

Price, Customer Experience, and Customer Satisfaction and Its Influence on Customer Loyalty at Yon's Body Repair, Kediri

Niken Elsanía^{1*}, Bambang Agus Sumantri²

^{1,2} University of Nusantara PGRI Kediri, Jl. KH. Ahmad Dahlan No.76, Mojoroto, Kota Kediri, East Java, 64112, Indonesia

elsanianiken@gmail.com^{1*}, bambang.as@unpkediri.ac.id²

*corresponding author

Article Information		Abstract
Submission date	8 December 2023	<p>Research aim: This study has the objective of how the influence of price, customer experience, and customer satisfaction on customer loyalty at Yon's Body Repair Kediri.</p> <p>Design/Method/Approach: In taking this sample using the technique of total sample by using a causal quantitative approach and calculation based on the Cochran formula that sample of 70 respondents was taken. This Study makes use of Google Forms and questionnaire paper which has been tested for its validity and reliability to distribute questionnaires for data collection. The data analysis technique employed in the research involved using the SPSS version 23 program to test hypotheses and calculate the coefficient of determination.</p> <p>Research Finding: The obtained results demonstrate that price, customer experience, and customer satisfaction all exert a significant positive influence on customer loyalty at Yon's Body Repair. It is hoped that this research, will make customers feel loyal in using it and the company can also improve its competitiveness.</p> <p>Theoretical contribution/Originality: Simultaneous measurement of price, customer experience, customer satisfaction variables on customer loyalty</p> <p>Practitioner/Policy implication: It is anticipated that readers will gain a deeper understanding of how price, customer experience, and customer satisfaction impact customer loyalty, ultimately enhancing the business's competitive edge.</p> <p>Research limitation: This research only focuses on the variables price, customer experience, customer experience, and customer satisfaction regarding customer loyalty.</p> <p>Keywords: price, customer experience, customer satisfaction, customer loyalty</p>
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1. Introduction

As the automotive world develops, many workshops provide vehicle services. Changes in the increasingly complex business competition environment can change the success factors of a business in the long term [1]. In this case, customer loyalty is the most important part for companies in developing and maintaining their business, where customer strength is one of the keys to the success of their business [2].

In the marketing concept, if a company has a goal of achieving success, business actors must possess the capability to fulfill the needs and expectations of their target market, which

consists of customers [3]. By fulfilling these expectations, costumers will show a positive attitude. Where loyalty is a situation where customers have a positive attitude towards the product or producer and is accompanied by consistent purchasing patterns [4].

Customer loyalty can help business owners achieve success, therefore, in connection with marketing strategies, customer loyalty is a hope or goal that a company wants to achieve [4]. And this is not something that can be done, considering that there are obstacles that can occur at any time. If customers are not satisfied with a product, they will react by exit (purchasing the product will stop) and voice (statement of dissatisfaction with the company) [5]. So it becomes a challenge for business people to develop strategies to increase customer loyalty. Where in this research, price, customer experience and customer satisfaction are important parts in forming customer loyalty.

Price refers to the monetary value expended by customers on a product or service, representing the amount of value exchanged with the aim of obtaining a benefit from using the product or service [3]. Price is one of the important variables in marketing strategy [6]. Determining a price is the most crucial thing, as the price can influence customers to repurchase the products offered. Then, customer experience is knowledge or sensation from a number of interactions obtained by a customer before or after using a product or service [5]. Where the experience is an event experienced personally or not through a third-party intermediary. Meanwhile, customer satisfaction is a comparison between expectations before making a purchase and perceptions of performance after using the product [7]. Customers who are satisfied with a product or service tend to buy again in the future [8].

In previous research, there were differences regarding the study of how price and customer satisfaction influence customer loyalty. Research conducted by [9] and [10] suggests that price, when considered independently, has a notable positive impact on customer loyalty. However, research by [11] it is indicates that, when examined in isolation, the price variable does not exert a significant influence on the customer loyalty variable. Research on customer experience by [9] indicates that there is a statistically significant partial influence on customer loyalty. However, research by [12] there is no significant influence could be found on the customer loyalty variable. And then, research on customer satisfaction variables was carried out by [13] indicates that there is a meaningful positive correlation between partial customer satisfaction and customer loyalty. Meanwhile, research by [14] it was identified that there is no significant positive influence between customer satisfaction and customer loyalty.

