EASE OF ONLINE OJEK SERVICE GROWS CONSUMER LOYALTY

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ABSTRACT

The purpose of this research was to find out why people in the city of Bogor tend to be loyal to ojek online compared to other public transportations. This research conducted in Bogor that used descriptive and verification methods by taking 115 samples of consumers of all fleets motorcycle ojek online in Bogor. The data were taken randomly by using iteration calculation as much as three times. Data analysis used multiple regression analysis. The result of the research shows that the most significant customer loyalty of sub-variable of service quality is reliability. Of the overall population, sub-service quality variables affect customer loyalty 89,5% and the remaining 10,5% is influenced by other factors not examined in this research.

Keywords: ease of service, ojek online, consumer loyalty

INTRODUCTION

Changes in world's economic behavior have an influence on the entire nation, no exception Indonesia. The created modern lifestyle actually provides an easy way to meet the prospective consumer expectations so that it can change the lifestyle tastes in the production and consumption, values, identity, and individual interests. One of the necessities is an easily accessible and affordable transportation means. The operation of transportation means, there is an *ojek* online in Indonesia. An *ojek* is a privately owned motorcycle taxi that can take the passengers almost anywhere they want as long as the driver knows where it is (Mumun, 2010). While the *ojek* online is combining the functions of motorcycle and ICT/Information and Communication Technology (Indraprahasta, 2016). The operator uses two ways online known as *ojek* online where the user of this transportation equipment uses merely the smartphone to get the inter-service while knowing how much the cost should be in the pay without meeting each other and bargaining to get the service. It is easy and supported by the affordable cost. Then online *ojek* option is the favored option for some people in Bogor to support their daily activities.

With the number of population that continues to grow from year to year, where Indonesia occupies the fourth position of the entire world with a population of 260 million people, Bogor based on the 2010 census has 4.771.932 inhabitants (Badan Pusat Statistik Provinsi Jawa Barat, 2010). The number of population is growing along with the increase of transportation equipment needs in Bogor city area. This is very necessary for supporting daily activities. A wide range of transportation modes is available in every region of Bogor, starting from private transportation such as cars, motorcycles, trucks, and others to traditional andong as well as modern transportation such as microbus, buses, trains, including online-based transport. The Central Bureau of Statistics said that the number of motorcycles in Indonesia reaches 105.150.082 units in 2016. Data from the Central Agency Statistics based on Table 1 showing the number of motorcycle production in Indonesia that continues to increase from year to year.

Table 1 Number of Motor Vehicles (Units) Year 2011 to 2016

Туре	Years					
vehicle	2011	2012	2013	2014	2015	2016
Passenger car	9.548.866	10.432.259	11.484.514	12.599.038	13.480.973	14.580.666
Bus Car	2.254.406	2.273.821	2.286.309	2.398.846	2.420.917	2.486.898
Freight cars	4.958.738	5.286.061	5.615.494	6.235.136	6.611.028	7.063.433
Motorcycle	68.839.341	76.381.183	84.732.652	92.976.240	98.881.267	105.150.082
amount	85.601.351	94.373.324	104.118.969	114.209.260	121.394.185	129.281.079

(Source: BPS 2011 to 2016)

While production data according to AISI, the number of motorcycles that are produced for domestic and exsport period of 2011 to 2016 can be seen in Table 2.

Table 2 Production of Motorcycles for Export and Domestic from 2011 to 2016

Year	Wholesales	Exports
2011	8.012.540	30.995
2012	7.064.457	77.129
2013	7.743.879	27.135
2014	7.867.195	41.746
2015	6.480.155	228.229
2016	5.931.285	284.065

(Source: AISI/Asosiasi Industri Sepeda Motor Indonesia, 2016)

Table 1 describes the growth of users of four-wheeled and two-wheeled vehicles of various types, while Table 2 based on information from AISI, there is a growth in sales and export of two-wheeled vehicles that continue to rank up from 2011 to 2016. It is illustrating that along with the population growth; it triggers the increasing needs and demands of the community for adequate transportation facilities. It is also influenced by the times that require people to move more efficiently and more quickly and affordable to achieve the goal. In addition, an easy way to get a motorcycle by credit causes the increased vehicle volume in big cities like Jakarta, Bogor, Bandung, Surabaya, and Denpasar. Congestion in major cities in Indonesia especially in Bogor has been increasing so that the traffic flow of the highway seems paralyzed and helpless, especially during the busy hours. Of course, this is detrimental to citizens because of disrupted mobilization impact on productivity decreased.

