ANALYSIS OF THE INFLUENCE OF SERVICE QUALITY, PROMOTION AND PRICE TOWARDS DECISION TO USE THE RELAXATION MASSAGE SERVICE AND BODY CARE IN *HOUSE OF ROIDA* (STUDY IN THE CITY OF SURABAYA)

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ABSTRACT

This research aims to know the influence of service quality, promotion and price towards the decision to buy the service of relaxation massage and body care in House of Roidain the city of Surabaya. The research type used is the explanatory research. The questionnaire result and interviews are the primary data in this research whereas the journals and references used by the researcher is the secondary data. The population in this research is taken from the number of customers that has came to and had a treatment at least twice in House of Roidafrom the beginning of its operation in June 2014 until the month of April 2015, which gives 101 people taken from a population of 424 people using the purposive sampling technique. The data analysis used in this reasearch the validation and reliability test, Multiple Linear Regression, F-test, t-test, Coefficient correlation analysis, Determination Coefficient, Multicolinearity Test, Heterokedasticity test, Normality Test, Linearity Test. Y = 0,397 + 0,342.X$_1$+ 0,243.X$_2$ + 0,256.X$_3$.
The analysis result shows that the variables of service quality, promotion and price has a positive and significant relationship with the buying decision variable. The hypothesis test is done using the F-test, which gives a F number of 17.728 with a significance of 0,000<0,05, which shows that that the three independent variable that is being researched is proven to significantly and simultaneously influence the dependent variable of buying decision. Through the t-test, it can be observed that each variables of service quality, promotion and price has an influence towards the buying decision variable with a significant value <(α=0,05). Moreover, the significant value of promotion is 0,013, with the value being 0,028 for service quality and 0,023 for the prive variable.

Keyword: service quality, promotion, massage service, customer

INTRODUCTION

House of Roida is a family business in the field of relaxation massage and body health care service which includes*Body Massage, Reflexology* dan *Creambath*as well as other care related to aesthetics. The location for *House of Roida*is in the city of Surabaya. Until the moment is paper is written, the company has been operating for 11 months counting from the month of June 2014.

From the financial report of the first 11 months, the company hasn't been able to reach the *break event point*target. This will be the material evaluated, in order to find out the main cause for this.

Several preliminary surveys has been obtained through the open question method towards 10 customers coming to House of Roida about the factors that becomes their motivation when choosing a relaxation place, with results shown in the table below:

Table 1. The preliminary survey result of the main motivating factors in choosing a relaxation place

No.	Name	The main motivating factors in choosing a relaxation place					
		Service	Price	Promotion	Location	Interior Design	Exterior Design
1.	Ms. Indah	√	√				
2.	Ms. Dian	√					
3.	Mr. Herman	√		√			
4.	Ms. Diah	√			√		
5.	Ms. Hidayat	√	√			√	
6.	Ms. Kostia	√		√			√
7.	Mr. Yulsafat	√					
8.	Ms. Widya	√					
9.	Ms. Agni	√		√			
10.	Ms . Sri	√	√				

From the analysis of the preliminary survey result, it can be concluded that the factor that is most important for custoemrs is the service (that is, service quality) followed by pormotion and price as the main motivating factors in choosing a place of relaxation. Based on the research of Pramana *et al.* (2012) it is observed that service quality, promotion and price has a strong influence towards buying decision. In this research, the writers wants to obtain a more accurate iformation about the relationship and level of influence of those three factors (service quality, promotion and price) towards the buying decision of the service in House of Roida based on the data obtained in the company.

