Factor Analysis of Service Quality, Price Perception, and Brand Image on Word of Mouth mediated by Satisfaction Variables at Poundfit Rocca Space Jakarta

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Abstract: Rocca Space as a sports community that has not been established for too long, Rocca Space wants its brand to be recognized by the wider community in Jakarta to all regions in Indonesia. The form of effort made is to test and analyze in terms of service quality, price perception, brand image, and customer satisfaction that can create positive word of mouth from individuals to other individuals. This study aims to determine, test, and analyze the relationship between word of mouth variables, with independent variables, service quality, price perception, brand image, and customer satisfaction as mediating variables, resulting in research implications. This study uses a descriptive research type method with a quantitative approach. The population of this study were Pound Fit Rocca Space Jakarta customers, with a minimum sample size of 145 respondents. The data processing carried out in this study was SmartPLS. The results of this study indicate that service quality, price perception, brand image, and customer satisfaction have a significant effect on word of mouth. Customer satisfaction does not affect the relationship between price perception and word of mouth. Price perception also has no significant effect on customer satisfaction. The contribution of this research can develop the repertoire of management science, especially in the field of marketing management. Namely related to discussing research on service quality, price perception, brand image, satisfaction, and word of mouth so that the theoretical studies in this study can be used by future researchers and can be developed again on other variables such as brand awareness, brand trust, and reputation.

Keywords: Service quality, price perception, Rocca Space Jakarta
Introduction

Based on data obtained from the DKI Jakarta Provincial Government's Youth and Sports Agency (Dispora), there were 2,095,485 people who did sports activities during 2020. This number decreased by 77% or 7,852,351 people. It can be seen from the graph in figure 1.1, there has been a significant decrease in the number of people who are actively exercising and this number does not break the number above 100,000 people (statistik.jakarta.go.id).

The main cause is due to the restrictions on outdoor activities implemented by the DKI Jakarta Provincial Government during the Covid-19 pandemic, in addition to many sports facilities being closed during this period. In the same year, the number of people actively exercising dropped dramatically from March to the end of the year. Since March 2020, the number of people actively exercising outdoors has decreased significantly in April with a percentage of 99%. There is a connection between these phenomena in line with what is done by the community, which is of course word of mouth (WOM) communication that attracts attention among news about sports.

One marketing strategy that is quite effective and which is still widely used by companies is the word of mouth marketing strategy. word of mouth communication is a simple form of marketing communication and is still quite influential in society. Word of Mouth (WOM) has
a huge influence as an indirect promotional tool carried out by consumers to convey their impressions about the products they have used. A good quality product will certainly provide a sense of satisfaction in the minds of consumers. Service quality products / services start from the needs of service users and end in the perception of service users, so service quality depends on the ability of service providers or those who provide services to consistently meet the expectations of service users according to previous research by (Personal, 2020). Research by (Mallika Appuhamilage & Torii, 2019) states that there is a positive and significant influence between service quality and word of mouth.

Research (Hendra et al., 2022) states that price has an effect on word of mouth. Price can affect word of mouth if the price of a product or service is affordable, in accordance with the quality and benefits offered and has competitiveness. In addition, research by (Soumena & Qayyum, 2022) states that there is a positive and significant influence between brand image and word of mouth.

Service quality and price perception are two aspects of consideration to increase customer satisfaction. Consumers who are satisfied with the services provided will build a good perception of the company and the impact of these satisfied customers can create WOM (Word of Mouth) to others or the closest people. Based on the results of research by (Dharmawan & Hidayat, 2018) that service quality has a significant and positive effect on customer satisfaction, brand image has a significant and positive effect on customer satisfaction.

Apart from having a direct influence, service quality can also have an indirect effect. (Hermanto & Indriyanti, 2022) in his research shows that there is a relationship between service quality and WOM indirectly, where customer satisfaction is the mediating variable. Satisfied customers often share their satisfaction with their colleagues. (Umara, 2017) in his research found that price has a significant effect on WOM with customer satisfaction as an intervening variable. Research (Prabandari & Widagda K, 2020) explains that in utilizing aspects of a good brand image for consumers so that it can create customer satisfaction in customers which ultimately leads to word of mouth.

