Effect of Ticket Prices and Determination of Paid Baggage on Purchase Decisions of Domestic Airline Tickets at Kualanamu Airport

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ABSTRACT

The background of this research is that there is a phenomenon of a very drastic decrease in the purchase of domestic flight tickets Kualanamu Airport. The purpose of this research is to see the effect of ticket prices and determination of paid baggage on purchase decisions of domestic airline tickets at Kualanamu Airport. This research conducted at Kualanamu Airport in Deliserdang Regency. The type of this research is descriptive quantitative. The population of this study are consumers who use the services of airlines at airports. The sample is drawn using a nonprobability sampling approach, the sample chosen is accidental sampling with the type of qualified volunteer sample. The sample of this research was 100 respondents. Respondent data collection using google form. The method of this research is multiple linear regression analysis using Eviews 2010 data processing. The results of the research are partially t-count value 2.307 and sig value 0.023, which means that ticket prices has a positive and significant effect on purchase decisions of domestic airline tickets at Kualanamu Airport, t-count 3,784 and sig 0,000, which means that determination of paid baggage has a positive and significant effect on on purchase decisions of domestic airline tickets at Kualanamu Airport, and simultaneously the F-count value is 27.789 and sig 0,000, which means that ticket prices and determination of paid baggage have a positive and significant effect on on purchase decisions of domestic airline tickets at Kualanamu Airport. The impact of the price increase and the imposition of paid baggage (baggage fees) of up to 20 kg on passengers, made passengers think again (looking at the finances and urgency of the trip) when they want to buy flight tickets for domestic flights back or passengers choose to take the bus if traveling only around Sumatra Island.

Keywords: Ticket Prices, Determination of Paid Baggage, Purchase Decisions

INTRODUCTION

Indonesia is an archipelago where each region has a very long distance. If each of these areas is to be reached using land and sea transportation, it will take days, weeks, even months. Due to the existence of agricultural products that will be distributed to several distant areas and due to the mobilization of activities that require time speed, very fast transportation is needed. Air transportation that can reach each of these areas quickly, which is only a matter of hours, for example if you want to travel from Medan to Jakarta, if you use land or sea transportation it will take 3-4 days, but if you use air transportation, then it takes only about 2 hours. Airplanes are a means of air transportation that is widely used by many people to travel from one place to another very quickly.

Airport is an area on land or waters with certain boundaries which is used as a place for aircraft to land and take off, boarding and disembarking passengers, loading and unloading goods, and places for intra and intermodal transportation, which are equipped with aviation safety and security facilities, as well as main facilities and other supporting facilities (Departemen

Perhubungan, 2019). Kualanamu Airport is located in Deli Serdang Regency, 23 km east of downtown Medan. This airport is the third largest airport in Indonesia after Soekarno-Hatta Jakarta and the new Kertajati in Majalengka, West Java. The location of this airport is a former plantation area of PT Perkebunan Nusantara II Tanjung Morawa which is located in Beringin, Deli Serdang, North Sumatra, quoted from (Wikipedia, 2018).

The comparison of airplane ticket prices between domestic and non-domestic airlines is that if you use domestic travel, it will cost more than IDR 4 million per person to go to Malang from Banda Aceh. As for the ticket price for the Banda Aceh. Kuala Lumpur-Surabaya route with Air Asia, the ticket price is only Rp. 950,000 per person, quoted from (Tribun, 2019).

Paid baggage allowance (baggage rates), which previously domestic airlines did not charge fees for passenger baggage 20 kg or less. Today, the world of national aviation is warmed by the issue of consumer protection. Slowly but surely, the checked baggage allowance (checked baggage) weighing 15-20 kilograms for domestic flight routes that was previously free on several airlines was eliminated. As of January 22, 2019, Lion Air and Wings Air have canceled. Only AirAsia Indonesia still provides free checked baggage facilities, quoted from (Kompas.com, 2019).

