

# The Effect of Service Quality and Ticket Rates for Customer Satisfaction and the Implication of Repurchase Intention of Sriwijaya Air Joint Operation with Garuda Indonesia

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**Abstract:-** The purpose of this study was to analyze the effect of service quality, ticket rates, on customer satisfaction, and the effect of customer satisfaction on the repurchase intention Sriwijaya Air after joint operation with Garuda Airlines. This study used 100 respondents and used a nonprobability sampling technique where respondents had used Sriwijaya Air when joint operation with Garuda Airlines took place. Hypothesis testing proposed in this study was carried out with a Structural Equation Model (SEM) test using the LISREL 8.80 software. The results of the structural model analysis indicate that the variable service quality and ticket rates have a significant effect on customer satisfaction. While customer satisfaction has a significant effect on repurchase intention.

**Keywords:-** Service Quality, Ticket Rates, Customer Satisfaction, And Repurchase Intention.

## I. INTRODUCTION

The global aviation industry is an integral part of the global economy which has an important role in development in various sectors. The sectors such as transportation, manufacturing, technology and other sectors. The aviation industry also has a close attachment to

global economic conditions. *The International Air Transport Association (IATA)* estimates the number of global air transport passengers to be 3.6 billion in 2016. Indonesia itself has a very rapid growth once seen by the number of airlines that serve both international and national flight routes.

Garuda Indonesia Group through its subsidiary PT Citilink Indonesia, took over the operational management of Sriwijaya Air and NAM Air. This was realized in the form of a joint operation conducted by PT Citilink Indonesia (Citilink) with PT Sriwijaya Air and PT NAM Air. The joint operation was signed on November 9, 2018. Sriwijaya Air is a category 1 airline in terms of operational safety. Sriwijaya Air received the Boeing International Award in the aircraft safety and maintenance category in 2007 and basic flight risk standards from the Aviation Safety Foundation in 2015. Established since 2003, Sriwijaya Air offers flights to 53 domestic routes and 4 international routes.

Prior to Joint Operation with Garuda Indonesia, passenger growth and the amount of Sriwijaya Air's revenue had decreased by 6 months, this can be seen in tabel 1.

| Month       | Total Passanger | Total Revenue       |
|-------------|-----------------|---------------------|
| June 2018   | 958,386         | Rp. 932.655.354.468 |
| July 2018   | 962,153         | Rp. 778.986.133.758 |
| August 2018 | 849,757         | Rp. 669.349.612.803 |
| Sep 2018    | 786,742         | Rp. 521.154.670.856 |
| Oct 2018    | 761,478         | Rp. 569.831.264.823 |

Table 1: - Sriwijaya Air's growth before joint operation with Garuda Indonesia.

In table 1 the total passenger data in the data can be seen from the repurchase intention of the Sriwijaya Air despite a decrease in the number of passengers and revenue of the last 6 months before joint operation with Garuda Indonesia.

Besides that, Sriwijaya Air's joint operation with Garuda Indonesia services, consumers expect to provide the same satisfaction with Garuda because Garuda Indonesia is known to have excellent service in terms of service features

that provide comfort for passengers starting from pre-flight, in flight and until post-flight. In the service industry, service is number 1, this is in accordance with the statement according to Kotler & Keller (2016) service is any action or activity that can be offered by one party to another party, basically intangible and does not result in any ownership. Visitors really need a good service quality, with good service quality, Visitors will feel its own satisfaction. So, the service quality affects visitor satisfaction (Astini dan Sulistyowati, 2015).

Based on on time performance (OTP), Sriwijaya Air is the best airline in maintaining its performance in 2017 seen from the data of the Director General of Civil Aviation, the Ministry of Transportation, Sriwijaya Group became the airline with the best OTP level in 2017. NAM Air is in the first position with an OTP rate of 92.62 percent. While Sriwijaya Air ranked second with a record of 88.69 percent. In addition, Sriwijaya Air Group also received the Basic

Aviation Risk Standard (BARS) Certificate with Gold status in maintaining safety aspects. Sriwijaya Air also received the best favorite netizen brand 2011, which was issued by Marketeers Indonesia.

Sriwijaya Air's joint operation with Garuda Indonesia in November 2018 there was a change in total passengers and total monthly revenue, this can be seen in table 2.

| Month         | Total Passanger | Total Revenue       |
|---------------|-----------------|---------------------|
| November 2018 | 759.786         | Rp. 671.061.320.296 |
| December 2018 | 739.406         | Rp. 653.061.212.756 |
| January 2019  | 612.766         | Rp. 732.453.625.108 |
| February 2019 | 620.197         | Rp. 720.933.167.337 |
| March 2019    | 588.537         | Rp. 714.318.965.169 |

Table 2: - Growth of Sriwijaya Air joint operation with Garuda Indonesia.

In these data it can be seen that there is a consumer intention to repurchase the Sriwijaya Air. If it is seen that there is a possibility of customer intention influenced by several factors, namely brand image, ticket rates, perceived value, quality, satisfaction and many other factors.

Solomon, Marshall and Stuart (2018) state what is thought to be related to consumer repurchase intention including brand image, product quality and price. In the study of Agarwal & Teas (2002) the occurrence of repurchase intention towards a product is influenced by price perception and brand perception.

