

THE EFFECT OF PERCEIVED PRICE AND FACILITIES ON CUSTOMER SATISFACTION AT SOEDIRMAN GUEST HOUSE TULUNGAGUNG

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ABSTRACT

The hospitality industry is one of the most competitive business sectors, including in Tulungagung. In an effort to maintain and increase market share, it is important for Soedirman Guest House to understand the factors that influence customer satisfaction. Price perceptions and facilities are two factors that have a significant influence on customer satisfaction. This study aims to examine the effect of perceived price and facilities on customer satisfaction at Soedirman Guest House in Tulungagung. This study uses quantitative research methods. The data collection technique was carried out with a questionnaire measured on a Likert scale. The population used in this study were all Soedirman Guest House consumers. The sampling technique used was Accidental Sampling. Hypothesis testing in this study was carried out with a Structural Equation Model (SEM) based on Partial Least Square (PLS). The results showed that the perception of price and facilities was able to make a good contribution to customer satisfaction at Soedirman Guest House. This shows that the better the price perception that consumers have and the more complete and adequate the facilities owned by the guest house, it will make Soedirman Guest House consumers feel satisfied.

Keywords: price perception, facilities, customer satisfaction, soedirman guest house, tulungagung

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INTRODUCTION

In modern times, consumer tastes for a product, both goods and services, change very quickly. Therefore, in running a business, the company should also observe, analyze and evaluate changes in consumer behavior, desires, and needs, to then be studied in improving product quality and marketing strategies. In essence, the purpose of marketing is to know and understand the nature of consumers well, which will influence consumers in the decision-making process, so that the products offered can be sold.

Rapid development also occurs in the service industry which consists of various industries such as telecommunications, transportation, banking, hospitality and others. Service companies race each other in providing the best service to consumers. With an attractive arrangement, complete facilities, excellent service, it is hoped that the lodging service can attract consumers. Lodging businesses are usually also managed by providing food and beverage services and other supporting facilities. Along with the times, the lodging business will continue to be able to grow by improving the quality of its management.

The majority of lodging service users are guests who come from outside the area who are having business, or come for the purpose of traveling, business affairs, office duties, or just resting temporarily (only as a temporary transit place to then continue the journey back). Therefore, a clean and comfortable place is what consumers need. When consumers are satisfied, they will visit again and become regular customers, and usually they will also recommend their pleasant stay to others. According to Tjiptono (2015) Customer satisfaction

is a feeling of pleasure or disappointment for someone who arises after comparing the perception of the performance (results) of a product with their expectations. One factor that does not miss playing an important role in providing satisfaction to consumers is price perception. Prices are flexible where at any time they can change according to time, place and conditions. Alma (2013) argues that price is the value of an item expressed in money.

In lodging services, by setting the right room rental price, consumers feel unburdened, because consumers feel satisfied with the fair price and in accordance with the facilities obtained. So apart from price, facilities are also a consideration for consumers in making choices and play a role in creating customer satisfaction. Facilities can be interpreted as a form of purchasing benefits from the company to consumers provided on the basis of payment of a sum of money. In service companies, the facilities provided are in the form of tools that can support in providing satisfying services to consumers. The facility here is the benchmark for all services provided. Tjiptono (2014) suggests that facilities are physical resources that must exist before something is offered to consumers.

From the description above, it can be seen that the perception of price and the completeness of the facilities provided can create customer satisfaction while staying. As well as previous research conducted by Lestari et al (2018) states that prices and facilities have a positive and significant effect on customer satisfaction at the Humanitas Guest House Pematangsiantar both simultaneously and partially. Also reinforced by research conducted by Rayendra et al (2022) where the results of the study obtained that prices and facilities have a significant effect on customer satisfaction at Minang Fantasi Waterpark and Resort Padang Panjang.

Soedirman Guest House is one of the inns located in the city of Tulungagung. This inn is very strategically located and easy to reach because it is on a road that is easily traversed by motorized vehicles. Soedirman Guest House offers a quiet, comfortable lodging atmosphere, with a beautiful and shady environment, because it is planted with many flowers and shady trees. In accordance with its slogan: "Feels Like Home", where this concept is carried out so that guests who come to stay feel at home as if they are in their own homes. In managing its business, Soedirman Guest House always pays attention to the wants and needs of customers, with the hope that customers will feel happy, satisfied and loyal to the inn. Based on the background description above and several existing problems, the authors are interested in conducting a study by taking the title "The Effect of Price Perceptions and Facilities on Customer Satisfaction at Soedirman Guest House". This study aims to examine the effect of perceived prices and facilities on customer satisfaction at Soedirman Guest House in Tulungagung.

METHOD

This research uses quantitative research methods. The data collection technique was carried out with a questionnaire measured on a Likert scale. The population used in this study were all Soedirman Guest House consumers. The sampling technique used was Accidental Sampling where researchers distributed questionnaires to Soedirman Guest House customers who came to stay at that time. Sugiyono (2016) Accidental Sampling is a sampling technique based on chance, that is, any customer who happens to meet the researcher can be used as a sample, if it is deemed that the person is suitable as a data source. Because the population is not known with certainty, the determination of the number of samples used is based on the

sample measurement guidelines according to Ghozali (2015), namely the number of samples is the number of indicators multiplied by 5-10 estimated parameters. In this study, the number of indicators was 10 with 10 parameters. So the research sample used was $10 \times 10 = 100$ respondents. Hypothesis testing in this study was carried out with a Structural Equation Model (SEM) based on Partial Least Square (PLS).