Domestic flight passengers February 2019 amounted to 5.63 million, a 15.46 percent drop compared to January's 6.67 million passengers. The sharpest drop in passengers occurred at Kualanamu Airport, Medan. The decrease in airplane passengers also occurs on an annual basis. In February last year, passengers on domestic routes were 6.91 million passengers. Thus, the number of domestic passengers this year fell 18.51 percent compared to last year. When viewed cumulatively, the airplane passengers in the first two months of 2019 were recorded at 12.28 million passengers. This figure is down 15.38 percent compared to the previous year with 14.52 million passengers. The decline in flight users for domestic flight routes can be seen in all major airports in Indonesia. The worst decline occurred at Kualanamu Airport, North Sumatra. February data shows that passengers on domestic flight routes in Kualanamu are only 198.9 thousand people, a decrease of 29.17 percent compared to January's 280.8 thousand people. Thus, cumulatively, Kualanamu has served as 479.7 thousand domestic many as passengers this year. This number also dropped 27.73 percent compared to last year, namely 663.8 thousand people (Badan Pusat Statistik, 2019).

The problems that occur are 1, the ticket prices for domestic airlines are more expensive than non-domestic airlines, domestic airlines impose paid baggage (baggage rates), and there has been a decrease in the purchase of flight tickets for domestic airlines at Kualanamu Airport.

The specific purpose of this research is to examine and analyze the effect of ticket prices and baggage rates on the decision to purchase Domestic Airline tickets at Kualanamu Airport in Medan partially and simultaneously.

The urgency of this research is to see the reasons for the decreasing decision to purchase flight tickets for domestic airlines at Kualanamu Airport.

The specific specification of this research scheme is that this research is expected to find the exact cause of the decline in ticket purchases for domestic airlines at Kualanamu Airport.

LITERATURE REVIEW

1. Purchase Decisions Theory

According to Swastha and Handoko in Mal and Mertayasa (2018) Purchasing decisions are an approach to solving problems in human activities to buy goods or services in fulfilling their wants and needs, consisting of identifying needs and wants, searching for information, evaluating alternative purchases, purchasing decisions. and behavior after purchase.

According to Deavaj *et al.* in Hardiawan (2013:23-24), online purchasing decisions are influenced by efficiency for search (fast time, easy to use, and easy search effort), value (competitive price and good quality), interaction (information, security, load time, and navigation).

2. Ticket Prices Theory

Price is the value stated in currency or other monetary medium as a medium of exchange (Danang, 2012).

According to Tjiptono (2008:152), price has two main roles in influencing purchasing decisions, namely as an allocation role of the price where price functions in helping buyers decide how to obtain the highest expected benefits based on their purchasing power.

Airplane tickets are the main conditions that apply to flights so that a consumer can enjoy the flights provided by the airline. The price of each plane ticket varies, depending on the distance from the flight's origin to the flight destination or depending on how far the flight destination is.

3. Determination of Paid Baggage Theory

Determination of paid baggage (baggage rate) is the application of tariffs on passenger luggage that are placed in the baggage when consumers want to fly, where so far baggage weighing 15-20 kg is not subject to a tariff. According to KBBI, 2016, rates are: "(list) prices (rent, fees, etc.)". According to Buchari Alma (2014) Tariff is the value of an item expressed in money and the term price that we know in general in service companies.

The stipulation of paid baggage (baggage rate) is a policy taken by the airline, but it should be remembered that this policy will greatly affect the number of aircraft passengers from the airline. According to Swastha in Demetrius and Kasmiruddin (2013), there are several factors that are considered in setting rates (prices), namely the state of the economy, supply and demand, elasticity of demand,

competition, costs, company objectives, government supervision.

RESEARCH METHODS

1. Research Location

The location of the research was carried out at Kualaamu Airport which is in Deli Serdang Regency. The object of this research is aviation services.

2. Approach, Type and Nature of Research

The approach used in this research is a survey approach. The type of research used is descriptive quantitative research which includes data collection to test hypotheses or answer questions about the latest status of research subjects (Sugiyono, 2010).

