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Antecedent and Consequent Analysis of Career Development of Employees of PT. Mega Auto Central Finance (MACF) Serang Branch

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Abstract

This study aims to examine the antecedents and consequent analysis of career development. This research is a hypothesis testing with survey method. The population in this study were all employees of PT. Mega Auto Central Finance (MACF) Serang Branch was used as samples, namely as many as 64 employees. The analytical tool used to test the suitability of the proposed model and hypotheses using the regression method, the conclusion is that all four hypotheses are supported. The results show that career planning affects career development, career management involves career, career development impacts job satisfaction, and career development affects career commitment. PT. MACF Serang Branch should increasingly provide career opportunities to improve career planning and management, improving career development so that it is expected to create work commitment and high job satisfaction.

Keywords: Career Development, Career Planning, Career Management, Job Satisfaction, Career Commitment.
JEL Classification: L00, M10
Type of paper: Research Paper.

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The organization's ability to survive and develop is primarily determined by its ability to change, adapt to changes in the business environment it faces or adapt to potential changes in the future. Changes at the organizational level have an essential role in managing working people, particularly planning and managing their careers.

Keith Devis and Werther in Sjafri Mangkuprawira (2014) define a career as all jobs held by a person during his life in his work. Career is a basic need for employees to gain social and family recognition and economically. According to Baruch (2004) career is not just a job but develops around the processes, attitudes, behaviours and situations in one are work-life to achieve career goals. However, over the last few decades, it has been understood that individuals are also responsible for planning and building their careers rather than leaving it entirely to the organization to manage. Therefore, career management requires initiatives from organizations and individuals to provide maximum benefits for both.

According to Rivai and Sagala (2011), the definition of career management is the process of managing an employee's career, which includes several stages of activities such as career planning, self-development and career counselling, as well as career decision making. Career management must involve all parties, including employees concerned with the work unit and the company as a whole.

In practice, according to Sjafri Mangkuprawira (2014), the division of human resources within the company encourages career planning in three ways, namely through career education, career planning information and career guidance (counselling).

Career planning and career management are steps taken in achieving career development. In practice, career development is a career implementation plan. Sadili Samsudin (2019) defines career development as an effort to improve employees' technical, theoretical, conceptual, and moral abilities according to the needs of the job/position through education and training.

Employees highly expect career development because they will get better rights than previously obtained, both material and non-material, such as increased income, improved facilities and so on. At the same time, the requests are non-material such as social status, feelings of pride, etc. This can lead to job satisfaction as a positive emotional state resulting from assessing a job or experience and career commitment to ability development. Commitment helps careers last a long time to develop specific skills and provides strength in business and professional relationships.

PT. Mega Auto Central Finance (MACF) is a motorcycle financing company with a target system in its work. Thus, PT. MACF recruits qualified and appropriate employees in their fields. Employees of PT. MACF is obliged to give a good performance so that career planning and management are very concerned. With good career planning and

management, employees can develop their careers, which can grow job satisfaction. In addition to increasing job satisfaction, career development can also lead to a high commitment to the company.

The object of this research is the employees of PT. MACF Serang Branch. This research is expected to know clearly about the antecedents and consequences of career development in employees of PT. MACF Serang Branch can later be used as a reference by PT. MACF Serang Branch.

II. Literature Review

2.1. Career Planning

According to Martoyo (2015), career planning is a plan about the possibilities of an organization member or employee going through promotion or rank according to his requirements and abilities.

According to Simamora (2015), individuals plan careers to improve status and compensation, ensure job safety, and maintain marketability in a changing labour market.

Career planning needs to be addressed because human resource plans address the various future staffing needs of the organization and are associated with career opportunities. In addition, human resource managers are always interested in training or development opportunities. Each individual evaluates their abilities and interests through career planning, considers alternative career opportunities, sets career goals, and plans practical development activities. The main focus in career planning should be a match between personal goals and the realistically available options. Pua and Anantram (2006) emphasize the importance of career planning as the first step towards a career development process.

2.2. Career Management

According to Simamora in Rahmi Widyanti (2018), career management is a process in which a company selects, assesses, assigns, and develops its employees to obtain a set of high-quality employees to meet future needs.

The goal of career management is to meet the objectives of the talent management policy. Career management provides opportunities for people to develop their skills and careers to ensure that the organization has the required flow of talent and fulfils its aspirations. It is about integrating organizational needs with individual needs.

Career management requires an approach that explicitly considers both the needs of the organization and the interests of employees. This need is for creativity in identifying ways to provide development opportunities. The best career management policies and

practices are based on understanding the organization's career advancement stages (Encep Saefullah, 2021).

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This section consists of an illustration and description of the conceptual framework to answer the research questions.

According to Widodo (2015), career development is a series of lifelong activities that explore, establish, succeed, and fulfil one's career. Meanwhile, according to Sinambela (2015), career development is an effort made by organizations to plan their employees' careers, referred to as career management, including planning, implementing, and supervising jobs. According to Siagian (2012), factors that influence career development are fair treatment in a career, concern for direct superiors, information about various promotion opportunities, interest in being promoted and level of satisfaction.

Career development is oriented towards organizational/company development in responding to future business challenges. Every organization/company must accept that its existence in the future depends on human resources (HR). Without having competitive human resources, an organization will experience setbacks and will eventually be excluded due to the inability to face competitors. Such conditions require the organization/company to conduct career development for employees, which must be planned and sustainable.

2.4. Job Satisfaction

According to Umar (2010), job satisfaction is a set of employee feelings about whether or not their job is fun. Hasibuan (2018) states that job satisfaction is a pleasant or unpleasant emotional attitude. Employees who are satisfied with their work will appear in employees' emotions. Employee satisfaction will make employees love their work. Job satisfaction is enjoyed on the job, outside of work, and a combination of inside and outside work.

Job satisfaction is an emotional response to work situations. Each individual will have a different level of job satisfaction. In achieving job satisfaction, individuals must interact with colleagues and superiors and comply with applicable regulations within the company.

Employee job satisfaction is a primary concern for managers, academics/researchers, and the general public. Someone joins an organization or works for a company to obtain job satisfaction, resulting in low employee productivity.

2.5. Career Commitment

Ching and Kee (2012) stated that career commitment is a person's attitude in achieving goals for self-improvement and is more individualistic. In contrast, Noordin (2008) defines career commitment as a goal that the individual and this commitment form is

only in his career. The more substantial career commitment will be reflected in the individual's career identity, where there is a strong desire to achieve individual goals to attain jobs in the company.

Career commitment is another consequence of career development initiatives. Career commitment is a motivational strength to work in a chosen career. Pua and Anantram (2006) argue that career commitment is characterized by career development of personal goals, identification, and involvement in those goals.

Career commitment forms a sense of responsibility for the organization, protects the organization from outside influences, and draws human resources towards cooperative actions.

III. Methodology

This study aims to test the hypothesis to test the causal relationship between the variables. The setting used is natural in the form of field research. In terms of the time dimension, this study is included in the category of cross-sectional research, namely research that only collects data through questionnaires in only one time using survey design as a data collection technique that aims to obtain accurate information through the use of questionnaires a collection tool. Primary data.

The development of the hypothesis is the Effect of Career Planning on Career Development (H1), The Effect of Career Management on Career Development, (H2), The Effect of Career Development on Job Satisfaction (H3) and Career Development on Career Commitment (H4), described in the framework below :

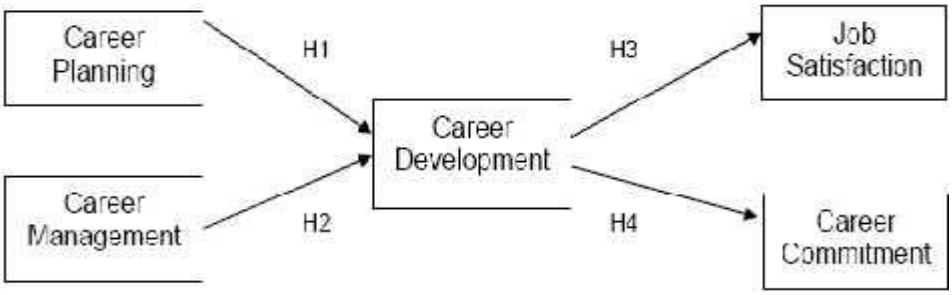

Figure 1. Research Framework
Source: Puah and Ananthram (2006)

The population and sample in this study were all employees of PT. MACF Serang Branch, totalling 64 employees. The data quality test method uses the Validity and Reliability Test. At the same time, they were testing the hypothesis using Multiple Linear Regression analysis.

IV. Results and Discussion

4.1. Results

The results of the regression test between career planning and career development are presented in table 1 below:

Table 1. Career Planning Regression Test Results on Career Development

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	13.860	4.847		2.860	.008
career planning	.244	.119	.246	2.055	.044

Source: Primary Data Processed, 2021

The results of the regression test between career management and career development are presented in table 2 below:

Table 2. Career Management Regression Test Results on Career Development

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	17.290	4.831		3.709	.058
career management	.238	.099	.287	2.398	.020

Source: Primary Data Processed, 2021

The results of the regression test between career development and job satisfaction are presented in table 3 below:

Table 3. Career Development Regression Test Results on Job Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	11.238	1.934		5.812	.000
career development	.277	.103	.324	2.698	.009

Source: Primary Data Processed, 2021

The results of the regression test between career development and career commitment are presented in table 4 below:

Table 4. Career Development Regression Test Results on Career Commitment

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
(Constant)	16.438	5.166		3.182	.002
career development	.558	.274	.250	2.036	.046

Source: Primary Data Processed, 2021

4.2. Discussion

Career Planning has a positive effect on Career Development. This hypothesis is tested to prove that career planning positively affects career development. Based on the regression analysis results in Table 1, the t-value of career planning in career development is 2.055, with a significance level of 0.044. It can be concluded that hypothesis 1 is supported. Statistically, it can be shown that career planning has a positive influence on career development. This indicates that the higher the career planning of an employee can increase employee's career development.

