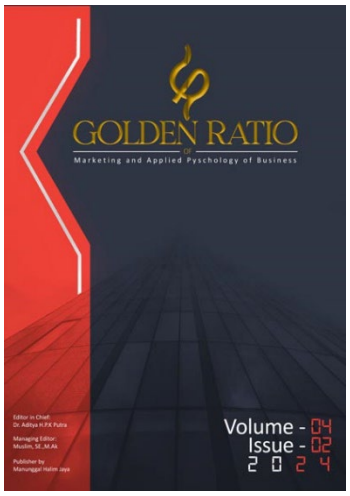
https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

OPEN ACCESS

ISSN [Online]: 2776-6349




Received: March 08, 2024
Revised: May 08, 2024
Accepted: June 30, 2024

*Corresponding author: Dina Astuti, Department of Management, Faculty of Economic, Universitas Muhammadiyah Mamuju, Mamuju, Indonesia.

E-mail: dinamaheswari885@gmail.com

MARKETING | RESEARCH ARTICLE

# The Effect of Service Quality and Passenger Fares on Consumer Decisions Using DAMRI Buses

**Dina Astuti[1], Yati Heryati[2], Mu'fidatul Nurul Hajjad[3]**

[1,2,3] Department of Management, Faculty of Economic, Universitas Muhammadiyah Mamuju, Mamuju, Indonesia. Email: dinamaheswari885@gmail.com[1], heryati17@gmail.com[2], alghufron.fida@gmail.com[3]

**Abstract:** This study aims to assess the impact of service quality and passenger fares on consumer decisions regarding the use of the Mamuju Branch Damri Bus. Specifically, the research has two primary objectives: first, to determine the individual influences of service quality and passenger fares on consumer decisions; and second, to explore the combined effect of both factors on these decisions. Employing a quantitative research approach, the study utilizes two independent variables (service quality and passenger fares) and one dependent variable (consumer decision to use the Mamuju Branch Damri Bus). The methodology includes the application of multiple statistical tests to ensure the validity and reliability of the data collected. These tests include a validity test to ascertain the appropriateness of the research instruments, a reliability test to ensure consistent results, and multiple linear regression to analyze the impact of independent variables on the dependent variable. Additionally, t-tests (partial) and F-tests (simultaneous) are conducted to examine the significance of the effects. A sample of 96 respondents was selected for this study, and data were processed using SPSS software version 24.0. This facilitated a detailed analysis of how service quality and passenger fares influence consumer decisions, both individually and collectively. The findings revealed that both service quality and passenger fares significantly affect consumer decisions to use the Damri Bus at the Mamuju Branch, individually and in combination. This underscores the importance of these factors in shaping consumer behaviors and preferences in the context of public transportation.

**Keywords**: Service Quality, Passenger Fares, Consumer Decisions.

**JEL Classification Code**: L92, D12, R41

## 1. INTRODUCTION

Transportation serves as a fundamental component of modern society, playing an integral role in the movement of goods and people across various locations. Among the myriad transport modes, buses are particularly notable for their capacity to transport large numbers of passengers, thus playing a pivotal role in supporting socio-economic activities. Given the expanding population and the corresponding increase in demand for land transportation, the bus service industry has seen a surge in entrepreneurial interest, resulting in heightened competition among transportation companies as they strive to capture a larger market share and enhance revenue generation. In the Mamuju Regency, one of the key players is Perusahaan Umum (Perum) Damri, a state-owned enterprise specializing in land transportation services. The Mamuju branch of Perum Damri not only provides intercity transportation services connecting Mamuju to Topoyo, Mamuju to Mamasa, and Mamuju to Polewali but also offers pioneering services to remote and underserved areas of West Sulawesi Province. This latter service, a government initiative, aims to meet the transportation needs of rural communities, reduce logistics costs, and ensure efficient distribution of local produce.

