The Influence of Brand Image, Sales Promotion and Quality of Service on Customer Satisfaction Car Rental Service

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ABSTRACT

This causal associative research aims to determine the effect of brand image, sales promotion, and service quality on customer satisfaction in car rental services. Data were collected by using a google form questionnaire which was measured by a Likert scale. Samples were taken by purposive sampling with 100 respondents. The data analysis technique used is multiple linear regression. This study shows that brand image, sales promotion, and service quality have a positive and significant impact on customer satisfaction. The company is expected to pay more attention to customer satisfaction by paying attention to the brand image, maintaining sales promotions carried out and maintaining the quality of services provided by improving the performance of handling complaints by customers.

Keywords: Brand Image, Customer Satisfaction, Service Quality, Sales Promotion.

I. INTRODUCTION

Transportation plays an important role in the socio-economic aspect through the distribution function. Distribution of goods, people, and others will be easier and faster if the existing means of transportation function properly. Bali is known as a tourist destination for both domestic and foreign tourists. Tourism needs to support components such as special attractions in tourist objects, accommodation, transportation, infrastructure, institutions, and other supporting facilities. The support for the provision of tourism facilities and infrastructure, especially adequate transportation when needed by tourists, is an attraction for tourists to stay longer in Bali (Suhartina & Nasir, 2018).

The development of tourism in Bali has finally created business opportunities in the field of vehicle rental for tourists visiting Bali for various reasons. This phenomenon eventually causes business competition in the field of transportation services, especially rental cars, which is increasingly diverse with various attractive offers to target market share to become increasingly fierce. Tourism before 2019 was the main source of income for people in Bali and many people depended on this sector. In March 2020 the Indonesian government officially declared the Covid-19 pandemic to be entering Indonesia. This is a big blow for regions that rely on the tourism sector to support the economy. The incident ultimately had an impact on related businesses, including vehicle rental services.

In conditions of increasingly fierce business competition and the Covid-19 pandemic, vehicle rental service providers are still trying to keep their businesses running. Efforts have been made by business actors in the vehicle rental sector to create customer satisfaction. It is hoped that through creating customer satisfaction, the business carried out will survive and customers will continue to use their services in the future after the Covid-19 pandemic ends.

Customer satisfaction is an individual's perception of the performance of goods or services related to customer expectations (Dewa, 2018). Customer satisfaction can be interpreted as customer perceptions of products or services that have met their expectations (Junior et al., 2019). Satisfaction is an emotional state, where after someone purchases a product or uses a service there will be a reaction of satisfaction, dissatisfaction, joy, and so on. The more satisfied customers are with a product or service, then this has a positive impact on business continuity (Sarie, 2018). Customer satisfaction is influenced by various factors such as a brand image or company image (Irawan, 2018).

Brand image includes knowledge, opinions from customers, and non-physical and product characteristics (Soltani, 2016). Brand image is a perception that is built by consumers in their minds through the experience and character of the product that has been seen or felt by consumers, building a positive brand image is very important for a company. Because without a strong image, it is very difficult to attract new consumers as well as to retain consumers who have bought the company's products.

Consumers today are becoming more conservative in making decisions in using a service or product, one of which is the consideration of the brand image of the product or service that will be used.

Brand image is considered important for every company because it is the overall impression that is formed in people's minds about the company, the country of origin [COO] of the product can affect the brand image formed in the minds of consumers. Brand image is a comprehensive assessment of
the company by consumers who are believed to influence satisfaction. The company is expected to communicate clearly about how the company fulfills the wants and needs of the customer-oriented market so that it can direct the public in a positive image of the company (Kotler & Keller, 2017). Several previous studies that have been conducted obtained that brand image influences customer satisfaction (Usvela et al., 2019; Rusandy, 2018). However, other studies were different results where brand image does not affect customer satisfaction (Kurniawati et al., 2019; Junior et al., 2019).