The nature of the research is explanatory research. Sugiyono (2010) states that explanatory research is research that intends to explain the position of the variables studied and the relationship between one variable and another.

3. Population and Sample

The population in this study is the public who uses aviation services at Kuala Muir airport.

Sampling using a non-probability sampling approach. According to Morrisan (2014), the type of sampling chosen was accidental sampling with the type of qualified volunteer sample, meaning that respondents met by researchers were willing to volunteer to become respondents and meet the criteria of researchers as many as 100 respondents.

4. Data Collection Techniques

Data collection techniques used in this study are by interview, questionnaire and study.

5. Types of Data Sources

According to Sugiyono (2009:193) Collection can use primary sources and secondary sources. Primary sources are data sources that provide data directly to data collectors and sources that do not directly

provide data to data collectors, for example through other people or through documents. Primary data sources were obtained by distributing questionnaires using google form (online).

6. Test Research Instruments

To obtain good research results, the questionnaire used as a data collection instrument must be tested first about its validity and reliability.

7. Descriptive Statistics

Descriptive statistics provide an overview or descriptive of data seen from the average (mean), standard deviation, maximum, and minimum values, so that the reader can understand them contextually.

8. Classic Assumption Test

The classical assumption test consists of multicollinearity test, heterocedosity test, auto-correlation test, risidual normality, and specification error (Ghozali and Ratmono, 2013).

9. Data Analysis Method

In this study, the data analysis method used is the statistical analysis method using Eviews 10 software.

Testing the hypothesis used in the research to be tested is by using multiple linear regression analysis.

Hypothesis testing in this study is as follows:

a. Analysis of the Coefficient of Determination (R²)

According to Ghozali (2013:97) the coefficient of determination is intended to determine how much the model's ability to explain the dependent variable.

b. Simultaneously Test (F-Test)

According to Ghozali (2013), this test was carried out to see whether all the independent variables included in the model had an effect simultaneously (simultaneously) on the dependent variable.

c. Partial Test (t-Test)

According to Ghozali (2013), the partial test or t-test is to test whether an

independent variable has an individual effect on the dependent variable.

RESULT AND DISCUSSION

1. Characteristics of Respondents

Table 1. Characteristics of Respondents Based on Gender

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Gender	Total	
Male	55	
Female	45	
Total	100	

Source: Processed Data, 2020

Seen from Table 1, it is obtained that the respondent's data on the characteristics of the respondents based on gender are 45 female respondents and 55 male respondents.

Table 2. Characteristics of Respondents Based on Age

Age	Total
< 20 Years	9
20-30 Years	24
31-40 Years	43
> 40 Years	24
Total	100

Source: Processed Data, 2020

Seen from Table 2, it is obtained data on the characteristics of respondents based on age, namely 9 respondents under 20 years, 24 respondents aged 20-30 years, 43 respondents aged 31-40 years, and over 40 years old as many as 24 respondents.

Table 3. Characteristics of Respondents Based on Occupation

Occupation	Total
Lecturer	40
Private Employees	10
Students	44
PNS/TNI/PLRI/BUMN	2
Self-Employed	4
Total	100

Source: Processed Data, 2020

Seen from Table 3, it is obtained characteristic data based on occupation, namely 40 respondents as Lecturers, 10 Private Employees, 44 Students, 2 PNS/TNI/PLRI/BUMN respondents, and 4 Self-Employed respondents.

Table 4. Characteristics of Respondents Based on Education

Education	Total
≥ S2	50
S1	22
D3	1
SMA	25
Etc.	2
Total	100

Source: Processed Data, 2020

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Seen from Table 4, it is obtained characteristic data based on education, namely \geq S2 as many as 50 respondents, S1 as many as 22 respondents, D3 as many as 1

respondent, SMA as many as 25 respondents, and the others as many as 2 respondents.