Aim of Research

Based on the background and formulation of the problem that previously been assessed, then the aim that this research wishes to achieve is as follows:

1. To test the influence of service quality towards the buying decision to use the service of relaxation massage and body care in*House of Roida.*
2. To test the influence of price towards the buying decision to use the service of relaxation massage and body care in*House of Roida.*
3. To test the influence of promotion towards the buying decision to use the service of relaxation massage and body care in*House of Roida.*
4. To test the simultaneous influence between service quality, price and promotion towards the buying decision to use the service of relaxation massage and body care in*House of Roida.*

LITERATURE REVIEW

Buying Decision

Schiffman and Kanuk (2008) in Widagdo's research (2011) states that buying decision is a decision made by someone where that person has already made his decision after selecting it from other present alternatives. That statement supports the writer in explaining that buying decision is a very important decision in the success of a product or service. That success comes because that product or service has an advantage in the eyes of customers if the buying decision is done after comparison with its competitors.

Service Quality

In the success of a company the service quality will have an influece towards its success, this is because each customers knows the difference of what they are promised with the reality that they got, and of course service quality will determine the level of satisfaction for customers and consumers. This statement is in line with what is stated by Lupiyoadi (2013) that the service quality of a company that is hoped to be able to satisfy customers is thought of as one of the factors that determines the success and quality of a company.

Promotion

According to Kotler dan Keller (2010), promotion is a variable of *marketing mix*that is important for the company to do when marketing its products through advertisements or other activities that aims to encourage demand for the product. According to McCharty dan Perreault (2008), promotion is the communication of information between the seller and the potential buyer or other parties in the channel of influencing theirattitude and behavior.

Price

There are many definition of price from the research results and understanding of the experts, one of which is from Engel, Blackwell dan Miniard (1995: 259) *in* Tan (2012) which summarizes price as a variable that is full risks, where this variable become the basis in developing the marketing program for a company or institution, where if everything goes well, then it becomes an attraction and success. Another narrative states that price is part of the mixture of marketing, where it's the only part that generates sales revenue(Swastha, 2010).

Analytical Model

The analytical model for this research can be illustrated as follows:
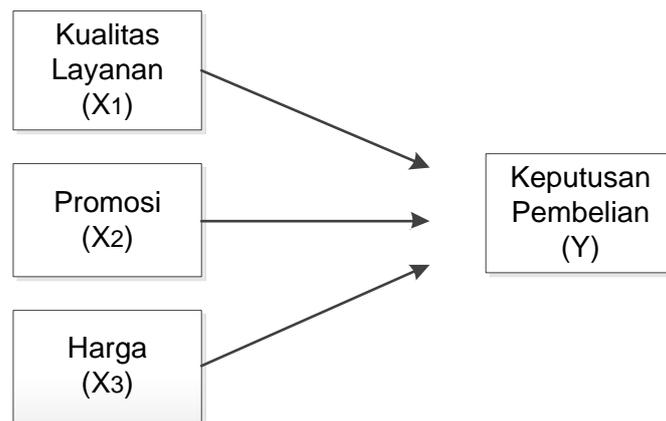
Figure 1. Analytical Model Picture

Figure: Translation, top to bottom then right

Remarks:
Service Quality (X1)
Promotion (x2)
Price (X3)
Buying Decision (Y)

The illustration above shows that in this research there are three independent variables which are service quality (X_1), Promotion (X_2), and price (X_3), whereas the dependent variable is the buying decision (Y).

Hypothesis
Based on previous research and the theoretical basis used above, then this research has the following hypotheses:

H_1: Service quality has an influence towards buying decision.

H_2: Promotion has an influence towards buying decision.

H_3: Price has an influence towards buying decision.

H_4: Service quality, promotion and price has a simultaneous influence towards buying decision..