Bogor is one of the cities in Indonesia that known as the city of rain, tourism, and culinary. Those become the main attraction of local and international tourists to visit. Public transportation in Bogor is very diverse; there are gigs, buses, public transportation, and others. The number of existing means of transportation has triggered road congestion and the growth of private transportation figures, whether motor vehicles or cars every year. Currently, the level of public transportation convenience in Bogor, in particular, begins to complain that is caused by several factors. Public vehicle maintenance is often overlooked, for examples in Transpakuan buses. There are conditions and criminal acts that disturb government policies to apply the one-way route. It makes the longer travel time, and congestion due to open traffic as the local government regulator has not been able to maximize comfort in terms of transportation arrangements. Based on these problems, furthermore it can be identified problem of research that *ojek* online is the right choice when other transportation have not able to give service especially in case of fast at the time of jam and which related to service quality with tangible, empathy, responsiveness, reliability, and assurance on vehicle transportation service company (motorcycle taxi online). It is a factor capable of influencing a person in determining the choice of public transportation.

The ease of motorcycle credit and comfort level of public transportation such as buses and public transportation that has been felt by the society is getting reduced so that *ojek* is one of the alternatives that can be chosen by the community. Motorcycles are valued for many benefits to certain groups of people that have either routine or periodic movement. Other advantages of this transportation means are more because the scope of services that are not restricted to certain routes such as other public transportation, do not have a fixed schedule, capable of providing services that are on time and affordable. It is also expected to change the public perception on the chaotic public transport then is born *ojek* online to anticipate the inconvenience problems of the existing means of transportation.

Online *ojek* is created as an answer to these problems by using an online-based application that is combined with Google Maps to calculate the costs. In Bogor within the last four years, there is an increase in *ojek* online operation from 1.524 units in 2003 to 5.583 in 2008. Allegedly its use is influenced by the existence of the factors of service quality and affordable prices that result in the users' loyalty to this service. When compared to a conventional motorcycle taxi, other public transportation like *angkot* (*angkutan umum*) has convenient cost, but it is inefficient and uncomfortable. The customers are now beginning to be critical and clever in determining what public facilities they will use. These individual transportation service providers must be keen to read what the prospective customer needs and must have a competitive advantage, which forms of excellence as the main attraction. The other more significant advantages, in particular, are easiness of service with the rational price and offering and giving things different from its competitors. Almost the whole public transportation business aims to attract potential customers, these differences will be able to attract the potential customers to be loyal customers, or it is called by consumer loyalty.

Entrepreneurs or individual actors that are engaged in public transportation management must be able to provide their best by always improving the quality of service so that the loyal customers who are satisfied with the service will introduce it to anyone they know. The next stage of the loyal customers is by extending their loyalty to other products that are made by the same manufacturer. In the end, they are the consumers who are loyal to the certain product. According to Griffin (2007), customer loyalty is a purchase behavior that is defined by random purchases that expressed over time by multiple decision-making units.

Transportation is a mean to transport people or goods from one place to another. The goal is to help people or groups of people reach the desired places, or deliver goods from their place of origin to the destination. The process can be done using transportation means in the form of vehicles or without vehicles (transported by people). Public transportation is a passenger transport which is done by rent or pay system that includes urban transport (buses, minibusses, etc.), trains, water transport, and air transport (Warpani, 2002). Based on Government Regulation number 74 year 2014 concerning transportation of chapter 1 on the general provisions of paragraph 1 mentions that transport is the movement of people and/or goods from one place to another by vehicle, and chapter 1 paragraph 2, general vehicle is every vehicle motorized that used for the transport of goods and/or persons with a fee. According to Pakambanan (2015), Go-Jek is different from motorcycle taxi because it is an online motorcycle taxi which is the way of booking can only be done through its application in the smartphone. Besides, Go-Jek online does not only serve the services of people, such as motorcycle taxi in general but also serves the other services. There are four services including instant courier, transport, Go-Food (food delivery), and shopping.

