

## THE EFFECT OF SERVICE QUALITY AND PRICE ON CLIENT LOYALTY USING THE SERVICES OF NOTARY AND PPAT YOUSFRITA IN JAKARTA

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**Abstract:** This study aims to examine the effect of service quality and price on client loyalty at YOUSFRITA Notary and PPAT services, in Jakarta. This study uses survey, interview and questionnaire methods by collecting data through questionnaires to clients. The population in this study are clients who have used YOUSFRITA notary and PPAT services. Sampling size using the hair formula depending on the number of parameters in the form of question indicators in this study, namely, 30 multiplied by 5, so that 150 respondents were obtained. The collected data were analysed using descriptive statistical methods and testing of data collection instruments using the Partial Least Square (PLS) method. The results showed that there was a positive and significant effect of service quality and price variables on client loyalty. The practical implication of this research is the importance of companies focusing on improving service quality, setting competitive prices and paying attention to the overall customer experience. By implementing these strategies, YOUSFRITA notary and PPAT services, can build strong Client Loyalty and increase their competitive advantage in the market.

**Keywords:** Service Quality, Price, Client Loyalty and Notary & PPAT

**Abstract:** Penelitian ini bertujuan untuk mengkaji pengaruh kualitas layanan dan harga terhadap loyalitas klien di layanan Notaris dan PPAT YOUSFRITA, di Jakarta. Penelitian ini menggunakan metode survei, wawancara dan kuesioner dengan mengumpulkan data melalui kuesioner kepada klien. Populasi dalam penelitian ini adalah klien yang telah menggunakan layanan notaris dan PPAT YOUSFRITA. Ukuran pengambilan sampel menggunakan rumus rambut tergantung jumlah parameter berupa indikator pertanyaan dalam penelitian ini yaitu, 30 dikalikan 5, sehingga diperoleh 150 responden. Data yang terkumpul dianalisis menggunakan metode statistik deskriptif dan pengujian instrumen pengumpulan data menggunakan metode

Partial Least Square (PLS). Hasil penelitian menunjukkan bahwa terdapat pengaruh positif dan signifikan dari variabel kualitas layanan dan harga terhadap loyalitas klien. Implikasi praktis dari penelitian ini adalah pentingnya perusahaan berfokus pada peningkatan kualitas layanan, menetapkan harga yang kompetitif dan memperhatikan pengalaman pelanggan secara keseluruhan. Dengan menerapkan strategi ini, layanan notaris dan PPAT YOUSFRITA, dapat membangun Loyalitas Klien yang kuat dan meningkatkan keunggulan kompetitif mereka di pasar.

**Keywords:** Service Quality, Price, Client Loyalty and Notary & PPAT

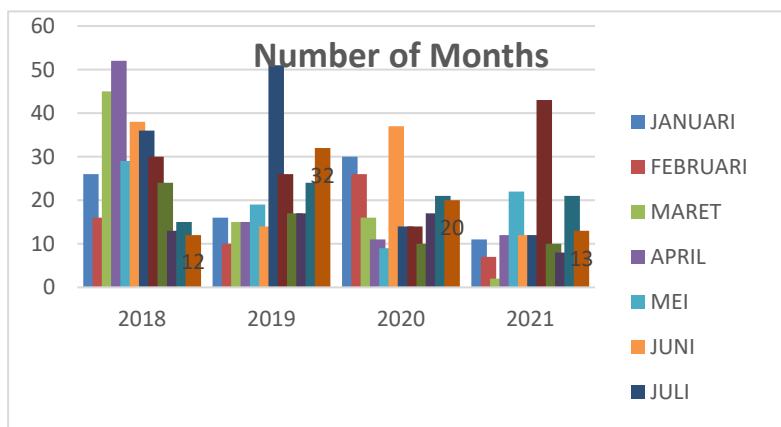
## INTRODUCTION

Need in the service industry, including tourism services, health, notaries and goods and services require companies to always pay attention to customer desires and try to meet customer expectations by providing services. Good service quality and accurate pricing significantly enhance consumer trust, which in turn leads to increased sales (Sunarsi, D., & Baharuddin, A. (2019). Better service quality positively impacts customer loyalty, with 38.30% of customer loyalty influenced by service quality (Budianto. A 2019). Good service quality will certainly get a positive value in the eyes of the client, then the client will provide good feedback, so that gradually they become regular customers and repeat buyers. Maintaining regular customers or loyal customers apart from the quality of service provided by a company, the client satisfaction factor can also trigger or influence this. (Handayani & Agustinus Peppy Fernandes, SE., 2021).

