THE EFFECT OF PERCEIVED EASE OF USE AND VIRAL MARKETING ON DECISION OF USE AND CUSTOMER SATISFACTION GO-JEK IN DENPASAR CITY

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Strengthening Rural Economy (11)

Abstract

The purposes of this study is to analyze the effect of perceived ease of use and viral marketing on decision of use and customer satisfaction Go-Jek in Denpasar. The sample size is 100 Go-Jek customers in Denpasar. Sampling method is accidental sampling. The data were submitted to PLS for structural equation modeling. The results showed that the ease of use perception variable did not affect the size used with the t-statistic value of 1.619. Viral marketi ng variables significantly influence the results of use with a t-statistical value of 5,180. Variables and forms of use on customer satisfaction with a t-statistical value of 14.335.

Keywords
Keywords: *customer satisfaction, decision, perception of ease of use, viral marketing, Denpasar*

1. Introduction

In managing business, a company must be market its. Its need a strategy to maximize results. The Business competition today is a challenge for entrepreneurs to stay competitive. Competition is increasingly widespread cause of the existence of a marketing strategy that can keep business growing.

Indonesian internet users grow up every year. The ease of having a device that is connected to the internet and various other factors makes the growth of internet users Indonesia quite good in recent years. This was disclosed by the Association of Internet Service Providers Indonesia (APJII) in a recent survey they released (www.apjii.or.id, 2016)

According to Peter and Oloson in Achmad (2013: 22), consumer satisfaction is an important concept in consumer marketing and research. If consumers are satisfied with a product or service, they are likely to continue to buy and use it and tell others about their pleasant experience with the product or service. If they are not satisfied, then tend to switch brands and appeal to producers and even tell others.

Satisfaction will be felt by consumers after use of a product or service. According to Kotler (2005: 228) there are two factors that can affect the purchase decision. The first factor is the attitude of others that is the extent to which other people's attitude reduces one's preferred alternative. The second factor is the unanticipated situation of the situation that can arise and change the purchase intentions, which resulted in the consumer canceling the

purchase decision of a product. Before deciding to purchase a consumer product or service is influenced by several factors, in this case is perceived ease of use and viral marketing.

Go-Jek is a social-minded company that leads the revolution of the motorcycle taxi industry in Indonesia. Starting in 2010 as a two-wheel transportation company by phone call, Go-Jek has grown into a provider of application-based transportation and lifestyle services. GO-JEK partnered with experienced motorcycle riders in Jakarta, Bandung, Bali & Surabaya and became the main solution in the delivery of goods, food delivery, shopping and traveling in the middle of congestion. By using GO-JEK app. that can provide convenience for consumers in order to access all services GO-JEK (www.go-jek,2017).

This is what must be considered GO-JEK so as not to lose customers by being able to provide all the things needed and desired consumers. And how GO-JEK attracts consumers to make use of GO-JEK services and retain their customers through customer satisfaction itself. This encourages research entitled the influence of perceived ease of use and viral marketing to the decision on the use of service and customer satisfaction GO-JEK in the city of Denpasar.

1.1 Perceived ease of use and decision to use

According to Jogiyanto (2007: 115) perceived ease of use is the extent to which a person believes that using a technology will be free of effort. From the above definition, it is known that the perceived ease of use construct is also a belief about the decision making process. If people feels confident that the information system is easy to use, they will use it. Awa, et al (2015) suspect that ease of use has affects the decisions to adoption e-commerce by SME's in Africa. Riquelme n Rios (2010) also found the same things, where the higher the perceived ease of use of the mobile device for banking transactions, the higher intention to adopt it or use it. The indicator of perceived ease to use is easy to learn, easy to do, and easy to operate. Thus formulated the following hypothesis:

H1 : Perceive ease to use has significant effect on decision to use

1.2 Viral marketing and decision to use

Viral marketing is a medium used to increase product awareness and as well as corporate brand recognition by spreading persuasive virus messages through the recipient's social networks by WOM (Bampo et al. 2008). Viral marketing is basically a form of word of mouth internet marketing (e-mouth to mouth marketing or also called e-word of mouth marketing) whose promotional function is networking and designed like a virus from one person to others quickly and broadly by providing specific rewards to its customers (Hasan ,2010: 42). Ferguson (2008) says that the desired outcome of viral marketing is marketing WOM, that is where someone tells others about a video which is good on YouTube or an app on Facebook. Andini, et al (2014) found that viral marketing has a positive and significant impact on service use decisions. Mortazavi et al. (2014) found that viral marketing has significant effect on purhasing intention virtual social networks. The indicator of viral marketing is : mesenger, message, and environment (Kaplan and Haenlein, 2010). Thus formulated the following hypothesis:

H2 : Viral marketing has significant effect on decision to use

1.3 Decision to use and customer satisfaction

Decision to use is a combined process of integration knowledge to evaluate two or more alternative behaviors, and choose one of them (Nugroho, 2008: 415). The purchase decision is the buyer's decision process about which brand to buy (Kotler and Armstrong, 2008: 179). According to Peter and Oloson in Achmad (2013: 22) consumer satisfaction

is an important concept in marketing and consumer research. Many benefits are accepted by the company wit the achievement of the level high customer satisfaction, that is besides being able to increase customer loyalty but also can prevent customer turnover, reduce customer sensitivity to price, reduce cost of marketing failure, reduce operating costs which is due to the increasing number of customers, improve ad effectiveness, and improve reputation business (Fornell, 1992; Kotler 2002: 75). According to Kotler and Keller (2009: 140) retaining customers is more important than enticing customers. Therefore there are 5 dimensions to measure customer satisfaction are: repeat buying, say good things about the company to others and recommend, pay less attention to competitor brands and advertisements, buy other products from the same company, and offer ideas of products or services to the company. Heryanto (2015) in his research confirm that purchasing decisions have a significant influence on customer satisfaction. This means that consumers feel the wants, needs and expectations aimed at a product that has been purchased is achieved so that it is appropriate and can satisfy the feelings of consumersThus formulated the following hypothesis:
H3 : decision to use has significant effect on customer satisfaction

2. Material and Methods

This research is a survey research conducted on Go-Jek users in Denpasar City in 2017. The number of Go-Jek users is not known with certainty. Determination of sample using margin of error, that is 100 respondents. The period given to fill out the questionnaire is a months, ie from 1 to 30 September 2017. Respondents are asked to give their opinion on five points the scale is 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

The independent variables in this study perceived ease of use and viral marketing. Dependent variable is customer satisfaction, and intervening variable is decision to use. Data were analyzed with PLS. According to Wiyono (2011: 395), Partial Least Square (PLS) is one of the Structural Equation Modeling (SEM) techniques that can analyze latent variables, indicator variables and measurement error directly. The evaluation of Partial Least Square (PLS) model in this research is based on 2 (two) basic evaluations, namely evaluation of outer model model and evaluation of structural model (inner model).

2.1 Outer model

Evaluation of outer measurements of Partial Least Square (PLS) model is to know the validity and reliability of indicators that measure latent variables. Assessing outer model or measurement model using convergent validity test (loading factor >0.5), discriminant validity (If the correlation between latent variables with each indicator (manifest variable) is greater than correlation with other latent variables), composite reliability (0.7), and average variance extracted (AVE>0.5).

2.2 Inner Model

Tests on the structural model are performed to test the relationship between latent constructs. There are several tests for the structural model using R^2 , Parameter Coefficient, Correlation coefficient.

3. Results and Discussion

3.1 Demographic characteristics

The demographic characteristics of respondents are shown in Table 1.

Table 1. Demographic Summary of Survey Respondents

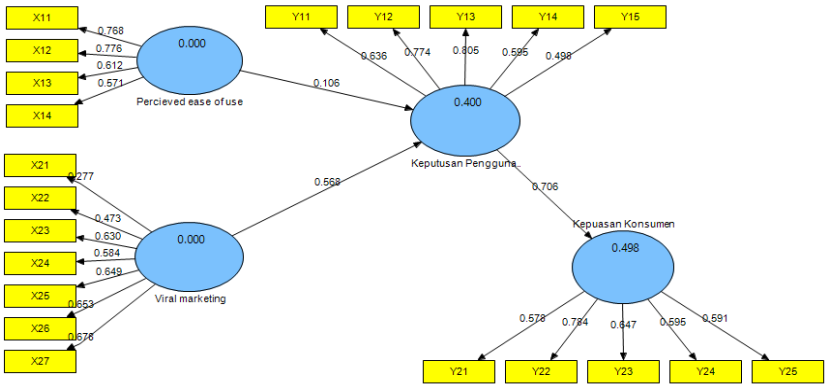
Demographic Variables	Percent (%)
Gender:	
Male	64%
Female	36%
Age:	
< 20 year	24%
20-29 year	73%
30-39 year	3%
>40 year	0
Occupation:	
Student	68%
Etrepreneur	11%
Civil servants	2%
Private employees	14%
Others	5%
Income	
<Rp. 1.500.000	2&
Rp. 1.500.000 – Rp. 2.000.000	5%
Rp. 2.000.000 – Rp. 3.000.000	19%
>Rp. 3.000.000	6%
No income	68%

Source: processed data

3.2 Outer model

Result of outer model shown in Picture 1.