Definition and Measurement Variables
The variables in this research is divided into two groups, which are independent and dependent variables. Here are the definition and measurement variables for this research:

1. Variable X_1 (Service Quality)

Indicator – indicator variable X_1 (service quality) that is used by the research in measuring the service quality in House of Roida is based on Parasuraman dan Tjiptono in the research done by Widagdo (2011) as shown on the table below:

Variable X_1 (Service Quality)

No.	Dimension
1.	Tangibles
2.	Reliability
3.	*Responsiveness*
4.	*Assurance*
5.	Empathy

2. Variable X_2 (Promotion)

From the five *promotional mix* there are three indicators for variable X_2 (Promotion)that will be considered by *House of Roida* as the strategy in marketing its products in order to influence the consumer's buying decision, which are:

Variable X_2 (Promotion)

No.	Indicator
1.	*Advertising*
2.	*Direct marketing*
3.	*Personal Selling*

3. Variable X_3 (Price)

Here are the indicators for variable X_3 (Price)based on the five stages of process that happens in the buying decision making as stated by Engel *et al.* (2012):

Variable X_3 (Price)

No.	Indicator
1.	Price Affordability
2.	Price Competition
3.	Price Suitabality
4.	Price Cut

4. Variable Y (Buying Decision).

Buying decision can be understood as an integration process which is a set of process in evaluating two or more alternativesoffered, and choosing one of them, according to Peter dan Olson (2008). Here are the indicators for buying decision:

No.	Buying Decision Indicator
1.	Product Comparison before purchase
2.	Purchase due to service quality factor
3.	Purchase due to service quality factor

4.	Purchase due to price factor
5.	Purchase due to recommendation factor
6.	Repeat Purchase

RESEARCH METHODS

The type of research used here is*explanatory research*. As explained by Schindler *et al.* in the research of Rosida (2013),explanatory research is a research that explains the relationship between two variables, where one variable have an influence toward the other variable. The results of questionnaires and interviews is the primary data in this research, whereas the journals and references used by the research is the secondary data. The population in this research is taken from the data of the number of customers that has came in and had a treatment at least twice in *House of Roida*from the start of its operation in June 2014 to the month of April 2015, in which 101 people are taken from a population of 424 people through the technique of purposive sampling. The data analysis used in this research is the validity and reliability test, Multiple Linear Regression, F-test, t-test, Coefficient correlation analysis, Determination Coefficient, Multicolinearity Test, Heterokedasticity test, Normality Test, AND finally the Linearity Test.

Multiple Linear Regression Analysis

Here are the regression calculation result as taken using SPSS:

Variable	Regression Coefficient	*Sig.*
(Constant)	0,397	0,418
Mean **X1 (Service Quality)**	0,342	0,013
Mean **X2 (Promotion)**	0,243	0,028
Mean **X3 (Price)**	0,256	0,023

The result of the calculation for multiple linear regression equation is as follows:

$$Y = 0,397 + 0,342.X1 + 0,243.X2 + 0,256.X3$$

Explanation:
Y   : Buying Decision;   X2 : Promotion
X1 : Service Quality;   X3 : Price

Simultaneous Significance Test (F-test)
Here are the table for the F-test done in this research:

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5,587	3	1,862	17,728	0,000[b]
Residual	4,833	46	0,105		
Total	10,420	49			

The F-test shows that the calculated F value of 17,728 with a signifance of 0,000 (sig<0,05). Therefore, it can be concluded that the fourth hypothesis (H$_4$) of the research variable(service quality, promotion, dan price dimension) has a simultaneously significant influence toward the consumer's buying decision in *House of Roida*can be accepted.

RESULT AND DISCUSSION
A. Research Respondents
Respondentsthat are also consumers in*House of Roida*in this research are 80% female, and respondents in the age range between 26 - 35 years old has the highest percentage of 36%, those who are married has the highest percentage of 86%,those with a bachelor's degree education has the highest percentage with 50%, and the income level of Rp 3.100.000 – Rp 6.000.000 and Rp 6.100.000 – Rp 10.000.000 both has a percentage of 26% each, which is the highest amount of percentage.

B. Research Variable
   1. Service Quality
   Overall the House of Roida's service quality variable mean value is measured to be the highest in comparison with variable of promotion and price when influencing the buying in*House of Roida*, this is shown from the mean answer of the service quality variable (X$_1$) of 4,25 with a positive answer category. This shows that on average, the service quality in *House of Roida* telah has fulfilled the respondent's expectation.