RESULTS AND DISCUSSION

Cross Loading

Measurement of indicator validity can also be seen from the Cross Loading table, if the loading factor value of each indicator on each variable is greater than the loading factor of each indicator on other variables, then the loading factor is said to be valid.

Table 1. Cross Loading

Indicator	Facilities (X2)	Customer Satisfaction (Y)	Price Perception (X1)
X1.1	0,798063	0,773291	0,830225
X1.2	0,835900	0,852374	0,876575
X1.3	0,811378	0,809749	0,871604
X1.4	0,748812	0,827820	0,889345
X2.1	0,911005	0,821826	0,809460
X2.2	0,916729	0,828456	0,850054
X2.3	0,877688	0,790174	0,832118
Y.1	0,831066	0,931644	0,874692
Y.2	0,815683	0,922806	0,859426
Y.3	0,858886	0,923855	0,881286

Measurement of indicator validity can also be seen from the Cross Loading table, if the loading factor value of each indicator on each variable is greater than the loading factor of each indicator on other variables, then the loading factor is said to be valid.

Average Variance Extracted (AVE)

Table 2. Average Variance Extracted (AVE)

	AVE
Facilities (X2)	0,813552
Customer Satisfaction (Y)	0,857680
Price Perception (X1)	0,752071

Source: Questionnaire data

The next measurement model is the Avarage Variance Extracted (AVE) value, which is a value that shows the amount of indicator variance contained by the latent variable. Convergent AVE values greater than 0.5 indicate good validity adequacy for latent variables. In reflective indicator variables, it can be seen from the Avarage variance extracted (AVE)

value for each construct (variable). A good model is required if the AVE value of each construct is greater than 0.5.

The results of the AVE test for the Price Perception variable (X1) were 0.752071, the Facility variable (X2) was 0.813552, and Consumer Satisfaction (Y) was 0.857680, the three variables showed a value of more than 0.5, so overall the variables in this study can be said to have good validity.

Composite Reliability

Table 3. Composite Reliability

	Composite Reliability
FACILITIES (X2)	0,929005
CUSTOMER SATISFACTION (Y)	0,947586
PRICE PERCEPTION (X1)	0,923814

Source: Questionnaire data

Construct reliability as measured by the composite reliability value, the construct is reliable if the composite reliability value is above 0.70, so the indicator is called consistent in measuring the latent variable.

The results of the Composite Reliability test show that the Price Perception variable (X1) is 0.923814, the Facility variable (X2) is 0.929005, and Consumer Satisfaction (Y) is 0.947586, these three variables show a Composite Reliability value above 0.70 so it can be said that all variables in this study are reliable.

Inner Model (Structural Model Testing)

Testing of the structural model is done by looking at the R-Square value which is a goodness-fit model test. Inner model testing can be seen from the R-square value in the equation between latent variables. The R2 value explains how much the exogenous (independent/free) variables in the model are able to explain the endogenous (dependent/dependent) variables. Furthermore, for hypothesis testing, the coefficient results and T-Statistic values of the inner model can be seen in the following table:

Table 4. Path Coefficients (Mean, STDEV, T-Values)

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STERR)	P Values
Price Perception (X1) -> Customer Satisfaction (Y)	0,728174	0,731143	0,085687	8,498045	0,000
Facilities (X2) -> Customer Satisfaction (Y)	0,231692	0,228965	0,088597	2,615118	0,010

Source: Organize questionnaire data

From the table above, it can be concluded that the hypothesis states:

1. Hypothesis 1: Price Perception (X1) has a positive effect on Customer Satisfaction (Y) at Soedirman Guest House can be accepted, with path coefficients 0.728174, and a T-statistic value of $8.498045 > 1.96$ (from table value $Z\alpha = 0.05$) or P-Value $0.000 < 0.05$, with significant (positive) results.
2. Hypothesis 2: Facilities (X2) have a positive effect on Customer Satisfaction (Y) at Soedirman Guest House can be accepted, with path coefficients 0.231692, and a T-statistic value of $2.615118 > 1.96$ (from the table value $Z\alpha = 0.05$) or a P-Value of $0.010 < 0.05$, with significant (positive) results.