The aforementioned context indicates the existence of phenomena and disparities in research findings. Therefore, this research was determined with the title “Price, Customer Experience, and Customer Satisfaction and Its Influence on Customer Loyalty at Yon’s Body Repair, Kediri”. The aim of this research is to assess the extent to which price, customer experience, and customer satisfaction contribute to customer loyalty among Yon's Body Repair customers in Kediri City.

1.1. Statement of Problem

1. Does price have a significant and beneficial effect on the level of loyalty experienced by Yon’s Body Repair service customers?
2. Does customer experience have a significant and beneficial effect on the level of loyalty experienced by Yon’s Body Repair service customers?
3. Does customer satisfaction have a significant and beneficial effect on the level of loyalty experienced by Yon’s Body Repair service customers?

4. In the case of Yon's Body Repair service, do price, customer experience, and customer satisfaction have a significant and beneficial effect on the level of customer loyalty?

1.2. Research Objectives

1. To find out how much significant and positive influence price has on customer loyalty in Yon's Body Repair services
2. To find out how much significant and positive influence customer experience has on customer loyalty in Yon's Body Repair services
3. To find out how much significant and positive influence customer satisfaction has on customer loyalty in Yon's Body Repair services
4. To find out how much significant and positive influence price, customer experience, and customer satisfaction has on customer loyalty in Yon's Body Repair services

2. Method

In this research, we tested the relationship between Yon's Body Repair customer loyalty and price, customer experience, and customer satisfaction. Price (X1) is the amount of value that must be paid by customers in order to obtain benefits from using goods or services [15]. Customer experience are personal events that occur in response to various stimuli, such as pre- and post-purchase marketing [16]. On the other hand, customer satisfaction is the emotional response of a customer, expressing either delight or disappointment, that emerges after evaluating the performance or outcomes of a product against their pre-existing expectations [17].

H1 : Price has a substantial and positive effect on the degree of customer loyalty observed among Yon's Body Repair service customers

The existence of price (X1) will help a company in establishing long-term relationships, and of course will have an impact on forming customer loyalty [6]. This is also supported by the fact that the price offered also has an influence on the company's strategy in the process of increasing sales and customer loyalty.

H2 : Customer experience has a substantial and positive effect on the degree of customer loyalty observed among Yon's Body Repair service customers

Customer experience (X2) is an event experienced personally or not through a third party intermediary. With interactions that are formed as a result of something directly or indirectly with the company providing the product, it becomes the origin of a customer response to form an attitude of loyalty through an experience[18].

H3 : Customer satisfaction has a substantial and positive effect on the degree of customer loyalty observed among Yon's Body Repair service customers.

Customer satisfaction (X3) is also important in influencing customer loyalty. If performance meets expectations, customers will feel satisfied or impressed and customers will feel loyal [8]. By providing satisfaction to customers, it will help companies to build customer loyalty which will then create close relationships between customers and product providers.

H4 : Price, customer experience and customer satisfaction simultaneous has a substantial and positive effect on the degree of customer loyalty observed among Yon's Body Repair service customers.

Customer loyalty (Y) here shows that customers will feel loyal and consider a company to be good, if what they get is in line with their expectations. Setting appropriate prices, carrying out work in accordance with the agreement, as well as quick and friendly responses will make customers feel comfortable, which will help the company's name to be portrayed well and will further increase the level of customer loyalty.

In this research, a quantitative approach was used, where the data analysis used was statistical data. In this case, the researcher developed the research instrument used in the form of an instrument grid and the number of questions in questionnaire paper, which will then be answered by the respondent. The indicator measurements that researchers use in measuring variables in this research are using a Likert Scale. The Likert scale is explained as having levels between 1 to 5 and it is clarified that a rating of 1 indicates a strong disagreement, while a rating of 5 indicates a strong agreement [19].

The population for this research encompasses all customers who have availed themselves of the services provided by Yon's Body Repair in Kediri in the 4th quarter (October to December 2023) totaling 70 customers. The sampling technique employed in this research was a nonprobability method, specifically the total sample approach. This research uses the following criteria: 1) People who use Yon's Body Repair services, 2) People with an age range of more than 18 years. Based on the sampling technique that has been explained, the sample of 70 respondents was found.

In this study, SPSS version 23 was used for data testing and statistical analysis. After that, the research data will be processed through several stages of testing including validity, reliability and classical assumptions which have involved several tests including normality testing, multicollinearity testing, and heteroscedasticity testing. Multiple linear regression analyses included coefficient of determination tests (R^2 test), partial tests (t test), and simultaneous tests (F test) are carried out in the last step.

