The effect of service innovation and e-service quality toward customer satisfaction the my-xl application in bandung city

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A R T I C L E I N F O	ABSTRACT
	This research aims to analize however the outline of Service Innovation, E-Service Quality and Customer Satisfaction, furthermore as determine how the influence of service innovation and E-Service Quality on Customer Satisfaction. The fact that businesses are required to maintain customer satisfaction serves as the background for this research, which is informed by the ever-increasingly high expectations that consumers have of a brand or product. As one of the providers, XL must also ensure customer satisfaction by enhancing or maintaining service quality.100 people who purchased active data packages and used XL cards were included in the sample. The SPSS Ver.25 data processing system is used to perform Multiple Regression Analysis as a method of data analysis. Service Innovation and E-service Quality had a significant impact on Customer Satisfaction by 42.3%, according to the analysis's estimation. The fact that the variable E-service quality is partially demonstrated to have a greater constant than the variable Service innovation must be prioritized to obtain a more significant influence.

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INTRODUCTION

According to Open Signal, package data usage in Indonesia has increased significantly from 8.5 GB per month in 2019 to 14.4 GB per month in 2021. This rise in data bundles demonstrates that people are increasingly reliant on the internet for everything from work to school to shopping (Rizzato, 2021). From the same source, Open Signal, it appears that XL has 30% of its users (leavers), putting it in second place, but this does not necessarily mean that Internet Providers like XL should focus on an easy increase in sales. It will not produce better outcomes to continue using the main service in the same manner. To improve product quality, customer service, and offers, businesses or brands must identify excellence through service innovation (Handayani, 2022). Innovation is capable of adding additional and novel value to a product or service, thereby increasing customer satisfaction (Mahendra&Nugroho, 2021). According to Naveed, et.al; innovation has a strong correlation with customer satisfaction and can even be a competitive advantage for both established and emerging brands (Naveed, 2018).

It is not enough to create innovation to differentiate yourself from competitors; the innovation that is produced also needs to be one that the consumer wants and deems important. When a brand's products embody the most important thing to customers, it not only makes them happy but also has the potential to make them loyal to the brand because they feel most respected by the brand (Winarti, 2021). Because motivation stems from an employee's internal impulse rather than external pressure. If he wants to make the most of every opportunity and do his job well, he needs to be motivated. It is believed that an employee's work productivity can be demonstrated to the benefit of the organization or institution in which he works if each task can be performed to its full potential (Rahmawati, 2020).

The quality of E-services is a strategic consideration for companies attempting to connect with electronics market customers. E-service quality, according to Rita et.al, is a crucial strategy for businesses to use to compete successfully (Rita, 2019). It is more convenient, interactive, less expensive, and offers a high level of customization and personalization to their customers, an increasing number of businesses are relying on e-services, including the XL brand through the development of MyXL (XL-Axiata, 2022). According to Putri, 90% of highly satisfied online shoppers will recommend their online stores to others, and 80% of highly satisfied online shoppers will shop again within two months (Putri, 2022). The purpose of this research is to investigate the impact of service innovation and E-service quality on customer satisfaction with the MyXL Bandung brand.

Technological advancements, increased digitization, and globalization have all posed significant challenges to the business environment in recent years (Zia Qureshi, 2022). As a result, trading has become more transparent and open, allowing customers to select from a wider range of options and meet increasingly diverse customer needs. Markets are becoming more differentiated, resulting in a wider range of products and services available, all with the goal of capturing value by satisfying a variety of needs (Ajmal, 2018). Companies spend significant resources expanding and improving products and services, resulting in various types of innovation, in order to provide consumers with an exceptional and satisfying experience, which is critical to competition and fostering loyalty (Fei-Tai, 2021). As a result, innovation has become a major buzzword in today's business world. The term "Innovation" is not only important today, but also in the future. Joseph Schumpeter defined the concept as "the process of regulating a new production function" (Chen, 2018).

According to Shin's research, service innovation is a new method for providing services, such as increasing the company's added value through new activities or innovations that will improve the company's performance (Shin, 2022). Shin et al. claim that the following methods can be used to measure service innovation: 1) Utilization of technology, 2) Customer interaction, 3) Creation of new services, and 4) System of service delivery. The term "electronic services" typically refers to those that are provided by Information of Computer Technology over the Internet. Rahman et.al, define an E-service as an action or performance that generates value and provides benefits to customers through processes that are stored as algorithms and are typically implemented by network software, additional definitions of E-services can include a transformation into a binary world (Rahman, 2022). Although the literature demonstrates that the quality of service is a variance between expected and actual service, the quality dimension of E-service differs from that of traditional services (Pakurár, 2019). The researchers utilized a variety of dimensions based on their field of study. According to Lie et.al, four dimensions can be used to evaluate the quality of online services: 1) Usability, 2) Design aesthetics, 3) Processing speed, and 4) interactive responsiveness (Li, 2019).

On research of Syahsudarmi defines satisfaction as a person's level of feelings when comparing performance or results to expectations (Syahsudarmi, 2022). According to Winowatan et.al; Customer satisfaction or dissatisfaction,, is the difference between expectations before and after using a service or services (Winowatan, 2021). To put it another way, this is how the customer reacted to the evaluation of non-conformities. According to Kotler&Amstrong; customer satisfaction is

essential to customer retention; which can be assessed using four indicators:1) Repurchase, 2) Word of Mouth, 3) Building a Positive Brand Image, and 4) Making a Decision to Buy from the Same Business (Kotler&Armstrong, 2018).

