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The Effect of Promotion and Service Factors on Airplane Transportation Ticket Prices on the Traveloka E-commerce Application

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A R T I C L E   I N F O

ABSTRACT

In the Traveloka e-commerce application, airplane transportation ticket prices often change greatly, which makes customers confused and dissatisfied. The purpose of this study is to find and analyze the main factors that cause unstable airfares at Traveloka. Descriptive and qualitative analysis were used to analyze this data. In addition, multiple regression analysis was conducted using the SPSS 25 computer program. The results of this study are expected to be a motivation for Traveloka to implement a more fair and open pricing system, not raising prices too high and significantly because customers also want prices that match the facilities they receive. In addition, it is hoped that the results of this study can encourage further research on pricing practices in the digital era. This will help make better policies and regulations to protect consumers in the digital era.

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1. INTRODUCTION

E-commerce is a business process that uses electronic technology as a medium and connects producers and buyers through electronic transactions and sales of goods, services, and information. (Munawar, 2009). The development of increasingly advanced technology has encouraged many businesses in various industries, one of which is the airline industry, which markets its goods and services through websites. One of the businesses is booking or booking airplane tickets online, and all activities are carried out through the Internet system. Of the many online ticket sales sites, Traveloka.com is one of the most famous because it offers airfares from many airlines and allows customers and travellers to access them anytime and anywhere without having to go to a direct ticket sales office. Traveloka was originally founded as a website that helps people find airplane tickets at prices ranging from the cheapest to the most expensive. However, the site has continued to improve its services to allow direct ticket bookings (Megantara & Suryani, 2016).

As explained according to (Movanita, 2019)(Movanita, 2019), the millennial generation is considered one of the biggest drivers of the digital economy in Indonesia. Millennial consumer behaviour when using service applications and e-commerce is determined by the Alvara survey conducted from April to June 2019. According to research conducted by (Ali, 2019), shows that millennials' choice to use their favourite apps brings benefits. For example, which apps offer the best price cuts in terms of promotions? The majority of e-commerce uses discounts as the main strategy to attract these customers including digital payments, online transportation, or promotions. In

contrast, promotions are an important part of marketing goods or services. One of the components that determine the success of a marketing program is promotion. Promotion according to (Sudaryono, 2016)includes all types of marketing activities aimed at increasing customer demand for products offered by producers or sellers. Because the right combination of promotions depends on what the company wants to achieve, promotional objectives must be clearly explained. (Canon, 2009).

Price plays two important roles in influencing purchasing decisions, according to (Tjiptono, 2008) The first is the price allocation role, where prices help buyers make decisions about how to get the most benefit based on their purchasing power. It can be seen that the role of price information helps buyers understand product aspects such as quality. Consumers say that online ticket booking prices are now much more expensive than four or three years earlier, including on Traveloka.com and other online ticket booking sites. However, some customers remain loyal to brands or companies that raise ticket prices, including Traveloka.com.

Apart from price and promotion, service greatly influences purchasing decisions. Quality is all aspects of a product offering that produce benefits for customers. according to (Tjiptono, 2008) Value addition is also often used as a reference to the relative quality of a product and its price. Service quality is important for a company because good service will make it easy for customers to make decisions when they buy products, either directly or online. Service quality is one of the factors that can influence customer decisions to buy products. Consumers who feel satisfied with Traveloka's services then do not hesitate to buy tickets there again. Conversely, customers may not buy tickets again at Traveloka if they feel the service is not satisfactory. They may look for better tickets that meet customer needs.

2. RESEARCH METHOD

This research uses descriptive and quantitative analysis approaches. This study involved several Traveloka application users and the sample required was 100 people. This study uses a questionnaire to collect information about how the effect of price, promotion and service on airplane ticket prices on the Traveloka e-commerce application. After that the data is processed using SPSS 25 with multiple regression analysis methods.

3. RESULTS AND DISCUSSIONS
Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardiz ed Residual
N		100
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.15811333
Most Extreme Differences	Absolute	.083
	Positive	.051
	Negative	-.083
Test Statistic		.083
Asymp. Sig. (2-tailed)		.089[c]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.

The data normality test is used to test whether the resulting residual value is normally distributed or not. A good regression model is a regression model that has a normally distributed residual value. The method used is the one-sample kolmogorov-smirnov statistical method. Data normality decision making using kolmogorov-smirnov> alpha then the residuals in the model are normally distributed, and vice versa if the significance value of kolmogorov-smirnov < alpha then the residuals in the model are not normally distributed. By using significance (alpha) 5% and n = 12.

From the normality test results above, the kolmogorov-smirnov significance value is **0.089** which is greater than the alpha value **(0.089> 0.05)** indicating that this research data is normally distributed.

Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6.018	.531		11.335	.000		
	Promosi	.158	.074	.245	2.143	.035	.580	1.724
	Pelayanan	.243	.087	.320	2.802	.006	.580	1.724

a. Dependent Variable: Harga

The multicollinearity test is used to determine whether variable X has a relationship or not with variable Y. The calculated and significant t coefficient values for each independent variable are presented in the following table: Promotion variable (X1) has a calculated t coefficient value of 2.143 at a significant 0.35, Service variable (X2) has a calculated t coefficient value of 2.802 at a significant 0.006 Therefore, it can be concluded that the Promotion variable (X1) and Service variable (X2) show that they have a positive and significant impact on the price of airplane transportation tickets on the Traveloka e-commerce application.