Various definitions of quality can be encountered in a variety of literature that is largely different because of the perspectives and settings used. Quality can be defined as the philosophy of the Japanese as a zero-defect; doing it right the first time or in other words working correctly in one work, without repetition without error. The definition of service quality is centered on efforts to meet customer needs and desires and the accuracy of delivery to compensate for customer expectations. According to Wyckof in Nasution (2004), service quality is the expected level of excellence and

control over the level of excellence to meet customer desires. Furthermore, Tjiptono and Chandra (2005) have suggested two main factors affecting service quality is perceived service and expected service. Perceive service is customer perceptions of the actual service they receive. Quality must start with the consumer's needs and end in customer perception. This means that a good quality image is not the perspective or perception of the service provider but rather based on the customer's perspective or perception. While expected service is the actual service is expected/ desired. In the context of quality (goods and services) and satisfaction, there has been a consensus that customer expectations have a great role as a factor of quality evaluation comparison.

According to Kotler in Alma (2016), there are five dominant factors or determinants of quality of service quality; they are tangible, empathy, quick response (responsive), reliability, and certainty (assurance). Tangible is namely in the form of physical appearance, equipment, and various good communication materials. Empathy is namely the willingness of employees to care more about giving personal attention to the customers. For example, employees should try to position themselves as customers. If the customers complain then the solution must be sought immediately in order to always awake harmonious relationships, by showing a genuine sense of care. That attention given by the employees in serving is considered as the response to the complaints of consumers. Quick response (responsiveness) is the willingness of employees to help customers, provide the services quickly, and address consumer complaints. It shows the employees desire in helping and providing services with responsiveness, the ability to provide services quickly and correctly, the alertness of the employees to friendly work with every consumer. Reliability is the ability to provide services in accordance with the promised, reliable and accurate, and consistent. The examples are the ability of employees in providing the best service, the ability of employees to handle consumer needs quickly and correctly, the ability of the company in providing good service in accordance with consumer expectations. And certainty (assurance) is the ability of employees to generate confidence and confidence in the promise that has been presented to consumers. Examples include employee knowledge and skills in performing their duties, reliability, trusted, and good technical skills.

Customer loyalty in consumer behavior where smart prospective customers must have been able to choose and sort what they will use especially in the digital era where everything can be obtained easily with their smartphones. Whatever the desired that can be obtained, the ease of access is an alternative for consumers and opportunities for managers, especially the transportation of public transport. The competition also occurs between the managers of public transportations. Prospective consumers will undoubtedly follow the trend that is easy access and a relatively affordable price in using public transportation. Moreover, here the foresight managers, especially *ojek* online will be able to take this opportunity in winning the competition with convenience to prospective customers. To effectively win the competition is to providing loyalty and customer satisfaction through service delivery and competitive pricing to encourage customers to carry out repeat buying.

According to Griffin (2007), loyalty is defined as non-random purchase expressed by some decision-making unit. Based on that definition, loyalty is a behavior that tends to remain in carrying out the purchasing decisions where the decision to rule out other factors that influence. In other words, loyal customers are customers whose purchasing decisions do not take into consideration factors such as price, quality, distance, and other attributes that influence the choice, because potential customers think they will buy and enjoy if they are able to fulfill their desires and satisfaction with criteria they want. The process stages are traversed within a certain period, with attention given to each stage of growth, and each stage has special needs. By recognizing each stage and meeting the specific needs that are concerned about the behavior of potential customers, managers have a greater opportunity to turn potential buyers into loyal customers.

