

THE EFFECT OF SERVICE, PRICE, DELIVERY AND PRODUCT QUALITY ON CUSTOMER SATISFACTION AT PT. DISTRINDO JEMBER

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ABSTRACT

This study aims to analyze the influence of service quality, price, on-time delivery, and product quality on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember. This research is quantitative with a causal approach. The study population was all customers of PT. Panahmas Dwitama Distrindo, with a sample size of 100 respondents determined using accidental sampling. Data analysis techniques used were multiple linear regression, t-test, F-test, and the coefficient of determination (R^2). The results indicate that partially, service quality, price, on-time delivery, and product quality have a positive and significant effect on customer satisfaction. Simultaneously, these four variables also significantly influence customer satisfaction with an R^2 value of 0.813, meaning that 81.3% of the variation in customer satisfaction can be explained by the independent variables, while the remaining 18.7% is influenced by other factors outside the study. These findings emphasize the need for companies to improve service quality, competitive pricing, maintain on-time delivery, and consistent product quality to maintain and enhance customer satisfaction.

Keywords: Service Quality, Price, Timely Delivery, Product Quality, Customer Satisfaction

INTRODUCTION

The business world is currently experiencing rapid development, both in trade, industry, services, and mass media. Therefore, companies must be able to compete with other similar companies, utilizing their available economic resources. Marketing is a key activity that must be carried out by a business system to maintain its survival. Marketing activities are carried out to understand and meet consumer needs in order to achieve company goals (Arifine et al., 2021).

In building a business, the most important thing is customer satisfaction. If a consumer is satisfied with the product sold, they will become loyal customers and will recommend the product to others. Therefore, many companies prioritize customer satisfaction, such as PT. Panahmas Dwitama Distrindo in Jember.

PT. Panahmas Dwitama Distrindo Jember is a distribution company that distributes goods from multinational manufacturing companies. PT. Panahmas Dwitama Distrindo Jember is the second branch established in 1997 and located at Jalan Pajajaran No. 2, Kebonsari, Summersari District, Jember Regency, East Java. PT. Panahmas Dwitama Distrindo Jember is now collaborating with PT. Unilever Indonesia Tbk to distribute products such as Rinso, Pepsodent, Sunlight, Surf, Lifebuoy, Lux, Blue-Band, Royco, Vaseline, Sunsilk, Clear, Ponts, and others.

Existing phenomena indicate that consumers are quite satisfied with PT. Panahmas Dwitama Distrindo Jember. This can be seen from: 1) Many retail stores around Jember have long collaborated with PT. Panahmas Dwitama Distrindo Jember; 2) Retail store owners recommend PT. Panahmas Dwitama Distrindo Jember to others; 3) Increasing interest among retail store owners in collaborating with PT. Panahmas Dwitama Distrindo Jember. Customer satisfaction is influenced by several variables, including service quality, price, on-time delivery, and product quality.

According to Wyckof (in Tjiptono, 2013:260), service quality is the level of expected excellence and the control over that excellence to meet customer desires. In other

words, there are two main factors influencing service quality: expected service and perceived service. Consequently, the quality of service depends on the provider's ability to consistently meet customer expectations.

The forms of service quality in this study include reliability, responsiveness, assurance, empathy, and tangibles. Service quality is considered good if the service provider delivers at least the service expected by the customer. Conversely, if the customer receives service that falls short of their expectations, the service is considered poor. This phenomenon indicates that the service quality at PT. Panahmas Dwitama Distrindo Jember is quite good. This is because PT. Panahmas Dwitama Distrindo Jember is able to work quickly and reliably, is friendly, and has empathy for retail store owners.

LITERATURE REVIEW

Khairul Bahrun and Krisna Gusti Putra (2023) conducted a study titled "The Effect of Service Quality, Timely Delivery, and Facilities on Customer Satisfaction." The results of this study, based on data processing, concluded that service quality, timeliness of delivery, and facilities, both partially and simultaneously, had a positive and significant effect on customer satisfaction.