Juan and Govindan (2017) suggested a number of factors that influence repurchase intention, prices that are in line with quality, are able to compete with prices of other brand products, have a positive brand image that has been known and trusted in the eyes of consumers will certainly create its own impression in the mind consumers when they want to shop and the quality of products that are in accordance with the needs and desires of consumers so that they can provide customer satisfaction will certainly attract the attention of consumers and cause interest in buying and or will make consumers buy back products. Service quality and price perception have a positive and significant effect on customer satisfaction and affect repurchase intentions. (Harjati & Venesia, 2015).

According to Munhurrun, Seebaluck and Naidoo (2014) who revealed that the higher level of satisfaction would affect their intention to review and their willingness to recommend goods to others. Customer satisfaction is an important driver of adjusted expectations and repurchase

intentions. Adjusted expectations can mediate the impact of direct repurchase intentions. (Lin & Lekhawipat, 2014).

In addition, Hadani's study (2008) revealed that service quality has a significant influence on repurchase intention. Consumers who feel quality transportation services will be more likely to have perceived value and higher satisfaction and will continue to use these services. The results in the study of Angelova & Zekiri (2011) that companies can benefit from the fact of knowing how customers perceive service quality and know how to measure service quality. Therefore, management can use specific data obtained from measuring service quality in their strategies and plans. This will help companies to better understand the various dimensions of service quality that affect overall service customer satisfaction.

Some previous researchers revealed that perceived value and satisfaction are good predictors of consumer behavior for repurchase intention. Pardede, et al (2018) who found perceived value to have a positive and significant effect on repurchase intention. Mat & Badarneh (2011) agree that perceived value influences consumer intention behavior. This is also in line with study by Thiumsak & Ruangkanjanases (2016) which revealed that perceived value influences repurchase intention.

Seeing this the authors conducted a preliminary study using a questionnaire with a total sample of 20 people conducted at the Soekarno Hatta International Airport terminal 2D to determine the effect of Sriwijaya Air consumers to repurchase intention.

| No. | Question   | Yes | (%) | No | (%) |
|-----|--|-----|-----|----|-----|
| 1   | Are you interested in using Sriwijaya Air again?   | 8   | 40  | 12 | 60  |
| 2   | Is Sriwijaya Air better than other brands?   | 8   | 40  | 12 | 60  |
| 3   | In your opinion, do you feel the benefits of using Sriwijaya Air?                        | 7   | 35  | 13 | 65  |
| 4   | In your opinion, is the quality of Sriwijaya Air in accordance with on time performance? | 8   | 40  | 11 | 55  |
| 5   | Are Sriwijaya Air rates suitable?  | 10  | 50  | 10 | 50  |
| 6   | Are you satisfied using Sriwijaya Air?   | 9   | 45  | 12 | 60  |

Table 3: -Preliminary Study Results Research

In the results of the questionnaire illustrate the repurchase intention in terms of quality, rates and satisfaction in which the question of repurchase intention the tendency of respondents to answer agree 40% and 60% disagree. Some tendency factors that influence respondent's answers taken by authors are quality, rates and satisfaction because they have a larger answer. This is also consistent with the research of Hicks et al (2005) where there is an influence of repurchase intention if consumers experience satisfaction after using a product that is influenced by product quality and price.

Based on the problems described, the authors are interested in conducting study and making problems that occur as study topics by taking the title The Effect of Service Quality and Ticket Rates for Customer Satisfaction and The Implication of Repurchase Intention of Sriwijaya Air Joint Operations with Garuda Indonesia.

## II. THEORITICAL REVIEW

### A. Service Quality

According to Kotler and Keller (2012) states the quality of service is the totality of features and characteristics of a product or service that bears on its ability to satisfy expressed or implied needs. Lovelock and Wirtz (2007) say that service quality is a long-term consumer cognitive evaluation of service delivery from a company. This is also supported by the statements of Zeithaml, Bitner, and Gremler (2006) who say consumers value service quality based on their perceptions of aspects of technical results provided by service providers, processes and the quality of the physical environment in which the services are delivered to consumers.

Dimensions of service quality According to Kotler and Keller (2012) mentions five dimensions of service quality that must be met, namely: "Tangibles, Empathy, Reliability, Responsiveness, Assurance".

### B. Ticket Rates

Price is the amount of money (plus a few items if possible) needed to get a combination of goods and services (Swastha, 2009). Sweeney, et al, (2001) also stated a similar thing that in buying a product, consumers not only

consider the quality, but also think about the feasibility of the price.

According to Tjiptono (2008) in order to be successful in marketing a product or service, every company must set its price appropriately. Price is the only element of the marketing mix that provides income or opinion for the company. Price, is a company management system that will determine the right base price for a product or service and must determine a strategy that involves price discounts, freight costs and various related variables. (Kotler and Keller, 2016).

Kotler & Keller (2009) states that price indicators include: (1) Affordability of product prices, (2) Price conformance to product quality, (3) Price conformity to benefits. Based on the discussion above, it can be concluded that the perception of quality and costs incurred by customers has an important role in choosing a product/service, besides that the price set should be affordable, contains compatibility between benefits and quality, and price comparison with other similar products / services.

### C. Costumer Satisfaction

Constumer satisfaction is important for marketing managers where customer satisfaction can encourage repurchases (Wen, 2011). Customer satisfaction is defined as all attitudes regarding goods or services after being received and used, in other words that satisfaction is a choice after evaluating the valuation of a specific transaction (Kotler & Keller, 2012).