Service quality emerges as a critical factor for the Mamuju branch of Perum Damri. High-quality service ensures passenger comfort and satisfaction, fostering trust and encouraging repeated use of the service. According to Banjarânahor et al. (2021), marketing strategy involves concerted efforts to achieve marketing objectives, necessitating collaboration across all company employees, not just the

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb ISSN [Online]: 2776-6349

marketing team. Despite these ideals, Perum Damri Mamuju struggles with achieving high customer loyalty due to poor service quality, marked by inadequate employee performance and insufficient bus facilities, contributing to negative public perception. Furthermore, passenger fares are a significant consideration for consumers when choosing transportation services. Warpani (2022) defines a fare as the monetary value assigned to a service, which consumers weigh against the service benefits they expect to receive. Additionally, the operational performance of the bus company is a critical factor influencing consumer choices. The Mamuju branch of Perum Damri has worked to maintain affordable fares for all its users, positioning itself competitively in the market. Given these observations, this study seeks to address the following research problems: 1). Does service quality and passenger fares influence consumer decisions to use the Mamuju branch of Damri buses? 2). Do service quality and passenger fares have a simultaneous effect on consumer decisions at the Mamuju branch of Damri buses?

By addressing these questions, the research aims to provide insights that could enhance service delivery and customer satisfaction at the Mamuju branch of Perum Damri, ultimately contributing to improved business outcomes and service provision to the community.

## 2. LITERATURE REVIEW

Marketing, as defined by Philip Kotler and cited by Warnadi & Triyono (2019), encompasses a series of activities or processes that extend beyond merely offering or selling goods; it involves employing various methods to facilitate a sales agreement between consumers and producers. Tjiptono & Diana (2020) further elucidate that marketing involves activities conducted by marketers to meet individual needs, whether directly or indirectly. Additionally, Kertajaya, as referenced by Alma (2021), describes marketing as a strategy used by business actors to build good relationships with consumers, share information, set selling prices, and enhance processes to fulfill every consumer need effectively. In terms of service quality, Tjiptono (2017) defines it as a measure of how well the level of service provided meets customer expectations. Lupiyoadi, according to Maulida, A. (2021), sees service quality as any action or activity that one party can offer another, which is essentially intangible and does not result in the transfer of ownership. Kotler and Armstrong (2019) align with this perspective, noting that service quality involves actions or activities, whether tangible or intangible, that may affect ownership. Regarding passenger fares, Sujarweni (2021) describes a fare as the amount of money charged for a service, or the value exchanged by consumers for the benefits they receive from using the service. Warpani (2022) expands on this by explaining that a fare is the price of a service that must be paid by the user, which could be set through a rental agreement, negotiation, or government regulation.

The concept of consumer decision-making is explored by Assauri (2017), who defines a purchasing decision as the process of deciding about whether to purchase, which includes determining what to buy or whether to refrain from buying, derived from previous activities. Schiffman and Kanuk (2015) add that a purchasing decision involves choosing from two or more alternatives, indicating that a decision necessitates the availability of multiple options and is intrinsically linked to how the decision-making process is conducted. Kotler and Armstrong (2019) provide another angle, stating that a purchasing decision is the act of buying the most preferred brand, though there may be intervening factors between the purchase intention and the actual purchase choice. Together, these insights frame a comprehensive view of the marketing process, the critical role of service quality, the mechanics of setting and understanding fares, and the complexities involved in consumer decision-making. These elements are crucial for businesses to understand and integrate as they strategize to meet consumer needs and preferences effectively.

## 3. RESEARCH METHOD AND MATERIALS

Data in research can be broadly categorized into two types: qualitative and quantitative. Quantitative data, as defined by Sugiyono (2019), refers to data in numerical form or qualitative data that has been quantified, thus providing measurable evidence for analysis. In contrast, qualitative data

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

ISSN [Online]: 2776-6349

comprises non-numeric information such as words, sentences, schemes, and images, which are used to describe characteristics and phenomena in a more detailed and subjective manner.

From the perspective of data sources, there are also two primary categories: primary and secondary data. Primary data is directly collected from the source, which allows researchers to obtain first-hand insights into the subject of study. Secondary data, on the other hand, is acquired indirectly and has been previously collected for other purposes, thus serving as a foundation or complement to primary data. In this study, the population includes all consumers of the Mamuju branch of Damri Bus, which represents a vast and unspecified number of individuals. Given the indefinite scope of this population, a sample size of 96 respondents was determined using Cochran's formula, a method recommended by Sugiyono (2019) for studies where the population size is uncertain.

