

Unleashing Customer Delight: The Dynamic Interplay of Product Excellence, Exceptional Service and Irresistible Prices

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Submitted: 17st Jan 2023 | **Edited:** 23th April 2023 | **Issued:** 01st June 2023

Cited on: Tamon, T. (2023). Unleashing Customer Delight: The Dynamic Interplay of Product Excellence, Exceptional Service and Irresistible Prices. *KINERJA: Jurnal Manajemen Organisasi dan Industri*, 2(1), 83-93.

ABSTRACT

The growing and rapid need for internet access has sprung up many internet service providers other than GSM operators, where competing with each other to attract customers. This study aims to determine the effect of product quality, service quality and price on customer satisfaction. In this study using a population of 247,341 customers according to PT. Telkom Indonesia Telecommunication Business Area Tangerang using the slovin formula obtained a sample of 100 respondents, the data analysis technique used is a quantitative associative method with a verifiative approach. The results of the study prove that product quality has a positive and significant effect on customer satisfaction.

Keywords : Product Quality, Service Quality, Price, Human Resources, Purchasing Decisions

INTRODUCTION

In the current era of globalization, it demands equitable distribution of information and communication, making the role of ICT (Information and Communication Technology) very much needed. The need for information and communication is the primary need of the community, especially for people who rely on information and communication as a boost to their productivity. It is undeniable that ICT plays an important role in the progress and economy of a country.

The role of ICT becomes very important both for the interests of government, economy, socio-culture and even security defense. Therefore, a mindset that places information and communication infrastructure only as a complement and empowerment must be adapted to current global conditions that demand information to be the driving force of development. With the increasing need for ICT resulting in increased public consumption of the internet, this also triggers people to get fast internet access.

Indihome is one of PT Telekomunikasi Indonesia (Telkom) products in the consumer segment, which serves to provide fiber optic-based fixed broadband services consisting of high-speed internet, landlines and interactive TV with IPTV technology.

With increasing competition and the number of competitors, Indihome requires Indihome to always pay attention to customer needs and desires and try to meet customer expectations by providing more satisfying service than competing companies do. Because, only qualified companies can compete and master the market. Quality has a close relationship with customer satisfaction. Good quality will give encouragement to customers to establish a strong relationship bond with the company (Saraswati, 2021). Indihome is one of PT Telekomunikasi Indonesia (Telkom) products in the consumer segment, which serves to provide fiber optic-based fixed broadband services consisting of high-speed internet, landlines and interactive TV with IPTV technology. With increasing competition and the number of competitors, Indihome requires Indihome to always pay attention to customer needs and desires and try to meet customer expectations by providing more satisfying service than competing companies do. Because, only qualified companies can compete and master the market. Quality has a close relationship with customer satisfaction. Good quality will give encouragement to customers to establish a strong relationship bond with the company (Saraswati, 2021). However, PT. Telkom Indonesia Witel Tangerang, there are still Indihome customers who are not satisfied because they compare the perceived performance of the product against the quality of the product and compare the perceived performance of the product against the quality of service.

Customer satisfaction is a person's feeling of pleasure or disappointment that arises after comparing the performance of the product in thought against the expected performance (Mariansyah, & Syarif., 2020). Therefore, Indihome must be able to provide more satisfactory service than its competitors.

According to (Santoso, 2019) product quality is the ability of a product to demonstrate its function, this includes overall durability, reliability, accuracy, ease of operation and product repair as well as product attributes. Customer expectations regarding Indihome products certainly expect the best, but until now there are still Indihome customers who complain about unstable Indihome network speeds and Indihome network performance that often experiences problems. When a product excels in these aspects, it not only meets customer expectations but often exceeds them, leading to higher levels of customer satisfaction and loyalty. Manufacturers and businesses strive

to continuously improve product quality as it directly influences the success and reputation of their products in the market.

As with product quality, it turns out that there are still Indihome customers who complain about the quality of Indihome service. According to (Farhan, et, al., 2021) service quality is the expected level of excellence and control over that level of excellence to meet customer desire. The handling of customer disruptions that were not directly addressed for the last 3 years is still quite high, which is above 50%. And until now there are still customers who complain related to indihome customer care services when answering problems or because of complaint resolution.