According to Griffin (2005), there are seven stages of one's growth into the loyal customer. The first is *the suspect*. The suspect is the person who may buy your product or service that is called as a guess because it is believed or suspected they will buy, but it is still not quite sure. Second is *the*

prospect. Prospect is a person who needs the product or service and has the ability to buy. Even though the suspect has not bought, he/she may have heard and read of about the product, and there is someone who recommends the product to him/her. Prospect may know the product well, but they still have not bought the product. The third is the qualified prospect. The qualified prospect is a prospect you have learned enough to know what they do not need or have the ability to purchase the product. Fourth is the first time customer. The first customer is the person who has bought the product once. The person may be the competitor's customer. Fifth is the repeat customer. Repeat customers are people who have purchased the product twice or more. They may have purchased the same product twice or purchased different products or services on two or more occasions. Sixth is the partner (client). A client buys everything that he/she may use. This person buys regularly, and the employees should try to create a relationship that will keep him/her interested in not falling into the hands of competitors. Moreover, the seventh is the advocate. Like a partner, an advocate buys all products that he/she can use and buy on a regular basis. In addition, an advocate will try to find someone else to buy the products. An advocate talks to the seller, markets the products, and brings the customers to the seller.

Consumers who become loyal to certain goods and services are caused by the good quality of service and satisfaction. The good quality and satisfactory of services can provide maximum benefits for consumers, and they will feel loyal and show the positive attitude towards the manufacturer (service provider) consistently. The existence of the relationship between service qualities to consumer loyalty is expressed by Zeithaml in Ponirin (2005). He has said that the customer loyalty depends on the level of customers services quality, their believe, and customer loyalty. From the definition clearly shows that there is a positive relationship between service quality and consumer loyalty. Whereby improving the quality of services performed on an ongoing basis by the company will lead to loyalty from its customers to the company and provide a push to consumers to establish a strong relationships with the company. In the term of this bond, it can make the company better understand consumer expectations and their needs carefully.

METHODS

This research is descriptive and verification studies by using the quantitative method with 115 respondents from the entire population in Bogor. The objects are the users of *ojek* online that are using it almost every day. The population is the 115 *ojek* online's users who have been using it for a year. This research is done by interviewing and using the questioner to the users of both online and conventional public transport. All data obtained are analyzed using Microsoft Excel and SPSS program. The researchers use descriptive research to achieve the objectives of the first and second research. Those are to understand and examine the application of each indicator of service quality that is provided by online motorcycle taxi in Bogor by reviewing and knowing the extent of loyalty users' *ojek* online in this city. Figure 1 shows the flow of reseach method.

The basis of this verification research is used to examine the relationship between independent variables and the dependent variable that aims to know how significant influence of the five indicators of service quality in creating customer loyalty (Y) on ojek online transport in Bogor simultaneously or partially. The regression model is used to analyze the direction of the relationship of various independent variables to a dependent variable. The formula for multiple linear regressions is as follows: $Y = a \pm \beta x 1 \pm \beta x 2 \pm \beta x 3 \pm \beta x 4 \pm \beta x 5 \pm \beta x \epsilon$. Figure 2 shows the research paradigm of five dominant factors or determinants of quality of service quality and its relation with customer loyalty.

