MANAGING PUBLIC SECTOR BUSSINESS
(LEARN FROM BATIK TRANS SOLO)

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Abstract

Object: The objective of this study is to knows how can good managing Public Sector Bussines with understand the influence of marketing mix (Product, price, place and promotion) on Passenger’s Satisfaction of Batik Trans Solo. This research was conducted in April 2016 with the object of research Passenger’s Satisfaction of Batik Trans Solo.

Method: Data were analysis using the software program 15.00 to test the validity and reliability, the classic assumption deviation, dual of regression, as well as the Determination Coefficient (R2). Predictor variables consist of product, price, place, and promotion. Dependent variable is only one, that is, Passenger’s Satisfaction.

Result: This research is a analysis quantitative study with a random sampling method. Data were collected by means of questionnaires with cluster method. The subject of this study are Passenger’s Satisfaction of Batik Trans Solo.

Conclusion: Based on the research, it can be concluded that marketing mix partially influences customer’s satisfaction with equation Y = 4.554 - 0.116X1 + 0.069X2 + 0.137X3 + 0.132X4 but simultaneous marketing mix does not influence Passenger’s satisfaction of Batik Trans Solo. The subject of this study are Passenger’s Satisfaction of Batik Trans Solo.

Keyword: Batik, Trans, Passenger, Satisfaction
INTRODUCTION

Solo is one of the cities in Indonesia that is growing to become a self-sufficient and modern city. Based on the history of the city, Solo or often referred to as Surakarta, is the former capital city of Ancient Mataram Kingdom. Although it does not become a Special Region like Yogyakarta, the city development is not far behind Yogyakarta. The development of Solo makes it the central business for the surrounding area. There are at least five (5) districts around Solo as satellites in business development. As a growing business, it is proper to be supported by adequate transport links. That is why 5 years ago, the Government of Solo and the Regional Transportation Office, launched a type of good and qualified transportation mode. The transport in question is Batik Solo Trans.

Batik Solo Trans born as a response to the city government on the condition of transport in the area that is very limited and far from eligible. Previously, the transport conditions was dominated by individual and family proprietary systems without good standard management. Transportation management system that runs the city transportation owned by individuals is still based on rental fees or run by the owners. This system is considered ineffective because of the difficulty to control. Offenses committed by the drivers aggravate the traffic lanes of the city. The drivers often commit the offense because of rental fees pressure. These conditions have an impact on the quality of services to the public as customers. Poor quality services resulted in a decline in the public interest to use public transport. Another factor driving the decline in the public interest is the lack of safety guarantees to passengers. Accidents often happen on passengers because the driver is in a hurry to load or unload the passengers.

High public interest to have transport that is safe, comfortable and affordable and also the intention of transportation agencies in organizing and managing the traffic lanes smoothly and safely, encourage the Government of Solo to launch adequate types of transportation modes. Batik Solo Trans is the answer to the existing problems. Batik Solo Trans is an idea adopted more or less from Bus Trans Yogya program which has existed earlier.

Batik Solo Trans has two roundtrip lanes that both connect the places visited by many people, i.e., schools, hospitals, shopping malls, government offices, universities and recreational areas of the city. Batik Solo Trans professionally managed by Solo City Government in cooperation with private enterprises. Unlike the previous transport system, Batik Solo Trans does not impose rental fees system, the crew who operate it is paid monthly by the management and there are service standards that must be obeyed, one of which is the prohibition to stop in no particular places. Batik Solo Trans has a special place to load and unload passengers.

In accordance with the purpose of launching Batik Solo Trans to provide adequate transportation services for the community, it is proper that the service quality ought to be continuously improved. Theoretically, a good quality of service will affect customer satisfaction. This has been proven in many studies, one of which is conducted by Rindang and Agus Mansur (2013), about the analysis and improvement of Hotel services. In their study, it is found that there is a significant correlation between the quality of service to the level of customer satisfaction. Based on the explanation above, in this study, the researchers want to analyze the marketing mix factor on passenger satisfaction of Batik Solo Trans. Do Product, Price, Line (location), and the Promotion of Batik Solo Trans affect passenger satisfaction and what is the most dominant factor of satisfaction?
LITERATURE REVIEW

Definition of Product, Price, Place and Promotion (Marketing Mix)

The products are the result of the production of goods or services offered in trade, to be owned, used or consumed by consumers and are expected to provide satisfaction. According to Lupiyoadi and Hamdani, the important thing in consumer products is not only the physical product but also the benefits and inherent value of the product.

