

Promotion And Service Quality On Consumer Satisfaction

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Abstract

This study aims to identify and analyze the influence of Price, Promotion, and Quality of Service on purchasing decisions at Hotel Savoy Homan. The phenomenon of the increase in the number of guests from May 2022 to April 2023 at Hotel Savoie Homan, guests who have stayed more than 5 times, and the good quality of service is the cornerstone of this study. The type of census performed is quantitative explanatory. The data analysis technique used is double linear regression. The sample determination method is Simple Random Sampling with a total sample of 87 people. The results of the research are partially positive and significant for the Purchase Decision, the Promotion has a positive and important influence on the Purchasing Decision and the Quality of Service positively influences the Purchains Decision. Simultaneously, the Price, Promotion, and Quality of the Service are capable of influencing a 39% Purchain Decision with the remaining 61% described by a variable or other factor.

Keyword: *Price, Promotion, Quality of Service, Purchase Decision.*

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INTRODUCTION

One type of business related to tourism is the hospitality industry. From time to time, the hospitality industry has experienced significant growth. Especially at the end of the pandemic, the number of tourists increased considerably. Like the people who live in the city, they really want to take a trip to the mountains. Hotel Savoy Homan is a hotel that is located in the tourist area of Bandung. The hotel has been in existence since the 1880s. Here's a table of targets and achievements that took place at the Savoy Homan Hotel in May 2023–April 2023.

| No. | Month year | Target | Realization |
|-----|----------------|------------|-------------|
| 1 | May/2022 | 170 people | 181 people |
| 2 | August/2022 | 170 people | 191 people |
| 3 | September/2022 | 175 people | 183 people |
| 4 | October/2022 | 180 people | 184 people |
| 5 | November/2022 | 180 people | 190 people |
| 6 | December/2022 | 180 people | 180 people |
| 7 | January/2023 | 180 people | 193 people |
| 8 | February/2023 | 180 people | 195 people |
| 9 | March/2023 | 175 people | 181 people |
| 10 | April/2023 | 175 people | 187 people |
| 11 | May/2023 | 180 people | 192 people |
| 12 | April/2023 | 175 people | 185 people |

Source: Processed Secondary Data, 2023

According to data from May 2022 to April 2023, the number of guests at the Savoy Homan Hotel increased, indicating that guests were satisfied staying at the Savoy Homan Hotel. The highest number of guests was in February 2023 with 195 guests and the lowest number of guests was in December 2022 with 180 people.

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Pricing plays an important role for organizations to help determine the costs of selling an item/administration. Setting prices is done to meet company goals, make money from sales, and achieve more marketing goals. From the results of the initial interview, researchers obtained data that the price of staying at the Savoy Homan hotel is around Rp. 500,000 to Rp. 2,800,000.

LITERATURE REVIEW

Cost is the amount of money that is charged for a good or service or the amount of money that the buyer exchanges for the advantages of owning or utilizing the good or service (Kushendar, 2022). Indicators employed in estimation, according to (Kushendar, 2022), include selling price determination, pricing flexibility, and competition price changes. Buchari asserts that "price is the value of a good or service expressed in money" (Prihadi, 2022). In the decision-making process of purchasers, price plays two key roles: the allocation role and the information role.

Progress, in the opinion of (Kushendar, 2022) is a movement whose ultimate objective is to communicate the advantages of products and persuade customers to purchase the marketed goods. (Kushendar, 2022) lists the following five promotional tactics as part of the promotional mix: publishing, offer development, individual sales, advertising, and direct marketing. Promotions are actions taken by company actors to advertise their goods and utilize them as a tool to persuade clients to buy or use their services in accordance with their demands, as demonstrated by (Saepudin, 2022).

(Saepudin, 2022) claims that what influences consumers' purchase decisions is their awareness of the needs and wants of a product. They accomplish this by assessing available resources, setting their purchasing objectives, and assessing alternative possibilities. This aids decision-makers in deciding what to buy and then completing that purchase. The following are purchasing decision indicators, per Kushendar (2022): a) After learning about the product, buy stability. b) choose to purchase based on the most popular brand. c) Purchase because it satisfies your requirements and wants. d) Purchase because other individuals have given you suggestions.

