

The Influence of Service Quality and Price Perception on Purchase Decisions At Hbg Car Workshops in Pekanbaru

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Abstract

Automotive development in Indonesia from year to year has experienced rapid progress, one of which is cars. In purchasing decisions, there are several influencing factors, one of which is the quality of service, the quality of service is very decisive for a consumer in making a purchase. If the quality of service is poor, then the price offered, no matter how low, consumers will switch to another place. The data analysis technique used in this study is using the formula validity test, reliability test, classic assumption test, normality test, multicollinearity test, heteroscedasticity test, multiple linear regression analysis, t test, F test and the coefficient of determination. The results of the study concluded that service quality has a significant effect on purchasing decisions at the HBG Car Repair Shop in Pekanbaru. Price perception has a significant effect on purchasing decisions at the HBG Car Repair Shop in Pekanbaru. Service quality and price perceptions influence purchasing decisions at the HBG Car Repair Shop in Pekanbaru. Variation in purchasing decisions 66.0% can be explained by service quality and price perceptions, the remaining 34.0% is explained by other variables not examined in this study.

Keywords: Service Quality, Perceived Price, Purchase Decision

INTRODUCTION

Automotive development in Indonesia from year to year has experienced rapid progress, one of which is cars. Car companies in the world always produce a lot of cars to be marketed. The positive response from Indonesian consumers is buying a car as transportation for traveling or daily activities day. The increasing number of Indonesian people buying cars creates new business opportunities such as the provision of car repair services. The competition for car repair shops in the city of Pekanbaru is getting tougher, they compete to get the smooth running of the car repair business. Currently, many

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IJBQR, Volume 01 Issue 01, 2023



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entrepreneurs have opened workshops in Pekanbaru, starting from motorbike repair services, car repair shops, and have even opened many services workshop as well as selling vehicle spare parts tools. But not with workshops that open car repair services or are called ketok magic. Ketok magic is a vehicle body plate repair service that is relatively cheap among Indonesian people, besides the price is quite competitive, the unique way it works and the 'magic' results are the reasons they choose this service. Before being called ketok magic, kenteng teter was the original name of ketok magic before it became known to the wider community, the kenteng teter skill was first introduced by Mbah Turut by residents of Bangsri village, Blitar, East Java in 1959 (goodnews.com 2017).

One of the workshops in Pekanbaru that opens a service business in repairing cars is the HBG Car Workshop. The HBG Car Workshop is located on Jalan Rajawali, Sukajadi, Pekanbaru and operates Monday to Sunday and is open from 08.00 – 18.00 WIB This workshop provides car repair services with various types of cars starting from Sedan cars, Ford Ranger cars, Masda cars, Ailup cars, Avanza cars, L300 cars, Daihatsu cars. HBG Car Workshop provides services such as engine disassembly, transmission disassembly, knock welding, body painting, kiosk changing clothes (body replacement).

Besides providing services, the HBG auto repair shop sells spare parts such as renjosil glue, gasket sets. However, HBG car repair shops market their services more, this is because the need for services is more dominantly needed by consumers in the workshop environment than sales of spare part tools.

At the HBG car repair shop itself, it provides services and provides replacement components for car vehicles for sale. However, the HBG car repair shop does not provide a very diverse selection of goods and also does not provide a wide variety of brands, this is because the repair shop only provides goods and brands that they have often used and because the repair shop does not stock a lot of items for for sale, and when viewed from consumers who often go online to HBG car repair shops, they mostly perform services rather than buying component parts for car replacements.