The factors that influence customer satisfaction are product facilities, sales promotions, gifts, company image, convenience, service, and security where these are very poorly implemented in the company. Sales promotion is a direct stimulus aimed at consumers to make a purchase (Tjiptono, 2018). Sales promotion offers an incentive to buy, so that the benefits that producers want to provide can be well received by consumers. Promotions encourage consumers to try new products, thereby increasing sales. Sales promotion is also useful for promoting greater consumer awareness of prices. Several studies found that sales promotions carried out by companies affected customer satisfaction (Dewa, 2018; Suastini & Mandala, 2019), but another results also obtained where sales promotion does not affect customer satisfaction (Egar, 2017).

Another factor that is thought to influence customer satisfaction is the quality of service. There are two main factors that affect the quality of service, customer expectations and company performance that can be felt by consumers (Junior et al., 2019). The company's service quality is considered good and satisfactory if the company could provide services beyond consumer expectations, if the services provided are lower than consumer expectations, then the company's service quality is considered poor. Therefore, this situation has resulted in the company having to keep up with changes, especially in transportation where vehicles must always be new, and the company is also required to have a uniqueness that can attract consumers in order to maintain or seize existing market share. Service quality affects customer satisfaction, which means that if perceptions of service increase, customer satisfaction will increase (Kurniawati et al., 2019). In contrast some studies found that service quality had no effect on customer satisfaction (Shamsudin, 2020).

There are still inconsistencies in the results from previous studies and research needs to be done to confirming the level of customer satisfaction so that the vehicle rental business can formulate strategies to anticipate so that customers remain loyal.

Brand image measures consist of functional, social, symbolic, experiential and appearance enhancements which imply that marketers should focus on the benefits of brand image to achieve customer satisfaction. Companies that have big names will find it very easy to get new consumers as a result of the image and satisfaction they create (Cuong & Khoi, 2019; Diputra & Yasa, 2021; Farizan et al., 2019; Hosseini & Behboudi, 2017).

**H1: Brand image has a positive and significant effect on customer satisfaction.**

Sales promotion has a significant and positive effect on customer satisfaction, more promotions are expected to have a positive impact on customer satisfaction (Khan, 2017). Increasing sales promotions will increase customer satisfaction (Anugrah, 2020).

**H2: Sales promotion has a positive and significant effect on customer satisfaction.**

Service quality has a significant effect on customer satisfaction, the higher the service quality of each dimension, the higher customer satisfaction. If the perception of service increases, customer satisfaction will increase. Criticism, suggestions, and complaints made by customers which were responded to quickly by the company caused customer satisfaction (Assegaff, 2016; Gong & Yi, 2018; Parawansa, 2016; Phuong & Trang, 2018; Hafeez & Muhammad, 2012).

**H3: Service quality has a positive and significant effect on customer satisfaction.**

**II. METHODOLOGY**

This research was conducted in “Bali Bulan Rent a Car”, a vehicle rental service provider in Denpasar, Bali, Indonesia using a questionnaire. Measurements are made on Brand Image through indicators of Corporate Image, Product Image and User Image. Then sales promotions use indicators including discounts, giving gifts, free trials. Service quality refers to Tangibles, Empathy, Reliability, Responsiveness and Assurance elements. Customer satisfaction is measured through the fulfillment of consumer expectations, interest in reusing and recommending services to others. This study uses 100 respondents who live in Denpasar and have purchased a service in “Bali Bulan Rent a Car”. The data obtained were processed using multiple linear regression analysis

**III. RESULTS AND DISCUSSION**

Respondents are dominated by men [57 percent], the age range of respondents is dominated by respondents aged 28-32 years [33 percent], and the dominance of respondents with an income of 4-6 million rupiahs explains that respondents have sufficient financial ability. The results of the questionnaire showed that the
respondents experienced an increase in self-esteem when using the vehicles that they rented. Respondents prefer a direct discount on their invoices rather than getting a gift after purchasing. Respondents prioritized the physical condition of the vehicles provided by rental services, besides that respondents expected a quick response from the company on complaints, suggestions, and questions asked by consumers. Respondents said that when they were satisfied with the services, they would repurchase the service and recommend it to others.

