

THE EFFECTS OF BRAND IMAGE AND SERVICE QUALITY ON CUSTOMERS' SATISFACTION OF GLANS AUTOCARE BANDUNG

Irsyan Khalik Prabowo¹, Mahir Pradana²

^{1,2} Telkom University, Bandung

irsyanprabowo@student.telkomuniversity.ac.id¹, mahirpradana@telkomuniversity.ac.id²

ABSTRACT

Glans Autocare is one of new business that located in Bandung. Glans Autocare offers the car wash, car polish, etc at customers' place, which aims to create a strong and positive image of Glans Autocare. Besides that, the service quality is also one of the important keys to increase customers' satisfaction. Therefore, this study aims to show the effects of brand image and service quality on customers' satisfaction of Glans Autocare Bandung. The quantitative descriptive and causal analysis is used in this study based on the brand image and service quality on customer satisfaction. In this study, the sample amounted to 100 respondents, who have used the service of Glans Autocare Bandung. While the sampling technique used is non-probability sampling, with the population is Glans Autocares' customers in Bandung whose number is unknown. The finding of this study shows that brand image and service quality partially have a significant effect on customer satisfaction. Then, brand image and service quality simultaneously have significant effects on customer satisfaction. Based on the coefficient of determination shows that brand image and service quality have an effect of 85.2% on customer satisfaction.

Keywords: Brand Image, Service Quality, Customer Satisfaction, Glans Autocare.

I. INTRODUCTION

The development of the business field makes the competition between companies increasingly fierce, with a variety of products' availability in the market is a form of competition for companies to win the market share. Whereas, the competition allows companies to create precise activity and effectiveness plans that support the sustainability of performance, both in their innovation efforts or in the activity itself. Nowadays, most of the people in Indonesia already have their own business, starting from small and become big businesses. For the new business, the owner needs to pay attention to each detail needed to build a business. A new business also called a small-medium enterprise or SME, which the owner intends to be their own boss and feel safe of their own finances in the local market, so this business is an important part of a region's economy (www.galena.co.id, accessed on July 2021). Glans Autocare is one of the new businesses placed in Bandung city, which took the chance to supply the increasing demand for the services. Glans Autocare is a business that provides a car wash at customers' places. Besides that, Glans Auto care did not only focus on car washing but rather car aesthetic care as a whole including paint correction and ceramic coating installations. Glans AutoCare's services require the use of electricity there for a strategic spot for an electrical socket is important. A great opportunity comes at a cost. It was not all easy to try and grow the brand and trust of this business. Thus, in order to compete with its competitors and to live up to its mission and vision Glans Autocare implemented a few strategies for its survival of which are: Educative,

Attractive and Professional, and Promotions. However, as a new business, there are some customers of Glans Autocare still dissatisfied about the service quality. Therefore, Glans Autocare need to create a stronger brand image and improve the service quality of its business. The problems that occur about handling the problems are often felt by customers. If the number of complaints is high, this indicates that the service quality of the company is bad. To solve this case, the company must improve their service quality and create a strong brand image, then, it will simultaneously affect customers' satisfaction.

II. LITERATURE REVIEW

2.1 Brand Image

Kotler and Keller (2016:61) defined brand image as “the perceptions and beliefs held by the consumer, as reflected in the associations held in the 20 consumers' memory”. According to Mabkhot et al., 2017, states that brand image is a customer's perception of a brand, the aim of companies is to create a strong image of the brand in the minds of consumers. Marketing programs can generate a positive brand image by building a strong link between a brand and its image in the memory of the consumers. In this study, there are three dimensions used to measure the brand image according to Kotler and Keller (2016:77) which include Strength, Favourability, and Uniqueness.