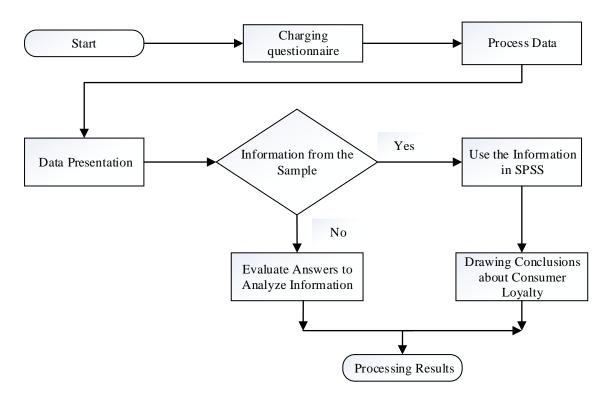


Figure 1 The Flow of Reseach Method

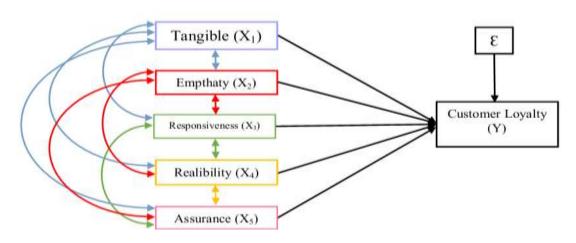


Figure 2 Research Paradigm

Determination of sample that used for this research is calculated using iteration method. According to Sitepu (1994), the use of iteration method to test the hypothesis is namely multiple regression analysis. It is basically calculated from the correlation coefficient between variables. Calculation by using three times iteration calculation to obtain the minimum sample used in this research is 115 respondents. The sampling method used in this research is non-probability sampling, in which each object in a homogeneous population has an equal opportunity to be used as the research sample. The sampling technique used is purposive sampling. As the name implies, the sample is taken for a specific purpose. Someone or something is taken as a sample because the researchers assume that someone or something has the information needed for this research. The criteria specified for sampling in this research is the consumer of motorcycle taxis online in Bogor area.

Figure 3 shows five sub variables about service quality. It can be seen that the average of each question has almost the same value. However, in the sub variable *reability* has a higher value, while sub-variable *emphaty* has the lowest value. Empathy in this case is the company's sense of concern to consumer desires, respond to consumer complaints, and maintain good relationships with consumers. It is noteworthy that in the future for the online motorcycle taxi drivers are able to create better relationships with consumers, to know their wishes, and respond more to customer complaints to the company. As for the sub variable of *reability* with the greatest average value must be able to be maintained and enhanced. Consumers who have felt that the company has been able to rely on more demands that can change as the times change. Therefore the company itself must be able to answer these challenges in the future.



Figure 3 Respondents Assessment Recapitulation Concerning Service Quality

RESULTS AND DISCUSSIONS

The 115 respondents are the users of various public transportations in of Bogor where the choice of transportation used between women and men can be seen in Table 3.

Table 3 The Choice of Public Transportations by Men and Women in Bogor

Type of Transportation	Male	Female	Total
Angkot	10%	9%	19%
Ojek offline	8%	7%	15%
Ojek online	26%	17%	43%
Transpakuan	4%	2%	6%
Sembarang	9%	8%	17%
Total			100%

Source: Questionnaire

Intelligence and the sensitivity of prospective consumers are now beginning to materialize this in proving from how potential customers, especially the users of public transportation. They no longer want to make choices based solely on the recommendation of others but from what they see and feel by trying to experience. Table 3 shows that ojek online becomes the option and ranks first with a total value of 43% as a means of transportation that is used both men and women from 115 respondents. Table 4 shows how the customers choose the means of transportation.

Table 4 Advantages and Disadvantages of Existing Public Transportations in Bogor

Type of Transport	Advantages			Disadvantages		
Angkutan	a)	It has many fleets.	a)	There is the traffic jam.		
Umum (City	b)	The fee is relatively cheap.	b)	It is often on strike.		
Transport)	c)	It can be on charters.	c)	For the close distance, it is relatively		
	d)	It can avoid the customers from rain and		expensive.		
		sunlight.	d)	The chartered price will be expensive if the customers are not good in bargaining.		
Ojek offline	a)	It is in everywhere.	a)	The drivers ask too high price.		
	b)	Prices are negotiable.	b)	The drivers often reject the orders.		
	c)	It can be used for goods and passengers.	c)	Minimum safety standards; helmet style, the most of motorcycles are not feasible, no driver license.		
			d)	Inconsiderate		
			e)	The customers can get rain or sunlight.		
Ojek online	a)	Easily order wherever and whenever as	a)	It can be only ordered via online.		
·	,	long as there is the connection and the application.	b)	Sometimes the use of GPS as a benchmark is less accurate that can not		
	b)	The sufficient passenger safety standards		be 100% to the destination.		
	-/	and complementary means such as masks	c)			
		and raincoats for passengers.	d)	The unilateral cancellation by an online		
	c)	Rates are adjusted to the distance traveled.		motorcycle driver.		
	d)	The drivers are polite and good in serving passengers.		·		
	e)	Trusting in delivering passengers, good,				
		and documents.				
Transpakuan	a)	Price is relatively cheap for medium	a)	For close range is relatively expensive.		
(Bus)		distance.	b)	It stops only at certain stop shelters.		
	b)	There is a stop in place of strategic place.	c)	Sometimes the air conditioner is broken.		
	c)	It is comfortable and there is air	d)	The condition of the fleet is less well		
		conditioner.		maintained.		
	d)	The scheduled departures are in sequence.				