Career management has a positive effect on Career Development. This hypothesis is tested to prove that career management positively impacts career development. Based on the regression analysis results in Table 2, the t-value of career management in career development is 2,398, with a significance level of 0.020. It can be concluded that hypothesis 2 is supported. Statistically, it can be shown that career management positively influences career development. This indicates that if the employee's perception of the company's career management is good, it increases employee career development.

Career Development has a positive effect on Job Satisfaction. This hypothesis is tested to prove that career development positively affects job satisfaction. Based on the analysis results in Table 3, where the t value of career development on job satisfaction is 2,698 at a significance level of 0.009, it can be concluded that hypothesis 3 is supported. Statistically, it can be shown that career development positively influences job satisfaction. This indicates that if the perception of employees on career development in the company is good, then employees will feel satisfied with the work they do.

Career Development has a positive effect on Career Commitment. This hypothesis is tested to prove that career development positively affects career commitment. Based on the calculation results in Table 4, where the t value of career development on career commitment is 2.036 with a significance level of 0.046, it can be concluded that hypothesis 4 is supported. Statistically, it can be shown that career development positively influences career commitment. This indicates the perception of employees who tend to have high career development and the responsibility to survive in the company PT. The MACF of the Serang Branch will also be higher.

V. Conclusion and Recommendation

Based on the results of the analysis that has been carried out by researchers using the regression analysis method, it can be concluded that career planning and career management have a positive effect on employee career development. At the same time, career development positively affects employees' job satisfaction and career commitment to the company.

This positive influence indicates that the better the career planning and career management of the employee, the better the career development of the employee, and

the better the employee's career development, the greater the job satisfaction and career commitment of the employee.

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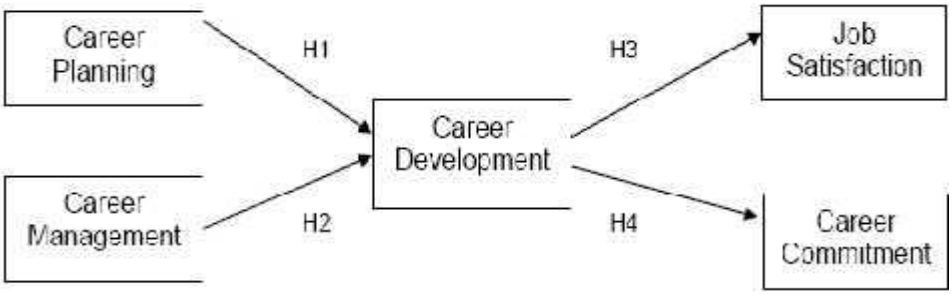

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The economy of Political of Media on the News on the 2017 Banten Governor Election
(Case of Radar Banten and Baraya TV)

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Abstract

Mass media, both print and broadcast (TV and radio), play an essential role in disseminating critical messages to the public/community. Because the media in the current era has become an economic and political commodity because of its function and ownership, which is owned by individuals (owners of capital). This positions the media and processes as disseminators of information and motivates for-profit and political interests. This article discusses the position of the local Press in Banten, namely Radar Banten and Baraya TV. In the euphoria of the gubernatorial election, these two media inevitably convey political messages. At the same time, these two media will try to make a profit just like an economic institution. How is the positioning of these two media, which have the function of disseminating information and education but simultaneously practicing economic and political activities? Are these two media able to maintain independence?

Keywords: Economy of Politic, Profit Motif, Media Independence.
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I. Introduction

"Mass media is a class that arrange". Such is the premise of the Marxist theory of the position of the media in the modern capitalist system (Sudibyo, 2004). The mass media is believed to be a medium of message traffic between social elements in society and functions as a means of subjugation and coercion of conventions by economically and politically dominant groups. Through the pattern of ownership and the products presented, the media is an ideological tool that perpetuates the domination of the financier class over the public, who are treated solely as consumers, and against those who have the power to regulate pro-market regulations.

History shows, the mass media on finally reached the pinnacle of development as a unique institution in modern society. The mass media can present themselves as the main public space and determine social, political, and cultural dynamics at local and global levels. Media has also become the main advertising media that can generate an economic surplus by carrying out the world's liaison between production and consumption.

However, it's almost always too late that the mass media, on the other hand, also propagate or strengthen specific economic and political structures. The Press has social and economic functions and carries out ideological positions. Therefore, the media phenomenon requires observations based on economic approaches and political approaches (Sudibyo, 2004).

II. Literature Review

As the method proposed by Robert W. McChesney, the political economy includes two aspects. First, as an address that connects the media with the communication system in a social structure. In other words, it examines how media (and communication systems) and content mutually reinforce, challenge, or influence existing classes (society stratification) and social relations.

Second, the economy of political communication show specificity in how ownership, performance drives or mechanisms (e.g. advertising), and government policies affect media behaviour and content (news or information in the media). (Wulandari, 2017).

As a society that starts to grow and move "economically", usually community participation has not been spread evenly. Society, in general, is more passive. Furthermore, other groups that are smaller and less are active. In a relatively new society to development, both economically and politically, the role of elite groups was initially an excellent stimulus for the development of other community participation. They (read: the masses) expect the actions of the select group to provide encouragement and an influential role and influence the society of non-elite groups. So, like it or not, under certain conditions, these elite groups do not become a serious "problem" for the

community. Because, as stated by Gaetano Mosca, the select group was believed to be a "strong" and economically dominant group of people in the beginning. And then, they will also explore their influence in the political field (Wijaya, 1988).

It's always interesting to see how the role of the media in the economic and political structure of a country. One principle to note is that, in a capitalist system, the mass media should be given adequate attention, as are other institutions of production and distribution. The conditions found at the level of media ownership, reporting practices, dynamics of the radio, television, film, and advertising industries have a mutually determining relationship with the specific political-economic conditions that develop in a country. And in turn, also influenced by global political economy conditions Sudibyo (Nashrudin P., 2016). One of the main issues in recent modern communication discourse is a pattern of ownership and practice of producing and distributing media products concentrated in large business groups.

On the one hand, media concentration is considered unavoidable when the global situation calls for efforts that lead to consolidation and convergence in the modern media business. But on the other hand, the concentration of media also raises many paradoxes related to the function of the media as a public space with many parts inherent in it. The robust structure of the media industry is the final stage in the evolutionary cycle towards modern industrial institutions (Sudibyo, 2013).

Responding to media phenomena, this phenomenon of media independence, especially local media, will soon appear "a thousand and one" questions. It was considering the positioning of local media *vis-a-vis* the authorities (read: local government). This phenomenon of local media independence deviation will be easier to see during regional head elections (Pemilukada). The first relevant question raised is, is it still possible for us to get independent media during the competition for regional head candidates, such as the governor election in Banten Province. In media and political relations,

Media independence is one of the genres in political communication that views the media as the fourth branch of power (fourth state). The media must be independent so that the other three power components receive adequate supervision. If the media takes sides or is co-opted by other branches of power, indeed, its function as a watchdog is challenging to carry out. Thus democratic life will run lame. Such is the basic premise of the genre. The problem is, when the concentration of ownership of capital in the media industry is increasingly strengthened, journalism was increasingly threatened to become just a business, merchandise. Rupert Murdoch has become a well-known symbol of how the global media business has increasingly cornered journalism as merchandise. In Indonesia, especially Banten, a similar phenomenon can be seen in the Jawapos group (in Banten Jawa Pos has a chain, through its subsidiary Wahana Semesta Banten, which is the holding company for Radar Banten, Baraya Pos and Baraya TV). The orientation of journalism has also changed drastically in the last two decades. Currently, market-driven journalism forces media workers, especially journalists, to be just one of the

screws in the production process to produce news. The types of information are getting more uniform, and the entertainment aspect is getting more dominant. Serious investigative reports are getting less and less.

The question then arises amid the concentration of mass media capital ownership and an increasingly market-driven orientation to journalism; can we expect the independence of our local media to emerge in responding to the 2017 Banten governor election? Conflict of interest of capital owners Media affiliated with certain politicians should not corner journalists solely as campaign officers. In Foucault's terminology (Eriyanto, 2005), the power to spread discourse among the public, held by the mass media, should be used first for the public interest. This research raises the role and the function of the media in the political economy perspective. The conception of political economy initially began with efforts to support capitalist acceleration, which rejected the mercantilist political system, which was considered ineffective and inefficient in the 18th century. Historically, Palgrave defined political economy as studying human well-being and the pursuit of fulfilment (supply and desire fulfilment). For that reason, it is interesting to raise this "sexy" issue in the title of Media Political Economy: In the News Ahead of the 2017 Banten Governor Election by Radar Banten and Baraya TV. This research aims to get information about (1) How are Media Relations and power are in the practice of political economy; (2) How is the practice of Media political economy (Baraya TV and Radar Banten) is in maintaining neutrality and professionalism.