2. Descriptive Statistics

Table 5. Descriptive Statistics

	Price	Paid Baggage	Purchase Decisions
Mean	14.01000	12.87000	16.37000
Median	14.00000	13.00000	16.50000
Maximum	20.00000	20.00000	20.00000
Minimum	4.000000	4.000000	9.000000
Std. Dev.	3.557593	4.237054	2.607894
Skewness	-	-0.053335	-0.649892
	0.671116		
Kurtosis	3.427507	2.210151	3.322078
Jarque-Bera	8.268121	2.646830	7.471558
Probability	0.016018	0.266225	0.023855
Sum	1401.000	1287.000	1637.000
Sum Sq.	1252.990	1777.310	673.3100
Dev.			
Observations	100	100	100

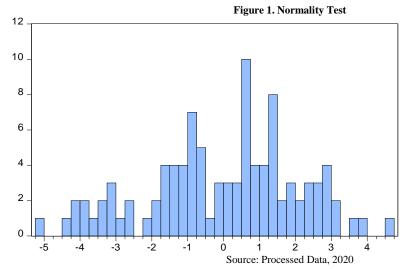
Source: Processed Data, 2020

From Table 5, the minimum value for the price variable is 4, the maximum value is 20, the mean value is 14, and the standard deviation is 3.56. The minimum value for the baggage fee variable is 4, the maximum value is 20, the mean value is 12.87, and the standard deviation is 4.24. The minimum value of the purchase decision variable is 9, the maximum value is

20, the mean value is 16.37, and the standard deviation is 2.61.

Classic Assumption Test Normality Test

From the picture, it can be seen that the probability value is 0.29 (29%), which is above 5%, then it is said to be normal.



Series: Residuals Sample 1 100 Observations 100		
Mean	2.01e-15	
Median	0.321725	
Maximum	4.512867	
Minimum	-5.183984	
Std. Dev.	2.079349	
Skewness	-0.324839	
Kurtosis	2.584361	
Jarque-Bera Probability	2.478489 0.289603	

Heteroscedasticity Test

Table 6. Heteroscedasticity Test

10	DIC O. HICTCI OS	ccuasticity i	CSt	
Heteroskedasticity T	est: Glejser		•	
F-statistic	5.525672	Prob. F(2	2,97)	0.0053
Obs*R-squared	10.22786	Prob. Ch	i-Square(2)	0.0060
Scaled explained SS	8.923857	Prob. Chi-Square(2)		0.0115
Variable	Coefficient	Std. Error	t-Statistic	Prob.
С	3.201848	0.469137	6.824982	0.0000
Price	-0.080016	0.042898	-1.865245	0.0652
Paid_Baggage	-0.029788	0.036019	-0.827007	0.4103

Source: Processed Data, 2020

According to Table 6, data on the probability price value is 0.065 (6%), paid baggage 0.41 (41%), where the value is above 5%, so it can be said that heteroskedasticity does not occur.

Multicollinearity Test

Table 7. Multicollinearity Test

	Price	Paid_Baggage		
Price	1	0.6621535170246294		
Paid_Baggage	0.6621535170246294	1		
Source: Processed Data, 2020				

Judging from Table 7, it is obtained that the correlation value of the price variable with baggage fees is 0.66, the correlation value between paid baggage and price is 0.66. Where if the correlation value between variables is smaller than 0.8, it is said that there is no multicollinearity.

Data Analysis Research Model

From Table 8, the multiple regression research model is obtained as follows:

 $Y=10.57 + 0.182 \text{ Price } (X_1) + 0.252$ Paid Baggage (X_2)

Table 8. Research Model

Dependent Variable: Purchase_Decisions						
Method: Least S	Method: Least Squares					
Sample: 1 100						
Included observ	Included observations: 100					
Variable	Variable Coefficient Std. Error t-Statistic Prob.					
С	10.57116	0.866064	12.20598	0.0000		
Price	0.182750	0.079194	2.307641	0.0231		
Paid_Baggage	0.251632	0.066494	3.784289	0.0003		

Source: Processed Data, 2020

Analysis of The Coefficient of Determination (R^2)

From Table 9, it is obtained that the adjusted R square value is 0.35, which means that 35% of the variation in the purchase decisions variable (Y) can be explained by variations in the independent variables, namely the price and paid baggage variables, and the remaining 65% is explained by other variables.