In terms of price, Indihome is a bundling product so that the price offered to customers is also the package price and varies according to the needs of the package desired by the customer. According to (Widodo, 2021) price is one of the elements of the marketing mix that generates revenue, price is the easiest element in a marketing program to adjust, product features, channels, and even communication take more time. Customer expectations are certainly the price offered is comparable to the quality of the product and the quality of service obtained, but there are still customers who complain related to product quality and service quality that is not comparable to the price paid. The price offered by Indihome is the highest price when compared to products offered by competitors.

Satisfaction has a wide space and is not easy to limit, aspects of customer satisfaction are a typical and complicated phenomenon, can be aligned and also not in harmony with the code of professional ethics and quality standards set by the company. This phenomenon cannot be ignored by Indihome.

Some complaint handling strategies that are considered efficient are to provide opportunities and opportunities to turn dissatisfied customers into satisfied. You do this by determining the source of the problem that causes customers to be dissatisfied and complain. Handling these problems, among others, through speed of response, empathy towards angry customers, ease for customers contacting the company and openness to receiving criticism, may be very useful to be used as a company strategy. Realizing that practices in the field are always changing, conflicts between service providers and customers will still arise. Given the point of view of customers who receive services is different from service providers.

THEORETICAL BASIS

Management

According to (Aditya, 2020) explained that "Management is a typical process consisting of planning, organizing, mobilizing and controlling actions to determine and achieve goals through the use of human resources.

Meanwhile, according to (Sambara, et, al., 2021) Human resource management (HRM) can be interpreted as the science and art that regulates the relationship and role of the workforce to be effective and efficient in using human abilities in order to achieve goals in every organization.

Marketing Management

Opinion (Asti, & Ayuningtyas, 2020) which states that marketing management is a process of marketing activities, starting from analyzing, planning, implementing, and supervising all programs designed to create, create and handle exchanges with buyers profitably to achieve company goals, including profits, sales rates, marketing and so on.

(Putra, & Seminary, 2021) Marketing management is the process of planning and executing thoughts, pricing, promotion, and distribution of ideas, goods and services to create exchanges that meet individual and organizational goals.

Product Quality

Products are the most important element of a marketing program. People satisfy their needs and wants with products. Where the product fulfills wants and needs by offering everything that includes physical objects, services, people, places, organizations and ideas. So the product can be in the form of tangible or intangible benefits that can satisfy customers. Of the products offered similarly, what distinguishes one company's products from another company is the quality of the product itself.

According to (Putri, & Trisnowati, 2021), product quality is a variation or a series of products sold or traded by a company, both in small trades and in large companies. These variations or series will evolve continuously to achieve certain profitability without any dependence on one type of product.

Quality of Service

The definition of service quality is centered on efforts to meet customer needs and desires. According to (Savitri, & Anggela, 2020) defines "Service quality is a concept

that represents the core of service performance, namely a comparison of excellence and sales counters carried out by customers".

Service quality encourages customers to commit to a company's products and services so that it has an impact on increasing the market share of a product. Service quality is crucial in retaining customers for a long time. Companies that have superior service will be able to maximize the company's financial performance (Felicia, 2020).

Price

Price becomes one of the most important elements in determining the market share and profit of a company. Price is the only element of the marketing mix that generates income or income for the company, while the other three elements of the marketing mix (product, distribution, and promotion) cause costs (expenses). In addition, price is an element of the marketing mix that is flexible, meaning that it can be changed quickly.

According to (Hastuti, et, al., 2022), price is something that is handed over in exchange to get a good or service. In service marketing, price is considered a cost.

According to (Hutagalung, & Waluyo, 2020) price is the amount of money plus several products if possible what is needed to get a number of combinations of products and services.

Customer Satisfaction

Understanding consumer needs and desires in this case customers is an important thing that affects customer satisfaction. Satisfied customers are a very valuable asset because if the customer is satisfied they will continue to use the service of choice, but if the customer is dissatisfied they will tell twice as much to others about the bad experience. To create customer satisfaction, a company must create and manage a system to acquire more customers and the ability to retain its customers. Customer satisfaction is the level of feeling of a person or society after comparing the results he feels with his expectations, if the results he feels are the same or exceed his expectations, a feeling of satisfaction will arise and vice versa (Herlambang, & Komara, 2022).

METHOD

Associative research is being done at Indihome PT Telkom Witel Tangerang. That kind of study looks for correlations between different variables. Quantitative analysis methods are used in associative research analysis. The calculation of the person product

moment correlation coefficient is one of the calculations used to identify the relationship and influence between variables.

