The Influence of Product Quality and Service Quality on Customer Satisfaction at Jogja Printing Madison

Revo Yustitia Aji[1]
National Development University "Veteran" East Java
email: revoyustitiaaji@gmail.com
Ugy Soebiantoro[2]
National Development University "Veteran" East Java
email: ugybin@gmail.com

Keywords	Abstract
Keywords Product quality; service quality and customer satisfaction	The development of an increasingly developing era makes a lot of competition between competitors in various sectors. Starting from the industrial sector to retail. One that is experiencing tough competition in the current era is a company engaged in printing. This happens in the printing sector when there are several new companies that come with renewable technology, causing the companies that were previously engaged in printing to experience a decline in sales. To survive against other competitors, entrepreneurs in the printing sector must be more creative and innovative in order to be able to compete. There are several ways that companies engaged in printing can do to survive in the face of new competitors like today. For example by giving discounts, improving the quality of their products, or improving the quality of service they provide to customers. The measurement scale used in this study uses a Likert scale using non-probability techniques other than the accidental sampling method for sampling. Researchers used a sample of the existing population of 55 respondents. Data collection was carried out by researchers using a questionnaire distribution system with the Partial Least Square (PLS) analysis technique. The results showed that product quality and service quality had a significant positive effect on customer satisfaction at printing Jogja printing in Madiun

1. INTRODUCTION

Sector The development of the era which is growing day by day, makes a lot of competition between competitors in various sectors. Starting from the industrial sector to retail. This can be seen from the development of a city or region. When a city or region experiences rapid development, there will also be developments in various sectors driving the economy in that city.

One that is experiencing intense competition in this era is a company engaged in printing. This happened in the printing sector when there were several new companies that came up with renewable technology causing the companies that were previously engaged in printing to experience a decline in sales. The newest technology used is the rate of production speed/meter from the printing press which is much faster. Printing machines that use the latest technology can even print almost twice as fast as old printing presses. The resulting quality is equally good.

To survive against other competitors, entrepreneurs in the printing sector must be more creative and innovative to be able to compete. There are several ways that companies engaged in printing can use to survive in the face of new competitors like today. For example by providing price cuts, improving the quality of their products, or improving the quality of the services they provide to customers.

The development of the printing business has also penetrated the City of Madiun. The city of Madiun is now more advanced than before in the development, economic and tourism sectors. Now many people no longer pay attention to the price when they need something urgent. When what is needed can be fulfilled before a predetermined time limit, price is no longer a problem. There are also those who prioritize product quality. For example, someone wants the durability of the product so they don't change the product frequently when it is

damaged. And when quality is the choice, price is not an issue.

In economic theory, we learn that price, value and utility are interrelated concepts. Benefits (utility is an attribute of an item/item that has the ability to satisfy a want. Value is a quantitative measure of the weight of a product that can be exchanged with other products. We also use the term price to describe the monetary value of an item. Price is the value stated in rupiah and cents or other monetary medium as a measure. Price is a component of the company's marketing mix that is very visible and easy to use and is an effective tool for gaining an edge against competitors.

There is one printing press in Madiun City that sets prices based on cost (cost-based pricing) which also has the motto "Price = Quality", namely Jogja Printing Madiun. In addition to the things previously mentioned, there is also something that is often forgotten by business owners even though it has a very large impact on purchasing decisions and this will certainly greatly affect the level of repeat purchases and customer satisfaction. This is the quality of service to prospective customers who want to order a product. Sometimes, there is a time when the customer no longer thinks about price because he realizes that the service he gets exceeds the expectations of the buyer.

In 2020 since March the Covid-19 virus entered Indonesia. Nearly all fields, from retail, printing, offices, were forced to close by the regional government due to being one of the causes for the spread of the Covid-19 virus to become more widespread. Jogja Printing Madiun experienced a significant decline in sales due to operational time restrictions in 2020. This study aims to determine the effect of product quality and service quality on customer satisfaction at Jogja Printing Madiun Printing.

2. LITERATURE REVIEW
2.1 Product quality _

Product quality is the ability of a product to perform its function, it includes the product's durability, reliability, precision, ease of operation and repair, and other valuable attributes. According to Kotler and Keller (2012), product quality is the ability of an item to provide appropriate results or performance even beyond what the customer wants. Using 3 indicators adopted from Kotler and Keller (2009) product quality can be measured through several indicators as follows:

a. Form / Form (X1.1)
   The part where the product can be clearly distinguished from others through the shape, size and physical structure of the product.
b. Durability (X1.2)
   The part where the measure of the possibility of a product will not be damaged in a certain period of time.
c. Design / Design (X1.3)
   The part where the overall features of the product affect the appearance and function of the product.

2.2 Service Quality

Service quality according to Kotler and Armstrong (2017: 244), Service quality is a form of product consisting of activities, benefits, or satisfactions offered for sale which are basically intangible and do not result in any ownership. According to Kotler and Keller (2016: 442) there are five indicators to measure service quality identified by customers, namely:

a. Reliability (X2.1)
   Relating to the company's ability to provide accurate services from the first time without making any mistakes and deliver services in accordance with the agreed time.
b. Responsiveness (X2.2)
   Relates to the willingness and ability of employees to help customers and respond to their requests, as well as inform when it will be provided and then provide services quickly.
c. Collateral / Assurance (X2.3)
   Namely the behavior of employees is able to foster customer trust in the company and the company can create a sense of security for its customers. Assurance also means that employees are always courteous and possess the necessary knowledge and skills to handle any customer inquiries or concerns.
d. Empathy / Empathy (X2.4)

Means that the company understands the problems of its customers and acts in the interests of customers and gives personal attention to customers and has comfortable operating hours.

e. Physical/Tangible Evidence (X2.5)
With regard to the attractiveness of the physical facilities, equipment, and materials used by the company, as well as the appearance of employees.