According to Kotler and Armstrong (2012: 681) service quality is the whole of the features and characteristics of a product or service that supports its ability to satisfy needs directly or indirectly. Rusydi (2017: 39) argues that service quality is a company's ability to provide the best quality service compared to its competitors. Meanwhile, when viewed in terms of service quality, the HBG car repair shop prioritizes its service to consumers. It is intended that consumers can feel comfortable when they are in the workshop with the services provided by the workshop employees. The sales data at HBG Car repair shops for the last five years can be seen in the following table:

Table 1 Sales Data for HBG Car Repair Shops in Pekanbaru for 2016-2021

No	Year	Total Selling (Rp)	Increasing of Selling (%)
1	2016	Rp. 1.737.500.000	-
2	2017	Rp. 1.620.000.000	-6,76
3	2018	Rp. 1.850.000.000	14,19
4	2019	Rp.1.642.500.000	-11,21
5	2020	Rp. 1.180.000.000	-28,15
6	2021	Rp. 1.250.000.000	5,93

Source: HBG Car Workshop, 2022.

Based on table 1, it is known that the number of sales at HBG car repair shops has fluctuated from year to year. The HBG car repair shop in the data collection system is still manual compared to other car repair shops that already use systems in data collection.

This must be considered by business owners analyzing customer complaints, such as for example knock welding work which sometimes takes a relatively long time and sometimes the final results do not match customer requests and also when changing the car body sometimes there are still things that look less tidy and the completeness of items that are missing. sold in the HBG car repair shop, in order to increase the number of sales and the number of consumers. Price has a positive effect on quality, the higher the price, the higher the quality.

According to Chang in Kaura (2012: 343) defines price perception as a representation of consumer perceptions or subjective perceptions of the product's objective price. In today's increasingly competitive competition, price differences are felt to be an important factor in purchasing decisions where generally consumers will choose the cheapest price for a product or service offered.

Consumers have the assumption that there is a positive relationship between price and the quality of a product or service, so they will compare one product/service with another product/service, and view that price is an indicator of product quality, then consumers make the decision to buy a product. /service. The following below is attached a comparison of service prices at the HBG Car repair shop with its competitors' repair shops.

Table 2 Comparison of Car Service Prices

No	Type of service	HBG Car Repair Service(Rp)	SinarMas Car Repair shop (Rp)
1.	Unload machine	Rp. 2.500.000	Rp. 2.900.000
2.	Unload transmission	Rp. 1.500.000	Rp. 2.000.000
3.	Welding Knock	Rp. 1.000.000	Rp. 1.500.000
4.	Disassemble the gearbox	Rp. 1.300.000	Rp. 1.900.000

Source: HBG Auto Repair, 2022.

Based on table 1.2 it is known that the costs for each type of HBG Car repair service are cheaper compared to other repair shops. With that, consumers will be more interested in choosing a cheap repair shop than a repair shop that costs a lot. Consumers can estimate the price of an item, whether the price set by the seller is appropriate or not and makes a benchmark for consumers in deciding to buy or not buy a product, there are 2 indicators of price perception according to Herawaty (2016: 93), namely reasonable price and price comparison with similar products.

This is what the HBG Car repair shop needs to consider how to increase the number of consumers every year so that it always increases. In purchasing decisions, there are several influencing factors, one of which is service quality, service quality is a determining factor for a consumer in making a purchase at this workshop. If the quality of service at the repair shop is bad, then the price offered, no matter how low, consumers will switch to another place. In addition to the form of service, the repair shop must try to complement the variety of products in the workshop and also the completeness inside to meet consumer needs, and also be able to realize the desires of consumers who make transactions at HBG car repair shops in Pekanbaru.

According to Peter, Olson (2013: 163), purchasing decision is an integration process used to combine knowledge to evaluate two or more alternative behaviors and choose one of them. According to Kotler (2016: 184) defines consumer purchasing decisions, namely the final decisions of individuals and households who buy goods and services for personal consumption.

Therefore, with increasing competition in the place of business, you must know the factors that influence purchasing decisions so that you can make improvements and innovations that are expected to improve service quality so that consumers believe in their purchasing decisions after making transactions at HBG Car repair shops and also

feel satisfied with all that is provided by the HBG car repair shop in Pekanbaru.