3. Results and Discussion

3.1. Validity and Reliability Test Results

This research utilized a description of research variable outcomes derived from a group of respondents. The validity test encompassed item numbers that designed to gauge the appropriateness of the results. The calculated r value then compared to the r table to assess the instrument's validity. If the calculated correlation coefficient (r Count) surpasses the r Table, the instrument is considered valid.

Table 1. Validity Test Results

Variable	Item	r Count	r Table	Information
Price	1	0,839	0,235	Valid
	2	0,780	0,235	Valid
	3	0,809	0,235	Valid
	4	0,787	0,235	Valid
	5	0,689	0,235	Valid
	6	0,754	0,235	Valid
	7	0,626	0,235	Valid
	8	0,619	0,235	Valid
	9	0,809	0,235	Valid
	10	0,787	0,235	Valid
Customer Experience	1	0,712	0,235	Valid
	2	0,778	0,235	Valid
	3	0,757	0,235	Valid
	4	0,788	0,235	Valid
	5	0,806	0,235	Valid
	6	0,644	0,235	Valid
	7	0,767	0,235	Valid
	8	0,624	0,235	Valid
	9	0,578	0,235	Valid
	10	0,706	0,235	Valid
Customer Satisfaction	1	0,786	0,235	Valid
	2	0,783	0,235	Valid
	3	0,846	0,235	Valid
	4	0,729	0,235	Valid
	5	0,799	0,235	Valid
	6	0,833	0,235	Valid
Customer Loyalty	1	0,727	0,235	Valid
	2	0,706	0,235	Valid
	3	0,659	0,235	Valid
	4	0,847	0,235	Valid
	5	0,737	0,235	Valid
	6	0,776	0,235	Valid
	7	0,883	0,235	Valid
	8	0,681	0,235	Valid
	9	0,801	0,235	Valid
	10	0,665	0,235	Valid

Source: processed primary data, 2023 (SPSS Output)

The outcomes of the validity test confirm that every indicator employed in this study to assess the score of the constructed variable has an r count value surpassing the r table, signifying the validity of each indicator.

Table 2. Reliability Test Results

Variable	Cronbach Alpha	Coefficient Cronbach Alpha	Information
Price	0,912	0,70	Reliable
Customer Experience	0,892	0,70	Reliable
Customer Satisfaction	0,881	0,70	Reliable
Customer Loyalty	0,910	0,70	Reliable

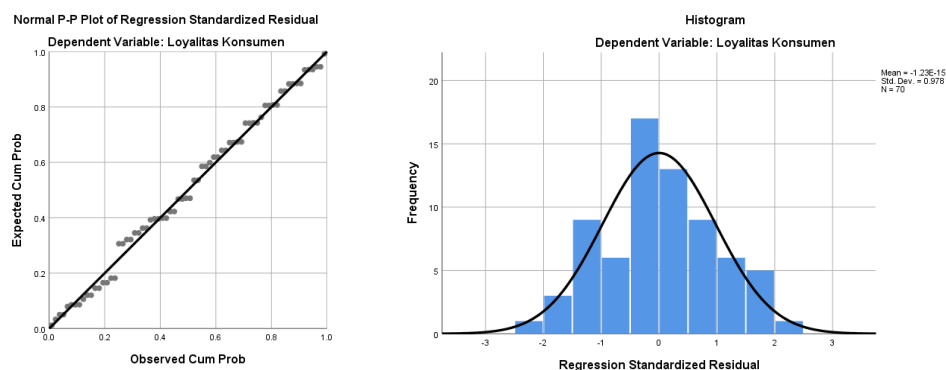
Source: processed primary data, 2023 (SPSS Output)

The results of the reliability test indicate that the computed reliability is applicable in assessing diverse factors such as price, customer experience, customer satisfaction, and customer loyalty. Additionally, the findings suggest that the Cronbach's alpha value surpasses the coefficient for Cronbach's alpha. Consequently, the indicators of variables employed in the reliable questionnaire are deemed suitable for use. The results indicate that each variable is considered reliable as they all surpass the threshold of 0.70.

3.2. Classical Assumption Testing

The research utilizes multiple linear regression analysis as the analytical tool, relying on primary data. To ensure the prerequisites for applying multiple linear regression models are met, various classical assumptions are examined.