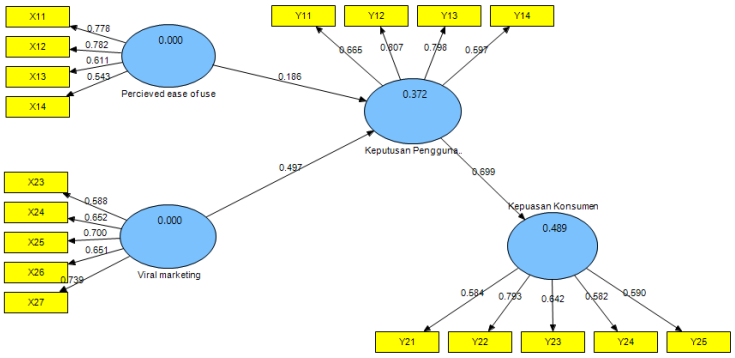
Picture 1. Result of outer model



Source: processed data

Based on Picture 1, we can see that X2.1, X2.2 and Y1.5 the loading factor < 0,5, so in next process data X2.1, X2.2 and Y1.5 will be remove, and the result shown in Picture 2

Picture 2. Result of outer model



Source: processed data

Result of outer model (outer loading, cross loading, AVE, composite reliability*)* shown at Table 2.

After the indicator X21, X22, and Y15 deleted, it can be seen all the indicators declared valid because the loading value on the targeted construction is greater than the loading value with other constructs. AVE value of each variable is valid because all variables have value> 0.5 which is perceived ease of use (X1) 0.547149, viral marketing (X2) equal to 0.54463, use decision 0.521913, and consumer satisfaction (Y2) of 0.541392. The Composite Reliability Test shows that all the variables are reliable because the value of loading is above 0.70, where perceived ease of use (X1) is 0.777093, viral marketing (X2) is 0.800266, the use decision is 0.811325 , and consumer satisfaction (Y2) of 0.776592.

Table 2. Outer Loading, Cross Loading, AVE, Composite Reliability

	Result				
	Variable				
Validity & Reliability	Indicator	X1	X2	Y1	Y2	Status
Convergent validity	X1.1	0.778				Valid
	X1.2	0.782				Valid
	X1.3	0.611				Valid
	X1.4	0.543				Valid
	X2.3		0.588			Valid
	X2.4		0.652			Valid
	X2.5		0.653			Valid
	X2.6		0.651			Valid
	X2.7		0.739			Valid
	Y1.1			0.665		Valid
	Y1.2			0.607		Valid
	Y1.3			0.798		Valid
	Y1.4			0.597		Valid

	Y2.1				0.584	Valid
	Y2.2				0.793	Valid
	Y2.3				0.642	Valid
	Y2.4				0.582	Valid
	Y2.5				0.590	Valid
Discriminant validity	X1.1	0.77822	0.39972	0.36135	0.24137	Valid
	X1.2	0.78208	0.35009	0.33440	0.24543	Valid
	X1.3	0.61135	0.29452	0.25744	0.22619	Valid
	X1.4	0.54310	0.28558	0.18568	0.20979	Valid
	X2.3	0.38134	0.58795	0.40304	0.45287	Valid
	X2.4	0.28185	0.65210	0.25717	0.29054	Valid
	X2.5	0.37377	0.69970	0.40580	0.36249	Valid
	X2.6	0.23416	0.65132	0.35901	0.34181	Valid
	X2.7	0.33444	0.73945	0.47667	0.31505	Valid
	Y1.1	0.34458	0.35727	0.66534	0.35891	Valid
	Y1.2	0.33210	0.48000	0.80743	0.52784	Valid
	Y1.3	0.35468	0.47210	0.79796	0.68377	Valid
	Y1.4	0.19345	0.37283	0.59690	0.37399	Valid
	Y2.1	0.21513	0.30885	0.45298	0.58404	Valid
	Y2.2	0.28860	0.40797	0.53427	0.79300	Valid
	Y2.3	0.09009	0.29077	0.40255	0.64226	Valid
	Y2.4	0.24611	0.35396	0.42996	0.58196	Valid
	Y2.5	0.20736	0.33482	0.41152	0.59034	Valid
AVE	X1		0.547149			
	X2		0.544630			Valid
	Y1		0.521913			
	Y2		0.541392			
Composite Reliability	X1		0.777093			
	X2		0.800266			Reliable
	Y1		0.811325			
	Y2		0.776592			