RESEARCH METHODS

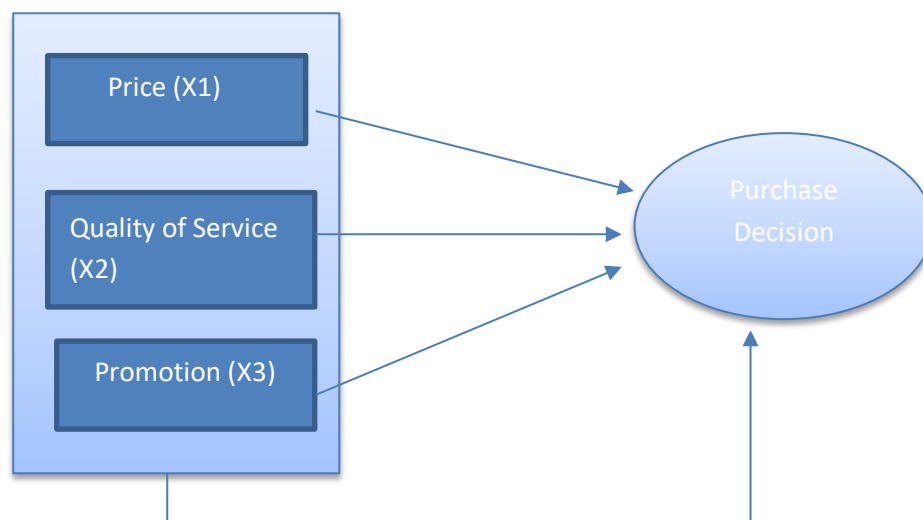


Figure 1. Conceptual Framework

The Savoy Homan Hotel in Bandung served as the site of the research. The study will run from January through June of 2023. A descriptive verification method with an ex post facto and survey methodology was employed in this study. According to the amount of explanation, this kind of research is According to (Kurhayadi, 2020), quantitative descriptive statistics are used to examine data by describing or illuminating the information gathered as it is without aiming to draw broad inferences or generalizations.

To get first-hand information, hotel guests at the Savoy Homan fill out a questionnaire. Secondary data is acquired by researchers from parties who gather primary data, from intermediaries, or from third parties. Several direct relapse exams were employed as the information research approach. When an environmental variable that is thought to be linked to at least one autonomous component is included in the research, differential relapse examination is an appropriate insight strategy.

RESULT AND DISCUSSION

1) Reliability Test

Testing the reliability of questions that have passed the validity test only needs to be tested for reliability; Questions that do not pass the validity test do not need to be repeated for reliability testing. The results of the valid question item reliability test are as follows:

| Variable | Cronbach's Alpha | Result |
|--------------------|------------------|----------|
| Buyer Summary | 0.885 | Reliable |
| Price (X1) | 0.771 | Reliable |
| Promotion (X2) | 0.748 | Reliable |
| Quality of Service | 0.857 | Reliable |

Source: Processed primary data, 2023

If the Cronbach's Alpha value is higher than 0.6, the poll is reliable. Because all Cronbach's Alpha values are greater, it is known that the questionnaire has a reliability of 0.6.

Descriptive Statistical Analysis

Table 2. Frequency and Percentage Distribution Based on Price (X1)

| P | STS | | T.S | | K.S | | S | | SS | | Total | |
|------|-----|------|-----|------|-----|-------|----|-------|----|-------|-------|-----|
| | F | % | F | % | F | % | F | % | F | % | F | % |
| X1.1 | 0 | 0 | 8 | 8.08 | 33 | 33.33 | 32 | 32.32 | 26 | 26.26 | 87 | 100 |
| X1.2 | 0 | 0 | 9 | 9.09 | 28 | 28.28 | 37 | 37.37 | 25 | 25.25 | 87 | 100 |
| X1.3 | 1 | 1.01 | 8 | 8.08 | 27 | 27.27 | 35 | 35.35 | 28 | 28.28 | 87 | 100 |
| X1.4 | 0 | 0 | 8 | 8.08 | 28 | 28.28 | 34 | 34.34 | 29 | 29.29 | 87 | 100 |
| X1.5 | 0 | 0 | 8 | 8.08 | 31 | 31.31 | 30 | 30.3 | 30 | 30.3 | 87 | 100 |
| X1.6 | 0 | 0 | 6 | 6.06 | 32 | 32.32 | 33 | 33.33 | 28 | 28.28 | 87 | 100 |

Source: Processed primary data, 2023

According to Table 6, for question 13 (X1.1), 8 (8.08%) respondents gave the TS response, 33 (33.33%) gave the KS response, 32 (32.32%) gave the S response, and 26 (26.26%) gave the SS response. There were 9 (9.09%) responders with TS addresses, 28 (28.28%) with KS addresses, 37 (37.37%) with S addresses, and 37 (37.37%) with SS addresses for the fourteenth question (X1.2). 25 (25.25%) For the fifteenth question (X1.3), 1 (1.01%) addressed STS, 8 (8.08%) addressed TS, 27 (27.27%) addressed KS, 27 (27.27%) complained that the question was directed to S and above 35 (35.35%), and as many as 28 (28.28%) respondents said that the question was addressed to SS and above. For the sixteenth question (X1.4), there were 8 (8.08%) responders who selected TS, followed by as many as KS and above (28.28%), as many S as 34 (34.34%), and as many SS as 29 (29.29%). For the seventeenth question (X1.5), 8 (8.08%) respondents selected "TS," 31 (31) selected "KS and above," 30 (30.30%) of the respondents selected "ABOVE," and 30 (30.30%) of the respondents selected "SS." For the 18th question (X1.6), there were 6 (6.06%) respondents who gave the TS response, 32 (32.32%) who gave the KS response, 33 (33.33%) who gave the S response, and 28 (28.18%) who gave the SS response.

2) Multicollinearity Test

To check whether multicollinearity occurs, you can look at the value of the fluctuation expansion factor (VIF). A VIF value of more than 10 indicates the presence of independent factors where multicollinearity occurs.