A crucial aspect of this assessment involves testing whether the dependent variable, independent variable, or both adhere to a normal distribution. This determination is made by examining the shape of the data distribution, observed through the histogram and normal probability plot. A bell-shaped curve in the histogram indicates a normal distribution, while in the normal probability plot, the data is considered normal if dots are dispersed around the diagonal line in alignment with its direction.



Source: processed primary data, 2023 (SPSS Output)

Figure 1. Normality Test Results

Examining Figure 1, the results of the normality test suggest that the analyzed data conforms to a normal distribution. The histogram depicting the variable data displays a bell-shaped curve. Additionally, the outcomes from the normal probability plot indicate that the data points are dispersed around the diagonal line and align with its direction. Consequently, it can be inferred that this regression model meets the assumption of normality.

Table 3. Normality Test Results

		Unstandardized Residual
N		70
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	3.11656622
Most Extreme Differences	Absolute	.066
	Positive	.066
	Negative	-.059
Test Statistic		.066
Asymp. Sig. (2-tailed)		.200 ^{c,d}

Source: processed primary data, 2023 (SPSS Output)

From the information in Table 3, the conclusion can be drawn that the normality test using Kolmogorov-Smirnov yielded an Asymptotic Significance (2-tailed) value of 0.200. Given that this value is greater than the significance level of 0.05, it can be inferred that the data follows a normal distribution.

Table 4. Multicollinearity Test Results

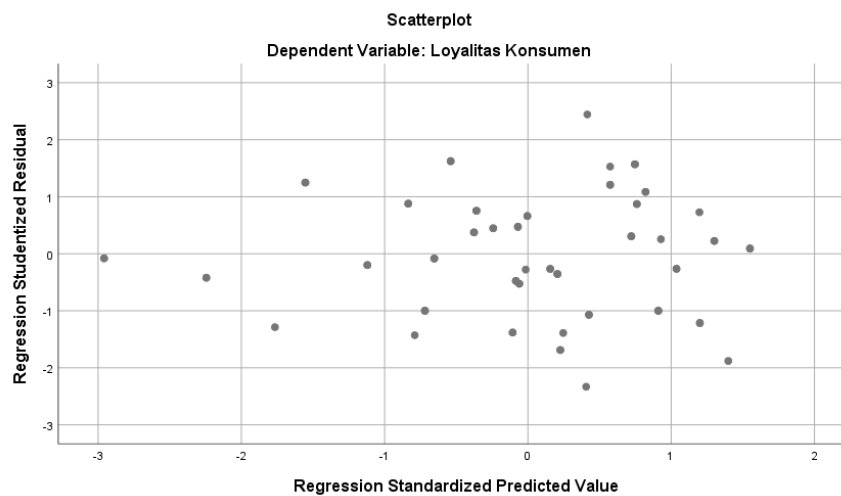
Variable	Item Number	Tolerance Value	VIF	Information
Price	1	0,227	4,410	There is no relationship between independent variables
Customer Experience	1	0,352	2,838	There is no relationship between independent variables
Customer Satisfaction	1	0,401	2,491	There is no relationship between independent variables

Source: processed primary data, 2023 (SPSS Output)

The results of the multicollinearity test on the three proposed research variables, namely price, customer experience, and customer satisfaction are as follows:

1. The price variable has a tolerance value of 0.227, greater than 0.1, and a VIF value of 4.410, which is lower than 10. These findings suggest that the price variable indicator is independent and unrelated.
2. The customer experience variable has a tolerance value of 0.352, more than 0.1, and a VIF value of 2.838, lower than 10. This indicates that the customer experience variable indicator is independent and unrelated.
3. The customer satisfaction variable has a tolerance value of 0.401, more than 0.1, and a VIF value of 2.491, which means that the indicators on the customer satisfaction variable are independent and unrelated.

These results suggest that multicollinearity concerns among the variables are low, and each variable's indicators appear to be independent and unrelated to each other. This enhances the reliability of the regression analysis in assessing the individual contributions of price, customer experience, and customer satisfaction to the dependent variable.



Source: processed primary data, 2023 (SPSS Output)

Figure 2. Results of the Heteroscedasticity Test

The results of the heteroscedasticity test are presented in a scatterplot table for visualization. In the scatterplot, when the dots are dispersed above zero along the Y-axis, it indicates an absence of heteroscedasticity. The conducted heteroscedasticity test reveals that the points are scattered above 0 on the Y-axis. Consequently, it can be inferred that the results do not display indications of heteroscedasticity in this particular case.