2.2 Service Quality

According to Ramya et al., (2019:38), stated that service quality refers to the ability of a service provider to satisfy customers in an efficient way and thus can better conduct its business. While Lewis and Booms in Alkhouli, (2018), argue that service quality is the measurement of how good service meets the customers' expectation. According to Kotler (2016:52) there are five dimensions is used to measure the service quality which include Tangibility, Reliability, Responsiveness, Assurance, and Empathy.

2.3 Customer Satisfaction

According to Kotler and Keller (2017:196) stated that customer satisfaction is a feeling of pleasure or disappointment after comparing the expected performance of a product or service with the expected performance. If the performance is lower than customers' expectations, the customer will feel dissatisfied. If the performance meets customers' expectations, the customer will feel satisfied. While according to Othman et al., (2019), the term "customer satisfaction" is so common that it is easily introduced into marketing and other literature and has a very deep meaning so that business organizations can meet today's expectations and goals. In this study, there are five dimensions used to measure customer satisfaction according to Kotler and Keller (2016:140) which include rebuy, tell the good things about the company to others and recommending them, pay less attention to brands and advertisement of competing products, buy other products from the same company, offering product and service idea to the company.

2.4 The Relationship Between Variables

The study of Cuong and Long (2020) entitled “The impact of Service Quality and Brand Image on Customer Satisfaction and Behavioral Intention in Vietnam Fashion Market”, shows that the variable of brand image positively affects customer satisfaction. While another study by Subaebasni et al., (2019) entitled “Effect of Brand Image, the quality and price on customer satisfaction and implications for customer loyalty pt. strait liner express in Jakarta”, shows that brand image has a positive and significant effect on customer satisfaction. According to the study of Budiyanto (2018)

entitled “Pengaruh Persepsi Harga, Kualitas Layanan Dan Brand Image Terhadap Tingkat Kepuasan Konsumen Di Pt. Yerry Primatama Hosindo” shows that price, service quality, and brand image positively influence on customer satisfaction.

2.5 Conceptual Framework

Based on the explanation above, the conceptual framework in this study can be describe as follows:

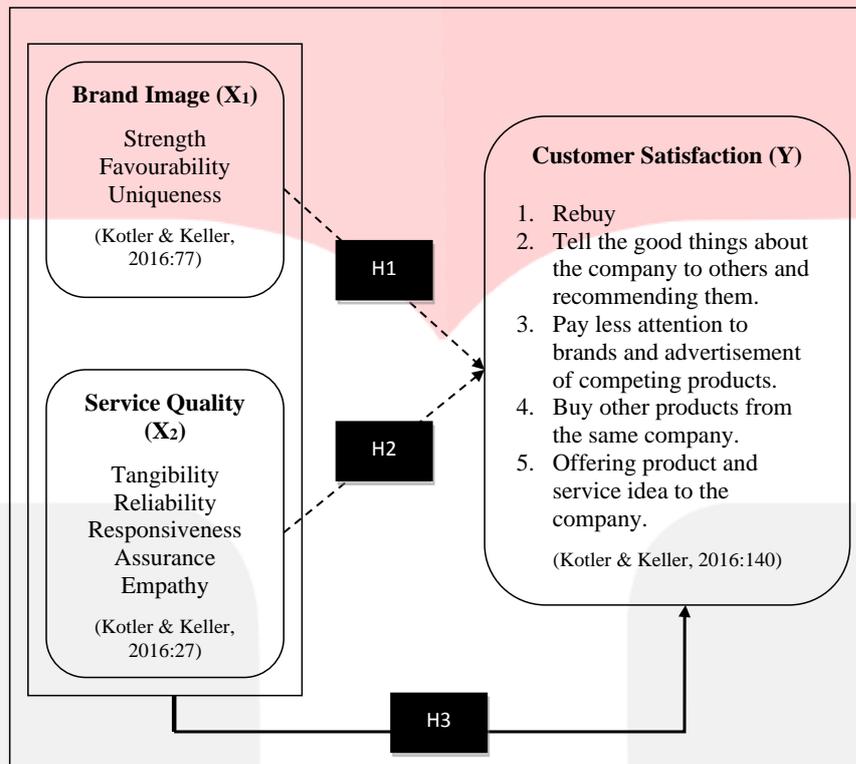


Figure 2.1 Conceptual Framework

Source: Processed by Author, 2021

From Figure 2.1 above, it is known that Brand Image (X₁) and Service Quality (X₂) as independent variables, and Customer Satisfaction (Y) is a dependent variable. Thus, the hypothesis in this research can be formulated are as follows:

H₁: The effect of Brand Image on Customer Satisfaction of Glans Autocare Bandung.

H₂: The effect of Service Quality on Customer Satisfaction of Glans Autocare Bandung.

H₃: The effects of Brand Image and Service Quality on Customer Satisfaction of Glans Autocare Bandung.

III. RESEARCH METHODS

This study uses quantitative and descriptive methods, through the distribution of questionnaires and observations. The sampling technique used is non-probability of a purposive sampling technique, where the sample is Glans Autocare’s customers who have used the services of Glans Autocare. The ordinal scale is used in this study as a measurement scale. The questionnaire uses a 5-point scale, with 1 for strongly disagree and 5 for strongly agree to understand the opinions of respondents on the statements given. The completion of this research has the following stages:

1. Validity and Reliability test;
2. Determine the description of 100 respondents;
3. MSI is used to test the multiple linear regression analysis, partial t-test, simultaneous f-test, and coefficient of determination.

IV. RESEARCH RESULTS

4.1 Respondents' Identity

The 100 respondents' responses obtained are all valid in this research, that is, those who have used the services of Glans Autocare Bandung. Then, the majority of respondents by gender are male (70%), aged between 28-32 years old (40%), as entrepreneurs (29%), and domicile at North Bandung (37%).

4.2 Descriptive Analysis

Descriptive analysis is used to know the perception of 100 respondents regarding Brand Image (Strength, Favourability, Uniqueness), Service Quality (Tangibility, Reliability, Responsiveness, Assurance, Empathy) and Customer Satisfaction (rebuy, tell the good things about the company to others and recommending them, pay less attention to brands and advertisement of competing products, buy other products from the same company, offering product and service idea to the company) of Glans Autocare Bandung. The results of the descriptive analysis are shown on the table below.

Table 4.1 Descriptive Analysis

Sub-Variable	Total Score	%	Category
Brand Image (X1)	2914	73%	High
Service Quality (X2)	4525	70%	High
Customer Satisfaction (Y)	1752	70%	

Source: Processed by Author, 2021

4.3 Multiple Linear Regression

Multiple linear regression is used to know the effect of Brand Image and Service Quality on Customer Satisfaction of Glans Autocare Bandung by using the following equation:

$$y = b_0 + b_1x_1 + b_2x_2 + e$$

The result of multiple linear regression was processed by using SPSS 25 software and presented in the following table below.

Table 4.2 Multiple Linear Regression Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-2.324	0.645		-3.604	0.000
	Brand Image	0.185	0.051	0.245	3.666	0.000
	Service Quality	0.319	0.030	0.713	10.666	0.000

a. Dependent Variable: Customer Satisfaction

Source: SPSS 25 Output, 2021

Based on the results in the table above, the following form of linear regression is obtained:

$$y = -2.324 + 0.185x_1 + 0.319x_2$$

Based on the multiple linear regression equation above, obtained a constant value of -2.324. This means if the Customer Satisfaction of Glans Autocare is not influenced by two independent variables. Then, the average amount of Customer Satisfaction of Glans Autocare will be worth by -2.324. Furthermore, the value of regression coefficient for Brand Image (X1) is 0.185, which in a positive direction. This means that if the Brand Image (X1) increased by one unit, it will also increase the Customer Satisfaction of Glans Autocare Bandung by 0.185. Then, the regression value for Service Quality that is 0.319 or in a positive direction. This indicates that if Service Quality (X2) increased by one unit, it will also increase Customer Satisfaction of Glans Autocare Bandung by 0.319.