To measure the level of customer satisfaction, several dimensions of customer satisfaction are needed. According to Kotler & Keller (2012) states that in measuring customer satisfaction can be done using 4 dimensions, that is; Performance Perception, Conformance of Expectations, Customer Ratings and Total Satisfaction.

### D. Repurchase Intention

Definition of repurchase intention is the possibility of consumers to purchase products or services in the future (Wu et al., 2014). Meanwhile according to Kotler, Bowen and Makens (2017), repurchase intention arises after an alternative evaluation process.

According to Thamrin and Francis (2012), repurchase intention is a buying intention that is based on the purchase experience that has been done in the past. High repurchase intention reflects a high level of satisfaction from consumers when deciding to adopt a product. Kim & Moon (2009) states the dimensions of repurchase intention that is; Consumer's desire to come back again, the product to be purchased is the first choice compared to other products and the consumer's intention to recommend to others.

#### E. Previous Research

Rohaeni, H, Marwa, Nisa (2018), from the results of the correlation coefficient test, the coefficient of determination test results obtained results are quite large

#### F. Framework

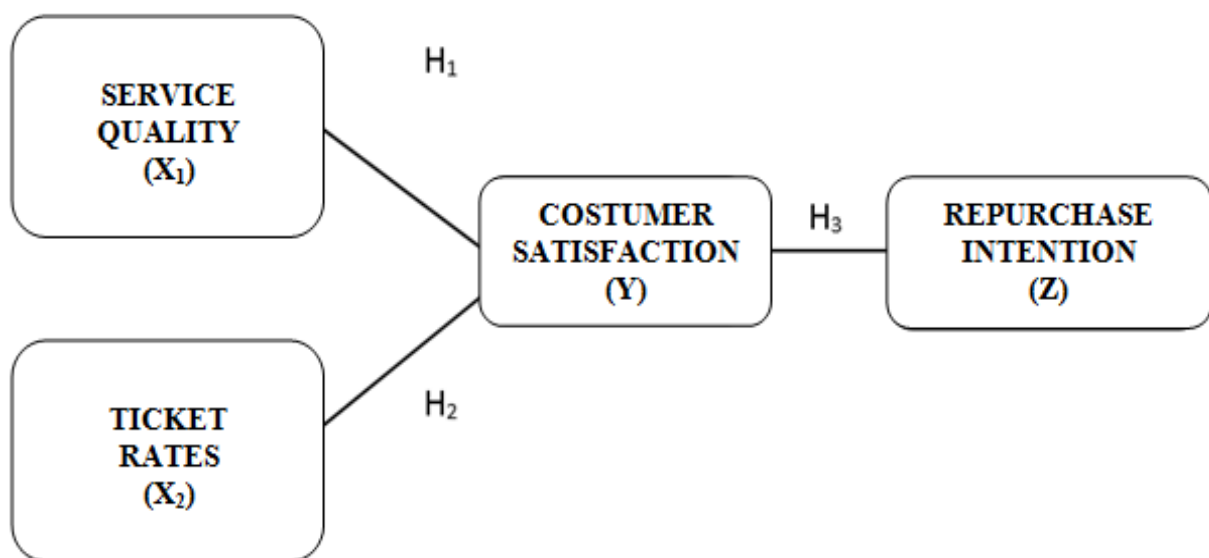


Fig 1:- Conceptual Framework

#### G. Hypothesis

H1. Quality Service has a positive and significant effect on Costumer Satisfaction.

H2. Ticket Rates has a positive and significant effect on Costumer Satisfaction.

H3. Costumer Satisfaction has a positive and significant effect on Repurchase Intention.

### III. METHODOLOGY

This research is conducted using structural equation model test (structural equation models - SEM), by using the method of measurement analysis confirmatory factor analysis (CFA) in the first stage and the application that is used is the program LISREL 8.80. This study uses a test consisting of validity, reliability and goodness of fit tests.

and significant influence on customer satisfaction can be influenced by service quality. Study of Lai, & Chen, (2011), Chen (2008), Schorita & Nurmahdi (2018), Astini, & Sulistiyowati (2015) Service Quality has an effect on passenger satisfaction. According to Juan & Govindan, (2017) Appropriate prices can provide customer satisfaction and arouse purchase intention and or will make consumers repurchase the products, research of Hicks et al (2005), Yuliharsi et al (2011), Harjati, & Venesia, (2015), and Widjaya (2019) prices have a positive and significant effect on customer satisfaction. Lin and Lekhawipat, (2014), Dholakia et al (2010) and Han and Hyun (2015) research result customer satisfaction encourage customers keep doing the re-purchase intention.

The population in this study is the user of Sriwijaya Air flight services. The population in this study were Sriwijaya Air flight service users, amounting to 588,537 Passengers in March 2019. The sample used in the study of SEM (Structural Equation Modeling) is 100 samples minimum (Ferdinand, 2014). According to Ghozali (2005) in the SEM method the sample size is between 100-200. Then the authors will use 100 respondents in his research.