One of the service sectors that continues to grow is in the notary. The profession of notary plays a crucial role in preventing money laundering and terrorist financing by implementing basic measures in drafting and preparing notarial documents, as well as assessing the risks of money laundering and terrorist financing at the individual level, business relationships, and financial instruments (Petrović, T. (2022). Public notary services enhance legal security and efficiency in civil court processes, while also maintaining oversight and accountability in the judiciary (Kaščelan, B., & Tošić, N. (2021).

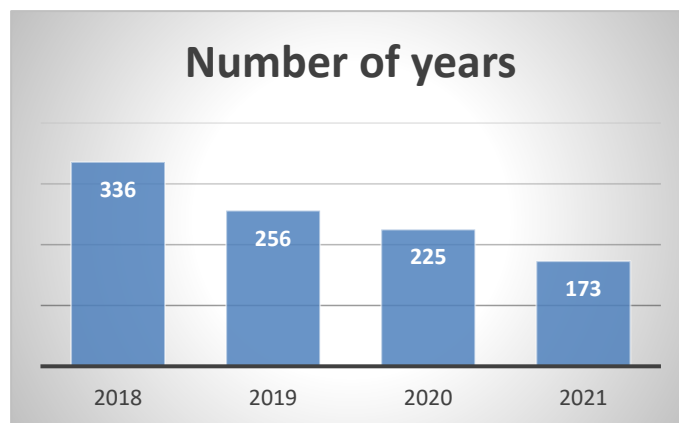
One of which is the Notary and PPAT (Land Deed Making Official) office. Notary and PPAT Office YOUSFRITA is one of the Notary offices located in DKI Jakarta Province, precisely in the Administrative City of East Jakarta. Established since 2011 in Serang Regency, which is now moving to East Jakarta, located at Jalan Tegalan Number 6, Palmeriam Village, Matraman District, East Jakarta, DKI Jakarta Province. The development of the Notary and

PPAT Office YOUSFRITA, the number of deeds made by this office has always decreased, as can be seen in the table below, which is data on the number of deeds made in 2018 - 2021, namely as follows:



**Figure 1.** Notary Deed Creation Data

Based on Figure 1, the number of deeds made by the Notary & PPAT YOUSFRITA. Office has decreased every month.



**Figure 2.** Notary Deed Creation Data

Based on Figure 2, the number of deeds made by the Notary & PPAT YOUSFRITA,. Office has decreased every year.

The profession of a notary is a public official bound by legal norms and professional ethics. Education on responsibility and ethics is very important for effective performance in the field of law (Rabanirajona, H. 2020). The ethics of the profession and legal protection of Notaries are based on the Notary Code of Ethics and its amendments in Law No. 30 of 2004 (Soegianto, S. 2020).

Although the notary profession is a public office, it still requires strategies for a notary to compete with other notaries in a good way and avoid any violations. Prevention of unhealthy competition among banking notaries can be achieved by providing opportunities and information, conducting supervision from the Indonesian Notary Association, and enforcing strict legal measures against ethical violations (Octarina, N., & Nababan, Y. 2023). Notaries collaborating with service bureaus violate the code of ethics and risk facing sanctions, ranging from private deeds to reprimands from the association. (Hukum, F., Kode, P., Notaris, E., Bekerjasama, Y., Biro, D., Elsa, J., Saputri, H., Hoesin, S., Pusat, P., & Indonesia, I. 2023). It is significant to note that 878 people in the DKI Jakarta Province are Notaries and PPATs as of 2022, according to information verified on the website "<https://www.atrbpn.go.id/daftar-ppat>." The specifics are as follows:

NO	KABUPATEN/ KOTA	PPAT	PPATS
1.	Kota Administrasi Jakarta Pusat	130	2
2.	Kota Administrasi Jakarta Selatan	283	2
3.	Kota Administrasi Jakarta Barat	167	0
4.	Kota Administrasi Jakarta Timur	176	6
5.	Kota Administrasi Jakarta Utara	122	0
JUMLAH		878	10

**Figure 3.** Number of Notaries and PPAT

Source : <https://www.atrbpn.go.id/register-ppat>

The East Jakarta Municipality area is 176 Notaries and PPAT with the increasing number of Notaries and PPAT, steps that can be taken by in order to remain competitive and survive without violating the code of ethics, namely by maintaining customer loyalty through improving the quality of service from both Notary employees and Notaries & PPAT themselves and office location factors.

The results of previous research according to Herlina, M., Dewi, J., & , A. (2022), Indajang, K., Candra, V., Sianipar, M., Sembiring, L., & Simatupang, S. (2023) The quality of service and price have a positive impact on loyalty. (Adityawarman Adil, et al., 2016), (Nurmin Arianto, et al., 2017), (Putri et al., 2018), Sugama, I., & Sukaatmadja, I. (2020), (Kurnia et al., 2021), (Herman et al., 2022), (Tony Prastyo Budi., 2024), show that Service Quality has a positive and significant effect on customer / client loyalty, researchers using SPSS Version 20, 2024), demonstrates how service quality significantly and favorably affects customers and clients loyalty, researchers use SPSS Version 20. The results of previous research according to

(Maulana et al., 2015), show that the Price variable partially and simultaneously affects Customer Loyalty, the research was conducted on different objects. In contrast to the results of research conducted by (Kurniyati, 2017) shows that the price variable has no effect on customer loyalty.