The price is the value of goods and services measured by the amount of money (Kotler 2005:93). Based on the value of someone willing to release the goods or services to the consumer owned. How consumers perceive a price as high, low or normal, have a strong influence in the desire to buy and satisfaction in the purchase. A brand name or a symbol as a logo and a collection of unique designs that identify products or services of a seller and distinguishes it from similar products produced by other parties (Kotler 2010) is one of the factors determining the success of a marketing program. Reflects the promotion of activities to communicate the benefits of the product in order to persuade consumers to buy them. Sales is the process by which the seller ensures, anticipating and satisfying the needs or wishes of the buyer in order to achieve the benefits, both for the seller and for the buyer to benefit both parties.

Place is a combination of location and distribution network that is set to deliver the product to consumers. In view of Islamic economics, the place is the location where the products are sold have to prioritize things that are suitable with the Islamic sharia. Suitability in question, namely, the location must have a clear Islamic identity, such as adjacent to the mosque, or if it is not possible, at least the location should have a positive image, so that Muslim consumers feel comfortable to go there.

Promotions, or so-called marketing communications, according to Kotler, has four (4) mix, namely: advertising, sales promotions (discounts and gathering), publicity and personal selling.

Definition of Customer Satisfaction

Customer satisfaction, according to Kotler in Lupiyoadi and Hamdani (2007), is the level of feeling that someone claimed the comparison of the performance of products (services) received and the expected.

Analysis and Improvement of Hotel Services Using Servqual and Kartesius Diagram

The objective of this research is to analyze and suggest a service quality improvement in Kombokarno Hotel. It utilized 144 guests of Kombokarno Hotel as samples for the research. The result of the collected data then be tested based on its validity and reliability by using SPSS 16.0 software. The result of data processing shows the validity of each equation variable in the questionnaire. The data be analyzed using Servqual method to see the gap between hope and reality. In addition, it is processed by Kartesius diagram to see what performances that need to be improved. The result of the research shows that the cleanliness of the hotel is always in good term, the electronic utilities function well and the hotel’s building good look becomes the most priority to improve the performance of service quality in the hotel.

Influence of Consumers Attitudes towards Hospitality Marketing Mix

Based on the data analysis, people in Yogyakarta are very sensitive to the appropriate product warranties. This study used descriptive statistics of Likert scale. Data were analyzed using Fieshebin formulation. The result of the above studies indicates that the overall consumers attitudes towards hospitality marketing mix
in Yogyakarta is positive with the value of $Ao: +5,1601$. On the other hand, the score of partial assessments of hospitality marketing mix in Yogyakarta are as follows: Product assessment $Ao: +1,047025$, Price $Ao: +0,58305$, Location $: = 0,980075$ and Promotion $Ao: +0,3479$.

**The Influence of Price, Brand and Promotion on the Sale**

The objective of this study is to understand the influence of price, brand and promotion on the sale of snack for children in Indonesia. This research was conducted in February 2015 with the research objects of snack agencies for children in Indonesia. In 2010 until 2015 the value of the sale of snack for children in Indonesia did not always indicate a positive trend. Subject (samples) in this study amounted to 90 people. The sampling method is *purposive sampling*. Data analyses is conducted using multiple regression analysis. The sample of this research are snack agents for children. The total objects are 95 agents, but only 90 agents/people responded. The data collection was carried out by spreading the questionnaires through the agents. The research analysis uses SPSS program 15.00 to test the validity and reliability, the classic assumption deviation, dual regression, test-t and test-F as well as the Determination Coefficient (R2). Based on the research, it can be concluded that variable and brand promotions have a significant positive influence on the sale. Brand has more significant effect compared to the sales promotion. On the other hand, price has a negative influence that it has less significant effect on the sale. Therefore, when the price increases, it will have an impact on the decline in the volume of the sale.

**Attitudes and Purchase Behavior of Green Product among Generation Y Consumers in South Africa**

The purpose of this study was to determine what factors that influence attitudes and purchase behavior of green products among Generation Y consumers in South Africa. The factors that were investigated in this study were social influence, environmental awareness and price. Further, this study aimed to investigate whether consumer attitudes can in fact influence consumers’ purchase behavior of green products. The results from this study indicated that social influence, environmental awareness and price, positively influence individuals’ attitudes toward green product. And the finding of this study will provide marketers with a clearer understanding as to how they can influence Generation’s Y attitude and buying behavior towards green product.

**Customer Satisfaction Analysis on Marketing Mix at Millenium Supermarket in Natar Lampung Selatan**

The purpose of this research is to understand the performance and the level of importance of marketing mix strategy implemented by management of Millenium supermarket. The method used is a survey; the sampling technique used is purposive sampling. The Result from this study is that the application of marketing mix strategy by Millenium supermarket management is not yet optimal, but it already meets customers’ satisfaction. Components of strategy that meet customers’ satisfaction consecutively are pricing, employees’ hospitality, and speed of service. The most dominant strategy that influences customers’ satisfaction is the complete fulfillment of the product.