### IV. RESULTS AND DISCUSSION

Based on the results of research conducted on 100 respondents, namely users of Sriwijaya Air flight services, it can be known a general overview of gender, class, and expenditure.

| <b>Gender of Respondents</b> |                              |                   |
|------------------------------|------------------------------|-------------------|
| <b>Information</b>           | <b>Number of Respondents</b> | <b>Percentage</b> |
| Male                         | 47                           | 47%               |
| Female                       | 53                           | 53%               |
| <b>Profession</b>            |                              |                   |
| <b>Information</b>           | <b>Number of Respondents</b> | <b>Percentage</b> |
| Student                      | 12                           | 12%               |
| Entrepreneur                 | 51                           | 51%               |
| Employees                    | 18                           | 18%               |
| Government Employees         | 6                            | 6%                |
| Professional                 | 8                            | 8%                |
| Etc                          | 5                            | 5%                |
| <b>Age</b>                   |                              |                   |
| <b>Information</b>           | <b>Number of Respondents</b> | <b>Percentage</b> |
| < 20 Years old               | 13                           | 13%               |
| 21 - 25 Years old            | 76                           | 76%               |
| 26 - 30 Years old            | 11                           | 11%               |
| <b>Expenditure</b>           |                              |                   |
| <b>Information</b>           | <b>Number of Respondents</b> | <b>Percentage</b> |
| < 1 Million                  | 5                            | 5%                |
| 1 - 10 Million               | 76                           | 76%               |
| > 10 Million                 | 19                           | 19%               |

Table 4: - Demographic Characteristics of Respondents  
Source: Processed Data (2019)

#### A. Analysis Results

Testing the hypothesis in this study was carried out with a structural equation model (SEM), by using the method of analysis the measurement of confirmatory factor analysis (CFA) in the first stage and applications where be used program is part of the lisrel 8.80. This study uses a test consisting of validity, reliability and goodness of fit tests.

#### ➤ Test Measurement Model

☐ Test Validity and Reliability

#### • Analysis of Construct of Service Quality

| <b>Statement</b> | <b>SLF Value</b> | <b>Criteria</b> | <b>Conclusion</b> |
|------------------|------------------|-----------------|-------------------|
| KP1              | 0,69             | > 0,5           | VALID             |
| KP2              | 0,77             | > 0,5           | VALID             |
| KP3              | 0,45             | > 0,5           | NOT VALID         |
| KP4              | 0,71             | > 0,5           | VALID             |
| KP5              | 0,54             | > 0,5           | VALID             |
| KP6              | 0,69             | > 0,5           | VALID             |
| KP7              | 0,68             | > 0,5           | VALID             |
| KP8              | 0,53             | > 0,5           | VALID             |
| KP9              | 0,50             | > 0,5           | VALID             |

Table 5: - Validity Construct Service Quality  
Source: Primary data processed with LISREL (2020)