RESEARCH METHOD

The quantitative approach in this research used the survey method, and the questionnaires were distributed using the Likert scale with primary data, then the respondents' perceptions were tabulated (Sugiyono, 2019). Issues related to the impact of service innovation and e-service quality on online impulsive customer satisfaction among Bandung, Indonesia, and My-XL application users will be the focus of this study. The types and sources of quantitative data used in this study were 100 users of the My-XL application in the city of Bandung, who were chosen as the study's sample. This study used nonprobability sampling as the method of sampling. In this study, questionnaires were used to collect primary data, while textbooks and journal articles were used to collect secondary data. Using SPSS Ver.25 for Windows software, descriptive analysis was used to analyze the data using a variety of linear regression analysis methods. The opinion of Sekaran&Bougie, also explains that the existence of external variables indicates that there is a variable which exists in the implications of other variables, thus the main variable is suitable as writing material (Sekaran&Bougie, 2020).

RESULTS AND DISCUSSIONS

This research also presents validity and reliability tests by presenting the convergent validity of data as in table 1.

Table 1. Validity and Reliability Test Results

Construct	Correlation Value	Description	Cronbach's Alpha	Description
Service Innovation				
X1.1	0,816			
X1.2	0,838	Valid	0,777	Reliable
X1.3	0,845			
X1.4	0,776			
E-Service Quality				
X2.1	0,802			
X2.2	0,891	Valid	0,707	Reliable
X2.3	0,850			
X2.4	0,799			
Customer Satisfaction				
Y1.1	0,532			
Y1.2	0,625	Valid	0,759	Reliable
Y1.3	0,687			
Y1.4	0,516			

Source: Data Analyzed by SPSS

With the program of SPSS Ver.25 for Windows Application, the questionnaire-collected data was analyzed by using multiple regression analysis techniques to determine the influence of service innovation and E-service quality variables toward customer satisfaction. The equation of multiple linear regression model can be seen in the table below, and the analysis's results will provide an overview of the estimation table.

Table 2. Multiple Linier Regression

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	Beta		t	Sig.
1 (Constant)	15.294	1.326			11.531	.000
SERVICE INNOVATION	.031	.100	.045		0.310	.757
E-SERVICE QUALITY	.125	.107	.170		1.172	.244

a. Dependent Variable: CUSTOMER SATISFACTION

Source: Data Analyzed by SPSS

$$Y = 15,294 + 0,031X1 + 0,125X2 + e$$

The variables for service innovation and E-service quality are regarded as constant, the dependent variable, which is the customer satisfaction variable, has a constant value of 15,294. To put it another way, the value of customer satisfaction will also remain unchanged if the independent variable does not change. If the value of the service innovation variable's regression coefficient is 0.031, this indicates that the addition of points to the service innovation variable is 0.031 if the value of the service innovation variable increases by one independent variable, namely the E-service quality variable. The fact that the value of the regression coefficient is positive indicates that service innovation improves customer satisfaction. This indicates that customer satisfaction rises in direct proportion to service innovation. If the value of the e-service quality variable's regression coefficient is 0.125, this indicates that the addition of points to the customer satisfaction variable is 0.125 if the value of the E-service quality variable increases by one independent variable, namely the service innovation variable. Customer satisfaction is positively impacted by E-service quality if the regression coefficient value is positive. This indicates that customer satisfaction rises in direct proportion to E-service quality.

Table 3. Simultaneous Hypothesis Testing

ANOVA[a]

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	426.812	2	213.406	35.595	.000[b]
Residual	581.548	97	5.995		
Total	1008.360	99			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Service Innovation, E-Service Quality

Source: Data Analyzed by SPSS

Based on the analysis in the table above, if the significance value is less than 0.05 in any of the following situations. Its crucial value is 0.000, as shown in the table above. Therefore, based on its significance and value, we can conclude that customer satisfaction is influenced simultaneously by E-service quality and service innovation.

Table 4. Coefficients of Determination

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.651[a]	.423	.411	2.44854

a. Predictors: (Constant), Service Innovation, E-Service Quality

b. Dependent Variable: Customer Satisfaction

Source: Data Analyzed by SPSS

From the results shown in the table above, the square of R in the research was 0.423 or 42,3%. This means that service innovation and E-service quality have a 42.3% impact on customer satisfaction. The remaining of 57,7% or 0.577 were influenced by other variables or factors not studied.

CONCLUSION

The findings indicate that the variables of service innovation and E-service quality have an impact on customer satisfaction; consequently, the elements of improving service innovation and E-service quality should be taken into consideration in the company's strategic policymaking. Based on the results of multiple linear regression, a constant value of 15,294 indicates that customer satisfaction will rise at the same rate as service innovation and E-service quality are equal to zero. A regression coefficient of 0.031 with a positive sign was obtained for the direction of service innovation's effect on customer satisfaction. The conclusion that can be drawn from these findings is that customer satisfaction will rise if the business can increase the value of service innovation. A regression coefficient of 0.125 with a positive sign was obtained for the e-service quality direction coefficient that has an impact on customer satisfaction. Based on these findings, it is possible to conclude that customer satisfaction will rise if the company can raise the value of E-service quality within the organization. This study's coefficient of determination of R square was 0.423, or 42.3%, indicating that service innovation and E-service quality have a 42.3% impact on customer satisfaction. Whereas other un-studied variables or factors influenced the remaining 57.7%, or 0.577.

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