**Approaches and Research Method Options**

The method used in this study is in-depth surveys and interviews to the object of research. This is an explanatory research study with analytical quantitative approach. This study uses SPSS 15.00 analysis techniques. The research data are conducted in two ways, namely data study and questionnaire (primary data). The results of
respondents’ answers are tabulated by changing the respondent's answer into quantitative through Likert scale. The validity and reliability of the data obtained are tested in order to determine the level of their validity and reliability. Further analysis using correlation, aims to measure the strength of the degree of linear relationship between two variables shown by correlation coefficient. One way ANOVA is conducted to determine the influence of factors of partial marketing mix to passengers’ satisfaction. ANOVA test is then performed to determine the influence of marketing mix simultaneously on consumers’ satisfaction of Solo Batik Trans. Regression analysis, in order to examine the influence of exogenous variables items, namely: product, price, place and promotion to passengers’ satisfaction.

Population and Research Sample
The population in this study are passengers of Batik Solo Trans. The determination of non-statistical sample is done because the amount of the population that cannot be perceived clearly. Sampling technique used is purposive sampling or accidental sampling, that is, anyone who are met and matched as a source of data.

Location
The research location is Surakarta (Solo) city. The research started from April 2016. The effective duration of this study is approximately 4 (four) months.

Research Model
The conceptual framework of this study are as follows:

![Figure 1. Research Model](image)

Technical analysis
The technique of data analysis used in this is intended to test the hypothesis of the study, using correlation analysis and followed by regression analysis. Before being analyzed, it is performed data normality testing, classical assumption testing and parametric testing. Validity test is also used in this study in order to measure the extent of the instruments used really measure what should be measured. While reliability test is used to determine the level of reliability and consistency of respondents in answering the questionnaire.

ANALYSYS DAN DISCUSSION

Result of Validity Test
Based on the research results obtained, the researchers test the validity to see whether the data are valid. Validity test is conducted on questions given to respondents in the form of questionnaires. High coefficients demonstrate concordance between the items and the overall size. By using SPSS 15.00 it is obtained figures of corrected item-total correlation / r count.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Item/ Code</th>
<th>r count</th>
<th>Code</th>
<th>r table</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product (X1)</td>
<td>X1</td>
<td>0.859</td>
<td>&gt;</td>
<td>0.367</td>
<td>Valid</td>
</tr>
<tr>
<td>Price (X2)</td>
<td>X2</td>
<td>0.653</td>
<td>&gt;</td>
<td>0.367</td>
<td>Valid</td>
</tr>
<tr>
<td>Place (X3)</td>
<td>X3</td>
<td>0.774</td>
<td>&gt;</td>
<td>0.367</td>
<td>Valid</td>
</tr>
<tr>
<td>Promotion (X4)</td>
<td>X4</td>
<td>0.768</td>
<td>&gt;</td>
<td>0.381</td>
<td>Valid</td>
</tr>
<tr>
<td>Customer</td>
<td>Y</td>
<td>0.880</td>
<td>&gt;</td>
<td>0.381</td>
<td>Valid</td>
</tr>
</tbody>
</table>

![Table 1. VALIDITY TEST RESULTS](image)
The next test conducted by the researchers is reliability test. Reliability Test performed to see whether or not the questions are valid. Reliability test in this study using Cronbach alpha with SPSS15.00. If the alpha coefficient is above 0.60, the obtained data are considered reliable. Here are the results of reliability test on data obtained in the study:

Table 2
RELIABILITY TEST
RESULTSVARIABLE RESEARCH

| Variable          | Coefficient alpha | Result Mean
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Product (X1)</td>
<td>0.736</td>
<td>0.60 Reli</td>
</tr>
<tr>
<td>Price (X2)</td>
<td>0.635</td>
<td>0.60 Reli</td>
</tr>
<tr>
<td>Place (X3)</td>
<td>0.621</td>
<td>0.60 Reli</td>
</tr>
<tr>
<td>Promotion (X4)</td>
<td>0.689</td>
<td>0.60 Reli</td>
</tr>
<tr>
<td>Passengers Satisfi (Y)</td>
<td>0.801</td>
<td>0.60 Reli</td>
</tr>
</tbody>
</table>

Based on Table 2 it can be seen that each variable has alpha value above 0.60. This means that the data obtained from the whole variable are reliable, so the data are apt to use as a measuring tool in research.