III. Methodology

This study uses a qualitative. Qualitative research is a research process to understand social problems or human problems, based on creating a complete holistic picture formed in words, reporting informants' views in detail and arranged in a natural setting (Creswell, 2014).

According to Fraenkel & Wallen, qualitative research focuses on the ongoing process. Researchers are primarily interested in understanding how things happen. Meanwhile, according to Lincoln & Guba, qualitative research is a design that develops in terms of results. Understanding and interpretation are negotiated with human data sources because it is the subject's reality that researchers want to understand (Creswell, 2014). At the same time, the research paradigm used is constructivist.

The constructivist paradigm rejects the positivist/empirical view that separates the object from the subject. The central factor of research and its social relations. Subject, according to the US. Hikam (Moeleong, 2006) can control specific intentions in every discourse. Language is understood as something that is regulated and animated by purposeful statements. Each statement is an act of creating meaning, namely the act of self-formation and self-disclosure of the speaker. Discourse in the constructivist

paradigm is an attempt to reveal the hidden intentions of the subject who put forward a statement. The disclosure is done, among others, by placing oneself in the speaker's position with interpretation following the structure of the meaning of the speaker.

Data collection methods other than Observing texts and news/information is certainly not enough to make observations. However, the prevalence of qualitative methods is by conducting in-depth interviews (depth? interviews). The data that has been collected in this study uses a qualitative research approach by analyzing the text of the election campaign news.

According to Patton (Moeleong, 2006), data analysis is arranging data sequences and organizing data into patterns, categories, and fundamental units of description. From this understanding, Patton distinguishes between data analysis and interpretation, namely giving significant meaning to the study, explaining the pattern of explanation, and looking for relationships between the dimensions of the description.

IV. Results and Discussion

4.1. Media relations and power in the practice of political economy, ahead of the 2017 Banten gubernatorial election.

In terms of communication systems, local media and political-economic media practices do not influence media practice, at least through the binoculars through the course of journalism and media business at Baraya TV and Radar Banten. However, it is realized that the "closeness" of journalists to the leadership of certain political parties impacts advertising spots.

The closeness of journalists with figures In politics, according to the GM Baraya TV, the same thing that the Chief Editor of Radar Banten stated during an interview cannot be avoided. As long as they (read: Baraya TV journalists) can be objective and professional, it is not considered a problem. However, it would be better if journalists were not "too close" to certain political parties or figures because they feared it would affect the news. Furthermore, journalists should not carry out specific "framing" of certain political figures or political parties or officials.

So local media intensely often create a reality that is owned and experienced subjectively. This subjectivity arises, especially if there are demands for pragmatism from media institutions that a journalist must meet. Its form is the motive of interest at the individual level, including political (partisan). This motive makes the news process work no longer based on ethical and professional foundations but political grounds. Political motives can be a spirit and determine the direction of a report.

The process is policy-based media editors who want a frame based on the media's internal interests. An individual or a journalist constructs social reality and reconstructs

it in the world of reality while at the same time strengthening that reality based on the interests of the media institution. This is also reinforced by their educational background, religion, gender, ethnicity, all of which influence journalists in producing coverage (media content). As a result, the media is stuck in the trial by the Press sooner or later.

After the birth of Law no. 40/1999 of the Press, all strengthened the discourse on press freedom. The Press then began to be directed towards their social responsibility roles. Both as a system and as a fourth function in the pillars of democracy. The emergence of regional autonomy and local elections with various problems is expected to be balanced by the presence of local media. Because it negates the existence of the fourth pillar of democracy in regional areas. The local media is expected to read the possibilities that occur in the local political process based on the community context.

Of course, what is expected is not one of the candidates' names but the conditions that occurred. The public will not know candidates' credibility, capability, or loyalty during the campaign season because we will not be able to see the candidate's ability. However, a comfortable and democratic condition is the hope of the people.

Thus, the construction of reality does not wake up in the area of excellence of the candidate. But on the issue of rationality and the full participation of the community in this political process. So that public control over the government is getting tighter, and the mass media is a forum for dialogue between these communities.

The local Press's existence is basically to build local wisdom in politics because the national Press will not do it. After all, it has to look at the condition of the reading community.

In implementing regional head elections, several regional head candidates, including Banten, intensively disseminated their profile, vision, mission, and programs. Various strategic issues that are considered capable of boosting popularity are highlighted, ranging from the sentiments of native sons of the region, achievements as officials in the current regime, poverty alleviation programs, and superior rankings in opinion polls.

In approaching the public, almost all candidates use local print and electronic media. Understandably, the media can reach a broader target audience than conventional methods, such as public meetings, placing banners, billboards, or sticking stickers. We saw that various socializations for regional head candidates were packaged in display advertisements and news advertorials, and interactive dialogues involving several private radio and television stations. It is not unusual for a candidate for regional head to become the sole sponsor of a youth talent contest broadcast on local television.

The moment of the General Election creates a mutual relationship benefit between local media and candidates for regional heads. The media interprets the need for each

candidate for socialization as a golden opportunity to earn income to strengthen or even maintain their existence amid intense competition in the local media business.

At first glance, such a relationship is something. This is a common occurrence between a service provider and its client, as in other service transactions. However, the problem becomes different when it is remembered that the media carries out a natural social control function.

In the context of the General Election, the public, I hope that the local media will be able to critically examine the background of each candidate for regional authority and the programs it offers so that the public has sufficient accurate knowledge to make the right choice in the voting booth. The assumptions underlying public expectations are simple; local media are considered to know or should best understand the intricacies of local problems.

Unfortunately, instead of being a bodyguard democracy at the local level, the local media often flirt with potential power holders. The benefits that are obtained and continue to be expected from the candidates for regional authorities both during the socialization period and when they later serve make the local media often lenient and even facilitative towards the interests of regional head candidates. Instead of submitting reports by the philosophy that bad news is good news for the public interest, we observe that so many local media are competing to present the best and most beautiful about the political elite who are their clients. A series of programs, ranging from talk shows to interactive dialogues, all have the same ending: praise for the candidate. As long as a candidate can establish a "good relationship" with the media, the candidate can determine what he wants to post, how the coverage about himself should be packaged and so on.

In short, the media has two roles. First, the media can influence institutional policies. Second, the media can be used as a catalyst or neutralizer when there is a conflict of institutional change. This reinforces the belief that the media plays an essential role in political institutions.

Whether political institutions, government and other powers will always be interested in the mass media. This cannot be avoided because the Press is the most effective tool for hegemony and influencing society. On the other hand, the independence of the mass media must be maintained as one of the pillars of democracy.

Politics will continuously pursue authority to expand its power. Authority is part of power. Authority is the legally protected power to exercise control over others. Authority has legitimacy so that it can then make people willing to accept policies and recognize the state's authority as the owner of power. Jack Snyder (2003) sees the positive role that local media can play, such as educator, problem identifier, forum provider, and socio-cultural revitalizer for their community.

Robert Dahl called the role of a free press "the availability of alternative and independent sources of information". This leading role is in synergy with the principles of good local governance, such as participation, transparency, and accountability at the local level. Participation means the active part of the community in decision making. Clarity is based on the existence of a mechanism to guarantee public access for decision making. Meanwhile, accountability states how effective the influence of the governed party (object) is on the government (subject).

Meanwhile, Keane (1991: 116-117) underscores the importance of the media as a public servant who has a significant role in a democratic country. This contribution mainly concerns the availability of helpful information for public life (Mansour, 2005).

In addition to contributing to guarantee the democratization process, on the one hand, local media also has an ambivalent effect due to the substantial value of primordialism and the sociocultural-economic closeness of media investors with regional stakeholders, which causes local media to also have a dilemmatic position, for example in coverage of the Regional Head General Election (in the Institute for Press and Development Studies (Institute for Press and Development Studies). LSPP), 2005), Synder (2003) with his various studies even concluded that the local Press could inflame short-term interests, primarily because in the early days of democratization of the media, an atmosphere of free opinion prevailed, the Press was easier to establish, and all of them could be a tool for power maniacs to elevate his position.

In other words, the local Press sometimes fails to keep their distance and get involved emotionally with the dynamics of socio-political competition and conflict in their area. As a result, the coverage becomes less balanced. On the other hand, market pressures, both in the form of intense competition between the media and the public's thirst for news sensationalism demands, often cloud the process and face of local press coverage (Priatna, 2017).

4.2. Economy of Politic of Media (Baraya TV and Radar Banten): Neutrality and Professionalism

Prerequisites for realizing the process of democratization are freedom of expression and information. Therefore a subsystem in the form of an independent mass media is needed. They start with providing correct, relevant, and objective information for the community to supervise power. The notion of power in a democratic society is not only oriented to government power. Still, it has a reasonably broad scope which includes political, social, economic, and cultural activities. This is in sync with what was stated by Schieck(on Lembaga Studi Pers dan Pembangunan (LSPP), 2005) that the presence of an independent media could lead to two roles; First, being a "watchdog" for the government. Second, educate the public on various issues that affect their daily lives.