From the data in Table 3 and the supported software SPSS, it is known that the average value of the seven statements regarding consumer loyalty can be seen that the greatest value is at the *prospect* stage. This indicates that consumers in Bogor choose the motorcycle taxi online more than other public transport services. According to Griffin (2005), a prospect is a person who needs your product or service and has the ability to buy. However, there are still elements that need to be considered and followed up so that ultimately consumers will get the last loyal stage; they will recommend it to others to use online motorcycle taxi services, which in the research results of this stage is the advocate to the lowest value of the responses of respondents. Based on the results of data processing can be made in the form of lane diagrams and structural equations (Figure 4). By including the estimated coefficient of the data processing result, the path diagram and structural equation can be seen in Figure 4.

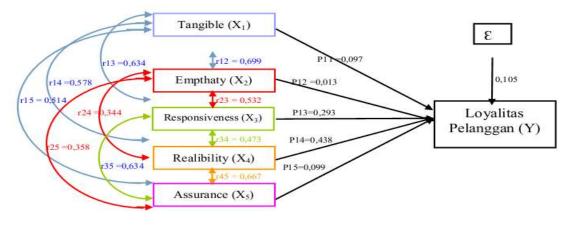


Figure 4 The Line Chart

Based on the path diagram in Figure 4, there is the structural equation:

$$Y = 0.028 + 0.097X_1 + 0.013X_2 + 0.293X_3 + 0.438X_4 + 0.099X_5$$

(1)

This means that the quality of service is considered constant, then the customer loyalty will amount to 0,028 times if the quality of service value or consumer value assume that there is no quality of service at all. The customer loyalty will increase as the value of sub-variable X increases. Based on the description in Table 4, the users of public transport have become smarter by comparing the advantages and disadvantages of each means of transportation that they will use. So according to them, after comparing and feeling it by themselves, they tend to prefer ojek online than other existing public transportation in Bogor. It is supported by data in Table 3 where ojek online has a weight of 43% because of its convenience of services that are perceived by its users.

CONCLUSIONS

Based on the observations and research conducted on the general users, ojek online in Bogor are met the needs of consumers today in terms of quality of service. It makes the customers be loyal to use this application. It can be seen that the subchapter of the variables about the quality of service that the average of each question that has almost the same value. However, in the sub-variable reliability has a higher value, while sub-variable empathy has the lowest value. Empathy, in this case, is the company's sense of concern to consumer desires, respond to consumer complaints, and maintain good relationships with consumers.

The average value of the seven statements about consumer loyalty can be seen that the greatest value is at the prospect stage. It indicates that consumers choose ojek online in Bogor when it requires public transportation services that are not just easier and cheaper. However, there are still elements that need to be considered and followed up so that ultimately consumers will reach the last loyal stage so willing to recommend to others to use it, which is in the research results of this stage is the advocate to the lowest value of the responses of respondents. Based on the results of research, it appears that the coefficient of determination (R2) of 0,895 means 89,5% customer loyalty variables can be influenced by independent variables that are five indicators of service quality variables. Moreover, the remaining 10,5% affects the loyalty of ojek online at Bogor. Seeing the great influence between the quality of service to customer loyalty, then this becomes an advantage for the company. Because of the increasing quality of service then it is also increasing the customer loyalty.

To see the influence of which variables are the largest, it can be concluded that the most influential reliability in increasing the loyalty of online taxi drivers in Bogor. Reliability is meant in this case is how the ability of managers in providing services that can ultimately lead to confidence in consumers, how accurate the drivers in performing services to consumers, and able to be consistent in services provided to consumers. So this will give the biggest influence in fostering consumer confidence in using ojek online, that ojek online in the future to be able to survive even if need to improve the ability both personal and professional.

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