Analysis of The Effect of Differentiation Strategy on Customer Satisfaction at PT. J&T Express Batam, Indonesia

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Abstract: This study examines the effect of the differentiation strategy on customer satisfaction at PT. J&T Express Batam, Indonesia. Respondents of this research were consumers of PT. J&T Express who have made transactions at least 3 times. Research data was collected through questionnaires. Samples taken in this study were as many as 100 people obtained from the sampling formula. Data analysis method used were quantitative descriptive analysis using multiple linear regression, classical assumption test, t test and F test with a significance level of 0.05 and the coefficient of determination. Therefore the research results is the three independent variables namely content differentiation, context differentiation and infrastructure differentiation partially and simultaneously have a positive and significant effect on customer satisfaction.

Keyword: content differentiation, context differentiation, infrastructure differentiation, customer satisfaction, logistic industry

I. PRELIMINARY

In this era of globalization, anything can be done easily, and certainly practically. That is, it can control consumer needs only with the capital of a mobile phone and internet quota, both in terms of primary and secondary needs. This is inseparable from the widespread use of shopping systems through cyberspace or commonly called Online Shopping. All people today certainly know about the advantages gained through shopping with online systems, from the ease of choosing goods, ease of payment, reducing transportation costs, and the availability of discounted services on certain types of goods. With the convenience of the shopping system, of course, it cannot be separated from the expedition or shipping service. With so many consumer needs, a shipping service is created that offers goods delivery services.

J&T Express is available throughout Indonesia, and one of them is in Batam City. J&T Express is a company engaged in express shipping that has implemented technology development in its company as its basic system. The basic values that have been implemented by J&T Express itself are integrity, sharing, service, and responsibility, with the aim of achieving the best quality express delivery package for customers. J&T Express innovates to create distinct advantages from other shipping services.

As one of the various shipping services in Indonesia, certainly not apart from the problems that arise in many shipping services in general. National holidays are a problem for some people who want to do online shopping activities because of the obstruction of receipt of shopping goods according to the appropriate time. With the existence of a national holiday, a trip in shipping will stop and resume on a working day again, so that urgent shipping needs are also the main reason for consumers to determine what shipping services are beneficial for consumers with the excess facilities offered. So in determining the shipping services that consumers will use, companies are required to have a differentiation strategy that can provide satisfaction to consumers.

Based on the previous description, regarding the differentiation strategy applied by PT. J&T Express in order to satisfy consumers, the researchers are interested in conducting a study with the title "Analysis of the Effect of Differentiation Strategies on Customer Satisfaction at PT. J&T Express Batam Head Office ".

A. Research Formula

Research questions in this study are as follows:
1. What is the effect of content differentiation on customer satisfaction in using J&T Express shipping services in Batam headquarters.
2. What is the effect of context differentiation on customer satisfaction in using J&T Express shipping services in Batam headquarters.
3. What is the effect of infrastructure differentiation on customer satisfaction in using J&T Express shipping services in Batam headquarters.
4. What is the influence of content, context and infrastructure differentiation on customer satisfaction in using J&T Express shipping services in Batam headquarters.

B. Research Purpose

1. To find out how the influence of content differentiation on customer satisfaction in using J&T Express shipping services Batam headquarters.
2. To find out how the influence of context differentiation on customer satisfaction in using J&T Express shipping services Batam headquarters.
3. To find out how the influence of infrastructure differentiation on customer satisfaction in using J&T Express shipping services Batam headquarters.
4. To find out how the influence of content, context and infrastructure differentiation on customer satisfaction in using J&T Express shipping services Batam headquarters.
C. Benefits of Research

1. Practical Benefits
For the Company, the results of the research can provide benefits as input in managing the decision-making needs in this case, namely to improve services for J&T Express customers, so that management can obtain additional information about customer satisfaction at the J&T Express Delivery Service Company.