This interaction is seen in many sectors of life. In a more political context, for example, elections, according to a survey by The Asia Foundation released in 2004, more than 90

per cent of the public use the media as a source of information on general elections (Nashrudin P., 2017). This large number is certainly very open to media abuse as a means of "flirting" between media owners and regional political elites, starting from transactional agreements to provide political advertising space, covering the inauguration of provincial officials, to publications that blow up election campaign activities. This condition is even worse if the media owner or a strong person in the media organization structure is one of the candidates for the Regional Head General Election. The Press becomes an apparatus of temporary interest to mobilize constituents in their community areas. It is clear from these forms of deviation, and the Press can no longer function as the traditional conception of the Press: the fourth assembly of democracy.

The fourth pillar (the fourth estate) does not mean that the Press must position itself in "opposition" to the government or "against" the government. The position of the Press in the fourth assembly concept is the same as the parliament, which emphasizes the nature of independence or freedom to disseminate information and opinions without obstacles from the government. The Press is only legally responsible to the courts and ethically responsible to journalists' organizations (Muis, 2000).

The tug of war between the Press with local elites and abuse of the function of the local Press in the regional head election process may occur due to several reasons stemming from the lack of professionalism. Press professionalism can be indicated from three levels: micro, meso, and macro. Although sometimes the distinction between these three levels is unclear because they overlap and are linked to each other, the above categorization can facilitate the discussion in simple terms.

First, the micro level, namely the product, the end of the media in the form of content or text, which is seen from the news presented. The unprofessionalism of the local Press is especially evident from various news reports about the process of organizing regional head elections, which are shown to be less balanced. It is clear from research released by LSPP in 2005 on the issue of transparency (corruption) and public services to 8 local print media in 4 regions (Lampung, West Java, West Kalimantan, West Nusa Tenggara) showing that local newspapers are still highly dependent on local authorities. This condition narrows the space for print media as a power controller (Lembaga Studi Pers dan Pembangunan (LSPP), 2005) (Nashrudin P., 2017).

In the previous year's research (2004), LSPP conducted monitoring of 1,136 news stories from 10 leading Indonesian newspapers in the period 11-25 March 2004. The results obtained concluded that the media did not pay attention to the principle of balance (cover both sides) in presenting news. Issues around KKN and efforts to reform the military, for example, or the case of the Regional Representatives Council where there are thousands of candidates, received only very minimal coverage compared to other events reported (Luwarso on Nashrudin P., 2017)).

Whereas theoretically, professionalism in the news requires some conditions, especially objectivity. In this conception that tends to be positivistic, the definition of objectivity is formulated in two principles, namely conformity to reality (factuality) and impartiality (impartiality). The principle of factuality consists of two elements, namely actual (truth) and relevant (relevance). The accuracy determines the element of truth in describing the facts. The truth will be vital if it is accompanied by accuracy in all news elements (5W+1H). This accuracy in practice requires the completeness of various instruments (Kusumaningrat, 2005).

Meanwhile, the elements that are used to measure include: (1) psychographic proximity, (2) geographical proximity, (3) timeliness, (4) significance, (5) promotion? nence and (6) magnitude (Kusumaningrat, 2005). These items are known as news values. The principle of impartiality (impartiality) also determines the level of objectivity. Two elements support impartiality, namely balance and neutrality. Balance gives a fair place to different views, often referred to as covering both sides, while neutral means that there must be a separation between facts and journalists' personal opinions (*McQuail ' s Mass Communication Theory*, n.d.,2000).

Revealing facts with objectivity According to the elements mentioned above, the media will automatically become a watchdog against various abuses, both at the state level and at the national level (state) and society (public), including individuals. In this condition, people will think and decide what is right and what is wrong. The Press does not need to dictate or direct, it is enough to reveal the facts as they are, and the public is the one who makes the judgment.

Second, an indication of the professionalism of the Press local can be seen from the meso element. This aspect includes the dynamics of producing and consuming media texts. The striking thing in this discussion is the weakness of local press management with incompetent and unprofessional human resources. In addition, this weak media management also leads to the common welfare of local journalists, who in many cases are paid below the minimum wage. Some regional journalists only get press cards without a fixed salary from the media (see Lembaga Studi Pers dan Pembangunan (LSPP), 2005). In other cases, the establishment of the Press is a local elite's political agenda with a mission to make the media a mouthpiece to defend their interests. This can be seen from the names of the local political elites listed in the masthead (editorial structure) of newspapers.

Lack of professionalism of the local Press is also shown from the condition of journalists who do not have the competence and idealism so that they only make local media institutions a place to seek profit. The mutual collaboration of journalists with local governments leads to agreements that deviate from journalistic ideals and ethics legalized in the regional government budget (APBD), starting from the maintenance costs of the PWI building, this training, to sponsoring this training several fictitious activities for journalists. This is what should be abolished in the local government budget

and rejected by journalists. The abolition of the post can place the Press in a proportional position as an independent institution.

Third, indications to see the pros-Local press professionalism is at a macro level which refers to socio-cultural dynamics, political economy, historical context, and media regulation. The conspicuous issue from the macro aspect is the unclear rules of the game for the local Press in articulating its functions. The lack of firm ethics enforcement, who imposes sanctions and what sanctions are carried out in the event of a violation does not seem to have been fully accommodated by the various legal systems in our country, in the sense that it is weak in the enforcement aspect, not in the sound of the articles of legislation.

On the other hand, from a historical point of view, the popularity of the local Press also does not entirely depart from the basis of contemplative thinking for the benefit of the public, but rather as a trend, even the euphoria of freedom, which at a certain point was not understood by both press managers and the media public themselves. This drives the need for an independent media watchdog to alert the Press in case of misappropriation. In addition, media education is needed for the community through media literacy education so that they are not only passive objects of the media but have an awareness of their role as active stakeholders who have the right to be involved in producing and distributing information.

In Time Magazine, Henry Gunward once wrote the jargon: no democracy without free Press (Republika, 26 May 1999). This statement is in line with President Thomas Jefferson's prevalent speech: "If I were asked to choose between a government without a free press and a free press without a government, I would choose a free press without a government".

Amid the spirit of decentralization and freedom of information, especially with the enactment of Law no. 14 of 2008 concerning Public Information Disclosure (Retnowati, 2012);(Henovanto et al., 2020). The more awakening the local press industry to give new contributions and colour to the tradition of media and democratic life in Indonesia. However, the landscape of media life, especially in the local sphere, still shows a jumble of intertwined and complicated issues to unravel. The neutrality of the local Press in regional head elections (Pemilukada), for example, or its existence which prioritizes economic functions over informative-educational aspects for the local public are the two main issues that arise and even have the potential to reduce the role of the Press; Instead of being the fourth pillar (fourth estate) that oversees the democratization process, it functions as an extension of the regional "kings" who support the interests of short-term power, tribal nationalism, and local primordialism.

According to a survey by The Asia Foundation issued in 2004, more than 90 per cent of the public use the media as a source of general election information (Lembaga Studi Pers dan Pembangunan (LSPP), 2005). This large number is certainly very open to media

abuse as a means of "flirting" between media owners and regional political elites, starting from transactional agreements to provide political advertising space, covering the inauguration of provincial officials, to publications that blow up election campaign activities. This condition worsens if the media owner or a strong person in the media organizational structure is one of the candidates for the Regional Head General Election. What happened was none other than the local Press becoming a temporary interest apparatus to mobilize constituents in the electoral district. It is clear from these forms of deviation, and the Press can no longer function as the traditional conception of the Press: the fourth assembly of democracy, which means the press is a pillar of control of power.

It's not strange amid the spirit of decentralization and freedom of information carried out after the 1998 reform movement; the rise of the local media industry has contributed to the tradition of media and democratic life in Indonesia. No exception in Banten.

Based on these signals, there are 3 (three) things become the central concern: First, a theoretical review of media relations, democracy, and the process towards democratization in the local sphere. Second, as a response to the implementation of regional autonomy, the media plays a vital role as a mediator of information between political leaders and their constituents, so the discussion about media neutrality in regional head elections is essential to put forward. Moreover, the dynamics of the local media industry in the country after the New Order show how the attraction of interest between the media, local government, and advertisers (including the government, which also often plays an advertiser position) in the process of constructing political news presented by local media. Third, the importance of the role of local media in the democratization process in Indonesia and providing an alternative offer of how local media should be formatted in the future, both as a democratic subsystem and as a pillar of the industry.

The rise of local media or media The regional government was a simultaneous reaction to the 1998 political reforms. The reform movement succeeded in pushing for at least two significant changes—first, the era of press freedom which replaced the tyrannical-authoritative government through the licensing regime. Second, the fundamental shift from reform is the regional autonomy plan that carries the principle of decentralization. The policies outlined in Law Number 32 /2004 (Law Number 32 of 2004 Concerning Local Government, 2004) have two goals that cannot be separated from the role of the media: (1) political goals and (2) organizational goals. The political objective is to position the local government as a medium of political education for the regional level community, contributing to national level political education to accelerate the realization of civil society.

While the administrative purposes of position the local government as a government unit at the local level that functions to provide public services effectively, efficiently, and gives better results than the government before the reform of locality to self-determination or local democracy (Fatima, 2004).

The two elementary changes above encourage local media to articulate the community's information needs while at the same time filling the market niche. Given the diverse conditions of society, local media were born with diversity. The function of decentralization and local autonomy for regional media is demonstrated by the ability to accommodate the plurality of aspirations of the local community-community. The decentralization of the media has given rise to political variety, which is very useful for channelling and adjusting local voices and local choices.