Source: processed data

3.3 Inner Model

a. R Square

The result of Coefficient of Determination **R^2** shown at Table 3

Table 3. Coefficient of Determination R^2

	R Square
Customer satisfaction	0.488971
Decision to use	0.371900

Source: processed data

Table 3 shows that decisions to use service affected by perceived ease of use and viral marketing by 37.1%, while 62.9% are influenced by other factors not contained in the model. Consumer satisfaction is influenced by decisions to use service of 48.9%, the remaining 51.1% influenced by other factors not contained in the model.

b. Parameter Coefficient

The result of Path Coefficient and t-Statistics shown at Table 4

Table 4 The result of Path Coefficient and t-Statistics

Variable	Direct Effect			
	Decision to use (Y1)		Customer satisfaction (Y2)	
	Koef.	T-Stat.	Koef.	T-Stat.
Perceived Ease Of Use (X1)	0.186	1.619	-	-
Viral Marketing (X2)	0.497	5.18	-	-
Decision to use (Y1)	-	-	0.699	14.335

Source: processed data

Based on table 4, it can be seen t-statistics and parameter coefficients, as follows:

(1) Variable perceived ease of use has not significant effect on decision to use service where t-statistic value (1,619) <t-table (1,96) and koefisien 0,186.
(2) Variable viral marketing has a positif and significant influence on decision to use service where t-statistic value (5,180)> t-table (1,96) and koefisien 0,497.
(3) Variable decision to use service has a positif and significant effect on customer satisfaction where the value of t-statistic (14,335)> t-table (1,96) and koefisien 0,699

c. Correlation coefficient

The result of Correlation coefficient shown at Table 5

Based on the correlation coefficient at Table 5, inter-variables have a close relationship with each other as shown in the correlation coefficient values are all high. However, it is important to know that, the correlation between decisions to use service and costumer satisfaction has the highest value of 0.699265.

Table 5. Correlation coefficient

Variabel	Customer satisfaction (Y2)	Decision to use (Y1)	Perceived ease of use (X1)	Viral marketing (X2)
Customer satisfaction (Y2)	1.000000			
Decision to use (Y1)	0.699265	1.000000		
Perceived ease of use (X1)	0.332689	0.428419	1.000000	
Viral marketing (X2)	0.531198	0.587764	0.487358	1.000000

Source: processed data

4. Conclusion

a. Hypothesis 1 states that perceived ease of use has affects on decisions to use. Based on the result of test which have done perceived ease of use have positive effect where the coefficient value of path marked positive equal to 0,186 but no significant influence where t-statistic value (1,619) <t-table (1,96) to decision

service usage, hence hypothesis 1 rejected. This is because GO-JEK consumers are dominated by people aged 20-30 years where GO-JEK customers are tech-savvy and very heavy in using technology so that it is difficult or easy for GO-JEK applications, consumers will still use them. This is what makes perceived ease of use has no effect on service use decisions. The result of this study is contradictive with research Hardiawan (2013) and Yunanto (2016) which states perceived ease of use has a positive and significant impact on purchasing decisions.

b. Hypothesis 2 states that viral marketing has affects the use of services. Based on test result which have done viral marketing have positive effect where the coefficient value of path marked positive equal to 0,497 and significant influence where t-statistic value (5,180)> t-table (1,96) to decision of service usage, hence hypothesis accepted. This is because the information provided by consumers to their friends will be more easily accepted and can be trusted. And the information conveyed is a direct experience of consumers in using services GO-JEK so that what he felt directly can be told to other consumers through social media.
c. Hypothesis 3 states that decisions to use has affect customer satisfaction. Based on test result which has been done service use decision have positive effect where the value of path coefficient marked positive equal to 0,699 and significant influence where t-statistic value (14,335)> t-table (1,96) to costumer satisfaction, hence hypothesis accepted. This is because after the use of services GO-JEK consumers will experience the level of satisfaction of a service that has been purchased, if the service used in accordance with the needs and desires of consumers then consumers will feel satisfaction. In using the services of GO-JEK consumers experience satisfaction, it is this that makes the use of the service decisions can give effect to the satisfaction of use.

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