Data collection methods are critical to acquiring reliable information. In this research, data were gathered through three primary techniques: observation, interviews, and questionnaires. Observation involved directly monitoring the activities and behaviors of subjects within their natural environment. Interviews were conducted to obtain detailed insights directly from participants, helping identify core issues and variables relevant to the study. The questionnaire method involved distributing a set of structured questions to respondents, measured on a Likert scale to quantify attitudes, opinions, and perceptions. The research instruments underwent rigorous quality testing to ensure the validity and reliability of the data collected. The validity of the instruments was assessed through a comparison of the calculated Pearson correlation coefficient with the critical value from the r-distribution table, adjusted for the degree of freedom. Reliability testing was conducted to ensure consistent results across multiple measurements, with Cronbach's alpha used to determine the stability of the questionnaire responses. Data analysis was performed using multiple linear regression to explore the relationships between the dependent and independent variables, employing tools like Microsoft Excel for data tabulation and IBM SPSS for deeper statistical analysis. This method allowed for an examination of how multiple variables concurrently affect the dependent variable.

Hypothesis testing was done through partial and simultaneous tests to assess the individual and collective impact of the independent variables on the dependent variable. The t-test evaluated the significance of each independent variable separately, while the F-test examined the joint effect of all independent variables on the dependent variable, using predefined criteria to determine the level of significance and influence. This structured approach ensures a comprehensive analysis of how various factors influence consumer behavior regarding the use of Damri Bus services, thereby providing valuable insights into the effectiveness of service delivery and areas for potential improvement.

## 4. RESULTS AND DISCUSSION

### *4.1. Validity Test Result*

Ghozali (2018) explains that "the validity test is used to measure whether each statement item in the questionnaire is valid or not." This test is conducted by comparing the calculated r-value (with the critical r-value. The r-calculated value can be obtained by checking the Pearson Correlation column in the SPSS output, while the rtabel value is determined by first establishing the significance level of the research, then calculating the degree of freedom, and finally referring to the product moment tables distribution.

df = N – 2
= 96 - 2
= 94

The value of the Product Moment (r-estimated) of significance level 0.05 = 0.201.

Decision determination parameters:

When the number r-calculated > r-estimated Valid research instrument items
When the number r-calculated < r-estimated Invalid research instrument item

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

ISSN [Online]: 2776-6349

**Table 1. Validity Test Results**

| No | Statement | r-calculated | r-estimated | Information |
|---|---|---|---|---|
| 1 | X1.1 | 0,659 | 0,201 | Valid |
| 2 | X1.2 | 0,754 | | |
| 3 | X1.3 | 0,598 | | |
| 4 | X1.4 | 0,630 | | |
| 5 | X1.5 | 0,384 | | |
| 6 | X1.6 | 0,515 | | |
| 7 | X2.1 | 0,604 | | |
| 8 | X2.2 | 0,399 | | |
| 9 | X2.3 | 0,676 | | |
| 10 | X2.4 | 0,679 | | |
| 11 | X2.5 | 0,517 | | |
| 12 | X2.6 | 0,819 | | |
| 13 | Y.1 | 0,796 | | |
| 14 | Y.2 | 0,810 | | |
| 15 | Y.3 | 0,843 | | |
| 16 | Y.4 | 0,825 | | |
| 17 | Y.5 | 0,758 | | |
| 18 | Y.6 | 0,578 | | |

Source: Primary data after processing, 2024

The results of the validity test in Table 1 show that each instrument item used in this study has an r-value greater than the critical rtabel of 0.201. This indicates that all the instrument items in the research variables are valid and meet the requirements for reliability testing.

### *4.2. Reliability Test Results*

Ghozali (2018:45) states that "reliability testing is a tool for measuring the consistency of a questionnaire as reflected in the indicators of each variable. A questionnaire is considered reliable or dependable if the respondents' answers to the statements remain consistent or stable over time." This test is conducted by comparing the Cronbach's Alpha value with the standard Cronbach's Alpha value of 0.60. Parameters of decision determination: When the number Cronbach's Alpha > 0,60 considered reliable, When the number Cronbach's Alpha < 0,60 considered unreliable.

**Table 2. Reliability Test Results**

| Variable | Cronbach's Alpha | Number | Conclusion |
|---|---|---|---|
| Quality of Service ($X_1$) | 0,623 | 0,60 | Reliabel |
| Passenger Fare ($X_2$) | 0,609 | 0,60 | Reliabel |
| Consumer Decision (Y) | 0,894 | 0,60 | Reliabel |

Source: Primary data after processing, 2024

The results of the reliability test presented in Table 2 indicate that all variable statements in this study have Cronbach's Alpha values greater than the standard value of 0.60. Therefore, all statements for the proposed variables are considered reliable, consistent, and meet the requirements for further data analysis.