The next stage after the validity and reliability test is regression analysis. Regression analysis is chosen in this study to determine how far the influence of exogenous variables(X) on endogenous variables(Y). Based on the study results analyzed, it can be seen that linear regression is $Y = 4,554 - 0.116X1 - 0.069X2 + 0.137X3 + 0.132X4$. The meaning of the equation is that if there are no variables analyzed, the satisfaction of passengers Solo Batik Trans in Surakarta would rise by 4,554. If the value of products changes while others remain constant, the passengers’ satisfaction will decline to 0,116. And if the cost (price) to be paid by the consumers rises, while others remain constant, the passengers’ satisfaction will decline to 0,069. Furthermore, if the place or location of Solo Batik Trans changes while others remain, the passengers’ satisfaction will also change at 0,137. And the last, if Solo Batik Trans conducts promotion more aggressively, but other variables remain constant, then this can lead to increase passengers’ satisfaction by 0,132.

Hypothesis Test
The t-test is used by researchers to examine separately the effect of exogenous variables on endogenous variables. Testing was conducted to test the hypothesis proposed whether price, brand, and promotion partially affect the sale of snacks for children in Indonesia. Here is the summary of t test on variables:

Table 3
SUMMARY OF t TEST RESULTS

<table>
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<th>Model</th>
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price (cost) of Solo Batik Trans not effect to passangers satisfaction. It can be said that the sensitivity of price (cost) of passangers Solo Batik Trans is quite sensitive, therefore the Manager Solo Batik Trans have to be careful if they want to raise the price. The Place regression coefficient of 0.186 meaning that the Place has not to effect of the passangers satisfaction in Surakarta. That mean Ho accepted, the place of Solo Batik Trans not effect to passengers satisfaction. Promotion coefficient of 0.059 meaning that Promotion has not to effect of the passengers satisfaction at Solo Batik Trans in Surakarta. That mean Ho accepted, the promotion of Solo Batik Trans not effect to passengers satisfaction.

Discussion
Based on the data obtained, the passengers of Batik Solo Trans by age are mostly 11-20 years and then followed by 21-30 years, and lastly above 31 years. Most of the passengers are school children, college students, and working people. They belong to the productive age. Meanwhile, viewed from gender percentage who use the services of Batik Solo Trans (BTS) is almost equal, that is 50.5% male and 49.5% female. In terms of education, most passengers of BTS are the high school students (SMA), 40%, and junior high school students (SMP) 25%, and workers who have diploma 20%, and the rest Bachelor degree 5%.

Viewed from monthly income earned, the passengers of BTS with income ≤ IDR.500,000.00 are 35%, and income ≥ IDR.500,000.00 are 65%. This shows that City Government’s goal to provide transportation for the middle and the low has been reached.

Based on the research, it is known that the products or facilities attributed to BTS bus, the completeness and comfort of the bus (Ac, music, seating, and automatic door), the accuracy of travel time and waiting time perceived by the passengers are quite satisfactory, therefore the management should always keep it well maintained. As for the rates set price (IDR. 4,500.00) for a one way trip is regarded inexpensive, and even tend to be cheaper compared to other urban transportation (IDR.5000.00). According to its function, that is to provide cheap, safe and comfortable transportation for the people, then it is proper for the management of BTS not to put rates exceeding the standard rates. However, it should be kept in mind the possibility of cost overruns for its maintenance. Given the BTS operating costs are from Regional Budget, it should be established on effective and efficient basis.

CONCLUSIONS AND SUGGESTIONS

Conclusions
Based on the results obtained in the study, it can be concluded as follows:

1. Based on the research, it can be concluded that marketing mix (product, price, place and promotion) partially influence passengers’ satisfaction significantly. Simultaneously marketing mix influence customers’ satisfaction significantly with equation $Y = 4,554-0,116X1 + 0,069X2 + 0,137X3 + 0,132X4$

2. Marketing Mix simultaneously has significant effect on passengers’ satisfaction of Solo Batik Trans in Surakarta.

3. The factor that mostly influences on passengers’ satisfaction of Solo Batik Trans is the Product.

4. Based on previous points, it can be concluded that Passengers of Solo Batik Trans in Surakarta choose it because they are satisfied with the products. The bus is a guarantee that the product is not in trouble, making them comfortable.

Suggestions
The suggestions that can be given from the results of this study are:
1. The manager of Solo Batik Trans in Surakarta needs to make an evaluation to determine prices, since the price increase will have a negative effect on sales. Besides, the Solo Batik Trans need to be careful to make Promotion for the product because people in Surakarta are quite sensitive to the promotion. If Solo Batik Trans manages to provide promotion hit, then they become loyal passengers. For the Solo Batik Trans in Surakarta, the Location of shuttle bus on a regular basis accepted by passengers is highly recommended because most passengers choose a product based on the ad viewed.

2. The management of Solo Batik Trans should always keep honesty, fairness and security guarantees on products, so that it will give more benefits to the passengers.

3. Management of Solo Batik Trans must add the path of the bus, because there are still many important pathways not served.

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