the study, it is known that price fairness has a positive and significant effect on customer satisfaction for Grabbike consumers in Samarinda City, meaning that if the company offers a price that is in accordance with the benefits and quality received by consumers, then consumers will be satisfied and can accept the price.

6. Based on the results of the study, it is known that price fairness has a positive and significant effect on loyalty to Grabbike consumers in Samarinda City, meaning that consumers tend to be loyal if the price offered for a product or service is in accordance with consumer perceptions or expectations.

7. Based on the research results, it is known that customer satisfaction has a positive and insignificant effect on loyalty to Grabbike consumers in Samarinda City, meaning that customer loyalty can be built if the company can increase customer satisfaction. Satisfied consumers tend to be positive and loyal to a product or service they use

8. In an effort to create and increase customer satisfaction and loyalty during the pandemic, Grab has made several efforts to prevent COVID-19 through improving hygiene safety standards for passengers and customers, one of which is by limiting physical contact with delivery partners through contactless delivery, contactless payments. (OVO) and pick up yourself at Grab Food.

9. During the COVID-19 pandemic, Grab is not only focused on customers but also pays attention to the satisfaction and loyalty of driver-partners and merchants who are experiencing a decline in the number of dine-in numbers by speeding up bringing local merchants to Grab to reach a wider range of customers and providing assistance financial support for driver-partners if hospitalized or quarantined.

10. Grab collaborates with local authorities and government agencies by implementing safety and hygiene standards for Grab partners and providing 24/7 contact tracing support in an effort to prevent COVID-19. This is also done to improve service quality and build a brand image as a company that pays attention to the safety of customers, partners and merchants from the threat of the COVID-19 virus.

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