Based on the description above, a pre-survey of these variables was conducted. The statements used in the pre-survey reflect each variable. Based on the results of the pre-survey research, the answers obtained from 30 respondents who are Pound Fit customers in the Rocca Space community indicated that there are four most factors that influence word of mouth customers to choose to do word of mouth to others, namely satisfaction, service quality, brand image, and price perception.
Research method

This study uses a descriptive approach to identify the extent to which the independent variables consisting of service quality (X1), price perception (X2), and brand image (X3) interact with the mediating variable of customer satisfaction. The aim is to describe the object of research or research results, especially word of mouth to do Poundfit sports. The research method used in this research is a quantitative research method with a descriptive approach. The questionnaire statements were structured. The type of structured statement uses closed-ended questions. Conducted by questionnaires distributed through electronic media, namely Google Form.

According to (Malhotra, 2004), quantitative research seeks to quantify data, usually by applying certain forms of statistical analysis. This study uses a descriptive approach with the aim of describing the object of research or research results. Descriptive research according to (Malhotra, 2004), is a type of conclusive research that has the main objective of describing something, usually market characteristics or functions. Therefore, this research uses an explanatory survey method by distributing questionnaires online. The population in this study were the customers of Rocca Space Jakarta, then the customers who were included in the research population were given control questions to determine whether or not they could continue to be sampled in the study.

The sample size was determined using the hair formula. According to (Hair et al. 2017), determining the sample size is based on the number of items used in the questionnaire, assuming a range of nx 5 to nx 10 observations. Based on the calculation, the minimum sample size that the researcher will use is 145 respondents. Thus, the conceptual framework in this study can be made as follows:
Results and Discussion

Based on the results of hypothesis testing, it is known that service quality has a positive and significant effect on word of mouth. The results of this study are in line with research (Karlina & Haryanti, 2021), (Agustin et al., 2020), and (Punkyanti & Seminari, 2020) which state that service quality affects a person's word of mouth to follow or use a product or service. In line with research (Handra, 2021) which states that every good thing done by an institution by providing good service is a discussion that can be a fun topic for service users. Based on the results of this study, service quality is a trigger factor that affects word of mouth with an effect of 0.285 and the T-statistic value is 2.848, which has an effect of 28.5% so that by increasing service quality, it will be able to influence the respondent's word of mouth to other respondents without seeing other influences that are considered in increasing word of mouth. Referring to the research loading factor, there are two important indicators, namely X1.3 and X1.4. Indicators included in empathy can be input to the management team and staff so that service quality must be maintained and become even better for customers so that they become positive word of mouth to others. Because the treatment or attitude of empathy to customers plays an
active role in implementation in the field, when this empathy can attract customers it can also provide good or positive word of mouth between customers.

Based on the results of hypothesis testing, it is known that price perception has a positive and significant effect on word of mouth. The results of this study are in line with research (Steven, 2020), (Somantari & Rastini, 2019) which states that the effect of price perception has a positive and significant effect on word of mouth. Also in line with research (Aini, 2019) which states that price has a positive effect on word of mouth at the Sukorambi Jember Botanical Garden Educational Tourism. Based on the results of this study, it is known that price perception is one of the important factors influencing word of mouth with an influence of 20.6% and with a calculated T value of 2.001 greater than the T table. There is an influence of the indicators of the price perception variable, based on the T value of 25.234, the indicator "Poundfit Rocca Space booking price is in accordance with the quality of service provided" has the greatest indicator value and for the smallest indicator is the indicator "Poundfit Rocca Space booking ticket prices that can compete with other Poundfit prices" with a T value of 10.751. Thus, improving price perception indicators such as price competitiveness and price compatibility with benefits, then maintaining affordable price indicators and price compatibility with quality are important factors and have a major effect on word of mouth in promoting Rocca Space's poundfit. In improving price perception indicators, the management team and staff can use the predetermined price as a frame of reference for individuals in implementing or promoting poundfit at Rocca Space.