## METHOD

Population is a public place consisting of objects and subjects of research. Population is not limited to the number of objects/subjects studied, but includes all characteristics possessed by the subject/object Sugiyono (2011:115). Population is a group of research elements, where elements are small units which are the source of the data obtained. (Kuncoro, 2013). In this study, the number of service users who came was 400 service users, because it was in accordance with the client's needs in carrying out the administration. The sample used in this study using Structural Equation Modeling (SEM) are all clients who come to do administration at the office of Notary and PPAT YOUSFRITA, in Jakarta as many as 150 respondents. Where in determining the minimum sample limit to be studied, it depends on the number of parameters in the form of question items in the study multiplied by 5 (Hair et al., 2011). Instrument testing in this study used validity tests and reliability tests, after which a path diagram was created for data analysis purposes using Smart PLS 3.0 software.

## RESULTS AND DISCUSSION

Convergent Validity According to the measurement model, an indicator is deemed legitimate if the loading factor value of each indicator is larger than 0.7 and there is a link between the indicator score and the construct score (loading factor). As stated by (Jogiyanto & Willy Abdillah, 2015).

### Validity Test

Measure convergent validity, the rule of thumb used is loading factor  $> 0.7$ . According to (Wiyono, 2011). Convergent validity (outer model) with a loading factor value of 0.50 to 0.60 is considered sufficient. In this study, the researcher used a loading factor  $> 0.5$ .

Table 1. Validity Test

Konstruk	Indikator	Outer loadings	Keterangan
Kualitas Pelayanan (X1)	X1.1	0.676	Valid
	X1.2	0.679	Valid
	X1.3	0.699	Valid

	X1.4	0.752	Valid
	X1.5	0.745	Valid
	X1.6	0.677	Valid
	X1.7	0.690	Valid
	X1.8	0.749	Valid
	X1.9	0.661	Valid
	X1.10	0.659	Valid
Harga (X2)	X2.1	0.690	Valid
	X2.2	0.668	Valid
	X2.3	0.681	Valid
	X2.4	0.717	Valid
	X2.5	0.665	Valid
	X2.6	0.727	Valid
	X2.7	0.711	Valid
	X2.8	0.756	Valid
	X2.9	0.751	Valid
	X2.10	0.738	Valid
Loyalitas Klien (Y)	Y.1	0.623	Valid
	Y.2	0.698	Valid
	Y.3	0.743	Valid
	Y.4	0.770	Valid
	Y.5	0.747	Valid
	Y.6	0.679	Valid
	Y.7	0.673	Valid
	Y.8	0.685	Valid
	Y.9	0.746	Valid
	Y.10	0.764	Valid

*Source : Validity Test Results 2023*

According to the path diagram's output, the second order loading factor has fulfilled convergent validity, namely the indicator value is greater than 0.5. The following is a summary of the output table for validity and reliability testing.

### **Reliability Testing**

Reliability testing shows the consistency and stability of measuring instruments in research. According to (Ngaur, 2018), a construct is said to be reliable if Cronbach's alpha  $>0.60$  and Composite reliability value  $>0.70$ . When a variable in research has a construct

reliability value higher than 0.60, it is considered quite dependable. The reliability test findings for each dimension on the latent variables of price, client loyalty, and service quality are shown in the table below.

**Table 2.** Reliability Testing

Variables	Cronbach's alpha	(rho_a)	(rho_c)	(AVE)
Quality of Service	0.884	0.888	0.905	0.489
Price	0.891	0.891	0.911	0.510
Client Loyalty	0.893	0.895	0.912	0.510

*Source : Results processed by Smart PLS 4.0*

It is possible to conclude that all variables have composite reliabilities over 0.7 to sufficient reliability based on the reliability output data presented above.

### R Square

The quality of the search fit assessment measured using the R-Square (R<sup>2</sup>) value on the smart PLS output is:

**Table 3.** R Square

Variable	R-square	R-square adjusted
Client Loyalty (Y)	0.855	0.854

*Source : Results processed by Smart PLS 4.0*

According to the above table, the Client Loyalty variable's R<sup>2</sup> value is 0.855; additional variables that were left out of the research model account for the remaining variance.

The assessment of the inner model is quite good in explaining the Client Loyalty variable. Meanwhile, the Adjusted R Square (Adj-R<sup>2</sup>) value for the regression model in this study is 0.854 or 85%, meaning that the model is able to explain the phenomenon Client Loyalty. Therefore the model can be said to be good or the model has good predictive value. Ultimately, the model can be used to test hypotheses.