V. Conclusion

Democracy means independent pen dence and autonomy. In other words, political life is supported by various institutions with freedom and independence but synergize. In this condition, the presence of the press media is necessary (*condition sine qua non*). The existence of the local Press as a subsystem of the political arena at the local level requires a strong foundation of professionalism and idealism. Without professionalism, the press media will not gain public trust. The development of the local Press must be interpreted wisely by media stakeholders so that the function of "empowering" (empowering) the community through the media does not change its meaning to become "Deceiving" (disempowering) as the euphoria of press freedom at the beginning of the reform era some time ago: "The important thing is to publish, other matters later".

On the other hand, as a business institution, the local Press must also improve the quality of media management, which can nourish the company and enhance the welfare of the media workers concerned. The onslaught of competition with other media will also test the extent of the existence of the regional Press in the future. In response, the increase in managerial capacity must be carried out through various intensive education and training. The existence of local media as a subsystem

The political arena at the local level requires a strong foundation of professionalism and idealism. Without professionalism, the media will not gain public trust. On the other hand, as a business institution, local media must also improve the quality of media management, which can nourish the company and enhance the welfare of the media workers concerned (Mansour, 2005). The onslaught of competition with other media will also test the extent of the existence of regional media in the future. In responding to this, increased managerial capacity must be carried out through professionalism. Finally, the reading public should also strive to improve their understanding of media literacy. So that it can increase appreciation and participation in media healthily and critically, this is to encourage the creation of an excellent local government in the true sense, namely ensuring participation, transparency, and accountability.

The power of the media is so mighty in spreading the flow of information quickly and widely. The candidates use the mass media to socialize the political agenda. The

sweetness of data will automatically anaesthetize the public through the mass media that has been set. This is closely related to the hypodermic needle theory (hypodermic needle), which is a classical theory regarding the process of mass media effects. In this theory, the media content is viewed as a drug injected into the audience's vein, which is assumed to react as expected.

The media have power that is significant in producing and reproducing political images and media content as constructed reality, as Tuchman (on Severin J, 2007) argues. Therefore, the formulation "Who controls the media will rule the world" relates to the Regional Head General Election context. The candidate who can control public opinion will have more chances to win.

The independence and neutrality of the media, in this case, Radar Banten, rather than Baraya TV, is questionable. Instead of promoting media professionalism, local media seem more inclined to act as economic institutions by prioritizing financial practices through advertising spots (campaigns) that get bigger and more "loose" space.

Seeing this kind of condition, it seems the media economy phenomenon reveals its true face. In a sense, the media are relatively difficult to carry out their journalistic duties consistently with the assessment of impartiality by some parties. Utilization of the opportunity to obtain a "niche" of advertising is quite dominant. This is considered something that is often encountered in the local media phenomenon, especially during the General Election.

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The economy of Political of Media on the News on the 2017 Banten Governor Election
(Case of Radar Banten and Baraya TV)

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Abstract

Mass media, both print and broadcast (TV and radio), play an essential role in disseminating critical messages to the public/community. Because the media in the current era has become an economic and political commodity because of its function and ownership, which is owned by individuals (owners of capital). This positions the media and processes as disseminators of information and motivates for-profit and political interests. This article discusses the position of the local Press in Banten, namely Radar Banten and Baraya TV. In the euphoria of the gubernatorial election, these two media inevitably convey political messages. At the same time, these two media will try to make a profit just like an economic institution. How is the positioning of these two media, which have the function of disseminating information and education but simultaneously practicing economic and political activities? Are these two media able to maintain independence?

Keywords: Economy of Politic, Profit Motif, Media Independence.
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I. Introduction

"Mass media is a class that arrange". Such is the premise of the Marxist theory of the position of the media in the modern capitalist system (Sudibyo, 2004). The mass media is believed to be a medium of message traffic between social elements in society and functions as a means of subjugation and coercion of conventions by economically and politically dominant groups. Through the pattern of ownership and the products presented, the media is an ideological tool that perpetuates the domination of the financier class over the public, who are treated solely as consumers, and against those who have the power to regulate pro-market regulations.

History shows, the mass media on finally reached the pinnacle of development as a unique institution in modern society. The mass media can present themselves as the main public space and determine social, political, and cultural dynamics at local and global levels. Media has also become the main advertising media that can generate an economic surplus by carrying out the world's liaison between production and consumption.

However, it's almost always too late that the mass media, on the other hand, also propagate or strengthen specific economic and political structures. The Press has social and economic functions and carries out ideological positions. Therefore, the media phenomenon requires observations based on economic approaches and political approaches (Sudibyo, 2004).

II. Literature Review

As the method proposed by Robert W. McChesney, the political economy includes two aspects. First, as an address that connects the media with the communication system in a social structure. In other words, it examines how media (and communication systems) and content mutually reinforce, challenge, or influence existing classes (society stratification) and social relations.

Second, the economy of political communication show specificity in how ownership, performance drives or mechanisms (e.g. advertising), and government policies affect media behaviour and content (news or information in the media). (Wulandari, 2017).

As a society that starts to grow and move "economically", usually community participation has not been spread evenly. Society, in general, is more passive. Furthermore, other groups that are smaller and less are active. In a relatively new society to development, both economically and politically, the role of elite groups was initially an excellent stimulus for the development of other community participation. They (read: the masses) expect the actions of the select group to provide encouragement and an influential role and influence the society of non-elite groups. So, like it or not, under certain conditions, these elite groups do not become a serious "problem" for the

community. Because, as stated by Gaetano Mosca, the select group was believed to be a "strong" and economically dominant group of people in the beginning. And then, they will also explore their influence in the political field (Wijaya, 1988).

It's always interesting to see how the role of the media in the economic and political structure of a country. One principle to note is that, in a capitalist system, the mass media should be given adequate attention, as are other institutions of production and distribution. The conditions found at the level of media ownership, reporting practices, dynamics of the radio, television, film, and advertising industries have a mutually determining relationship with the specific political-economic conditions that develop in a country. And in turn, also influenced by global political economy conditions Sudibyo (Nashrudin P., 2016). One of the main issues in recent modern communication discourse is a pattern of ownership and practice of producing and distributing media products concentrated in large business groups.

On the one hand, media concentration is considered unavoidable when the global situation calls for efforts that lead to consolidation and convergence in the modern media business. But on the other hand, the concentration of media also raises many paradoxes related to the function of the media as a public space with many parts inherent in it. The robust structure of the media industry is the final stage in the evolutionary cycle towards modern industrial institutions (Sudibyo, 2013).

Responding to media phenomena, this phenomenon of media independence, especially local media, will soon appear "a thousand and one" questions. It was considering the positioning of local media *vis-a-vis* the authorities (read: local government). This phenomenon of local media independence deviation will be easier to see during regional head elections (Pemilukada). The first relevant question raised is, is it still possible for us to get independent media during the competition for regional head candidates, such as the governor election in Banten Province. In media and political relations,

Media independence is one of the genres in political communication that views the media as the fourth branch of power (fourth state). The media must be independent so that the other three power components receive adequate supervision. If the media takes sides or is co-opted by other branches of power, indeed, its function as a watchdog is challenging to carry out. Thus democratic life will run lame. Such is the basic premise of the genre. The problem is, when the concentration of ownership of capital in the media industry is increasingly strengthened, journalism was increasingly threatened to become just a business, merchandise. Rupert Murdoch has become a well-known symbol of how the global media business has increasingly cornered journalism as merchandise. In Indonesia, especially Banten, a similar phenomenon can be seen in the Jawapos group (in Banten Jawa Pos has a chain, through its subsidiary Wahana Semesta Banten, which is the holding company for Radar Banten, Baraya Pos and Baraya TV). The orientation of journalism has also changed drastically in the last two decades. Currently, market-driven journalism forces media workers, especially journalists, to be just one of the

screws in the production process to produce news. The types of information are getting more uniform, and the entertainment aspect is getting more dominant. Serious investigative reports are getting less and less.

The question then arises amid the concentration of mass media capital ownership and an increasingly market-driven orientation to journalism; can we expect the independence of our local media to emerge in responding to the 2017 Banten governor election? Conflict of interest of capital owners Media affiliated with certain politicians should not corner journalists solely as campaign officers. In Foucault's terminology (Eriyanto, 2005), the power to spread discourse among the public, held by the mass media, should be used first for the public interest. This research raises the role and the function of the media in the political economy perspective. The conception of political economy initially began with efforts to support capitalist acceleration, which rejected the mercantilist political system, which was considered ineffective and inefficient in the 18th century. Historically, Palgrave defined political economy as studying human well-being and the pursuit of fulfilment (supply and desire fulfilment). For that reason, it is interesting to raise this "sexy" issue in the title of Media Political Economy: In the News Ahead of the 2017 Banten Governor Election by Radar Banten and Baraya TV. This research aims to get information about (1) How are Media Relations and power are in the practice of political economy; (2) How is the practice of Media political economy (Baraya TV and Radar Banten) is in maintaining neutrality and professionalism.

III. Methodology

This study uses a qualitative. Qualitative research is a research process to understand social problems or human problems, based on creating a complete holistic picture formed in words, reporting informants' views in detail and arranged in a natural setting (Creswell, 2014).