Table 9. Coefficient of Determination

Dependent Variable: Purchase_Decisions					
Method: Least Squ	uares				
Sample: 1 100					
Included observations: 100					
R-squared	0.364267	Mean dependent var 16.37000			
Adjusted	0.351159	S.D. dependent var 2		2.607894	
R-squared					
Prob(F-statistic)	0.000000				

Source: Processed Data, 2020

Simultaneously Test (F-Test)

Table 10. F-Test Results

Tuble 10. 1 Test Results				
Dependent Variable: Purchase_Decisions				
Method: Least Square	S			
Sample: 1 100				
Included observations	: 100			
R-squared	0.364267	Mean dependent var		16.37000
Adjusted R-squared	0.351159	S.D. dependent var		2.607894
S.E. of regression	2.100676	Akaike info criterion		4.351937
Sum squared resid	428.0456	Schwarz criterion		4.430092
Log likelihood	-214.5968	Hannan-Quinn criter.		4.383567
F-statistic	27.78986	Durbin-Watson stat		2.226147
Prob(F-statistic)	0.000000			

Source: Processed Data, 2020

From Table 10, the simultaneous test results (F-count) are 27.789 and the probability value is 0.000, which means that the price and paid baggage have a positive and significant effect (sig<0.05) on purchase decisions.

Partial Test (t-Test)

From Table 11, the t-count value is 2.307 and a significant value is 0.023, which

means that the price has a positive and significant effect (sig<0.05) on purchase decisions of domestic airline tickets at Kualanamu Airport.

From Table 11, the t-count value of baggage fees is 3.784 and a significant value is 0.000, which means that baggage costs have a positive and significant effect (sig <0.05) on purchase decisions of domestic airline tickets at Kualanamu Airport.

Table 11. t-Test Results

Dependent Variable: Purchase_Decisions				
Method: Least S	Squares			
Date: 10/18/20	Time: 02:32			
Sample: 1 100				
Included observations: 100				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
С	10.57116	0.866064	12.20598	0.0000
Price	0.182750	0.079194	2.307641	0.0231
Paid_Baggage	0.251632	0.066494	3.784289	0.0003

Source: Processed Data, 2020

CONCLUSION AND SUGGESTION

The results of the research are partially t-count value 2.307 and sig value 0.023, which means that ticket prices has a positive and significant effect on purchase decisions of domestic airline tickets at Kualanamu Airport, t-count 3,784 and sig 0,000, which means that determination of paid baggage has a positive and significant effect on on purchase decisions of domestic airline tickets at Kualanamu Airport, and simultaneously the F-count value is 27.789 and sig 0,000, which means that ticket prices and determination of paid baggage have a positive and significant effect on on purchase decisions of domestic airline tickets at Kualanamu Airport.

The impact of the price increase and the imposition of paid baggage (baggage fees) of up to 20 kg on passengers, made passengers think again (looking at the finances and urgency of the trip) when they want to buy flight tickets for domestic flights back or passengers choose to take the bus if traveling only around Sumatra Island.

It is advisable for airlines to reanalyze the policies in effect, for example increasing ticket prices and not setting baggage fees together (gradually).

ACKNOWLEDGMENT

We would like to thank the Direktorat Riset dan Pengabdian Masyarakat (DRPM) of the Kementrian Riset, Teknologi dan Pendidikan Tinggi (2020 funding) for funding this research, so that this research can be carried out.

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How to cite this article: Saribu HDT, Napitupulu F. Effect of ticket prices and determination of paid baggage on purchase decisions of domestic airline tickets at Kualanamu Airport. International Journal of Research and Review. 2020; 7(10): 527-534.
