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The influence of perceived quality, perceived value, and customer satisfaction on future intention of Indonesian basketball spectators in Surabaya

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ABSTRACT: This study examines the relationship of perceived quality, perceived value, and customer satisfaction on the future intention of a basketball event. Quantitative and causal type research was adopted for this study. The questionnaire used was adopted from Moreno et al. (2014). The purposive sampling method was used in this study. The sample consisted of 168 respondents, whose age is 17 to 60 years old and have watched DBL Indonesia in Surabaya for at least once in the past year. Further data analysis was analyzed by SPSS 22.0 and AMOS 22.0. After confirming reliability and validity of the data collection measures, an application of structural equation modeling to empirical data tests the model. Results show a positive relationship of perceived quality, perceived value, and customer satisfaction on future intention. Perceived quality had a positive influence on perceived value. Customer satisfaction had a positive influence on spectator's future intention. Moreover, customer perceived value had a positive influence on customer satisfaction, and there is a positive relationship of customer perceived value on future intention. However, this study finds perceived quality has no impact on customer satisfaction.

Keywords: *perceived quality, perceived value, customer satisfaction and spectators' future intention.*

1 INTRODUCTION

The sports industry is one of the largest and fastest-growing industries in the world, and fans are a major source of income (DeSarbo & Madrigal 2011). The development of basketball in Indonesia is growing rapidly since Development Basketball League (DBL) Indonesia was established in 2004. As the most popular and best student basketball league in Indonesia, spectators become a big business for DBL Indonesia. A spectator is a person who watches an activity, especially a sporting event. This study focuses on Indonesia basketball sporting event as an object, to identify customer's rating of services stems when striving to understand the viability and the future of event companies (Consuegra, Molina, & Esteban 2007).

A preliminary study was done by interviewing six spectators of basketball event who revealed that the service quality provided by DBL Indonesia is not superior, the experiences provided by DBL Indonesia is dissatisfied, and the costs spent for watching DBL Indonesia matches is unworthy compared to

benefits received. However, DBL Indonesia is the best and biggest high school basketball competition in Indonesia with the number of spectators reached 180,305 in 2015 and 203,800 in 2016.

Then this study is aimed to fill the research gap of previous studies (Moreno et al. 2014; Choi & Soo 2013; Gera & Sebastian 2012) in observing the influence of perceived quality, perceived value, and customer satisfaction on future intention.

Moreno et al. (2014) study investigates the perception of perceived quality, perceived value, and customer satisfaction on basketball spectators' future intention. Realizing it is important, this study replicated Moreno et al. (2014) study, considering that previous study conducted by Moreno et al. (2014) located in Spain that found a different result with Surabaya.

The research problems are; (1) Is there any influence of spectators' perceived quality on spectators' satisfaction? (2) Is there any influence of spectators' perceived quality on spectators' perceived value? (3) Is there any influence of spectators' satisfaction on spectators' future intention? (4) Is there any influ-

ence of spectators' perceived value on spectators' satisfaction? (5) Is there any influence of spectators' perceived value on spectators' future intention?

Maintaining service quality at a certain level and improving service quality must be lifetime efforts to those companies who desire lifetime prosperity in customers' heart (Cronin & Taylor 1992). Customer satisfaction is an overall customer attitude towards a service provider or an emotional reaction to the difference between what customers expect and what they receive, regarding the fulfillment of some needs, goals or desire (Hansemark & Albinsson 2004). Perceived value is measured by assessing the spectrum of a consumer's experience (Sweeney & Soutar 2001) and the discrepancy between actual cost and perceived benefit (Gallarza & Saura 2006). It is the optimum transformer throughout an individual's consumption process and it plays an important role in the assessment of service quality, customer satisfaction, and behavior intention (Dodds, Monroe, & Grewal 1991).

The purpose of this research is to examine the relationship of perceived quality, perceived value, and customer satisfaction on Indonesia basketball spectator's future intention in Surabaya.

These are five hypotheses to test.

H1. There's a positive relationship between spectators' perceived quality and satisfaction.

H2. There's a positive relationship between spectators' perceived quality and perceived value.

H3. There's a positive relationship between spectators' satisfaction and future intention.

H4. There's a positive relationship between spectators' perceived value and satisfaction.

H5. There's a positive relationship between spectators' perceived value and future intention

2 RESEARCH METHODS

This research used a quantitative approach which is categorized as causal research, including building hypotheses based on available theories and collecting accurate data to test hypotheses. There are 4 variables: perception variable which is about Perceived Quality (PQ) as an independent variable; Customer Perceived Value (CPV), Satisfaction (CS) and Future Intention (FI) as independent variables. The first link suggests the relationship of perceived service quality on customer satisfaction. The second link suggests the relationship of perceived service quality on customer perceived value. The third link suggests the relationship of customer satisfaction on future intention. The fourth link suggests the relationship of customer perceived value on customer satisfaction.

The fifth link suggests the relationship of customer perceived value on future intention.

According to Cozby and Bates (2012), purposive sampling is one of the forms in non-probability sampling which purpose is to gain samples or respondents from individuals who are suitable with the criteria set by the researcher.

In this study, respondents were 168 spectators who watched Indonesia basketball match in Surabaya at least once in the past year and aged between 17 until 50 years old.

The data analysis was conducted by using Structural Equation Modeling (SEM) with the help of AMOS version 18.0 software along with the estimation technique of Maximum Likelihood (ML).