The study's target population will be Witel Tangerang's Indihome subscribers. According to PT Telkom Indonesia Witel Tangerang, there are 247,341 Indihome subscribers based on the STO's placement there.

100 clients will make up the sample that will be representative of the entire population. Based on information from Indihome customers who responded to surveys in the Tangerang telecommunications business region, the number of samples was determined. Initial research design by carrying out early studies intended to pinpoint issues, gather a research framework, and develop hypotheses.

RESULT

The Effect of Product Quality on Indihome Customer Satisfaction

Based on the results of the research that has been done, it can be concluded that product quality has a positive and significant effect on customer satisfaction as evidenced by the results of the calculated t value (3.884) greater than the table t value (1.984) and it is concluded that H_0 is rejected and H_a is accepted. The value of the coefficient of determination (R^2) is 0.133, which means that the partial effect of product quality on Indihome's customer satisfaction is 13.3%, while the remaining 86.7% is influenced by other factors.

The product quality regression coefficient of 0.284 states that for every 1% increase in product quality value, the participation value increases by 0.284. Which means that if the product quality variable increases by one unit assuming other variables remain, then Indihome's customer satisfaction value will increase by 0.284. The regression coefficient is positive, so it can be said that the direction of influence of the variable X_1 on Y is positive.

This result aligns with established theories in marketing and consumer behavior. According to various theoretical frameworks, customer satisfaction is influenced by several factors, and product quality is considered a fundamental determinant. When customers perceive a product to be of high quality, it fulfills their needs and expectations, leading to a positive emotional response and satisfaction. The "Confirmation/Disconfirmation Theory" suggests that when a product exceeds customer

expectations (positive disconfirmation), it enhances satisfaction. Conversely, if it falls short (negative disconfirmation), it leads to dissatisfaction. Thus, a positive effect of product quality on customer satisfaction is well-supported by these theories.

For businesses and companies, understanding the positive and significant impact of product quality on customer satisfaction is crucial for achieving long-term success. Investing in product development, quality control, and improvement processes can lead to enhanced customer experiences and loyalty. By consistently delivering high-quality products that meet or exceed customer expectations, companies can build a positive reputation, gain a competitive advantage, and foster customer retention.

To leverage this finding practically, companies should conduct regular quality assessments and obtain customer feedback to identify areas for improvement. By incorporating customer preferences and desires into product design and development, companies can create offerings that resonate with their target market. Additionally, businesses can emphasize product quality in their marketing and communication strategies to set clear expectations and build trust with customers.

Ultimately, recognizing and acting upon the positive relationship between product quality and customer satisfaction can result in a virtuous cycle of increased customer loyalty, positive word-of-mouth, and sustainable business growth.

The Effect of Service Quality on Indihome Customer Satisfaction

Based on the results of the research that has been done, it can be concluded that the quality of service has a positive and significant effect on customer satisfaction, as evidenced by the calculated t value (2.615) greater than the table t value (1.984) and the conclusion is obtained that H_0 - rejected and H_a accepted. The value of the coefficient of determination (R^2) is 0.465 which means that the effect of service quality partially on Indihome customer satisfaction is 46.5%, while the remaining 53.5% is influenced by other factors.

The service quality regression coefficient of 0.121 states that for every 1% increase in service quality value, the participation value increases by 0.121. Which means that if the service quality variable increases by one unit assuming other variables are fixed, then Indihome's customer satisfaction value will increase by 0.121. The regression coefficient is positive, so it can be said that the direction of influence of the variable X_2 on Y is positive.

The meaning of this research result is that the level of service quality provided by a company or organization plays a crucial role in influencing customer satisfaction. When customers perceive that the service they receive from the company is of high quality, they are more likely to feel satisfied with their overall experience.

Practically, this implies that companies and organizations need to pay special attention to improving and maintaining their service quality. High-quality service encompasses various aspects, such as being responsive to customer needs, demonstrating politeness and friendliness during customer interactions, ensuring smooth transaction processes, the ability to promptly resolve customer issues, and more.

In the context of fierce business competition, superior service quality can serve as a strong differentiator for a company. Customers tend to choose businesses that provide excellent service and cater to their needs effectively.

Furthermore, high service quality can also contribute to increased customer retention and loyalty. Satisfied customers are more likely to remain loyal and may even recommend the company to others.