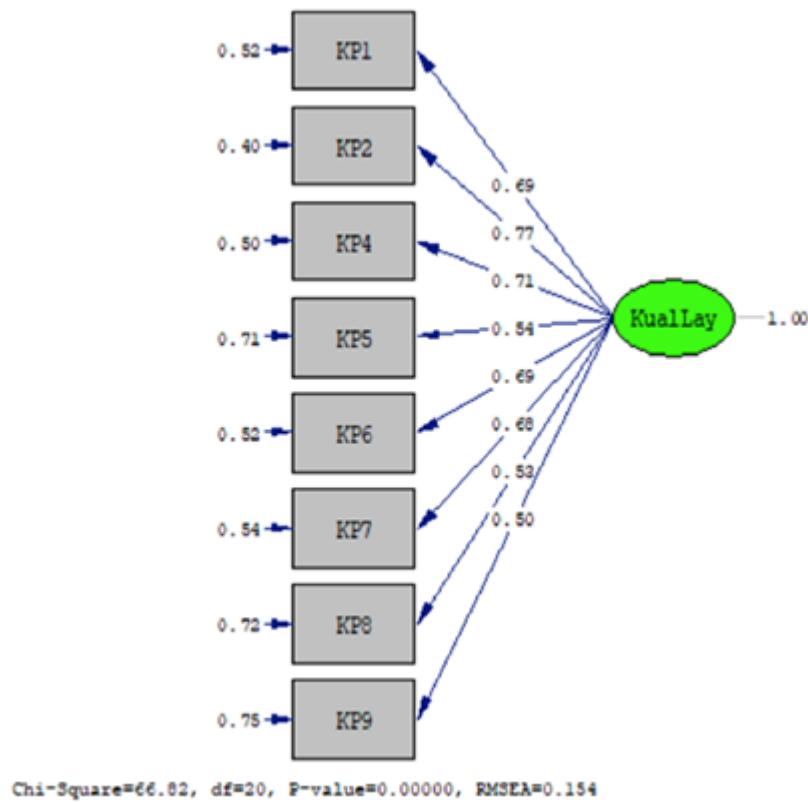


Fig 2: - Service Quality Variable Measurement Model

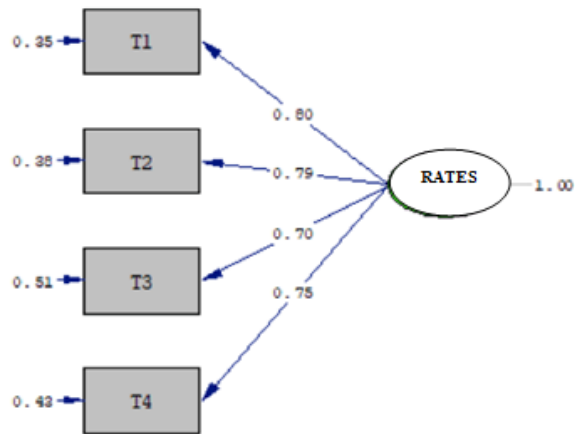
$$\begin{aligned}
 &(\sum \text{Standardized Loading})^2 \\
 &(0.69 + 0.77 + 0.71 + 0.54 + 0.69 + 0.68 + 0.53 + 0.50)^2 = 26.11 \\
 &\sum \text{Standardized Loading}^2 \\
 &0.69^2 + 0.77^2 + 0.71^2 + 0.54^2 + 0.69^2 + 0.68^2 + 0.53^2 + 0.50^2 = 3.33 \\
 &\sum \text{Measurement Error} \\
 &0.53 + 0.40 + 0.50 + 0.71 + 0.52 + 0.54 + 0.72 + 0.75 = 4.67 \\
 &CR = 26.11 / (3.33 + 4.67) = 0.84 \\
 &VE = 3.33 / (3.33 + 4.67) = 0.41
 \end{aligned}$$

From the calculation above, it can be seen that the Service Quality variable has a CR value > 0.70, which is 0.84. then the variable is declared reliable for use in this study.

• Analysis of Construct of Ticket Rate

| Statement | SLF Value | Criteria | Conclusion |
|-----------|-----------|----------|------------|
| T1        | 0,80      | > 0,5    | VALID      |
| T2        | 0,79      | > 0,5    | VALID      |
| T3        | 0,70      | > 0,5    | VALID      |
| T4        | 0,75      | > 0,5    | VALID      |
| T5        | 0,09      | > 0,5    | NOT VALID  |

Table 6: - Validity Construct Ticket Rate  
Source: Primary data processed with LISREL (2020)



Chi-Square=4.78, df=2, P-value=0.09179, RMSEA=0.118

Fig 3: - Ticket Rates Variable Measurement Model

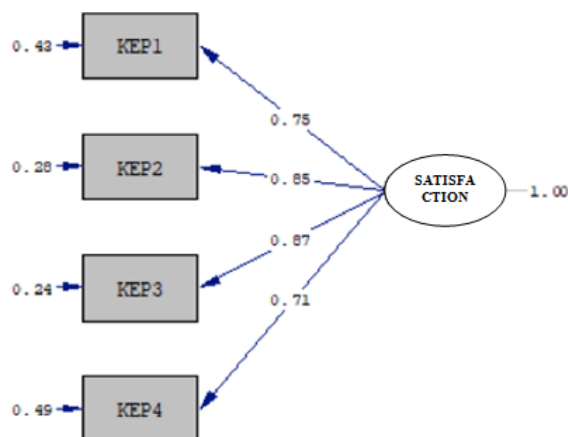
( $\Sigma$ Standardized Loading)  
 $(0.80 + 0.79 + 0.70 + 0.75)^2 = 9.24$   
 $\Sigma$ Standardized Loading<sup>2</sup>  
 $0.80^2 + 0.79^2 + 0.70^2 + 0.75^2 = 2.31$   
 $\Sigma$ Measurement Error  
 $0.35 + 0.38 + 0.51 + 0.43 = 1.65$   
 $CR = 9.24 / (9.24 + 1.65) = 0.84$   
 $VE = 2.31 / (2.31 + 1.65) = 0.58$

From the calculation above, it can be seen that the Ticket Rates variable has a CR value > 0.70, which is 0.84. Then the variable is declared reliable for use in this study.

• Construct Analysis of Consumer Satisfaction

| Statement | SLF Value | Criteria | Conclusion |
|-----------|-----------|----------|------------|
| KEP1      | 0,75      | > 0,5    | VALID      |
| KEP2      | 0,85      | > 0,5    | VALID      |
| KEP3      | 0,87      | > 0,5    | VALID      |
| KEP4      | 0,71      | > 0,5    | VALID      |
| KEP5      | 0,09      | > 0,5    | NOT VALID  |

Table 7: - Validity Construct Customer Satisfaction  
 Source: Primary data processed with LISREL (2020)



Chi-Square=13.11, df=2, P-value=0.00142, RMSEA=0.237

Fig 4: - Variable Measurement Model of Customer Satisfaction

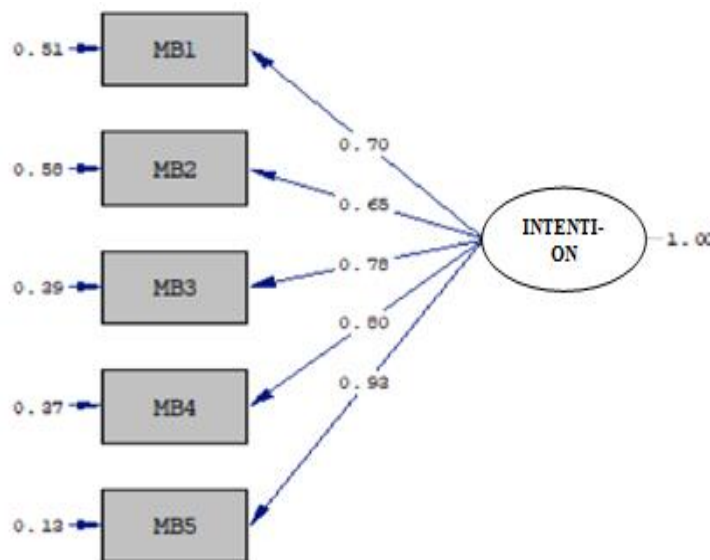
( $\Sigma$ Standardized Loading)  
 $(0.75 + 0.85 + 0.87 + 0.71)2 = 10.11$   
 $\Sigma$ Standardized Loading<sup>2</sup>  
 $0.752 + 0.852 + 0.872 + 0.712 = 2.54$   
 $\Sigma$ Measurement Error  
 $0.43 + 0.28 + 0.24 + 0.49 = 1.44$   
 $CR = 10.11 / (10.11 + 1.44) = 0.87$   
 $VE = 2.54 / (2.54 + 1.44) = 0.63$