Table 10. Multicollinearity Test

| Model | Collinearity | | Statistics |
|----------------------|--------------|-------|------------|
| | Tolerance | VIF | |
| 1 (Constant) | | | |
| Price (X1) | ,826 | 1,211 | |
| Promotion (X2) | ,834 | 1,187 | |
| Service Quality (X3) | ,767 | 1,304 | |

Note that based on Table 10, it is known that the VIF value of Price (X1) is 1,211, the VIF value of Promotion (X2) is 1,187 and the VIF value of Service Quality (X3) is 1,304. Because all VIF values are <10 , it is concluded that there is no multicollinearity.

3) Discussion

Given the review's side effects, it is reasonable to assume that value (X1), advancement (X2), and administrative quality (X3) can influence the purchase decision (Y) by 39% each, with other factors such as brand, product quality, office, and other variables accounting for the remaining $100\% - 39\% = 61\%$.

Price (X1), Promotion (X2), and Service Quality (X3) all have a major impact on purchasing decisions (Y) individually or concurrently. It is well known that the Price variable's (X1) positive regression coefficient value is 0.415. This indicates that pricing (X1) influences purchase decisions (Y) in a favorable manner. Price (X1) is known to have a substantial impact on purchasing decisions (Y) because the estimated t statistic from Price (X1) is $2.482 > t$ table 1.98 and the substantial value is 0.015, i.e., 0.05 significance level. Therefore, it may be said that pricing (X1) has a positive and large impact on consumers' Y purchase decisions. This is consistent with the first hypothesis. This is also consistent with Sundari et al.'s research from 2022, which found that pricing influences purchases at Sam City in a favorable and significant way. Customers' choices to stay at the Savoy Homan hotel are influenced by the cost of lodging there. In addition, clients use the cost as a benchmark when deciding whether to stay when traveling or have a staycation.

It is well known that the Promotion variable's (X2) regression coefficient value is 0.666, which is positive. This indicates that Promotion (X2) influences Purchasing Decisions (Y) in a favorable manner. Promotion (X2) is known to have a significant impact on purchasing decisions (Y) because the estimated t statistic from Promotion (X2) is $3.938 > t$ table 1.98 and the Sig value. is 0.000, i.e. 0.05 significance threshold. Therefore, it may be said that Promotion (X2) has an important and favorable impact on Purchasing Decisions (Y). The second hypothesis is supported by the findings of this study. The findings of this study are also consistent with research by Suhendar et al. (2023), which found that promotions significantly and favorably affect consumers' choices to buy Honda Brio vehicles. The Hotel Savoy Homan runs promotions, primarily on Facebook and Instagram, to increase hotel marketing and make it easier for visitors to book/purchase rooms. Collaboration with businesses like Traveloka, Tiket.com, and Agoda, which are very beneficial in promoting the hotel, is another form of promotion used by this hotel. This affects how customers decide what to buy.

The Service Quality variable (X3) has a positive regression coefficient value of 0.253, which is known. This indicates that Purchasing Decisions (Y) are positively impacted by Service Quality (X3). It is known that Service Quality (X3) has a considerable impact on purchasing decisions (Y) because the estimated t statistic for this variable is $2.273 > t$ table 1.98 and the significance threshold is 0.05. Therefore, it may be said that Purchasing Decisions (Y) are positively and significantly

impacted by Service Quality (X3). This study supports the third hypothesis and is consistent with Purba et al. (2020), who found that the decision to buy Honda motorbike spare parts from PT Indako Trading Coy is positively and significantly influenced by the quality of the service. The Savoy Homan Hotel provides high-quality service because it trains each employee to produce workers who can deliver excellent service, such as giving full attention to hotel guests who want to check-in or check-out and responding quickly when guests complain. and address any visitor issues right away. This hotel also provides communication training to staff members so they can use appropriate language. This affects how customers decide what to buy respond quickly to complaints from guests and promptly take care of any issues. This hotel also provides communication training to staff members so they can use appropriate language. This affects how customers decide what to buy respond quickly to complaints from guests and promptly take care of any issues. This hotel also provides communication training to staff members so they can use appropriate language this affects how customers decide what to buy.

CLOSING

Based on the findings of the study, it can be said that Price (X1), Promotion (X2), and Service Quality (X3) all have positive effects on purchasing decisions (Y). Price (X1) has a positive and significant effect on purchasing decisions (Y). The combined influence of price (X1), promotion (X2), and service quality (X3) on purchasing decisions (Y) is 39%; the remaining 61% is accounted for by additional variables or factors including product quality, brand, and facilities.

Researchers wish to make recommendations for this hotel, such boosting promotions, expanding marketing goals, or providing endorsements like celebrity programs. Online advertising could also include sponsored adverts on all social media platforms. Similar rules apply to service quality, where the hotel needs to be more forceful and thorough in training staff members to ensure that no one treats visitors badly. In addition, the business may offer a 1-time stay bonus if you have visited 5 times to promote interest. Future researchers might consider including more factors like product quality, brand, and facilities when making purchasing decisions. Additionally, you can conduct research on various items, such as manufacturing firms.

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