2. Theoretical Benefits
a. For readers
The results of this limited research are expected to be useful to add insight knowledge, especially regarding the level of service and service user satisfaction.

b. For writers
The results of this study as learning material about the quality of services offered and customer satisfaction as well as a comparison between the theories obtained during lectures with the reality that occurs in the company, so as to increase knowledge in connection with the disciplines that the authors elaborate.

II. LITERATURE REVIEW

Empirical Study
The previous research in this study is by: Verissa Chrisantya Putri (2017) with the research title "Analysis of Young Tapiplus product Differentiation Strategy BNI bank branch of the University of Bandung". The results of this study indicate that the differentiation strategy is very influential on the use of Bank BNI taplus products in the Bandung branch of the university.

Jodi Hapro Kelana (2016) with the research title "Differentiation Strategy at the Sukorambi Jember Botanical Garden". The results of this study indicate that the differentiation strategy is very influential on the use of Bank BNI taplus products in the Bandung branch of the university.

Anggraeni Permatahari and Wawan Dhenwanto (2013) with the research title "Innovation Strategies for Global Competitive Advantage in Indonesia Cosmetics and Herbal Health Companies". From the results of this study, it was concluded that innovation in product innovation and market segmentation strategy has become a solution for helping cosmetic and herbal health industry strategies to survive and be ready to face global business challenges.

Risa Purwati (2012) "Consumer Perception Analysis of the Differentiation of Smartfren SIM Card Products in the City of Padang" the results of this study concluded that the perceptions of Andalas University independent economics students on the content, context and infrastructure were very high.

Dedy Sulistiyanto (2011) with the research title "Consumer Perception Analysis of Product Differentiation" concluded that differentiation in products is very influential on consumer perceptions that are built from the differentiation of content, context, and infrastructure. 

III. RESEARCH METHOD

A. Design / Type of Research
The research design carried out by the researcher was using quantitative descriptive analysis. To measure the level of customer satisfaction PT. J&T Express, researchers used quantitative descriptive analysis with the aim of knowing the general description of respondents obtained from the results of distributing questionnaires directly to consumers.

B. Operational Variable
This research is compiled based on 3 variables X (content differentiation, context differentiation and infrastructure differentiation), and 1 variable Y (customer satisfaction). All variable measurements were carried out by respondents using a four-point Likert scale, starting from a score of 1 (strongly disagree) to a score of 4 (strongly agree).

C. Population and Sample
To get information about this research, the researchers determined the populations in this study were consumers of PT. J&T Express Batam City. The technique used by researchers in sampling is to use nonprobability sampling with purposive sampling category, namely the sampling technique uses criteria that have been chosen by researchers in selecting samples. The criteria is to have used J&T Express services more than 3 times, aged ≥ 17 years because they are considered capable of providing the correct answer.

To determine the number of samples from the population in this study using the Slovin formula as follows:

\[ n = \frac{N}{N \cdot e^2 + 1} \]

Description of Slovin formula.

\( n \) = sample size \\
\( N \) = population size \\
\( e \) = the accuracy limit that is still tolerated

In the Slovin formula, there are 2 conditions as follows: 

- \( e \) value = 0.1 (10%) for large populations
- \( e \) value = 0.2 (20%) for the population in small numbers.

Based on data from PT. J&T Express Batam Headquarters, that consumers in December 2018 are a total of 10,000 consumers obtained through interviews with the HRD section of PT. J&T Express Batam head office. So the percentage allowance used is 0.1. And the results of calculations can be rounded up to achieve conformity. To find out the number of samples in this study, calculations will be made using the Slovin formula as follows:

\[ n = \frac{10,000}{10,000 \cdot (0.1)^2 + 1} = 99.01 \]

Based on the results of the above calculations, the sample that will be the respondent in this study is 99.01, rounded up to 100 respondents. This is done to facilitate researchers in processing data.
D. Linear Regression Equation

The data in this study were tested using validity test, reliability test, classic assumption test (normality test, heteroscedasticity test, multicollinearity test). Data that is valid and normally distributed will be tested using multiple linear regression in order to determine whether there is an influence between the independent variables on the dependent variable. All quantitative data testing uses IBM SPSS Statistics 20.