According to Fraenkel & Wallen, qualitative research focuses on the ongoing process. Researchers are primarily interested in understanding how things happen. Meanwhile, according to Lincoln & Guba, qualitative research is a design that develops in terms of results. Understanding and interpretation are negotiated with human data sources because it is the subject's reality that researchers want to understand (Creswell, 2014). At the same time, the research paradigm used is constructivist.

The constructivist paradigm rejects the positivist/empirical view that separates the object from the subject. The central factor of research and its social relations. Subject, according to the US. Hikam (Moeleong, 2006) can control specific intentions in every discourse. Language is understood as something that is regulated and animated by purposeful statements. Each statement is an act of creating meaning, namely the act of self-formation and self-disclosure of the speaker. Discourse in the constructivist

paradigm is an attempt to reveal the hidden intentions of the subject who put forward a statement. The disclosure is done, among others, by placing oneself in the speaker's position with interpretation following the structure of the meaning of the speaker.

Data collection methods other than Observing texts and news/information is certainly not enough to make observations. However, the prevalence of qualitative methods is by conducting in-depth interviews (depth? interviews). The data that has been collected in this study uses a qualitative research approach by analyzing the text of the election campaign news.

According to Patton (Moeleong, 2006), data analysis is arranging data sequences and organizing data into patterns, categories, and fundamental units of description. From this understanding, Patton distinguishes between data analysis and interpretation, namely giving significant meaning to the study, explaining the pattern of explanation, and looking for relationships between the dimensions of the description.

IV. Results and Discussion

4.1. Media relations and power in the practice of political economy, ahead of the 2017 Banten gubernatorial election.

In terms of communication systems, local media and political-economic media practices do not influence media practice, at least through the binoculars through the course of journalism and media business at Baraya TV and Radar Banten. However, it is realized that the "closeness" of journalists to the leadership of certain political parties impacts advertising spots.

The closeness of journalists with figures In politics, according to the GM Baraya TV, the same thing that the Chief Editor of Radar Banten stated during an interview cannot be avoided. As long as they (read: Baraya TV journalists) can be objective and professional, it is not considered a problem. However, it would be better if journalists were not "too close" to certain political parties or figures because they feared it would affect the news. Furthermore, journalists should not carry out specific "framing" of certain political figures or political parties or officials.

So local media intensely often create a reality that is owned and experienced subjectively. This subjectivity arises, especially if there are demands for pragmatism from media institutions that a journalist must meet. Its form is the motive of interest at the individual level, including political (partisan). This motive makes the news process work no longer based on ethical and professional foundations but political grounds. Political motives can be a spirit and determine the direction of a report.

The process is policy-based media editors who want a frame based on the media's internal interests. An individual or a journalist constructs social reality and reconstructs

it in the world of reality while at the same time strengthening that reality based on the interests of the media institution. This is also reinforced by their educational background, religion, gender, ethnicity, all of which influence journalists in producing coverage (media content). As a result, the media is stuck in the trial by the Press sooner or later.

After the birth of Law no. 40/1999 of the Press, all strengthened the discourse on press freedom. The Press then began to be directed towards their social responsibility roles. Both as a system and as a fourth function in the pillars of democracy. The emergence of regional autonomy and local elections with various problems is expected to be balanced by the presence of local media. Because it negates the existence of the fourth pillar of democracy in regional areas. The local media is expected to read the possibilities that occur in the local political process based on the community context.

Of course, what is expected is not one of the candidates' names but the conditions that occurred. The public will not know candidates' credibility, capability, or loyalty during the campaign season because we will not be able to see the candidate's ability. However, a comfortable and democratic condition is the hope of the people.

Thus, the construction of reality does not wake up in the area of excellence of the candidate. But on the issue of rationality and the full participation of the community in this political process. So that public control over the government is getting tighter, and the mass media is a forum for dialogue between these communities.

The local Press's existence is basically to build local wisdom in politics because the national Press will not do it. After all, it has to look at the condition of the reading community.

In implementing regional head elections, several regional head candidates, including Banten, intensively disseminated their profile, vision, mission, and programs. Various strategic issues that are considered capable of boosting popularity are highlighted, ranging from the sentiments of native sons of the region, achievements as officials in the current regime, poverty alleviation programs, and superior rankings in opinion polls.

In approaching the public, almost all candidates use local print and electronic media. Understandably, the media can reach a broader target audience than conventional methods, such as public meetings, placing banners, billboards, or sticking stickers. We saw that various socializations for regional head candidates were packaged in display advertisements and news advertorials, and interactive dialogues involving several private radio and television stations. It is not unusual for a candidate for regional head to become the sole sponsor of a youth talent contest broadcast on local television.

The moment of the General Election creates a mutual relationship benefit between local media and candidates for regional heads. The media interprets the need for each

candidate for socialization as a golden opportunity to earn income to strengthen or even maintain their existence amid intense competition in the local media business.

At first glance, such a relationship is something. This is a common occurrence between a service provider and its client, as in other service transactions. However, the problem becomes different when it is remembered that the media carries out a natural social control function.

In the context of the General Election, the public, I hope that the local media will be able to critically examine the background of each candidate for regional authority and the programs it offers so that the public has sufficient accurate knowledge to make the right choice in the voting booth. The assumptions underlying public expectations are simple; local media are considered to know or should best understand the intricacies of local problems.

Unfortunately, instead of being a bodyguard democracy at the local level, the local media often flirt with potential power holders. The benefits that are obtained and continue to be expected from the candidates for regional authorities both during the socialization period and when they later serve make the local media often lenient and even facilitative towards the interests of regional head candidates. Instead of submitting reports by the philosophy that bad news is good news for the public interest, we observe that so many local media are competing to present the best and most beautiful about the political elite who are their clients. A series of programs, ranging from talk shows to interactive dialogues, all have the same ending: praise for the candidate. As long as a candidate can establish a "good relationship" with the media, the candidate can determine what he wants to post, how the coverage about himself should be packaged and so on.

In short, the media has two roles. First, the media can influence institutional policies. Second, the media can be used as a catalyst or neutralizer when there is a conflict of institutional change. This reinforces the belief that the media plays an essential role in political institutions.

Whether political institutions, government and other powers will always be interested in the mass media. This cannot be avoided because the Press is the most effective tool for hegemony and influencing society. On the other hand, the independence of the mass media must be maintained as one of the pillars of democracy.

Politics will continuously pursue authority to expand its power. Authority is part of power. Authority is the legally protected power to exercise control over others. Authority has legitimacy so that it can then make people willing to accept policies and recognize the state's authority as the owner of power. Jack Snyder (2003) sees the positive role that local media can play, such as educator, problem identifier, forum provider, and socio-cultural revitalizer for their community.

Robert Dahl called the role of a free press "the availability of alternative and independent sources of information". This leading role is in synergy with the principles of good local governance, such as participation, transparency, and accountability at the local level. Participation means the active part of the community in decision making. Clarity is based on the existence of a mechanism to guarantee public access for decision making. Meanwhile, accountability states how effective the influence of the governed party (object) is on the government (subject).

Meanwhile, Keane (1991: 116-117) underscores the importance of the media as a public servant who has a significant role in a democratic country. This contribution mainly concerns the availability of helpful information for public life (Mansour, 2005).

In addition to contributing to guarantee the democratization process, on the one hand, local media also has an ambivalent effect due to the substantial value of primordialism and the sociocultural-economic closeness of media investors with regional stakeholders, which causes local media to also have a dilemmatic position, for example in coverage of the Regional Head General Election (in the Institute for Press and Development Studies (Institute for Press and Development Studies). LSPP), 2005), Synder (2003) with his various studies even concluded that the local Press could inflame short-term interests, primarily because in the early days of democratization of the media, an atmosphere of free opinion prevailed, the Press was easier to establish, and all of them could be a tool for power maniacs to elevate his position.

In other words, the local Press sometimes fails to keep their distance and get involved emotionally with the dynamics of socio-political competition and conflict in their area. As a result, the coverage becomes less balanced. On the other hand, market pressures, both in the form of intense competition between the media and the public's thirst for news sensationalism demands, often cloud the process and face of local press coverage (Priatna, 2017).

4.2. Economy of Politic of Media (Baraya TV and Radar Banten): Neutrality and Professionalism

Prerequisites for realizing the process of democratization are freedom of expression and information. Therefore a subsystem in the form of an independent mass media is needed. They start with providing correct, relevant, and objective information for the community to supervise power. The notion of power in a democratic society is not only oriented to government power. Still, it has a reasonably broad scope which includes political, social, economic, and cultural activities. This is in sync with what was stated by Schieck(on Lembaga Studi Pers dan Pembangunan (LSPP), 2005) that the presence of an independent media could lead to two roles; First, being a "watchdog" for the government. Second, educate the public on various issues that affect their daily lives.

This interaction is seen in many sectors of life. In a more political context, for example, elections, according to a survey by The Asia Foundation released in 2004, more than 90

per cent of the public use the media as a source of information on general elections (Nashrudin P., 2017). This large number is certainly very open to media abuse as a means of "flirting" between media owners and regional political elites, starting from transactional agreements to provide political advertising space, covering the inauguration of provincial officials, to publications that blow up election campaign activities. This condition is even worse if the media owner or a strong person in the media organization structure is one of the candidates for the Regional Head General Election. The Press becomes an apparatus of temporary interest to mobilize constituents in their community areas. It is clear from these forms of deviation, and the Press can no longer function as the traditional conception of the Press: the fourth assembly of democracy.