3.3. Multiple Linear Regression Analysis

The outcomes of the multiple linear regression analysis are presented in Table 5:

Table 5. Multiple Linear Regression Test Results

Variable	B	Std Error	Standardized Coefficients
Constant	2.598	0.628	
Price (X1)	0.256	0.118	0.270
Customer Experience (X2)	0.409	0.097	0.420
Customer Satisfaction (X3)	0.474	0.160	0.277

Source: processed primary data, 2023 (SPSS Output)

Based on the results of the multiple linear regression analysis conducted on the research variables, the coefficients of the regression equation can be summarized as follows:

$$Y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon$$

$$Y = 2.598 + 256X_1 + 409X_2 + 474X_3$$

Derived from the outcomes of these equations, the obtained constant value of 2,598 indicates that, when the scores for price (X1), customer experience (X2), and customer satisfaction (X3) are all at 2.598, there is stability in terms of customer loyalty.

The regression coefficient for the price variable (X1) is 256. This suggests that for each unit increase in price, the level of customer satisfaction (Y) is expected to increase by 256, assuming the other influencing variables remain constant.

The customer experience variable (X2) has a regression coefficient of 409 which indicates that the level of customer loyalty (Y) will increase by 409 if the other independent variables do not change meet.

The level of customer loyalty (Y) will increase due to an increase in the customer satisfaction of one unit by 474 if the other independent variables remain unchanged, according to the regression coefficient of the customer satisfaction variable (X3).

3.4. The Coefficient of Determination Test (Adjusted R²)

Table 6. Test results for the Coefficient of Determination (R²)

R	R Square	Adj R Square
0,876 ^a	0,767	0,756

Source: processed primary data, 2023 (SPSS Output)

From the information presented in Table 6, the conclusion can be drawn that the determination coefficient test yields a value of R² (Adjusted R Square) equal to 0,756. Price, customer experience, and customer satisfaction all had an impact on customer loyalty by 75,6%, while additional variables not included in this study had an impact on 24,4%.

3.5. Hypothesis Testing

Table 7. Partial Test Result (t test)

Variable	T Count	Significance Value
Price (X1)	2,163	0,034
Customer Experience (X2)	4,192	0,000
Customer Satisfaction (X3)	2,958	0,004

Source: processed primary data, 2023 (SPSS Output)

According to the table, the price variable has a t-value of 2,163 with a significance of $0,034 < 0,05$. This suggests that the price variable has a significant effect on customer loyalty. This proves that customer loyalty is significantly and positively influenced by price.

The customer experience variable yielded a t-statistic of 4,192 with a significance level of $0,000 < 0,05$. This indicates that customer experience has a statistically significant positive effect on customer loyalty.

Additionally, the variable of customer satisfaction yielded a t count of 2,958 with a significance level of $0,004 < 0,05$. This finding provides evidence that customer satisfaction has a statistically significant positive impact on customer loyalty.

Table 8. Simultaneous Test Result (Test f)

	Value F	Significance Value
Regression	72,371	0,000 ^b

Source: processed primary data, 2023 (SPSS Output)

According to the findings in Table 8, the calculated F-test analysis yields a result of 72,371 with a significance value of 0.000. Since the significance value is less than 0.05, it can

be inferred that H_a (alternative hypothesis) is accepted. Therefore, it can be interpreted that price (X1), customer experience (X2), and customer satisfaction (X3) collectively exert a significant impact on the customer loyalty variable (Y).

4. Conclusion

Based on the research findings, it can be concluded that price has a significant positive impact on customer satisfaction. Additionally, promotional variables also exhibit a significant positive effect on customer satisfaction. Furthermore, service quality is found to have a significant influence on customer satisfaction. Customer Satisfaction (Y) is influenced by Price (X1), Promotion (X2), and Quality of Service (X3) simultaneously.

This research aims to contribute to reader's knowledge and insights, serving as a foundation for future studies. The expectation is that readers will develop a more profound comprehension of how price, customer experience, and customer satisfaction influence customer loyalty, ultimately contributing to the enhancement of the business's competitive advantage.

The study specifically hoped that additional researchers will expand on this topic. However, it's important to acknowledge the existing limitations that should be taken into account for future research endeavors. Furthermore, future researchers are encouraged to include additional independent variables to broaden the scope of the research.

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