From the calculation of the reliability test of Customer Satisfaction, it can be seen that the variable Customer Satisfaction has a CR value > 0.70 which is equal to 0.87. then the variable is declared reliable for use in this study.

• *Analysis of Construct of Repurchase Intention*

| Statement | SLF Value | Criteria | Conclusion |
|-----------|-----------|----------|------------|
| MB1       | 0,70      | > 0,5    | VALID      |
| MB2       | 0,65      | > 0,5    | VALID      |
| MB3       | 0,78      | > 0,5    | VALID      |
| MB4       | 0,80      | > 0,5    | VALID      |
| MB5       | 0,93      | > 0,5    | VALID      |

Table 8: - Validity Construct Repurchase Intention  
 Source: Primary data processed with LISREL (2020)



Chi-Square=9.07, df=5, P-value=0.10628, RMSEA=0.091

Fig 5: - Variable Measurement Model of Repurchase Intention

( $\Sigma$ Standardized Loading)  
 $(0.75 + 0.85 + 0.87 + 0.71)2 = 10.11$   
 $\Sigma$ Standardized Loading<sup>2</sup>  
 $0.752 + 0.852 + 0.872 + 0.712 = 2.54$   
 $\Sigma$ Measurement Error  
 $0.43 + 0.28 + 0.24 + 0.49 = 1.44$   
 $CR = 10.11 / (10.11 + 1.44) = 0.87$   
 $VE = 2.54 / (2.54 + 1.44) = 0.63$

From the calculation of the reliability test of Repurchase Intention, it can be seen that the variable Repurchase Intention has a CR value > 0.70 which is equal to 0.87. then the variable is declared reliable for use in this study.



➤ *Test Overall Model Compatibility*

After finding the overall model, this model is then analyzed to see compatibility with the data. After that Construct Reliability and Variance Extracted will be calculated from each latent variable, the second step is by adding the original structural model to the CFA model (Wijayanto, 2008).

| No. | GOF Size   | Compatibility Target Level | Estimated Results | Compatibility Level |
|-----|--|----------------------------|-------------------|---------------------|
| 1   | Root Mean Square Error of Appoximation (RMSEA) P (close Fit) | RMSEA ≤ 0,08<br>P ≥ 0,50   | 0.84              | Bad Fit             |
| 2   | Normed Fit Index (NFI)                                       | NFI ≥ 0,90                 | 0.89              | Marginal Fit        |
| 3   | Non-Noormed Fit Index (NNFI)                                 | NNFI ≥ 0,90                | 0.94              | Good Fit            |
| 4   | Comparative Fit Index (CFI)                                  | CFI ≥ 0,90                 | 0.95              | Good Fit            |
| 5   | Incremental Fit Index (IFI)                                  | IFI ≥ 0,90                 | 0.95              | Good Fit            |
| 6   | Relative Fit Index (RFI)                                     | RFI ≥ 0,90                 | 0.88              | Marginal Fit        |
| 7   | Goodnees of Fit Index (GFI)                                  | GFI ≥ 0,90                 | 0.77              | Bad Fit             |
| 8   | Adjusted Goodness of Fit Index (AGFI)                        | AGFI ≥ 0,90                | 0.71              | Bad Fit             |

Table 9: - Compatibility Test Measurement Study Model  
Source: Primary data processed with LISREL 8.80 (2020)

By using the SEM Lisrel 8.80 model, it can be seen that the overall value of the model's fit still shows the average value that is still bad fit, so it is necessary to modify the study model.

| No. | GOF Size   | Compatibility Target Level | Estimated Results | Compatibility Level |
|-----|--|----------------------------|-------------------|---------------------|
| 1   | Root Mean Square Error of Appoximation (RMSEA) P (close Fit) | RMSEA ≤ 0,08<br>P ≥ 0,50   | 0.79              | Good Fit            |
| 2   | Normed Fit Index (NFI)                                       | NFI ≥ 0,90                 | 0.90              | Good Fit            |
| 3   | Non-Noormed Fit Index (NNFI)                                 | NNFI ≥ 0,90                | 0.95              | Good Fit            |
| 4   | Comparative Fit Index (CFI)                                  | CFI ≥ 0,90                 | 0.96              | Good Fit            |
| 5   | Incremental Fit Index (IFI)                                  | IFI ≥ 0,90                 | 0.96              | Good Fit            |
| 6   | Relative Fit Index (RFI)                                     | RFI ≥ 0,90                 | 0.89              | Marginal Fit        |
| 7   | Goodnees of Fit Index (GFI)                                  | GFI ≥ 0,90                 | 0.78              | Bad Fit             |
| 8   | Adjusted Goodness of Fit Index (AGFI)                        | AGFI ≥ 0,90                | 0.72              | Bad Fit             |

Table 10: - Compatibility Test Measurement Model Modification Study  
Source: Primary data processed with LISREL 8.80 (2020)

Data shows that the level of the modification compatibility model shows good grades are *good fit* and *marginal fit* means the overall compatibility level shows *good fit*.