### *4.3. Multiple Linear Regression Analysis Results*

Ghozali (2018) explains that the multiple linear regression model is used "to test the influence of independent variables on the dependent variable, where in multiple regression, more than one independent variable is considered for its effect on the dependent variable." This study uses multiple linear regression analysis as it includes three independent variables (capital, production, and price), while the dependent variable is income.

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

OPEN ACCESS

ISSN [Online]: 2776-6349

Formula Regresi Gives Linear: Y = a + b1X1 + b2X2 + b3X3 + e

**Table 3. Multiple Linear Regression Analysis Results**

| Coefficients[a] | | | | | | |
|---|---|---|---|---|---|---|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2,519 | 2,880 | | 0,975 | 0,384 |
| | Quality of Service | 0,398 | 0,097 | 0,344 | 4,115 | 0,000 |
| | Passenger Fare | 0,557 | 0,103 | 0,450 | 5,383 | 0,000 |
| a. Dependent Variable: Consumer Decision | | | | | | |

Table 3, showing the results of multiple linear regression analysis, obtained the result:

$$Y = 2.519 + 0.398\ X1 + 0.557\ X2 + e$$

From the results of the multiple linear regression equation, it is interpreted as follows:

1) Constant (a) The value of 2.519 represents the condition where the consumer decision variable (Y) is not yet influenced by other variables. This means that if there is no change in the service quality and passenger fare variables, the consumer decision to use the Mamuju branch of Damri Bus remains at 2.519.
2) Coefficients Regresi Job satisfaction has a negative direction of 0.398. This indicates that the service quality variable has a positive influence on consumer decisions to use the Mamuju branch of Damri. In other words, any increase in the service quality variable can enhance consumer decisions by 0.398, assuming other variables remain constant or unchanged.
3) Coefficients Regresi The passenger fare variable, with a positive coefficient of 0.5547, indicates that passenger fares have a positive influence on consumer decisions to use the Mamuju branch of Damri. This means that any increase in the passenger fare variable will raise consumer decisions by 0.557, assuming other variables remain constant or unchanged.

### *4.4. Results of Partial Hypothesis Testing (t-Statistic Test)*

The results of the first hypothesis test on the effect of service quality on consumer decisions, where the t-value of 4.155 is greater than the ttable value of 1.986, indicating a partial effect. The significance value of 0.00 is less than 0.05, indicating the effect is significant. This analysis is interpreted as "service quality has a significant partial effect on consumer decisions to use the Mamuju branch of Damri buses." However, this does not align with the researcher's initial perception, meaning the first hypothesis proposed in this study is rejected. The results of the first hypothesis test on the effect of service quality on consumer decisions, where the t-value of 4.155 is greater than the ttable of 1.986, indicating a partial effect. The significance value of 0.00 is less than 0.05, indicating the effect is significant. This analysis is interpreted as "service quality has a significant partial effect on consumer decisions to use the Mamuju branch of Damri buses." However, this does not align with the researcher's initial perception, meaning the first hypothesis proposed in this study is rejected.

### *4.5. Results of Simultaneous Hypothesis Testing (F-Test)*

Simultaneous statistical testing is conducted with the aim of evaluating the collective influence of all independent variables included in the model on the dependent variable. The criterion for testing the hypothesis simultaneously is by comparing the fvalue with the ftable value. The significance level used is 5% or 0.05.

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

ISSN [Online]: 2776-6349

Value $f_{table}$ = DF1 = K – 1 = 3 – 1 = 2 DF2 = N – K = 96 – 3 = 93

$f_{table}$ = 3,094

**Table 4. Hypothesis test**

| ANOVA[a] | | | | | | |
|---|---|---|---|---|---|---|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 321,664 | 2 | 160,832 | 35,105 | 0,000[b] |
| | Residual | 426,076 | 93 | 4,581 | | |
| | Total | 747,740 | 95 | | | |
| a. Dependent Variable: Consumer Decision | | | | | | |
| b. Predictors: (Constant), Passenger Fare, Service Quality | | | | | | |

The results of the simultaneous testing of service quality and passenger fare variables in Table 6 show that the calculated Fvalue of 35.105 is greater than the Ftable value of 3.094, indicating a simultaneous effect. The significance value of 0.000 is less than 0.05, meaning the effect is significant. This confirms the researcher's initial perception that "service quality and passenger fares have a significant simultaneous influence on consumer decisions to use the Mamuju branch of Damri buses." In other words, H0 is rejected and H3 is accepted, meaning the third hypothesis proposed in this study is confirmed