Based on the results of hypothesis testing, it is known that brand image has a positive and significant effect on word of mouth. The results of this study are in line with research (Hidayah, 2021), (Prabandari & Widagda K, 2020), (Steven, 2020), (Setiawati & Rozinah, 2020), (Agustin et al., 2020), and (Punkyanti & Seminari, 2020) found that brand image has a significant positive effect on word of mouth. The relationship between brand image and word of mouth is that brand image refers to the interpretation of the accumulation of various information received by consumers, while word of mouth refers to sales about a brand through the delivery of a consumer to others. To create a positive brand image, strategies are needed that make consumers feel satisfied, so that consumers will convey positive messages to people around them (Hidayah, 2021). Based on the results of this study, brand image is one of the triggering factors that influence word of mouth with an influence of 0.156 and the statistical T value is 2.004 has an influence of 15.6% so that the brand image is able to influence word of mouth which is a consideration in increasing word of mouth. Therefore, the management and staff of Poundfit Rocca Space need to improve the brand image which has a higher level of efficacy so that it can increase respondents to do word of mouth.
Based on the results of hypothesis testing, it is known that service quality has a positive and significant effect on customer satisfaction. The results of this study are in line with research (Salsabila et al., 2022), (Marie & Budi, 2020), then (Rooh et al., 2020) which found that there is a positive and significant influence between service quality on customer satisfaction. In line with research (Annisa et al., 2022) which states that service quality has a significant influence on student satisfaction. This shows that LTI Pekanbaru has good service quality so that it can increase student satisfaction. A good assessment of service quality makes student satisfaction even better (Annisa et al., 2022). Based on the results of this study, service quality is an important factor affecting customer satisfaction with an effect of 0.468, and the statistical T value is 4.174, which has an effect of 46.8% so that increasing service quality affects the increase in respondent satisfaction which is a consideration in increasing customer satisfaction.

Based on the results of hypothesis testing, it is known that price perception has a positive and insignificant effect on customer satisfaction. The results of this study are in line with research (Wijaya & Sujana, 2020) which shows that price perception has a positive and insignificant effect on customer satisfaction. However, it is less in line with research (Salsabila et al., 2022), (Prikurnia, 2021) which shows that price perception has a positive and significant effect on customer satisfaction. Based on the results of this study, it is known that price perception is not one of the important factors affecting customer satisfaction with an effect of 1.8% and with a calculated T value of 0.149 smaller than the T table. This means that price perception has no effect on customer satisfaction.

Based on the results of hypothesis testing, it is known that brand image has a positive and significant effect on customer satisfaction. The results of this study are in line with research (Punkyanti & Seminari, 2020) and (Steven, 2020) found that the knowledge factor regarding brand image has a significant effect on customer satisfaction. In line with research by (Prabandari & Widagda K, 2020) which suggests that brand image, which is dominated by product image indicators, has a positive and significant effect on word of mouth. Based on the results of this study, brand image is one of the triggering factors that affect customer satisfaction with an effect of 26.9% and the calculated T value is 3.608 greater than the table. There is an influence of the indicators of the brand image variable, based on the calculated T value of 15.734, the indicator "The price of Poundfit Rocca Space is more affordable than other similar Poundfit" has the largest indicator value and for the smallest indicator is the indicator "The brand or name Poundfit Rocca Space is easy to recognize by the public" with a calculated T value of 9.283. Thus, a high and increasingly widespread brand image will have a major effect on increasing respondents' satisfaction with word of mouth for Poundfit.
Based on the results of hypothesis testing, it is known that customer satisfaction has a positive and significant effect on word of mouth. The results of this study are in line with research (Hermanto & Indriyanti, 2022), (Purwanto et al., 2021), (Wijaya & Sujana, 2020), (Steven, 2020), (Prabandari & Widagda K, 2020) found customer satisfaction has a positive and significant effect on word of mouth. Based on the results of this study, customer satisfaction is a trigger factor that affects word of mouth with an influence of 26.7% and the calculated T value is 3.563 greater than the T table. There is an influence of indicators from the customer satisfaction variable, based on the T value of 21.797, the indicator "The supporting facilities provided are very adequate, for example an open hall for Pound Fit, the existence of pound sticks, as well as mats" has the largest indicator value and for the smallest indicator is the indicator "I recommend Poundfit Rocca Space as one of the places to exercise to my acquaintances because the service or service by Rocca Space is very satisfying" with a T value of 6.289. Thus, by increasing customer satisfaction such as good facilities and services, it will affect the high interest of respondents to do word of mouth. So the line can be drawn that customer satisfaction at Rocca Space poundfit will build word of mouth to take poundfit classes at Rocca Space.