Nanang Mustofa and Giarti Slamet (2023) conducted a study titled "The Effect of Service Quality and Timely Delivery on Customer Satisfaction at Indomarco Adi Prima Solo." The analysis of the effect of service quality on customer satisfaction yielded a positive and significant value. The effect of timeliness of delivery also yielded a positive effect on customer satisfaction. This indicates that service quality and timeliness of delivery significantly increase customer satisfaction at Indomarco Adi Prima Solo.

Welis Raldianingrat et al. (2023) conducted a study titled "The Effect of Service Quality and Timely Delivery on Customer Satisfaction Using J&T Express Delivery Services in Unaaha District." The results of the study indicate that service quality and timeliness simultaneously have a significant effect on customer satisfaction when using J&T Express delivery services in Unaaha District. Service quality has a positive and significant effect on J&T Express customer satisfaction in Unaaha District, and delivery accuracy has a positive and significant effect on customer satisfaction with J&T Express delivery services in Unaaha District.

Roman S (2021), This study is entitled "The Effect of Service Quality and Delivery Accuracy on Customer Satisfaction in Using Ninja Express Delivery Services During the COVID-2019 Pandemic." The results of this study indicate that Service Quality and Delivery Accuracy simultaneously influence Customer Satisfaction. This is evident from the results of the f-test, which shows a significance value of $0.000 < 0.05$ and an F-count value of $21.709 > F$ -table value of 3.16. This indicates that H3 is accepted.

Tania (2021), entitled "The Effect of Service Quality, Timely Delivery, and Facilities on Customer Satisfaction of Lion Parcel Expeditions in Batam." The results of the study indicate a significant influence of service quality, timeliness of delivery, and facilities on customer satisfaction of Lion Parcel Expeditions in Batam. The final variable influencing customer satisfaction is product quality.

Adinda Rizki Nasution (2020), entitled "The Effect of Price and Timely Delivery on Customer Satisfaction at J&T Express in Medan City." The results of the study indicate that price has a partial effect, with the calculated t-test ($5.164 > t$ -table (1665) with a significance level of $0.000 < 0.05$, and that timeliness of delivery has a partial effect,

with the calculated t-test (5.285) > t-table (1665) with a significance level of $0.000 < 0.05$. Simultaneously, price and on-time delivery have a positive and significant effect on customer satisfaction, amounting to 58.7%, while the remaining 41.3% is influenced by other factors not explained in this study.

Dikaprio Dewantoro (2020) stated that this quantitative study aims to determine the effect of service quality, on-time delivery, and tracking system facilities on JNE customer satisfaction. The population in this study were JNE service users. The sample size was 75 respondents, using a random sampling method. Data collection was carried out by distributing questionnaires via Google Forms. The analysis technique used was the PLS (Partial Least Square) analysis method with SmartPLS3.0 software. The results of this study indicate that (1) service quality has a significant effect on customer satisfaction; (2) on-time delivery has a significant effect on customer satisfaction; and (3) tracking system facilities have a negative and significant effect on customer satisfaction.

Wahyuni Siburian (2020), entitled "The Influence of Service Quality, Price Perception, and Delivery Timeliness on Customer Satisfaction at J&T Express in Perawang." Based on the results of this study, the variables of service quality, price perception, and delivery timeliness have a significant influence on J&T Express customer satisfaction in Perawang, both simultaneously and partially. This study shows that these variables influence customer satisfaction, so it is necessary to maintain and even improve them in the future, amidst the digital business era. For managerial implications, they must always create added business value that will increase customer satisfaction.

Elke Sabrina (2020), entitled "The Influence of Service Quality, Product Quality, and Price on Consumer Satisfaction (Survey of Visitors to "Pasa Santa" Jakarta)." The results of the descriptive test explain that there are still shortcomings in terms of service quality, product quality, and price at Santa Market which cause a lack of consumer satisfaction. The results of hypothesis testing show: 1) there is a significant influence of service quality on consumer satisfaction of 50.4%, 2) there is a significant influence of product quality on consumer satisfaction of 42%, 3) there is a significant influence of price on consumer satisfaction of 55.5%.

HYPOTHESIS

Previous research conducted by Khairul Bahrun and Krisna Gusti Putra (2023), Nanang Mustofa and Giarti Slamet (2023), Welis Raldianingrat et al. (2023), Roman S (2021), Tania (2021), Dikaprio Dewantoro (2020), Wahyuni Siburian (2020), and Elke Sabrina (2020) stated that service quality has a significant effect on customer satisfaction. Therefore, the hypothesis in this study can be written as follows. H1: There is a significant influence of service quality on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember.