As the significance of the results of the T-Statistic value can be seen from the smartPLS output with bootstrapping in the following figure:

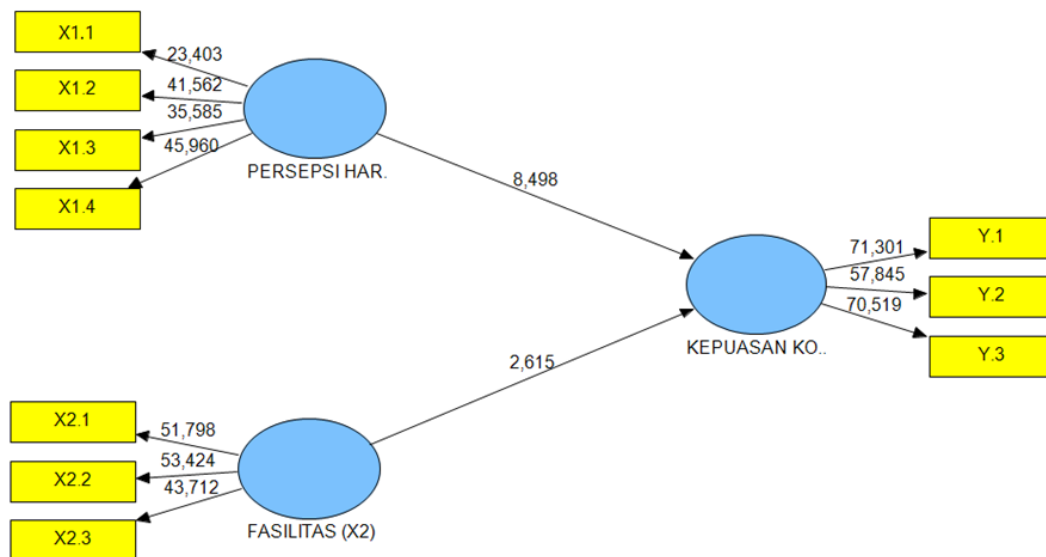


Figure 1. Inner Model with Bootstrapping T-Statistic significance value

Source: data processing, smartPLS output

The Effect of Price Perception partially on Customer Satisfaction at Soedirman Guest House

Based on the results of the research that has been done, it shows that price perception has a significant effect on customer satisfaction, this is evidenced by the t-statistic value of $8.498045 > 1.96$ (from table values $Z\alpha = 0,05$) or P-Value $0,000 < 0,05$. This indicates that if consumers have the right or positive view or perception of the price given by the guest house owner, it will make these consumers feel satisfied. So that the hypothesis regarding the effect of price perception on customer satisfaction can be accepted. The results of the questionnaires that have been distributed show the respondents' answers that the Factor Loading that has the greatest impact on price perceptions on customer satisfaction is "The price of the Soedirman Guest House room is in accordance with the completeness of the facilities provided". This happens because the manager of Soedirman Guest House provides facilities in accordance with the price set so that consumers are satisfied with this. Price has a great benefit to the level of customer satisfaction. Tjiptono (2015) price perceptions are often related to the perceived

benefits of goods or services, if the perceived benefits increase, customer perceptions will be good and create maximum customer satisfaction. Tjiptono and Chandra (2016) if the price set by the company is not in accordance with the benefits of the product, it can reduce the level of customer satisfaction, otherwise if the price set by the company is in accordance with the benefits received, it will increase customer satisfaction. The results of this study are also relevant to research conducted by Rajendra et al (2022), which shows the results that price has a positive and significant effect on customer satisfaction. In addition, it is also supported by the results of research conducted by Nila (2021), which shows the results that price has a partially significant effect on customer satisfaction.

Partial Effect of Facilities on Customer Satisfaction at Soedirman Guest House

Based on the results of research that has been done, shows that the influence of facilities has a significant influence on brand loyalty, this is evidenced by the t-statistic value of $2.615118 > 1.96$ (from the table value $Z_{\alpha} = 0,05$) or P-Value $0,010 < 0,05$. Hal ini menunjukkan bahwa jika fasilitas yang diberikan telah memadai dan dapat This shows that if the facilities provided are adequate and can provide benefits to consumers, then this will make consumers feel satisfied. So that the hypothesis regarding the effect of facilities on customer satisfaction can be accepted. The results of the questionnaires that have been distributed show the respondents' answers that the Factor Loading that has the greatest impact on facilities on customer satisfaction is "Soedirman Guest House has a large enough room". This happens because the manager of Soedirman Guest House provides a large enough room to make consumers satisfied with this. Facilities are one of the important aspects of a company that provides services, as well as lodging services such as guest houses. Sulastiyono (2011) facilities as the provision of physical equipment to provide convenience to guests in carrying out all their activities or activities, so that guest needs can be met while at the hotel. The results of this study are also in line with the results of research conducted by Rahmawati (2022), which shows the results that facilities have a positive and significant effect on customer satisfaction. Then it is also supported by the results of research conducted by Andini & Permatasari (2019), which shows the results that facilities have a significant relationship to customer satisfaction.

CONCLUSION

Based on the test results using PLS to test several influences on customer satisfaction at Soedirman Guest House Tulungagung and some discussion of the results presented, it can be concluded that price perception is able to make a good contribution to customer satisfaction at Soedirman Guest House. This shows that the better the price perception that consumers have, it will make Soedirman Guest House consumers feel satisfied. Then, the facility is able to make a good contribution to customer satisfaction at Soedirman Guest House. This shows that the more complete and adequate the facilities owned by the guest house, it will make Soedirman Guest House consumers feel satisfied.

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