Based on the results of hypothesis testing, it is known that service quality has a positive and significant effect on word of mouth through customer satisfaction. The results of this study are in line with research (Hermanto & Indriyanti, 2022), (Fitria & Yuliati, 2020), (Previta, 2020), (Punkyanti & Seminari, 2020) showing that the mediating effect of customer satisfaction on the relationship between service quality and word of mouth is significant. Based on the results of this study, the effect of service quality on word of mouth through customer satisfaction is found to be positive and significant with an effect of 0.125 and the statistical T value is 2.391 which has an effect of 12.5%, so that indirectly through customer satisfaction, improving service quality has a significant effect on word of mouth. Referring to hypothesis H1, it is found that service quality has a positive and significant effect on word of mouth. Also in the results of hypothesis H8 that service quality has a positive and significant effect on word of mouth through customer satisfaction, the mediation factor of customer satisfaction is partial mediation. This means that by involving the customer satisfaction variable, directly or indirectly the service quality variable affects the word of mouth variable.

Based on the results of hypothesis testing, it is known that price perception has a positive and insignificant effect on word of mouth through customer satisfaction. The results of this study are in line with research (Umara, 2017) showing that the mediating effect of customer satisfaction on the relationship between price perception and word of mouth is insignificant. And in his research, (Umara, 2017) said that price does not influence consumers to share information with others (word of mouth). Based on the results of this study, the effect of price
perception on word of mouth through customer satisfaction is found to have a positive and insignificant effect with an effect of only 0.005 and the statistical T value is 0.144 which only has a small effect of 0.5%, so that indirectly through customer satisfaction, increasing price perception does not have a significant effect on word of mouth. Referring to hypothesis H2, it is found that price perception has a positive and significant effect on word of mouth. Meanwhile, in the results of hypothesis H9 that price perception has a positive and insignificant effect on word of mouth through customer satisfaction, the mediating factor of customer satisfaction is unmediated. This means that without involving the customer satisfaction variable, the price perception variable is able to directly influence the word of mouth variable.

Based on the results of hypothesis testing, it is known that brand image has a positive and significant influence on word of mouth through customer satisfaction. The results of this study are in line with research (Prabandari & Widagda K, 2020), (Punkyanti & Seminari, 2020), and (Dharmawan & Hidayat, 2018) showing that the mediating effect of customer satisfaction on the relationship between brand image and word of mouth is significant. Based on the results of this study, the effect of brand image on word of mouth through customer satisfaction is found to be positive and significant with an effect of 7.2% and the calculated T value is 2.429 greater than the T table. So that indirectly through customer satisfaction, increasing brand image has a significant effect on word of mouth. Referring to hypothesis H3, it is found that brand image has a positive and significant effect on word of mouth. Meanwhile, in the results of hypothesis H10 that brand image has a positive and significant effect on word of mouth through customer satisfaction, the mediation factor of customer satisfaction is partial mediation. This means that by involving the customer satisfaction variable, the brand image variable directly or indirectly affects the word of mouth variable.

Convergent validity

In the field of behavioral science, the term "convergent validity" is used to describe the extent to which two assessments of conceptually equivalent constructs are aligned with each other. Convergent validity, a type of construct validity, is similar to discriminant validity, which makes it possible to distinguish between different constructs. To assess convergent validity, correlation coefficients can be used. When a concept test shows a strong correlation with other tests that evaluate potentially similar concepts, it shows convergent validity. For example, the results of a particular assessment can be compared with other assessments designed to measure basic math skills, thus establishing the concurrent validity of the test. The observed correlation between test results serves as an indicator of convergent validity.
Convergent validity can be assessed by comparing the factor loading value of each indicator with its respective construct. In confirmatory research, factor loadings of 0.7 or higher are considered significant. The results obtained from the PLS-SEM algorithm, indicating convergent validity, are presented in Figure 1. The model estimation findings show that all indicators exhibit factor loadings exceeding 0.7. Consequently, all measures are considered suitable for the purpose of the study and valid for assessing the respective constructs. The table below provides a summary of the loading factor values for each of the construct indicators.