Based on Table I, the F value is 18.388 with a significance of 0.000 <0.05, it can be concluded that there is a significant influence between brand image, sales promotion, and service quality simultaneously on customer satisfaction. The influence of the independent variable on the dependent variable is indicated by the total determination value [RSquare] of 0.365 which means that 36.5 percent of the variation in customer satisfaction is influenced by variations in brand image, sales promotion, and service quality while the remaining 63.5 percent is explained by factors others that are not included in the model.

The significance value of the brand image variable is 0.042 and the beta coefficient value is 0.235. It can be explained that brand image has a positive and significant influence on customer satisfaction. Thus, H1 is accepted. The brand image that is projected through popularity, product image, and user image gets a good response from respondents. This means that the brand image is created because it provides a good experience for customers and also creates a sense of confidence for service users.

The significance value of sales promotion is 0.002 and the beta coefficient is 0.360. It can be explained that sales promotion has a positive and significant effect on customer satisfaction. Thus, H2 is accepted. Sales promotions that are carried out can provide satisfaction for customers who use their transportation services. Sales promotions carried out by giving discounts, giving attractive prizes, and free trials before deciding to use the service are the right actions and have an impact on customer satisfaction.

The significance value of service quality is 0.008 and the beta coefficient is 0.277. It can be explained that service quality has a positive and significant influence on customer satisfaction. Thus, H3 is accepted. Good service is carried out by maintaining the physical appearance of the vehicle that is rented out, the attention is given to the customer, employing people who have competence in their field, respond to complaints quickly, and can provide services by the agreement. This creates satisfaction for customers because customers feel the maximum service.

The results of this study provide theoretical benefits that support previous research where brand image, sales promotion, and service quality affect customer satisfaction. The results of this study indicate that the brand image owned or created by the company through the company's image, product image, and user image will be able to provide satisfaction to customers. Sales promotions carried out by the company can also provide satisfaction to customers with discounts, gifts, and also free trials provided by the company. Likewise, service quality can provide satisfaction to customers considering service-based businesses, service quality that can create customer satisfaction such as physical appearance that can be observed by users, reliable performance from the company, fast and responsive response, competencies possessed by company employees and also, easy access to information.

Businesses are expected to pay more attention to customer satisfaction by paying attention to their brand image while maintaining self-confidence for customers who use their services and providing a good experience in the minds of customers, maintaining the sales promotion strategy that it does by giving discounts, providing free trials, and give gifts to customers, must also pay attention to the quality of services provided to maintain customer satisfaction by taking care of the physical appearance of the vehicles he rents, services that are by what the company promises, employing competent employees in their fields, and the attention given to customers.

IV. DISCUSSION AND CONCLUSION

A good brand image is known to increase customer satisfaction. For this reason, companies need to be more optimal in creating a brand image to be better known by the public, such as increasing e-WOM, and utilizing social media in introducing the company so that its existence is more aware of the public. Sales promotion can increase customer satisfaction. Promotion can be done with after-sales service and giving gifts in every purchase. Businesses can take advantage of social media to introduce their company to the public so that their existence can be known, need to pay attention to the distribution of gifts given to customers by utilizing special notes, and improve customer complaint handling schemes. Service quality has an influence on the satisfaction felt by customers. Customer quality can be reflected in the optimal response to complaints submitted by customers in an effort to maintain excellent service quality. This effort is made so that customers are not disappointed and decide to switch to competitors.

For further researchers, in order to obtain more optimal findings, it is suggested that the research area is not limited to just one company and uses continuous data to obtain an overview of the influence of brand image, sales promotion and service quality on customer satisfaction.

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