Therefore, this research result encourages companies to continuously enhance their service quality to achieve higher levels of customer satisfaction, strengthen their reputation, and achieve long-term success.

Price Effect on Indihome Customer Satisfaction

Based on the results of the research that has been done, it can be concluded that the price has a negative and significant effect on customer satisfaction as evidenced by the calculated t value (7.702) greater than the table t value (1.984) and the conclusion is obtained that H_0 - rejected and H_a accepted. The value of the coefficient of determination (R square) is 0.377, which means that the effect of partial price on Indihome customer satisfaction is 37.7%, while the remaining 62.3% is influenced by other factors.

The price regression coefficient of -0.794 states that for every 1% increase in price value, the participation value decreases by - 0.794. Which means that if the price variable increases by one unit assuming other variables are fixed, then the value of Indihome customer satisfaction will decrease by -0.794. The regression coefficient is negative, so it can be said that the direction of influence of the variable X_3 on Y is negative.

This means that the pricing of a product or service has a considerable impact on the level of customer satisfaction. When customers perceive that the price of a product or

service is high or not aligned with their perceived value, it can lead to lower levels of satisfaction.

Practically, this implies that companies and businesses need to carefully consider their pricing strategies and how they are perceived by customers. If the price is perceived as too high for the quality or value offered, customers may feel dissatisfied and may look for alternative options in the market.

In highly competitive industries, pricing plays a crucial role in influencing customer decisions. Companies should strive to find a balance between offering competitive prices and maintaining the perceived value of their products or services.

Moreover, customer satisfaction is not solely determined by low prices. In some cases, customers may be willing to pay a premium for higher quality, unique features, or exceptional service. However, the perceived value must justify the price for customers to feel satisfied with their purchase.

To address this negative effect, companies can conduct market research to understand customer preferences and price sensitivity. They can also explore different pricing models, such as discounts, promotions, or bundling strategies, to enhance the perceived value and increase customer satisfaction.

In conclusion, the research highlights the significance of pricing in influencing customer satisfaction. Companies should be attentive to their pricing decisions and strive to strike a balance between price and perceived value to create a positive customer experience and foster loyalty.

The Effect of Product Quality, Service Quality and Price on Indihome Customer Satisfaction

Based on the results of this study, product quality (X1), service quality (X2), and price (X3) have a significant effect simultaneously with the calculated F value (19.456) greater than the table F value (3.09). This means that the hypothesis H0 is rejected and H_{tt} is accepted. With a coefficient of determination value of 0.378 which means that the influence of product quality, service quality and price on Indihome customer satisfaction is 37.8% while the remaining 62.2% is influenced by other factors.

If the constant of 2.669 states that without product quality, service quality and price, Indihome's customer satisfaction is 2.669 simultaneously. Constants have a positive

value, so that if product quality, service quality and prices increase, Indihome customer satisfaction will also increase.

The calculated F value (19.456) is greater than the table F value (3.09), meaning that the H₀ hypothesis is rejected and H_a is accepted or there is a significant influence between the variables of product quality, service quality and price simultaneously on Indihome's customer satisfaction.

CONCLUSION

The research findings indicate a simultaneous influence of product quality, service quality, and price on the satisfaction of Indihome customers, with a significant contribution value of 35.9%.

Theoretically, the results of this study support several concepts in economics and marketing. Firstly, product quality, service quality, and price have long been recognized as key factors influencing customer satisfaction. A good product quality provides additional benefits and meets customers' expected performance. Superior service quality enhances the customer experience and fosters long-term relationships. Meanwhile, a reasonable and value-aligned pricing strategy plays a crucial role in shaping customers' perception of satisfaction.

Practically, this research offers valuable insights for Indihome or similar telecommunication companies. By understanding that product quality, service quality, and price collectively contribute to customer satisfaction, companies can take appropriate steps to enhance customer satisfaction. For instance, they can improve product quality by enhancing product features or performance. Ensuring that customer service is well-presented, including quick responses to inquiries and complaints, is also vital. Moreover, companies should carefully consider competitive pricing strategies that align with the value offered to meet customer expectations.

Understanding the simultaneous influence of these factors allows companies to allocate their resources and efforts more effectively to improve overall customer satisfaction. This can positively contribute to the long-term success of the company, strengthen brand image, and foster higher customer loyalty.

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