![Figure 3 Convergent Validity Test Results](image)

### Hypothesis Test Summary

In proving the hypothesis, the test is based on the values in the path coefficient table as shown in the table below.

<table>
<thead>
<tr>
<th>Hypothesis Test Results</th>
<th>Service Quality (X1) -&gt; Word of Mouth (Y)</th>
<th>Price Perception (X2) -&gt; Word of Mouth (Y)</th>
<th>Brand Image (X3) -&gt; Word of Mouth (Y)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Sample (O)</td>
<td>0,285</td>
<td>0,206</td>
<td>0,156</td>
</tr>
<tr>
<td>Sample Average (M)</td>
<td>0,292</td>
<td>0,198</td>
<td>0,164</td>
</tr>
<tr>
<td>Standard Deviation (STDEV)</td>
<td>0,100</td>
<td>0,103</td>
<td>0,078</td>
</tr>
<tr>
<td>T Statistic</td>
<td>2,848</td>
<td>2,001</td>
<td>2,004</td>
</tr>
<tr>
<td>P Values</td>
<td>0,005</td>
<td>0,046</td>
<td>0,046</td>
</tr>
<tr>
<td>Hypothesis</td>
<td>Accepted</td>
<td>Accepted</td>
<td>Accepted</td>
</tr>
</tbody>
</table>
The hypothesis testing process relies on the results of testing the internal model (structural model), which involves assessing the R-squared output, parameter coefficients, and t-statistics. The significance values between constructs, t-statistics, and p-values are considered to determine whether a hypothesis can be accepted or rejected. The research hypotheses were evaluated using SmartPLS (Partial Least Squares) 3.2.9 software, and the corresponding values can be observed in the bootstrap results. The rule of thumb used in this study is a t-statistic >1.96 with a significance level p-value of 0.05 (5%), and a positive beta coefficient.

Based on Table 1, the findings suggest that the mediating effect of customer satisfaction does not universally strengthen the relationship between variables X and Y, particularly for perceived price perception on word of mouth. However, the mediating effect of customer satisfaction can improve the relationship between service quality and word of mouth, and then improve the relationship between brand image and word of mouth. The direct effect of each variable is accepted all except price perception on customer satisfaction is rejected.

**Conclusion**

The purpose of this study is to examine the relationship between service quality, price perception, and brand image on word of mouth poundfit Rocca Space Jakarta, considering the mediating effect of customer satisfaction. Each variable is tested, and the resulting values are analyzed. In addition, this conclusion responds to the cases found during this investigation.

H1: Service quality has a significant effect on word of mouth. H2: Price perception has a significant effect on word of mouth. H3: Brand image has a significant effect on word of mouth. H4: Service quality has a significant effect on customer satisfaction. H5: Price perception has no significant effect on customer satisfaction. H6: Brand image has a significant effect on customer satisfaction. H7: Customer satisfaction has a significant effect on word of mouth. H8: Service quality has a significant effect on word of mouth through customer satisfaction.
H9: Price perception has no significant effect on word of mouth through customer satisfaction. H10: Brand image has a significant effect on word of mouth through customer satisfaction. This study has limitations because it only uses service quality, price perception, and brand image variables to see their effect on word of mouth with mediation by customer satisfaction. In addition, this study has limitations in the number of respondents, sampling techniques and only specifically Jabodetabek. Suggestions for further research can be done by adding other variables such as customer loyalty, brand trust, brand awareness, and reputation. Further research can be carried out by increasing the number of respondents by paying attention to sample representation techniques. In addition, research can also be conducted in other cities that have begun to develop.

Reference


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