The fourth pillar (the fourth estate) does not mean that the Press must position itself in "opposition" to the government or "against" the government. The position of the Press in the fourth assembly concept is the same as the parliament, which emphasizes the nature of independence or freedom to disseminate information and opinions without obstacles from the government. The Press is only legally responsible to the courts and ethically responsible to journalists' organizations (Muis, 2000).

The tug of war between the Press with local elites and abuse of the function of the local Press in the regional head election process may occur due to several reasons stemming from the lack of professionalism. Press professionalism can be indicated from three levels: micro, meso, and macro. Although sometimes the distinction between these three levels is unclear because they overlap and are linked to each other, the above categorization can facilitate the discussion in simple terms.

First, the micro level, namely the product, the end of the media in the form of content or text, which is seen from the news presented. The unprofessionalism of the local Press is especially evident from various news reports about the process of organizing regional head elections, which are shown to be less balanced. It is clear from research released by LSPP in 2005 on the issue of transparency (corruption) and public services to 8 local print media in 4 regions (Lampung, West Java, West Kalimantan, West Nusa Tenggara) showing that local newspapers are still highly dependent on local authorities. This condition narrows the space for print media as a power controller (Lembaga Studi Pers dan Pembangunan (LSPP), 2005) (Nashrudin P., 2017).

In the previous year's research (2004), LSPP conducted monitoring of 1,136 news stories from 10 leading Indonesian newspapers in the period 11-25 March 2004. The results obtained concluded that the media did not pay attention to the principle of balance (cover both sides) in presenting news. Issues around KKN and efforts to reform the military, for example, or the case of the Regional Representatives Council where there are thousands of candidates, received only very minimal coverage compared to other events reported (Luwarso on Nashrudin P., 2017)).

Whereas theoretically, professionalism in the news requires some conditions, especially objectivity. In this conception that tends to be positivistic, the definition of objectivity is formulated in two principles, namely conformity to reality (factuality) and impartiality (impartiality). The principle of factuality consists of two elements, namely actual (truth) and relevant (relevance). The accuracy determines the element of truth in describing the facts. The truth will be vital if it is accompanied by accuracy in all news elements (5W+1H). This accuracy in practice requires the completeness of various instruments (Kusumaningrat, 2005).

Meanwhile, the elements that are used to measure include: (1) psychographic proximity, (2) geographical proximity, (3) timeliness, (4) significance, (5) promotion? nence and (6) magnitude (Kusumaningrat, 2005). These items are known as news values. The principle of impartiality (impartiality) also determines the level of objectivity. Two elements support impartiality, namely balance and neutrality. Balance gives a fair place to different views, often referred to as covering both sides, while neutral means that there must be a separation between facts and journalists' personal opinions (*McQuail ' s Mass Communication Theory*, n.d.,2000).

Revealing facts with objectivity According to the elements mentioned above, the media will automatically become a watchdog against various abuses, both at the state level and at the national level (state) and society (public), including individuals. In this condition, people will think and decide what is right and what is wrong. The Press does not need to dictate or direct, it is enough to reveal the facts as they are, and the public is the one who makes the judgment.

Second, an indication of the professionalism of the Press local can be seen from the meso element. This aspect includes the dynamics of producing and consuming media texts. The striking thing in this discussion is the weakness of local press management with incompetent and unprofessional human resources. In addition, this weak media management also leads to the common welfare of local journalists, who in many cases are paid below the minimum wage. Some regional journalists only get press cards without a fixed salary from the media (see Lembaga Studi Pers dan Pembangunan (LSPP), 2005). In other cases, the establishment of the Press is a local elite's political agenda with a mission to make the media a mouthpiece to defend their interests. This can be seen from the names of the local political elites listed in the masthead (editorial structure) of newspapers.

Lack of professionalism of the local Press is also shown from the condition of journalists who do not have the competence and idealism so that they only make local media institutions a place to seek profit. The mutual collaboration of journalists with local governments leads to agreements that deviate from journalistic ideals and ethics legalized in the regional government budget (APBD), starting from the maintenance costs of the PWI building, this training, to sponsoring this training several fictitious activities for journalists. This is what should be abolished in the local government budget

and rejected by journalists. The abolition of the post can place the Press in a proportional position as an independent institution.

Third, indications to see the pros-Local press professionalism is at a macro level which refers to socio-cultural dynamics, political economy, historical context, and media regulation. The conspicuous issue from the macro aspect is the unclear rules of the game for the local Press in articulating its functions. The lack of firm ethics enforcement, who imposes sanctions and what sanctions are carried out in the event of a violation does not seem to have been fully accommodated by the various legal systems in our country, in the sense that it is weak in the enforcement aspect, not in the sound of the articles of legislation.

On the other hand, from a historical point of view, the popularity of the local Press also does not entirely depart from the basis of contemplative thinking for the benefit of the public, but rather as a trend, even the euphoria of freedom, which at a certain point was not understood by both press managers and the media public themselves. This drives the need for an independent media watchdog to alert the Press in case of misappropriation. In addition, media education is needed for the community through media literacy education so that they are not only passive objects of the media but have an awareness of their role as active stakeholders who have the right to be involved in producing and distributing information.

In Time Magazine, Henry Gunward once wrote the jargon: no democracy without free Press (Republika, 26 May 1999). This statement is in line with President Thomas Jefferson's prevalent speech: "If I were asked to choose between a government without a free press and a free press without a government, I would choose a free press without a government".

Amid the spirit of decentralization and freedom of information, especially with the enactment of Law no. 14 of 2008 concerning Public Information Disclosure (Retnowati, 2012);(Henovanto et al., 2020). The more awakening the local press industry to give new contributions and colour to the tradition of media and democratic life in Indonesia. However, the landscape of media life, especially in the local sphere, still shows a jumble of intertwined and complicated issues to unravel. The neutrality of the local Press in regional head elections (Pemilukada), for example, or its existence which prioritizes economic functions over informative-educational aspects for the local public are the two main issues that arise and even have the potential to reduce the role of the Press; Instead of being the fourth pillar (fourth estate) that oversees the democratization process, it functions as an extension of the regional "kings" who support the interests of short-term power, tribal nationalism, and local primordialism.

According to a survey by The Asia Foundation issued in 2004, more than 90 per cent of the public use the media as a source of general election information (Lembaga Studi Pers dan Pembangunan (LSPP), 2005). This large number is certainly very open to media

abuse as a means of "flirting" between media owners and regional political elites, starting from transactional agreements to provide political advertising space, covering the inauguration of provincial officials, to publications that blow up election campaign activities. This condition worsens if the media owner or a strong person in the media organizational structure is one of the candidates for the Regional Head General Election. What happened was none other than the local Press becoming a temporary interest apparatus to mobilize constituents in the electoral district. It is clear from these forms of deviation, and the Press can no longer function as the traditional conception of the Press: the fourth assembly of democracy, which means the press is a pillar of control of power.

It's not strange amid the spirit of decentralization and freedom of information carried out after the 1998 reform movement; the rise of the local media industry has contributed to the tradition of media and democratic life in Indonesia. No exception in Banten.

Based on these signals, there are 3 (three) things become the central concern: First, a theoretical review of media relations, democracy, and the process towards democratization in the local sphere. Second, as a response to the implementation of regional autonomy, the media plays a vital role as a mediator of information between political leaders and their constituents, so the discussion about media neutrality in regional head elections is essential to put forward. Moreover, the dynamics of the local media industry in the country after the New Order show how the attraction of interest between the media, local government, and advertisers (including the government, which also often plays an advertiser position) in the process of constructing political news presented by local media. Third, the importance of the role of local media in the democratization process in Indonesia and providing an alternative offer of how local media should be formatted in the future, both as a democratic subsystem and as a pillar of the industry.

The rise of local media or media The regional government was a simultaneous reaction to the 1998 political reforms. The reform movement succeeded in pushing for at least two significant changes—first, the era of press freedom which replaced the tyrannical-authoritative government through the licensing regime. Second, the fundamental shift from reform is the regional autonomy plan that carries the principle of decentralization. The policies outlined in Law Number 32 /2004 (Law Number 32 of 2004 Concerning Local Government, 2004) have two goals that cannot be separated from the role of the media: (1) political goals and (2) organizational goals. The political objective is to position the local government as a medium of political education for the regional level community, contributing to national level political education to accelerate the realization of civil society.

While the administrative purposes of position the local government as a government unit at the local level that functions to provide public services effectively, efficiently, and gives better results than the government before the reform of locality to self-determination or local democracy (Fatima, 2004).

The two elementary changes above encourage local media to articulate the community's information needs while at the same time filling the market niche. Given the diverse conditions of society, local media were born with diversity. The function of decentralization and local autonomy for regional media is demonstrated by the ability to accommodate the plurality of aspirations of the local community-community. The decentralization of the media has given rise to political variety, which is very useful for channelling and adjusting local voices and local choices.

V. Conclusion

Democracy means independent pen dence and autonomy. In other words, political life is supported by various institutions with freedom and independence but synergize. In this condition, the presence of the press media is necessary (*condition sine qua non*). The existence of the local Press as a subsystem of the political arena at the local level requires a strong foundation of professionalism and idealism. Without professionalism, the press media will not gain public trust. The development of the local Press must be interpreted wisely by media stakeholders so that the function of "empowering" (empowering) the community through the media does not change its meaning to become "Deceiving" (disempowering) as the euphoria of press freedom at the beginning of the reform era some time ago: "The important thing is to publish, other matters later".