### *4.6. Research Discussion*

a. *The Influence of Service Quality on Consumer Decisions Using Damri Bus*

The data analysis results obtained in this study, using partial statistical testing, show that the t-value of 4.155 is greater than the ttable value of 1.986, indicating a partial effect. The significance value of 0.00 is less than 0.05, indicating significance. This analysis is interpreted to mean that "service quality has a significant partial effect on consumer decisions to use the Mamuju branch of Damri buses."

b. *The Effect of Passenger Fares on Consumer Decisions Using Damri Bus*

The partial results of this study show that the t-value (t count) of 5.383 is greater than the t-table value of 1.986, indicating a partial effect. The significance value of 0.000 is less than 0.05, indicating significance. This analysis is interpreted to mean that "passenger fares have a significant partial effect on consumer decisions to use the Mamuju branch of Damri buses."

*c. The Influence of Service Quality and Passenger Fares on Consumer Decisions Using Damri Bus*

The results of the simultaneous hypothesis test show that the calculated Fvalue (F-count) of 35.105 is greater than the Ftable value of 3.094, indicating a simultaneous effect. The significance value of 0.000 is less than 0.05, meaning the effect is significant. This confirms the researcher's initial perception that "service quality and passenger fares have a significant simultaneous influence on consumer decisions to use the Mamuju branch of Damri buses.

## 5. CONCLUSION

Based on the research findings and discussions concerning the influence of promotion and public perception on loan decisions at Koperasi Karya Mandiri in Mamuju Tengah Regency, several conclusions have been drawn. Firstly, promotion has a positive and significant impact on loan decisions within the cooperative. Secondly, public perception similarly affects these decisions in a positive and significant manner. Additionally, the combined effect of both promotion and public

https://doi.org/10.52970/grmapb.v4i2.682

*Website:* https://goldenratio.id/index.php/grmapb

ISSN [Online]: 2776-6349

perception on loan decisions is found to be significantly impactful. In light of these conclusions, a set of recommendations has been developed to enhance the effectiveness of the cooperative's operations and customer engagement. It is advisable for Koperasi Karya Mandiri to provide clear and accurate information about their products to customers through both direct promotion and social media channels. This strategy is intended to maintain customer confidence and encourage positive loan decision-making.

Furthermore, greater attention should be directed towards managing public perception. This can be achieved by improving service outreach and creating a favorable image of the products as safe and tailored to meet customer needs. Such efforts are anticipated to not only enhance the positive perception of the cooperative but also provide additional emotional support to the organization, reinforcing customer trust and satisfaction.

## REFERENCES

Alma, B. (2021). *Manajemen Pemasaran & Pemasaran Jasa*. Bandung: Alfabeta.

Assauri, S. (2017). *Manajemen Pemasaran*. Jakarta: Rajawali Pers.

Banjarânahor, A. R., & others. (2021). *Manajemen Komunikasi Pemasaran*. Jakarta: Yayasan Kita Menulis.

Ghozali, I. (2018). *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25*. Semarang: Badan Penerbit Universitas Diponegoro.

Kotler, P., & Armstrong, G. (2019). *Prinsip-Prinsip Pemasaran Jilid 1* (Edisi 12). Jakarta: PT. Gelora Aksara Pratama.

Maulida, A. (2021). Pengaruh kualitas pelayanan, harga dan promosi terhadap keputusan pembelian pada Zafi Studio di Mangaran Situbondo. *Jurnal Ekonomi dan Bisnis Growth*, 19(2), 86-100.

Schiffman, L. G., Kanuk, L. L., & Wisenblit, J. (2015). *Consumer Behaviour*. London: Pearson.

Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif, dan R & D*. Bandung: Alfabeta.

Sujarweni, V. W. (2021). *Akutansi Manajemen, Teori dan Aplikasi*. Yogyakarta: Pustaka Baru Press.

Tjiptono, F. (2017). *Service, Quality & Satisfaction* (Edisi 3). Yogyakarta: Penerbit Andi.

Tjiptono, F., & Diana, A. (2020). *Pemasaran*. Yogyakarta: Penerbit Andi.

Warnadi, & Triyono, A. (2019). *Manajemen Pemasaran*. Yogyakarta: DEEPUBLISH.

Warpani, S. (2022). *Merencanakan Sistem Perangkutan*. Bandung: Badan Penerbit ITB.