The form of the multiple linear regression equation used in this study is as follows:

\[ Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e \]

Information:
- \( a \) = constant
- \( b_1 \ldots b_3 \) = Regression coefficient
- \( Y \) = Consumer Satisfaction variable
- \( X_1 \) = Content Differentiation Variable
- \( X_2 \) = Context Differentiation Variable
- \( X_3 \) = Infrastructure Differentiation Variable
- \( e \) = error

IV. RESULT AND DISCUSSION

A. Validity, Reliability and Classical Assumption Test

Result Validity

Before testing the data analysis, test the validity and reliability carried out on the indicators of each variable in table 1

<table>
<thead>
<tr>
<th>TABLE I. VALIDITY TEST RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variabel</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Content Differentiation (X1)</td>
</tr>
<tr>
<td>Context Differentiation (X2)</td>
</tr>
<tr>
<td>Infrastructure Differentiation (X3)</td>
</tr>
<tr>
<td>Customer satisfaction (Y)</td>
</tr>
</tbody>
</table>

Based on the results of the reliability test all indicators are declared valid, this is due to the Cronbach's Alpha value > 0.06. This test uses multiple linear regressions which must meet the classic assumption test conditions, namely normality test, heteroscedasticity test, and multicollinearity test. Normality test results a significant value of 0.373 > 0.05, so the data is said to be normally distributed. The heteroscedasticity test results of content differentiation variable 0.727 > 0.05, context differentiation 0.479 > 0.05, and infrastructure differentiation 0.202 > 0.05, so it is said that in this regression there is no heteroscedasticity. The last test of multicollinearity test can be seen in the tolerance value and VIF value. In this study the independent variables have a tolerance value > 0.01 and VIF value < 10.0 so it is concluded that the regression model is free from multicollinearity.

Effect of content differentiation, context differentiation and infrastructure differentiation on purchasing decisions

Testing of H1-H4 was carried out using multiple linear regression tests. To find out the effect of variable X on Y
variable, it is done using the t test which can be seen in table 3.

**TABLE III. T TEST RESULT**

<table>
<thead>
<tr>
<th>Variabel</th>
<th>t tabel</th>
<th>t hitung</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content Differentiation</td>
<td>1.988</td>
<td>10,890</td>
<td>0.000</td>
</tr>
<tr>
<td>(X1)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Context Differentiation</td>
<td>1.988</td>
<td>14,310</td>
<td>0.000</td>
</tr>
<tr>
<td>(X2)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Differentiation</td>
<td>1.988</td>
<td>12,510</td>
<td>0.000</td>
</tr>
<tr>
<td>(X3)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on table 7, it is known that all variables have t count values greater than t table. This means that all independent variables have a positive and significant effect on the dependent variable. Based on the results of the F test, the value of the F test is 41,786 with a significance value of 0.000 <α = 0.05. While the F table value is 2.70. Then the result is F count 41,786> F table 2.70 so it can be concluded that H0 is rejected and H4 is accepted. The coefficient of determination is 0.553 or 55.3%, thus customer satisfaction is explained together by content differentiation, context differentiation, and infrastructure differentiation by 55.3%.

While as many as 44.7% are influenced by other variables not examined in this study.

**TABLE IV. REGRESSION VALUES**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>27.298</td>
<td>1.841</td>
</tr>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diferensiasi Konten</td>
<td>.046</td>
<td>.131</td>
</tr>
<tr>
<td>Diferensiasi Konteks</td>
<td>.104</td>
<td>.146</td>
</tr>
<tr>
<td>Diferensiasi Infrastruktur</td>
<td>.157</td>
<td>.122</td>
</tr>
</tbody>
</table>

Constant of 27.298, meaning that if the content differentiation variable, context differentiation, infrastructure differentiation value is 0, and then the customer satisfaction value is 27.298.