Previous research conducted by Adinda Rizki Nasution (2020), Wahyuni Siburian (2019), and Elke Sabrina (2020) stated that price has a significant effect on customer satisfaction. Therefore, the hypothesis in this study can be written as follows. H2: There is a suspected significant effect of price on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember.

Previous research conducted by Khairul Bahrun and Krisna Gusti Putra (2023), Nanang Mustofa and Giarti Slamet (2023), Welis Raldianingrat et al. (2023), Roman S (2021), Tania (2021), Adinda Rizki Nasution (2020), Dikaprio Dewantoro (2020),

and Wahyuni Siburian (2019) stated that delivery accuracy has a significant effect on customer satisfaction. Therefore, the hypothesis in this study can be written as follows. H3: There is a suspected significant effect of delivery accuracy on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember. Previous research conducted by Selvy Cristian Sitompul (2022) and Elke Sabrina (2020) stated that product quality has a significant effect on customer satisfaction. Therefore, the hypothesis in this study can be written as follows. H4: It is suspected that there is a significant effect of product quality on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember.

Previous research conducted by Selvy Cristian Sitompul (2022) stated that service quality, price, delivery timeliness, and product quality have an impact on customer satisfaction. Therefore, the hypothesis in this study can be written as follows. H5: It is suspected that there is a significant effect of service quality, price, delivery timeliness, and product quality on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember.

METHODS

This study uses a quantitative approach with a causal design, which aims to analyze the effect of service quality, price, delivery timeliness, and product quality on customer satisfaction. The object of the study is the customers of PT. Panahmas Dwitama Distrindo Jember, while the research population includes all customers of the company. Because the population size is not known with certainty, the sample is determined using the Rao Purba formula at a 10% error rate, resulting in 100 respondents. The sampling technique uses non-probability sampling with an accidental sampling method. Research data were collected through Likert-scale-based questionnaires, interviews, observations, and literature studies. Data analysis was carried out through descriptive statistics, instrument validity and reliability tests, and classical assumption tests. Furthermore, hypothesis testing was carried out using multiple linear regression analysis using the t-test for partial effects, the F-test for simultaneous effects, and the coefficient of determination (R^2) to determine the contribution of independent variables to customer satisfaction.

RESULTS

The research hypothesis was tested using multiple regression analysis. The results of the multiple linear regression analysis for testing this research hypothesis are as follows (Table 1). Based on the analysis results in the table above, the constant value (a) is 4.090, service quality (b_1) is 0.403, price (b_2) is 0.609, delivery timeliness (b_3) is 0.552, and product quality (b_4) is 0.721. Based on the above data, the following regression equation is obtained

$$\hat{Y} = 58.221 + 0.403X_1 + 0.609X_2 + 0.552X_3 + 0.721X_4 + e_i \quad (i)$$

t-Test (Partial)

Based on the data in Table 1, the significance value for each variable: service quality, price, delivery timeliness, and product quality is 0.00 (<0.05), meaning all hypotheses are accepted. Therefore, it can be concluded that service quality, price, delivery timeliness, and product quality have a significant partial influence on customer satisfaction.

Table 1. T-test Analysis Result

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
		B	Std. Error			
1	(Constant)	4.090	2.265		1.806	.074
	Service Quality	.403	.075	.286	5.346	.000
	Price	.609	.097	.304	6.256	.000
	Ketepatan Waktu Pengiriman	.552	.074	.340	7.506	.000
	Product Quality	.721	.068	.533	10.641	.000

Source: Primary Data Processed (2025)

F-Test (Simultaneous)

Based on the analysis results in the table above, the significance value (Sig.) is 0.000 (<0.05). Therefore, it can be concluded that all independent variables in this study have a significant simultaneous (joint) influence on consumer satisfaction. The results of the F-test analysis for testing the research hypothesis are as follows: (Table 2)

Table 2 F-test Analysis Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	986.743	4	246.686	103.035	.000 ^b
	Residual	227.447	95	2.394		
	Total	1214.190	99			