THEORETICAL REVIEW

Service Quality (X1)

The totality of features and characteristics of a product or service that bear on its ability to satisfy needs, directly or indirectly. Kotler and Armstrong (2012:681). With the following indicators, (1) Tangible, (2) Empathy, (3) Quick Response, (4) Reliability, (5) Certainty (Kotler quoted by Nurmansyah (2018: 263)

Price Perception (X2)

A process by which customers interpret price values and attributes to the desired goods or services (Malik and Yaqoob 2012:487). With the following indicators, (1) Reasonable Prices, (2) Comparison, (3) Prices with Similar Products. Herawaty (2016:93).

Purchase Decision (Y)

The integration process used to combine knowledge to evaluate two or more alternative behaviors and choose one of them. Peter, Olson (2013:163). With the following indicators, (1) Product Choice, (2) Brand Choice, (3) Dealer Choice, (4) Purchase Time, (5) Purchase Amount (Tjiptono 2012: 184)

Thinking Framework

The framework of thought in this research is the development of the Kotler consumer behavior model in Meithiana (2020:19) which can be described as shown in the following chart:

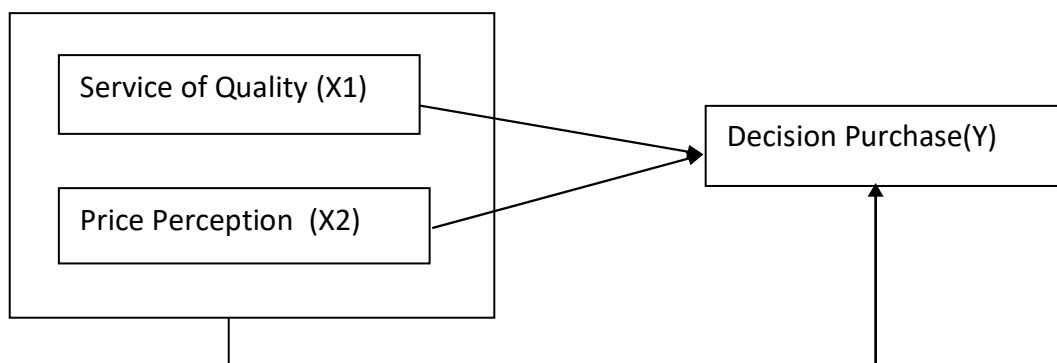


Figure 1 Thinking Framework

Source: Ginting (2012), Kotler (2014)

Based on Figure 1, it shows that service quality and price perceptions influence purchasing decisions partially and simultaneously.

Research Hypothesis

In accordance with the framework described above, the research hypothesis can be formulated that:

H1: It is suspected that service quality influences purchasing decisions at HBG Car repair shops in Pekanbaru

H2: It is suspected that price perceptions influence purchasing decisions at HBG Car repair shops in Pekanbaru

H3: It is suspected that service quality and price perceptions influence purchasing decisions at the HBG Car Repair Shop in Pekanbaru.

RESEARCH METHODS

The research variables consist of two variables. The first variable is the independent variable, namely Service Quality and Perceived Price. The second variable is the dependent variable, namely Purchase Decision. The population is defined as the generalization area which consists of objects, or subjects that have certain qualities and characteristics that have been determined by researchers which will then be studied and conclusions drawn Sugiyono, (2015: 80). The population in this study are consumers who have made purchases at an unknown number of HBG car repair shops in Pekanbaru. According to Sugiyono (2020: 127) in quantitative research, the sample is part of the number and characteristics possessed by the population. If the population is large, and it is not possible for the researcher to study all that exists in the population, for example due to limited funds, manpower and time, the researcher can use samples taken from that population. Then the results obtained, the number of samples needed is 97 people. The sampling technique was carried out by accidental sampling.