➤ *Structural Model Match Test*

$$\text{Satisfaction} = 0.34 \cdot \text{KualLay} + 0.41 \cdot \text{Rates}, \text{Errorvar.} = 0.54, R^2 = 0.46$$

(0.14)      (0.14)      (0.14)  
 2.39      2.85      3.96

$$\text{Intention} = 0.60 \cdot \text{Satisfaction}, \text{Errorvar.} = 0.64, R^2 = 0.36$$

(0.12)      (0.17)  
 4.91      3.86

Consumer satisfaction has a  $R^2$  of 0,46, these figure shows that the variables of Service Quality and Ticket Rates can only explain 46% of the Satisfaction variable, so there are still 54% of other variables that affect Customer Satisfaction that can not be described in this study and is affected by other factors that have not been covered in this study. Whereas, repurchase intention has a  $R^2$  of 0,36, these figure shows that the Consumer Satisfaction variable can only explain 36% of the repurchase intention variable, so there is still 64% of other variables that affect the Repurchase Intention that can not be described in this study and is affected by other factors that have not been covered in this study.

| Hypothesis | Structural Path            | T-Values | Information                 | Conclusion  |
|------------|----------------------------|----------|-----------------------------|---|
| H1         | Service Quality            | 2.39     | Data Support the Hypothesis | Service Quality has a positive and significant effect on Customer Satisfaction      |
|            | →<br>Customer Satisfaction |          |                             |   |
| H2         | Ticket Rates               | 2.85     | Data Support the Hypothesis | Ticket Rates has a positive and significant effect on Costumer Satisfaction         |
|            | →<br>Customer Satisfaction |          |                             |   |
| H3         | Customer Satisfaction      | 4.91     | Data Support the Hypothesis | Customer Satisfaction has a positive and significant effect on Repurchase Intention |
|            | →<br>Repurchase Intention  |          |                             |   |

Table 11: - Hypothesis Test Calculation  
Source: Primary Data Processed with Lisrel (2020)

In this study there are 3 hypotheses as described in the previous chapter and testing is done by looking at the significance of each variable relationship. The significance value ( $\alpha$ ) used is 0.05 or 5% with a t value of  $\geq 1.96$  (Wijanto, 2008).

Statistical test results on the study model for Service Quality variables have a positive and significant effect on Customer Satisfaction, this is indicated by the value of the variable t above 1.96 which is 2.39. Whereas Ticket Rates variables have a positive and significant effect on Customer Satisfaction, this is indicated by the variable t value above 1.96 which is 2.85. and the Customer Satisfaction variable has a positive and significant effect on Repurchase Intention, this is indicated by the variable t value above 1.96 which is 4.91.

| Service Quality (X <sub>1</sub> )   | Satisfaction (Y)                    |                               |                     |                            |
|-------------------------------------|-------------------------------------|-------------------------------|---------------------|----------------------------|
|                                     | Performance Perception              | Compatibility of Expectations | Customer Ratings    |                            |
| X <sub>1</sub>                      | <i>Tangible</i>                     | 0.423                         | 0.336               | 0.443                      |
|                                     | <i>Empathy</i>                      | 0.402                         | 0.494               | 0.406                      |
|                                     | <i>Responsiveness</i>               | 0.304                         | 0.358               | 0.332                      |
|                                     | <i>Reliability</i>                  | 0.274                         | 0.265               | 0.387                      |
|                                     | <i>Assurance</i>                    | 0.221                         | 0.140               | 0.225                      |
| <b>Ticket Rates (X<sub>2</sub>)</b> |                                     |                               |                     |                            |
| X <sub>2</sub>                      | <b>Rates</b>                        | 0.477                         | 0.430               | 0.469                      |
|                                     | <b>Performance Perception</b>       | -                             | 0.788               | 0.690                      |
|                                     | <b>Compatibility of Expectation</b> | 0.788                         | -                   | 0.590                      |
|                                     | <b>Customer Ratings</b>             | 0.690                         | 0.590               | -                          |
| <b>Repurchase Intention (Z)</b>     |                                     |                               |                     |                            |
| <b>Costumer Satisfaction (Y)</b>    |                                     | <b>Repurchase Intention</b>   | <b>First Choice</b> | <b>Recommend Intention</b> |
| Z                                   | <b>Performance Perception</b>       | 0.494                         | 0.393               | 0.281                      |
|                                     | <b>Compatibility of Expectation</b> | 0.466                         | 0.391               | 0.418                      |
|                                     | <b>Customer Ratings</b>             | 0.551                         | 0.394               | 0.390                      |

Table 12: - The correlation matrix between the Quality of Service (X<sub>1</sub>), Ticket Rates (X<sub>2</sub>), Customer Satisfaction (Y), and Repurchase Intention (Z)

### B. Discussion of Study Results

#### ➤ Service Quality Effect on Customer Satisfaction

In the study results that the service quality variable has a positive and significant effect to Customer Satisfaction variable. This is indicated by the t-values of 2.39 greater than 1.96, meaning that any improvement in service quality on the Sriwijaya Air will increase customer satisfaction. the dimensions that are strongly related are empathy for service quality variables with the compatibility of expectation on customer satisfaction, that means for respondents what they expect are to increase friendly attitudes, as well as provide attention, safe and comfort in using Sriwijaya Air.