Source: Primary Data Processed (2025)

The results of the study indicate that service quality has a positive and significant effect on customer satisfaction ($\beta = 0.403$; Significant 0.000). This finding confirms that the better the service quality provided by PT. Panahmas Dwitama Distrindo Jember, the higher the perceived level of customer satisfaction. Aspects such as reliability, responsiveness, assurance, empathy, and tangibles are important indicators shaping positive consumer perceptions. This aligns with Tjiptono's (2012) theory, which states that consistency in service quality can increase customer perceived value. Empirical support is found in research by Bahrun & Putra (2023), Mustofa & Slamet (2023), and Raldianingrat et al. (2023), which confirms that service quality has a significant influence in the distribution and shipping industry. This means that distribution companies that maintain high service standards will gain a competitive advantage through customer satisfaction.

Furthermore, price was shown to have a significant effect on customer satisfaction ($\beta = 0.609$; Significant 0.000). Consumers are satisfied when the price offered matches the quality and benefits of the product received. Factors such as affordability, price-to-quality ratio, and price competitiveness are key determinants of satisfaction. These results reinforce Kotler & Armstrong's (2014) theory that a fair and competitive pricing strategy can provide added value to consumers. Previous research by Nasution (2020) and Sabrina (2020) also supports these findings, confirming that the perception of fair prices

not only increases satisfaction but also drives loyalty and repurchase intentions. Therefore, for PT. Panahmas Dwitama Distrindo, an appropriate pricing strategy is key to strengthening long-term relationships with customers.

The next aspect is delivery timeliness, which has been shown to significantly influence customer satisfaction ($\beta = 0.552$; Sig. 0.000). Customers provide positive feedback when products are received according to the agreed schedule. Transportation factors, estimated time, and travel distance are important elements determining satisfaction. This aligns with Soemohadiwidjojo's (2018) perspective, which emphasizes the importance of distribution reliability as part of service quality. Research by Mustofa & Slamet (2023), Raldianingrat et al. (2023), and Roman (2021), which examined Ninja Express services during the pandemic, also confirmed that delivery speed and accuracy are key determinants of customer satisfaction. Therefore, an effective logistics strategy is a strategic necessity for PT. Panahmas Dwitama Distrindo to maintain customer trust.

The most dominant finding in this study was product quality, with the highest coefficient value ($\beta = 0.721$; Significant Difference 0.000). Products with good performance, high durability, appropriate features, and attractive aesthetics are able to create a stronger positive perception than other factors. Kotler & Keller's (2013) theory emphasizes that superior product quality is the primary foundation for long-term satisfaction and loyalty. Research by Sitompul (2022) and Sabrina (2020) also supports this by showing that product quality is the most significant variable in building customer satisfaction. This emphasizes that while price and service play important roles, ultimately, customer satisfaction is largely determined by the quality of the product they receive.

Simultaneously, the four variables—service quality, price, on-time delivery, and product quality—were proven to significantly influence customer satisfaction ($F = 103.035$; Sig. 0.000), contributing 81.3% ($R^2 = 0.813$). These results support the theory of Kotler & Keller (2009), which states that customer satisfaction is the result of a combination of product quality, price, distribution, and service. Research by Siburian (2020) and Tania (2021) also found that these variables simultaneously influence customer satisfaction. Therefore, PT. Panahmas Dwitama Distrindo needs to implement an integrated strategy, emphasizing product quality improvement, service optimization, competitive pricing, and distribution reliability, to ensure sustainable customer satisfaction.

CONCLUSION

The results of the study indicate that service quality, price, on-time delivery, and product quality have a positive and significant effect, both partially and simultaneously, on customer satisfaction at PT. Panahmas Dwitama Distrindo in Jember. This confirms that the better the service quality, appropriate pricing, on-time delivery, and consistent product quality, the higher the level of customer satisfaction, which ultimately impacts customer loyalty. This study has limitations in the limited number of samples, only 100 respondents with an accidental sampling technique, so the results cannot be generalized widely. Therefore, further research is recommended to expand the number of samples, use more representative sampling methods, and add other variables such as promotions or consumer trust to obtain a more comprehensive understanding of the factors that influence customer satisfaction.

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