   2. Promotion
   Overall the mean value of the promotion variable (X$_2$) of 4,17 is of a pretty high value, placesd second after the service quality variable. The most suggested promotionmethod for *House of Roida*from the respondents is through online media.

   3. Price
   Overall the mean value of the price variable (X$_3$) in*House of Roida* is considered to be quite high with a value of 3,95 andis third after the promotion variable. Fom the indicatorprice variable, the indicatorfor price cut program (X$_{3.4}$) has the highest answer, and the lowest average in the indicator is the competitive price when compared to other places that the respondents choose (X$_{3.2}$).

C. Influence of Service Quality towards Buying Decision

Based on the the t-test that gives a sig. Value of 0,013(sig<0,05), it can be observed that service quality has a partial and significant influence towards buying decision. As such, the initial hypothesis (H$_1$)in this research with the statement that service quality has a significant influence towards buying decision can be accepted.

D. Influence ofPromotiontowards Buying Decision

In this research a t-test sig.value of 0,028(sig<0,05) is obtained, and therefore this shows that promotion has a significant influence towards buying decision. As such, the second Hypothesis (H$_2$) in this research that states thatpromotionhas a significant influence towards buying decision can be accepted.

E. Influence of Price towards Buying Decision

In this research a t-test sig.value of 0,023(sig<0,05) is obtained, and therefore this shows that price has a significant influence towards buying decision. As such, the third hypothesis (H$_3$) in this research that states thatpricehas a significant influence towards buying decision can be accepted.

CONCLUSION AND SUGGESTION

Conclusion

a. Service quality has a positive and significant influence towards the buying decision for the customers in *House of Roida*. Therefore, a conclusion can be taken that if *House of Roida*increases its service quality, then more customers will decide to conduct their purchases in *House of Roida*.

b. Promotion has a positive and significant influence towards the buying decision for the customers in *House of Roida*. Therefore, a conclusion can be taken that if *House of Roida*increases its promotion, then more customers will decide to conduct their purchases in *House of Roida*.

c. Price has a positive and significant influence towards the buying decision for the customers in *House of Roida*. Therefore, a conclusion can be taken that if *House of Roida*decreases its price, then more customers will decide to conduct their purchases in *House of Roida*.

d. Service quality, promotion and pricehas a positive and significant influence towards the buying decision for the customers in *House of Roida*. Therefore, a conclusion can be taken that service quality, promotion and price is a union that has a simultaneous influence towards the buying decision for the customers in *House of Roida*

Suggestions

The most demanded service that House of Roida can't provide is the ratus facility and sauna equipment. Therefore, it is strongly recommended for the company to be able satisfy the customer's demand in order to increase its service quality.

a. The company should have more promotion through a variety of advertisement media so that its promotion programs can reach more prospective customers. For example, increasing promotion through internet, by using the application of social media and website (*ex: Facebook, Instagram, Google My Business*, dll) as an *direct marketing*alternative that is widely used by people these days.

b. As discovered through this research, price has a significant value twoards buying decision, and therefore if the company still wants to do positioning as the luxurious body care place, then the differentiation strategy through the higher price has to keep up with its value advantage. The value that has to be kept is having a better service quality compared to the competitorsThe price cut program through discounts and membership has to be evaluated based on the customers demands, especially for the care packages to be more in line with the customers' needs. In addition, there has to be knowledge teaching for all employees of the companies' advantage over its competitors, in order to provide them with confidence and improve their work performance.

Recommendation

a. In this reseach, it is not known how much the satisfaction level of customers towards the variable of service quality,promotion dan pricethat is provided byHouse of Roida. A research for the satisfaction level of the customers towards the variable of service quality, promotion dan pricein House of Roidacan give a clearer picture about the company's performance.

b. It is hoped that in the future there can be a research about the type of promotion media and strategies that can influence the buying decision of the customers inHouse of Roidathe most.

c. For the next research that wants to continue this research, it is recommended to find another factor that can influence buying decision with a bigger amount of sample.

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