2.3 Customer Quality

Customer satisfaction is the level of customer or consumer feelings after getting a product or service from a company. These feelings arise because customers compare expectations regarding the product or service that will be obtained with reality. Therefore satisfaction is subjective. Rating depends on the customer itself.

There are various indicators that can be used to measure customer satisfaction indicators. The following indicators are commonly used to measure it:

a. Feelings of Satisfaction (Y1.1)
Companies that want to measure indicators of customer satisfaction can do so by giving surveys to customers on a regular basis. If you use this method, you must know how many customers you will survey, how to select customers for surveys, and the survey technique to use.

b. Always Buy Products (Y1.2)
For this indicator, we can see it by whether the customer who made a purchase today has purchased a product before.

c. Recommend Products to others (Y1.3)
The next indicator is recommending the product to others. There are two ways you can measure this indicator, namely, the first is by conducting a survey on customer satisfaction directly, or the second is seeing it directly when there is a new consumer, then asking him whether he made a product purchase here through someone's recommendation or not. .

3. RESEARCH METHODS

This study uses two variables, namely the independent variable or commonly called the dependent variable and the dependent variable or commonly called the independent variable. The variables examined in this study were product quality (X1), service quality (X2), and customer satisfaction (Y).

Product quality is measured through several indicators, namely: shape, durability, design. Service quality is measured through several indicators, namely: reliability, comprehension, assurance, empathy, physical form. Meanwhile, customer satisfaction is measured through indicators: feeling satisfied, always buying products, and recommending products to others. The measurement scale used in this study uses a Likert scale using a *non-probability technique besides the accidental* sampling method for sampling. Researchers used a sample of the existing population of 55 respondents. Based on this number, it is considered representative enough to determine customer satisfaction with Jogja printing in Madiun.

Furthermore, for data collection efforts carried out by researchers using a questionnaire distribution system with the Partial Least Square (PLS) analysis technique which is useful for constructing several models that are able to predict when the factors are very many

4. RESULTS AND DISCUSSION

There are outliers if Expensive. Maximum Distance > Prob. & Number of variables [=CHIINV(0.001;11) : searched through Excel]= 31.264. From the second outlier test table, the Expensive value is obtained. The Maximum Distance of the respondent's data is 30.242 which is smaller than the Mahal Distance Maximum outlier which is determined at 31.264 which means that the data has no outliers, thus it can be said that the data has good quality and can be continued for further processing with the number of respondents as much as 55 cases.

Based on the PLS measurement model shows the results:

a. *Outer Loading*

Based on the outer loading table above, all reflective indicators on the variable Product Quality (X1), Service Quality (X2), and Customer Satisfaction (Y), show a factor loading (original sample) greater than 0.50 and or significant (Value The T-Statistic is more than the value of Z α = 0.05 (5%) = 1.96), thus the results of the estimation of all indicators have met Convergent validity or good validity.

b. *Discriminant Validity*

AVE test results for Product Quality variable (X1) of 0.801973, Service Quality variable (X2) of 0.708201, and Customer Satisfaction (Y) of 0.668759, these three variables show a value of more than 0.5, so All variables in this study can be said to have good validity.

c. *Composite Reliability*

The Composite Reliability test results show that the Product Quality variable (X1) is 0.923915, the Service Quality variable (X2) is 0.923699, and Customer Satisfaction (Y) is 0.855286, these three variables show a Composite Reliability value above 0.70 so that it can be said that all variables in this study are reliable.

d. *Latent Variable Correlation*

The average correlation value obtained between one variable and another shows a moderate average correlation value. The highest correlation value is found between the variable Service Quality (X2) and Customer Satisfaction (Y) of 0.876540. It can also be stated that among the variables in the research model, the relationship between the Service Quality variable (X2) and Customer Satisfaction (Y) shows a stronger relationship than the relationship between other variables, this can also be interpreted that in this research model the level of customer satisfaction is more influenced by the Service Quality variable than the Product Quality variable.

Based on the hypothesis test shows that:
Hypothesis 1: There is an influence of product quality on customer satisfaction at Jogja Printing Madiun which is acceptable, with a path coefficient of 0.227587, and a T-statistic value of 2.229011 > 1.96 (from table value Zα = 0.05) or P -Value 0.028 <0.05, then the result is significant (positive).

Hypothesis 2: There is an acceptable influence of service quality on customer satisfaction at Jogja Printing Madiun, with a path coefficient of 0.482781, and a T-statistic value of 6.111756 > 1.96 (from the value of the table Zα = 0.05) or P -Value 0.000 <0.05, then the result is significant (positive).

5. CLOSING

Based on this research, the aim is to determine the effect of product quality and service quality owned by Jogja Printing in Madiun to realize customer satisfaction with Jogja Printing in Madiun. The following are the conclusions obtained from testing the variables that influence each other using the PLS model.

a. Product quality at Jogja Printing Madiun Printing has a significant effect on Customer Satisfaction, so it can be concluded that if Jogja Printing Madiun Printing improves the quality of products provided to consumers, the level of consumer satisfaction with Jogja Printing Madiun Printing will also increase and this can function to increase consumer confidence and can be used as branding for this printing.

b. The quality of service at Jogja Printing Madiun Printing has a significant effect on Customer Satisfaction, so it can be concluded that if Jogja Printing Madiun Printing improves the quality of service provided to consumers, the level of consumer satisfaction with Jogja Printing Madiun Printing will also increase and this shows that this printing must improve excellent service to consumers so that this can function so that printing consumers make *repeat orders* .

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