RESULTS AND DISCUSSION

Multiple Linear Regression Analysis

Table 3 Results of Multiple Linear Regression Equations

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,354	5,369		,252	,801

1	Service Quality X1	,818	,063	,785	12,967	,000
	Perception of Price X2	,365	,175	,126	2,088	,040

a. Dependent Variable: Purchase Decision

Source : Output SPSS, 2022

Based on table 3 regarding the results of the multiple regression test, the multiple regression equation can be made as follows:

$$Y = a + b_1X_1 + b_2X_2 + e$$

$$Y = 1,354 + 0,818X_1 + 0,365X_2 + e$$

Where :

- Constant value (a) is 1.354, meaning that if the service quality and price perception are assumed to be 0, then the purchase decision is worth 1.354
- The regression coefficient value of 0.818 states that if the quality of service (X1) has increased by 1 unit, assuming the price perception value (X2) is the same constant or fixed, then the purchase decision (Y) will increase by 0.818
- The regression coefficient value of 0.365 states that if the perceived price (X2) has increased by 1 unit, assuming the value of service quality (X1) is constant or fixed, then the purchase decision (Y) will increase by 0.365

Uji - t

Table 4 Test Results t

Model	Unstandardize dCoefficients		Standardize d Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1,354	5,369		,252	,801
1 Service Quality X1	,818	,063	,785	12,967	,000
Perception of Price X2	,365	,175	,126	2,088	,040

a. Dependent Variable: Purchase Decision

Source : Output SPSS, 2022

Based on table 4 it can be concluded that:

- The service quality variable (X1) has a tcount > ttable or 12.967 > 1.98552 with a significant value of 0.000 < 0.05, thus the hypothesis is accepted, meaning that service quality has a significant effect on purchasing decisions at HBG auto repair shops in Pekanbaru

2. The price perception variable (X2) has a $t_{count} > t_{table}$ or $2.088 > 1.98552$ with a significant value of $0.040 < 0.05$, thus the hypothesis is accepted, meaning that price perception has a significant effect on purchasing decisions at HBG auto repair shops in Pekanbaru.

Uji F

Table 5 F Test Results

Model	Sum of Squares	d f	Mean Square	F	Sig.
1 Regression	3625,732	2	1812,866	94,135	,000 ^b
Residual	1810,268	94	19,258		
Total	5436,000	96			

a. Dependent Variable: Purchase Decision

b. Predictors:(Constant), Perceived Price, Service Quality

Based on table 5, it can be concluded that the variables of service quality (X1) and price perceptions (X2) have a value of $F_{count} > F_{table}$ or $94.135 > 3.09$ with a significant value of $0.000 < 0.05$, thus the hypothesis is accepted meaning that service quality and price perceptions have influence simultaneously on purchasing decisions at HBG car repair shops in Pekanbaru.

Determinant Coefficient

The coefficient of determinant Adjusted R - Square in essence measures how far the model's ability to explain the dependent variables. The coefficient of determination is zero and one. The small Adjusted R - Square value means that the ability of the independent variables to explain the dependent variation is very limited. For more details, it can be seen in table 6 as follows:

Table 6 Results of the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,817 ^a	,667	,660	4,388

Sumber : Output SPSS, 2022

Based on table 6 it is known that the Adjusted R-Square value is 0.660, this means that 66.0% of the variation in purchasing decisions can be explained by service quality

and price perceptions, the remaining 34.0% is explained by other variables not examined in this study.

DISCUSSION

The discussion of this study aims to determine the effect of service quality and price perceptions on purchasing decisions at HBG car repair shops in Pekanbaru as follows:

1. The Effect of Service Quality on Purchasing Decisions of HBG Car Repair Shops in Pekanbaru

Based on research, service quality has a positive and significant influence on purchasing decisions for HBG Car Repair services in Pekanbaru. The HBG car repair shop in Pekanbaru uses service quality more in making transactions or providing services to consumers, this is done so that there are no communication errors between the consumer and the HBG car repair shop. The indicator that gets the highest average score is tangible.

This is because the HBG car repair shop provides a large enough area inside for parking lots of cars that really have to be left there and can also provide a sense of comfort to consumers if the car has to be temporarily left there, and also the repair shop has fully equipped the equipment. adequate in order to meet consumer needs, while the indicator that obtains the lowest average value is responsiveness.

This is because the HBG car repair shop employees are not adept at serving customers so that some consumers switch to other repair shops, and maybe they lack knowledge about cars in communicating with consumers.