4.4 Hypotheses Testing

4.4.1 Partial T-Test

T-Test is used to know how independent variable gives the influence significantly or not on dependent variable. The results of T-Test are presented in the Table 4.2, and the hypotheses obtained are as follows:

1. The t-count value of Brand Image (X1) obtained is 3.666 or greater than the t-table (1.66071), and the sig value is < 0.05 . Thus, H1 accepted. Therefore, it can be concluded that Brand Image partially has a significant effect on Customer Satisfaction of Glans Autocare Bandung.
2. The t-count value of Service Quality (X2) obtained is 10.666 or greater than the t-table (1.66071), and the sig value is < 0.05 . Thus, H1 accepted. Therefore, it can be concluded that Service Quality partially has a significant effect on Customer Satisfaction of Glans Autocare Bandung.

4.4.2 Simultaneous F-Test

F-Test is used to know how the model of regression obtained are match or the independent variables simultaneously have the effects on dependent variable. The result was processed by SPSS 25 is presented in the following table below.

Table 4.3 F-Test ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1537.840	2	768.920	278.806	.000 ^b
	Residual	267.516	97	2.758		
	Total	1805.356	99			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Service Quality, Brand Image

Source: SPSS 25 Output, 2021

Based on the SPSS result above, obtained the f-count value of 278.806 or $> f$ -table (2.696), and the sig. value is < 0.05 . Thus, H₁ accepted. Therefore, it can be concluded that Brand Image and Service Quality simultaneously have the significant effects on Customer Satisfaction of Glans Autocare Bandung.

4.4.3 Coefficient of Determination

The effects of Brand Image and Service Quality can be shown by the coefficient of determination with the following formula:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.923 ^a	.852	.849	1.66069

a. Predictors: (Constant), Service Quality, Brand Image

b. Dependent Variable: Customer Satisfaction

Source: SPSS Output, 2021

Based on the SPSS output above, obtained the R value of 0.923. Then, the R value will be used to calculate the coefficient of determination.

$$KD = (R)^2 \times 100\%$$

$$KD = (0.923)^2 \times 100\%$$

$$KD = 0.8519 \times 100\%$$

$$KD = 85.2\%$$

From the calculation above, it can be concluded that Brand Image and Service Quality have the effects of 85.2% on Customer Satisfaction. The remaining value of 14.8% is contributed by other variables besides Brand Image and Service Quality.

V. CONCLUSIONS AND SUGGESTIONS

Based on the descriptive analysis of respondent's response, the percentage score for Brand Image of Glans Autocare is 73%, which is in the High category, Service Quality of Glans Autocare is 70%, which is in the High category, and Customer Satisfaction of Glans Autocare is 70%, which is in the High category. Based on the hypothesis testing of t-test, Brand Image partially has a significant effect on Customer Satisfaction of Glans Autocare Bandung. Then, Service Quality partially has a significant effect on Customer Satisfaction of Glans Autocare Bandung. For the f-test, Brand Image and Service Quality simultaneously have significant effects on Customer Satisfaction of Glans Autocare Bandung. Regarding Brand Image, Glans Autocare must improve Favourability by making a campaign or brand promotion to introduce their brand. Then, Regarding Service Quality, Glans Autocare must improve the assurance and empathy, that is the staff or employees of Glans Autocare must improve their skills, and Glans Autocare must improve a personalized service. For Customer Satisfaction, Glans must improve the service quality which fit with the customer expectation, by improving the service skills. This study is those who will examine the factors that can affect Customer Satisfaction can be done by adding other independent variables such as, Trust, Price, and Customer Experience. Then, to the next author who will use the multiple linear regression analysis methods supported by the prerequisites of analysis and hypothesis testing to determine the effect of each dimension.

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