### Hypothesis Testing

To verify the study's hypothesis, the Statistics value is used on each partial direct influence path. Below is a table of path coefficients that explains the test path diagram.

**Table 3.** Path Coefficients (Mean, STDEV, P-Values)

Relationship Between Variables	Original sample	Sample mean	Std. Deviation	T statistics	P values	Information
Service Quality -> Client Loyalty	0.236	0.264	0.096	2.465	0.014	Significant**
Price -> Client Loyalty	0.724	0.696	0.097	7,481	0.000	Significant**

*Source : Results processed by Smart PLS 4.0*

Note: \*\*Significant at 5% level

The t-statistic value from the Smart PLS output is employed, which is compared with the t-table value or by looking at the significance value from the P-Value, in order to assess the link between variables based on the path diagram and the aforementioned hypothesis testing output. The outcomes of the factors' relationship are shown in the table below.

**Table 4.** Hypothesis Testing

Relationship Between Variables	Parameter Coefficient	T statistics ( O/STDEV)	P values	Information
Service Quality -> Client Loyalty	0.236	2.465	0.014	Significant**
Price -> Client Loyalty	0.724	7,481	0.000	Significant**

Source : Results processed by Smart PLS 4.0

Note: \*\*Significant at 5% level

The following is an explanation of table 4:

1. The influence of the Service Quality variable on Client Loyalty yielded a significance level of 0.236 at the significance level  $\alpha = 0.05$  (5%), with a T Statistic value of  $2.465 > 1.64$ . It is clear from the data that there is a strong association between the two variables and that service quality has an impact on client loyalty.
2. At the significance level of  $\alpha = 0.05$  (5%), the effect of the Price variable on Client Loyalty yielded a significance level of 0.724 with a T Statistic value of  $7.481 > 1.64$ . It is clear from the data that there is a strong association between the two factors and that price has a big impact on customer loyalty.

## DISCUSSION

### The Effect of Service Quality on Client Loyalty at Notary and PPAT Services YOUSFRITA, In Jakarta.

There is a positive and significant influence between Service Quality on Client Loyalty. This is in line with research conducted by (Putri et al., 2018) (Kurnia et al., 2021) showing that customer and client loyalty is positively and significantly impacted by service quality. By raising the standard of the services, the Loyalty of a client will be created.

This is YOUSFRITA Notary and PPAT, need to focus on improving Service Quality by providing employee training and development, optimising the use of technology, and



ensuring clear and transparent communication with clients to create a positive experience and build long-term Loyalty.

### **The Effect of Price on Client Loyalty at Notary and PPAT Services YOUSFRITA, In Jakarta.**

There is a positive and significant influence between Price on Client Loyalty. After answering the questionnaire that has been answered by respondents. So it can be explained that the price level can affect the loyalty of a client. This is in line with research conducted by (Maulana et al., 2015) showing that the price variable partially and simultaneously affects customer/client loyalty. With this periodic price adjustments can help maintain competitiveness and maintain client loyalty. This is YOUSFRITA Notary and PPAT, need to continue to monitor the prices offered by competitors in the market. By providing good value to clients, they will see the long-term benefits of using the services of a Notary and remain loyal.

### **CONCLUSION**

Based on the results of the study, it can be concluded that partially the Quality of Service and Price on Client Loyalty to Notary and PPAT Services YOUSFRITA, SH., M.KN. In Jakarta.

There is a positive and significant relationship between Service Quality and Client Loyalty, as indicated by the path parameter coefficient that was found when analyzing the impact of the Service Quality variable on Client Loyalty. This demonstrates that the degree of client loyalty on the Notary and PPAT services increases with service quality. The path parameter coefficient derived from the Price variable's influence on Client Loyalty explains that there is a positive and significant influence between Price and Client Loyalty. This explains that competitive and reasonable prices are also a consideration for clients in maintaining their loyalty. Overall, good management of Service Quality and Price can help increase the level of Client Loyalty and build strong long-term relationships. High client loyalty will bring benefits such as client retention, referrals to others, and growth of the Notary and PPAT service business in Jakarta. This research is expected to be used as a reference to Notary and PPAT YOUSFRITA, SH., M.KN., need to pay attention to client needs and price preferences in determining service prices. Market analysis and competitive research can assist in setting prices

that are competitive but still profitable and provide added value to clients to increase their loyalty. For example, provide quality information and consultation, additional facilities, or updates on relevant legal changes. This will help differentiate Yousfrita's Notary and PPAT Services from competitors and increase client satisfaction. This study uses few independent variables as well as a limited scope, so that future researchers are advised to expand the scope and sample population and independent variables related to the Notary and PPAT industry, in order to improve the study's data and outcomes.

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