This is in line with study conducted by Rohaeni, H, Marwa, Nisa (2018) from the correlation coefficient test results, the determination coefficient test results obtained the results are quite large and significant effect. customer satisfaction can be affected by service quality.

#### ➤ The Effect of Ticket Rates for Customer Satisfaction

In the study results, the Ticket Rates variable is positive and significant towards the Customer Satisfaction variable. This is indicated by the t-values of 2.85 greater than 1.96, the more affordable the ticket rates offered by Sriwijaya Air will increase customer satisfaction. The dimensions that are strongly related are performance perceptions on the ticket rates variable with the compatibility of expectations on customer satisfaction, that means for respondents what they expect are affordability of the ticket rates offered by Sriwijaya Air.

This is in line with research conducted by Widjaya (2019) which suggests that prices have a positive and significant effect directly on customer satisfaction.

#### ➤ The Effect of Customer Satisfaction on Repurchase Intention

In the study results that the Customer Satisfaction variable has a positive and significant effect on the Repurchase Intention variable. This is indicated by the t-values of 4.91 which are greater than 1.96, the dimensions that are strongly related are customer ratings on the Satisfaction variable and repurchase intention on repurchase intention variable. it means that respondents who are satisfied with Sriwijaya Air's service will repurchase whereas the dissatisfied customer will not repurchase.

This is in line with research conducted by Saidani and Arifin (2012) which states that satisfaction significantly influences repurchase intention.

## V. CONCLUSION AND RECOMMENDATION

### A. Conclusion

➤ Service quality has a positive and significant effect on customer satisfaction, the strong-related dimensions is empathy for service quality with compatibility of expectations on customer satisfied, it means Service Quality on Sriwijaya Air is one of the main factors that influence customer satisfaction. The better service quality provided by Sriwijaya Air; the level of customer satisfaction will be higher.

➤ Ticket Rates has a positive and significant effect on Customer Satisfaction, the strong-related dimensions are performance perception on ticket rates with compatibility of expectations for customer satisfaction, means Sriwijaya Air ticket rates are also one of the main factors affecting consumer satisfaction, this happens because the ticket rates offered are affordable with the expectations and abilities of its customers, the more affordable the ticket rates offered by Sriwijaya Air, it will increase customer satisfaction.

➤ Customer Satisfaction has a positive and significant effect on repurchase intention, the strong-related dimensions are customer ratings for satisfaction with repurchase intention on reusing intention. Means repurchase intention on Sriwijaya Air is influenced by customer satisfaction factors felt by consumers, then the higher the satisfaction felt by consumers, the higher repurchase intention on customer for repurchase Sriwijaya Air.

### B. Recommendations

By analyzing the results of the study, several suggestions can be considered and recommendations for practitioners and researchers further are as follows:

#### ➤ Recommendations for Academics

The next researcher is expected to be able to retest the variables used in this study but on different airlines, for examples: Lion Air, Air Asia, or other airlines. And, for further researchers can re-test the variables that affect customer satisfaction and repurchase intention where satisfaction has the effect of repurchase intentions has an R2 of 0.36, so that there are still many variables that have not been tested in this study. For examples: Product Quality variable, Brand Image, Perceived Value and other variables which are other factors.

#### ➤ Recommendations for Practitioners

• Based on the results of the correlation matrix between dimensions related to Service Quality and satisfaction variables, the strongest dimension is the Empathy Dimension and the Service Quality Dimension. So, it is recommended for the management of Sriwijaya Air, to improve the services that are always provided by Sriwijaya Air's staff and flight crew by continuing to give 3S (*Senyum, Sapa, Salam*) to every passenger because it can make passengers feel comfortable and safe so that this can improve the service quality at

Sriwijaya Air. Sriwijaya Air's management can also provide regular training related to service excellence for all employees, which aims to improve the service quality at Sriwijaya Air

- Based on the results of the correlation matrix between dimensions related to the Ticket Rates and Customer Satisfaction variable, the strongest dimension in relation is the Performance Perception Dimension and the Compatibility of Expectation Dimension. So it is recommended for the management of Sriwijaya Air, keep improving performance, so the ticket rates offered is accordable with the expectations of the customers so that management can re-analyze related to ticket rates, consumers who are satisfied because their expectations are met can be one of the references for establishing policies related to ticket rates.
- Based on the results of the correlation matrix between dimensions related to the Customer Satisfaction and Repurchase Intention variable, the strongest dimension is the Customer Rating Dimension on customer satisfaction with the Repurchase Intention to Repurchase intention. So it is recommended for the management of Sriwijaya Air, to be able to improve the positive ratings of Sriwijaya Air customers so that customers have a repurchase intention to Sriwijaya Air, for examples: provide questionnaires or surveys related to all Sriwijaya Air performance, how customer satisfaction and criticism, and the management can also ask for advice directly to consumers by filling out a questionnaire or even directly, in order to improve Sriwijaya Air performance.

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