3 RESULT AND DISCUSSIONS

The respondents comprised of 101 females (60.1%) and 67 males (39.9%), whose age within the range of below 21 years old were 55 respondents (32.7%), range 21 to 25 years old were 82 respondents (48.8%), and 26 to 50 years old were 18,5%.

The analysis of measurement model was conducted by using *Confirmatory Factor Analysis* (CFA), the early stage of CFA has the value of *Goodness-Of-Fit* (GOF), which fulfills the suitable criteria (CMIN/DF = 2.011, RMSEA = 0.078, GFI = 0.846, TLI = 0.957, and CFI = 0.964).

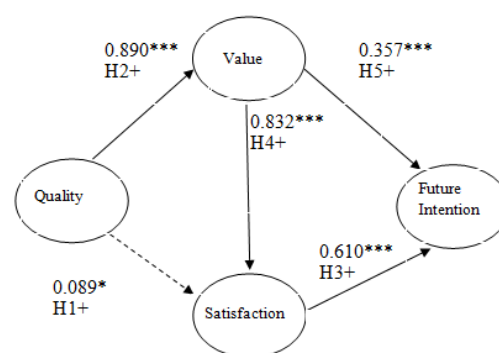The result of the structural model is shown as the followings:

Figure 1. Structural Model
[a]*The value of standardized estimate. The insignificant structural relationship is described by dotted lines.*
*p ≤ 0.1
**p ≤ 0.05
***p ≤ 0.001

Based on the hypotheses testing done as shown in Table 1, out of 5 hypotheses tested, 4 hypotheses are supported, while the one hypothesis rejected. It

means that perception of perceived quality has no significant effect on customer satisfaction.

Perceived quality does not directly affect customer satisfaction because of several condition and reasons. First, satisfaction may result from several causes and is not necessarily the direct result of a high-quality product or service experience; quality, on the other hand, is a designation achieved through the fulfillment of specific attributes. Second, satisfaction is predominantly the result of non-quality-related factors, such as needs and equity, whereas expectations of quality are formed from ideals. Third, dis/satisfaction is felt only after an experience with a product, while perceived quality does not require an actual experience. Fourth, feelings of satisfaction are influenced by many factors, such as equity, attribution, and emotion; quality has only a few, specific, antecedents (Yu, Wu, Yu & Tai 2005).

Table 1. Hypothesis testing

Structural Relationship Between constructs	Stand-ardized Estimate	Critical Ratio	P- Value	Remarks
PQ →CS	0.089	0.867	0.386	H1 not supported
PQ → PV	0.890	13.886	***	H2 Supported
CS →CFI	0.610	6.027	***	H3 Supported
CPV → CS	0.832	7.610	***	H4 Supported
CPV → CFI	0.357	3.658	***	H5 Supported

Source: Data processed by AMOS 18.0

This research shows that perception of perceived quality has a significant effect on the perception of perceived value. In this study, it was concluded that Indonesia basketball has successfully delivered good quality as proven by good access, reliability, responsiveness, tangibles, and good security, which in turn generate the perception of perceived value that is particularly represented by the attributes; social, emotional, functional, epistemic, and conditional value.

The research result shows that the perception of customer satisfaction has a significant effect on the perception of future intention. In this study, Indonesia basketball is considered to have successfully delivered good customer satisfaction, represented by the attributes of outcome of the game, arena cleanliness, seat location, restroom cleanliness, safety, and security in parking area, which finally result on good perception of future intention, represented by the attributes; say positive things about them, recommend

them to other consumers, remain loyal to them (i.e., repurchase from them), spend more with the company, and pay premium price.

4 CONCLUSION

The conclusions of this research are:
1. Perception of perceived quality does not significantly influence the perception of customer satisfaction of Indonesia basketball in Surabaya.
2. Perception of perceived quality positively influences the perception of the perceived value of Indonesia basketball in Surabaya.
3. Perception of customer satisfaction positively influences future intention of Indonesia basketball spectators in Surabaya.
4. Perception of customer perceived value positively influences the perception of customer satisfaction of Indonesia basketball spectators in Surabaya.
5. Perception of customer perceived value positively influences the perception of future intention of Indonesia basketball spectators in Surabaya.

The research implications for the management of Indonesia basketball in Surabaya are the needs to improve its service quality, in the forms of access, reliability, responsiveness, tangibles, security, thus the service can be more excellent and finally result in the happiness of customers. Indonesia basketball can increase the value by differentiating tribune, VIP, and VVIP seats to give the different atmosphere for the spectators and giving extra benefits by purchasing VIP or VVIP seats. Then, the management of Indonesia basketball can carry out more fun games during halftime, challenges for free merchandise, upgrade, and add new facilities to Indonesia basketball related to the stadium and renovate old facilities at the basketball arena. Good facilities will lead to customer satisfaction, which in turn will result in favorable post-consumption behavior of customers.

Further research is needed to find out generalization of this research model, mainly by choosing other sports stadium as an object because this research only limited in one sports stadium type of a basketball Arena. In fact, recently, there are already plenty of sports stadium spread in Surabaya or other places where future research can be conducted. This study used 168 respondents as the sample. Future research suggested an increasing number of samples, in order to get a better result. In this study, respondents were mainly students. Further research is expected to be

done on more heterogeneous respondents by also involving parents.

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