The content differentiation variable has a coefficient of 0.046 and is positive, meaning that if the content differentiation variable increases by one unit, then customer satisfaction will increase by 0.046 units assuming the other independent variables are of fixed value.

The context differentiation variable has a coefficient of 0.104 and is positive, meaning that if the context differentiation variable has increased by one unit, then customer satisfaction will increase by 0.104 units with the assumption that the other independent variables are of fixed value.

Infrastructure differentiation variable has a coefficient of 0.157 and is positive, meaning that if the infrastructure differentiation variable increases by one unit, then customer satisfaction will increase by 0.157 units assuming the other independent variables are of fixed value.

B. Hypotheses Result

From the results that have been presented the results of the hypothesis test prove that content differentiation has a positive and significant effect on customer satisfaction, with the results of the t-test of 10,890 with sig. 0.000 <α = 0.05. This is in line with the results of previous research proposed by Kelana (2016) which explains that content differentiation is very influential in the Sukorambi Jember Botanical Garden.

The hypothesis test results prove that context differentiation has a positive and significant effect on customer satisfaction, with the t-test results of 14,310 with sig. 0.000 <α = 0.05. This is in line with the results of previous research presented by Putri (2017) which explains that the differentiation strategy is very influential on the use of Bank BNI’s young taplus products at the Bandung branch office.

The hypothesis test results prove that context differentiation has a positive and significant effect on customer satisfaction, with the t-test results of 12,510 with sig. 0.000 <α = 0.05. This is in line with the results of previous research proposed by Sulistiyanto (2011) which explains that the differentiation of content, context and infrastructure greatly influences consumer perceptions.

Hypothesis test results prove that content differentiation, context differentiation, and infrastructure differentiation have a positive and significant effect on customer satisfaction, with the results of the calculation of 41.786> F table 2.70 with sig. 0.00 <α = 0.05. This is in line with the results of previous research presented by Purwati (2012) which explains that differentiation of content, context and infrastructure has a high influence on student perceptions.

The Difference with Previous Research

This study discusses about the differentiation strategy of PT J&T Express that has never been studied before.

V. CONCLUSION AND SUGGESTIONS

A. Conclusion

The conclusions in this study about the effect of variable content differentiation, context differentiation, and infrastructure differentiation on customer satisfaction, the conclusions are as follows:

1. Content differentiation has a positive and significant influence on Consumer Satisfaction at PT J&T Express Batam headquarters.
2. Differentiation of context has a positive and significant effect on customer satisfaction at PT J&T Express Batam headquarters.
3. Infrastructure differentiation has a positive and significant effect on customer satisfaction at PT J&T Express Batam headquarters.
4. Content differentiation, context differentiation, and infrastructure differentiation have a positive and significant effect on customer satisfaction at PT J&T Express Batam headquarters.

B. Suggestions

Advice for companies:
The results of the study show that there are some of the lowest ratings given by consumers for J&T Express, namely:
1. Regular shipping prices and get premium service (good), for the future J&T Express is expected to be more consistent with the provisions of the services provided, so that consumers who have paid a sum of money to deliver goods receive good service in accordance with what consumers expect, namely sending goods in accordance with a predetermined time limit so as to further increase consumer confidence.
2. Transaction space that is less convenient for consumers, for the future J&T Express is expected to increase comfort in the transaction space so that consumers who make shipping transactions feel comfortable and interested in coming back.
3. The category of responses of respondents who are satisfied with the variable customer satisfaction can be a reference for J&T Express in order to further improve their quality so that later consumers can increase the rating to J&T Express to be very satisfied.

Suggestions for future researchers:
Suggestions given to the next researcher are:
1. For further research, it is expected to be able to add research variables so that the research carried out gets more information and knowledge about differentiation strategies.
2. It is expected that for further research, the author can take qualitative analysis methods, so that in addition to understanding quantitative analysis methods the author also understands the method of qualitative analysis.

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