The results of this study are in line with research (Nelly Nurhaen, 2014) entitled "The Influence of Service Quality, Word Of Mouth and Location on Service Usage Decisions at Honda Jatake Motor Workshop Tangerang" where service quality variables have a significant effect on service usage decisions.

2. The Effect of Perceived Price on Purchasing Decisions at the HBG Car Repair Shop in Pekanbaru

Based on the research results, price perceptions have a positive and significant influence on purchasing decisions at HBG Car Repair Services in Pekanbaru. consumers in making any purchase always look at the price first, this is because price plays a greater role in every desired need. So, the HBG auto repair shop provides prices for replacement components for car vehicles as well as prices for servicing that are easy to reach, and the HBG auto repair shop also makes prices based on other repair shops so that it can adjust to the HBG auto repair shop. Each price given by the HBG

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car repair shop is adjusted to the form of damage that occurs.

The indicator in it that has the highest value is a reasonable price, this is because the HBG car repair shop adjusts to its regional environment and looks at the prices of other repair shop competitors, and so it can easily attract the attention of consumers. however, there is also an indicator of the lowest value in it, namely a comparison of prices with similar goods, this indicator is because the HBG car repair shop does not have many similar items to compare prices with one another.

The results of this study are in line with research (M. Aldi Yazni Utama, 2017) entitled "Analysis of the Influence of Service Quality, Price and Location on Customer Loyalty of the Toyota SetiaJaya Parung Car Repair Shop) where the price variable has a significant effect on customer loyalty.

3. The Effect of Service Quality and Perceived Price on Purchasing Decisions at HBG Car Repairs in Pekanbaru

Based on research on service quality and price perceptions, they have a positive and significant influence on HBG Car Repairs in Pekanbaru. the indicator that obtains the highest average value is the number of purchases. This is due to consumers coming to the HBG car service repair shop many times, thus increasing the number of purchases.

While the indicator with the lowest score is brand choice, this is because HBG car repair shops do not provide many kinds of brands so that consumers cannot choose the brand they want, thus making consumers more tempted to go elsewhere. And most consumers in making purchases more often see the brand.

The results of this study are in line with research (Gilbert Anderias Jee, 2019) entitled "Analysis of the Influence of Service Quality and Perceived Price on Customer Satisfaction at Jaya Raya Workshop in Yogyakarta" where the variables of service quality and price perceptions have a significant effect on purchasing decisions.

CONCLUSION

Based on the results of the research and discussion of the effect of service quality and price perceptions on purchasing decisions at the HBG Car Repair Shop in Pekanbaru, it can be concluded several things as follows:

1. Service quality has a significant influence on purchasing decisions at HBG Car Repairs in Pekanbaru.
2. Perceived price has a significant influence on purchasing decisions at the HBG Car Repair Shop in Pekanbaru.
3. Service quality and price perceptions have a significant influence on purchasing

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decisions at the HBG Car Repair Shop in Pekanbaru. 4. Variations in purchasing decisions 66.0% can be explained by service quality and price perceptions, the remaining 34.0% is explained by other variables not examined in this study.

SUGGESTION

Based on the research conclusions that have been described, the following suggestions are given:

1. HBG Car Repairs in Pekanbaru in order to improve service quality in terms of responsiveness indicators at HBG car repair shops by means of which the workshops provide original replacement components, and when goods from consumers are damaged, employees first explain what the damage is happens in it so that consumers also understand what is serviced by the HBG car repair shop.
2. The HBG Car Workshop in Pekanbaru, in order to be able to pay attention to price comparisons with similar products, the workshop needs to provide comparative items to be seen in terms of price. And the workshop also has to make various prices according to the quality, so consumers know to adjust to what is needed.
3. HBG Car Workshop in Pekanbaru in order to know the purchase decision in terms of brand choice, the repair shop must understand each of several types of brands and provide a variety of brands. This is because if there are consumers who want to use the product but are not familiar with the brand, then the repair shop must also be able to explain so that a purchase can occur.
4. For future writers, the results of this study can be used as material for consideration and reference for research, and as material for consideration to further deepen further research in the same field.

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