Simultaneous Test / Goodnes of Fit

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	47.729	2	23.864	17.433	.000[b]
	Residual	132.781	97	1.369		
	Total	180.510	99			

a. Dependent Variable: Harga

b. Predictors: (Constant), Pelayanan, Promosi

The simultaneous test is used to determine the effect of the independent variables together on the dependent variable. The t test is used to test the significance of the effect of the independent variable on the dependent variable in the regression model that has been generated. So the t-test is used to test each independent variable on the dependent variable. The results of the regression analysis obtained a simultaneous significance p-value = 0.000 <0.05, it can be concluded that H_0 is rejected or H_a is accepted, which means that Promotion (X1), and Service (X2) together have a significant effect on Price (Y).

Autocorrelation Test

Model Summary[b]

| Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.514[a]	.264	.249	1.170	2.039

a. Predictors: (Constant), Pelayanan, Promosi

b. Dependent Variable: Harga

The autocorrelation test is a test conducted to be able to see whether there is a correlation between a period and the previous periods. Based on the results of the table above using the Durbin

Watson value shows 2.039. The autocorrelation test results show that the value (du < dw < 4 - du) or 1.7054 < 2.039 < 2.2946. If it is concluded that there is no autocorrelation in the data in this study. so that based on the results of this study the conclusion is that there is no auto correlation either positive or negative.

Heteroscedasticity test

Scatterplot
Dependent Variable: Harga
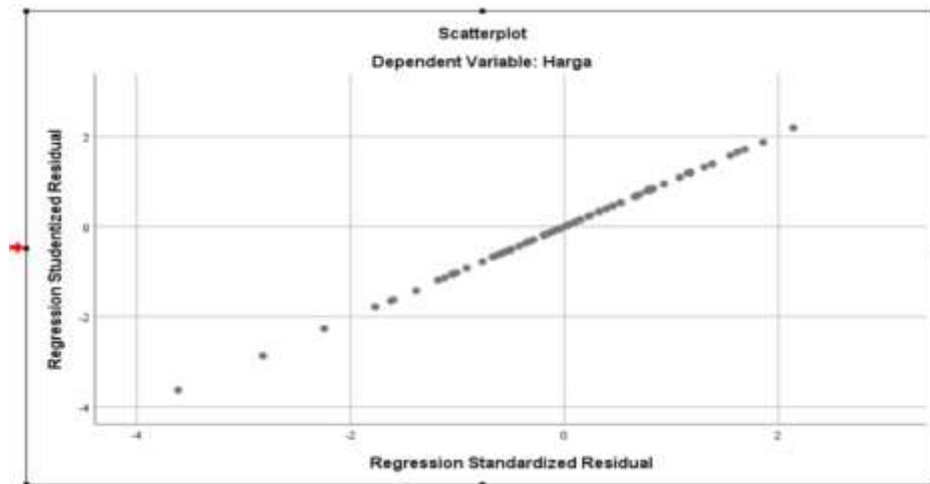
         The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. To determine whether the data is normally distributed or not, the decision taken on the P-P plot residual normality test results above is based on looking at the diagonal distribution of the data source with the normal P.-. If the points are scattered around the line and follow the diagonal line, then the residuals are normal. The conclusion from the graph is that the residuals are normally distributed because the points are scattered around the line and along the diagonal.

Discussion
The effect of promotion on the price of airplane transportation tickets at Traveloka
Traveloka promotions can affect airfares, but their impact is not always great and depends on many things. For example, the type of discount promotion that directly lowers airfares can affect prices significantly, and post-purchase refunds can affect prices indirectly and depend on the percentage of cashback given. Airlines usually don't offer big discounts in high season due to their high occupancy rates. Promotions in high season are usually cashback or bonuses, and in the low season airlines usually offer big discounts to attract new customers and increase occupancy. So promotions can affect airfares on Traveloka, but the impact is not always large and depends on many things.

The effect of service on transportation ticket prices at Traveloka
Traveloka's services do not affect the price of airfare directly, but other factors such as airlines can determine the price. Therefore, Traveloka only serves as a sales platform and cannot change airline prices if demand for a particular flight is high. Flight ticket prices are usually more expensive during the holiday season or summer. Flight ticket prices at Traveloka can be indirectly affected by airline services. Airlines that offer additional facilities such as free baggage, meals, and in-flight entertainment may also attract customers. That way the price of airplane tickets can be reduced by the promotions that Traveloka often offers. So, services do not directly affect the price of flight tickets at Traveloka.

4.   CONCLUSION
E-commerce is a business process that uses electronic technology to connect producers and buyers through Electronic transactions Traveloka.Com is a well-known website for booking Airline Tickets Online at competitive prices from various airlines. Millennials in Indonesia are an important driver of

the digital economy in services and commerce applications. Promotion is the main strategy of E-Commerce to attract customers with discounts and other promotions. Price and promotion play an important role in purchasing decisions, along with service quality. Good service can affect customer satisfaction and product purchase decisions. Previous research shows the positive influence of price, promotion, and service on consumer purchasing decisions. Descriptive and quantitative analysis research methods are used in testing the effect of Price, Promotion, and Service on airplane ticket prices in the Traveloka E commerce application. The results showed a positive and significant effect of promotion and service on airplane ticket prices at Traveloka, Traveloka services do not directly affect airplane ticket prices, but other factors such as airlines can determine prices.

Advice

Traveloka.Com can continue to strengthen its promotional strategy to attract more customers, including millennials, by offering attractive discounts and promotions. Pay attention to the quality of service provided to customers because good service can increase customer satisfaction and influence their purchasing decisions. Although Traveloka's services do not directly affect airfare prices, efforts to improve service quality are still important to maintain and increase market share. As a commerce application, Traveloka needs to pay attention to other factors such as pricing policies from airlines that can also affect airfares.

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