On the other hand, as a business institution, the local Press must also improve the quality of media management, which can nourish the company and enhance the welfare of the media workers concerned. The onslaught of competition with other media will also test the extent of the existence of the regional Press in the future. In response, the increase in managerial capacity must be carried out through various intensive education and training. The existence of local media as a subsystem

The political arena at the local level requires a strong foundation of professionalism and idealism. Without professionalism, the media will not gain public trust. On the other hand, as a business institution, local media must also improve the quality of media management, which can nourish the company and enhance the welfare of the media workers concerned (Mansour, 2005). The onslaught of competition with other media will also test the extent of the existence of regional media in the future. In responding to this, increased managerial capacity must be carried out through professionalism. Finally, the reading public should also strive to improve their understanding of media literacy. So that it can increase appreciation and participation in media healthily and critically, this is to encourage the creation of an excellent local government in the true sense, namely ensuring participation, transparency, and accountability.

The power of the media is so mighty in spreading the flow of information quickly and widely. The candidates use the mass media to socialize the political agenda. The

sweetness of data will automatically anaesthetize the public through the mass media that has been set. This is closely related to the hypodermic needle theory (hypodermic needle), which is a classical theory regarding the process of mass media effects. In this theory, the media content is viewed as a drug injected into the audience's vein, which is assumed to react as expected.

The media have power that is significant in producing and reproducing political images and media content as constructed reality, as Tuchman (on Severin J, 2007) argues. Therefore, the formulation "Who controls the media will rule the world" relates to the Regional Head General Election context. The candidate who can control public opinion will have more chances to win.

The independence and neutrality of the media, in this case, Radar Banten, rather than Baraya TV, is questionable. Instead of promoting media professionalism, local media seem more inclined to act as economic institutions by prioritizing financial practices through advertising spots (campaigns) that get bigger and more "loose" space.

Seeing this kind of condition, it seems the media economy phenomenon reveals its true face. In a sense, the media are relatively difficult to carry out their journalistic duties consistently with the assessment of impartiality by some parties. Utilization of the opportunity to obtain a "niche" of advertising is quite dominant. This is considered something that is often encountered in the local media phenomenon, especially during the General Election.

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The Role of Motivation and Work Discipline on Employee Performance in the Operator Section At PT. Sigma Mitra Sejati Cilegon

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This study aims to determine the role of motivation and work discipline on the performance of production operator employees at PT. Sigma Mitra Sejati Cilegon City. The method used in this research is the associative descriptive method. Data analysis techniques used include Normality Test, Classical Assumption Test, Determination Test and Hypothesis Testing. This study indicates that motivation has a significant effect on performance, work discipline has a substantial impact on performance, and motivation and work discipline substantially impact performance.

Keywords: Motivation, Work Discipline, Employee Performance.
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I. Introduction

Every organization is required to optimize human resources and how human resources are managed. Management of human resources cannot be separated from the factor of employees who are expected to perform and achieve organizational goals. Employees are the main assets of the organization and have a strategic role in the organization, namely as thinkers, planners, and controllers of corporate activities. Organizations require potential human resource factors, both leaders and employees, in the pattern of tasks and supervision, which are the determinants of achieving company goals. Human resources are a central figure in organizations and companies so that management activities run well. An organization must have knowledgeable and highly skilled employees and strive to manage the company as optimally as possible to increase employee performance.

The success of an organization or a company is determined by whether or not the human resources owned by the organization or company are good. The better the human resources in the organization, the higher the level of success of the organization. PT Sigma Mitra Sejati Cilegon. Previously this company was one of the PT Krakatau Baja Units, in restructuring the Krakatau Steel company to become a more efficient company. Based on years of experience and knowledge accumulated in the refractory business, PT Sigma Mitra Sejati Cilegon offers maintenance services and refractory agency projects. In carrying out production activities, optimal employee performance is needed. Performance can be seen in how a person works in carrying out his duties, all of which can be supported by independence, creativity, commitment, responsibility and individual self-confidence at work.

Performance is an important thing that every company must achieve, including PT. Sigma Mitra Sejati, because performance reflects the company's ability to manage and allocate employees, therefore the performance of employees has a very important influence on the company's ongoing activities and affects the process of achieving organizational goals. Factors that influence the high and low performance of employees. Performance issues will be implemented and fulfilled if motivation and work discipline is considered for employees.

Every company requires motivation from the company or leadership. Stating motivation is an encouragement of needs in employees that need to be met so that employees can adapt to their environment. In contrast, motivation is a condition that moves employees to achieve the goals of their motives. This means that work motivation is a driving force for someone to carry out an activity to get the best results. Therefore, it is not surprising that employees who have high work motivation usually have high performance. For this reason, employee motivation needs to be increased so that employees can produce better performance.

II. Literature Review

2.1. Background Theory

The notion of performance or work performance is the result or overall level of success of a person during a specific period in carrying out the task compared to various possibilities, such as work standard, targets or targets or predetermined criteria that have been mutually agreed upon.

Work motivation is a factor that drives needs within employees that need to be met to adapt to their environment. In contrast, motivation is a condition that moves employees to achieve the goals of their motives.

Work discipline is a tool used by managers to communicate with employees so that they are willing to change behaviour and an effort to increase one's awareness and willingness to obey all company regulations and applicable social norms.

2.2. Previous Studies

There have been many studies on work motivation, work discipline and employee performance, as done by Hidayat et al. (2017), the results are that work motivation and work discipline affect performance, while some studies that do not support this research are research conducted by Hidayat et al., 2019).

III. Methodology

This research method uses a descriptive research method with a quantitative approach. In this study, the population is employees of PT. Sigma True Partner Cilegon. Sampling technique to determine the sample used in this study using a saturated sampling technique. The model used as many as 54 samples or respondents. The indicators used to measure employee performance are work quantity, work quality, time utilization. Then the hands of motivation are physiological needs, safety needs, social needs and actualization needs. The indicators of work discipline are goals and abilities, leadership examples, justice, waskat, legal sanctions, firmness, human relations.

IV. Results and Discussion

4.1. Normality Test

Normality test aims to determine whether or not a data distribution is normal. To see the results of the normality test from this study, see the table of the results of the following Kolmogorov-Smirnov:

Table 1. Normality Test Result

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Predicted Value
N		54
Normal Parameters[a,b]	Mean	54,5925926
	Std. Deviation	9,52221558
Most Extreme Differences	Absolute	,099
	Positive	,069
	Negative	-,099
Test Statistic		,099
Asymp. Sig. (2-tailed)		,200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

In the table above, the Asymp. Value is obtained. Sig. (2-tailed) of 0.200, this value was compared with a significant = 0.05 for making decisions with guidelines. The above data received a significant value of 0.200> 0.05, then the data distribution is normal.

4.2. Coefficient of Determination Test (R2)

The Coefficient of Determination (R2) aims to determine the independent variable's ability to explain the dependent variable is. The results obtained by SPSS version 25 are as follows:

Table 2. Coefficient of Determination Test Result

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,937[a]	,878	,874	3,612	2,038

a. Predictors: (Constant), disiplin kerja, motivasi
b. Dependent Variable: kinerja

4.3. Analysis

Testing the results of the hypothesis will be carried out using a significant level of 0.05 (α = 5%) or a confidence level of 0.95.

Table 3. T Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2,423	2,810		,862	,392
	Motivasi	,290	,086	,289	3,355	,002
	disiplin kerja	,658	,083	,684	7,934	,000

a. Dependent Variable: kinerja

Table 4. F Test

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4805,647	2	2402,824	184,169	,000[b]
	Residual	665,390	51	13,047		
	Total	5471,037	53			

a. Dependent Variable: kinerja
b. Predictors: (Constant), disiplin kerja, motivasi

Tables 3 and 4 above produce significant values, which means that all proposed hypotheses are accepted.

4.4. Discussion

The first hypothesis proposed states a significant effect of motivation on employee performance. Based on the calculation results, the t-test value of the t-count is 3.355. The t-table is 1.674 with a significance value of 0.002 because the t-count is more significant than the t-table. The significance value is more than 0.002 <0.05. The first hypothesis is accepted, which means a significant effect between motivation and employee performance.

The second hypothesis proposed states a significant effect of work discipline on employee performance. Based on the results of SPSS calculations, the t-count value is 7,934. The t-table is 1,674 with a significance value of 0.000 because the t-count value is more significant than the t-table. The significance value is less than 0.000 <0.05, the second hypothesis is accepted, which means that work discipline has a significant influence on employee performance. This research is in line with that conducted by Egis Yani Plamularso in 2017 with the title of the effect of work discipline on the performance of Cipta Hotel Plancoran, South Jakarta. The results showed that work discipline contributed to the implementation of 24.95%.

The third hypothesis proposed states a significant influence of motivation and work discipline on employee performance. Calculation results The results of the determination coefficient test are 0.937. It can be concluded that motivation (X1) and work discipline (X2) contributed 87.8% to employee performance (Y), while the remaining 12.2% were influenced by other variables that were not included in this study. While F-count is 184.169 and F-table is 4.03 with a significance value of 0.000. less than 0.05, then the third hypothesis is accepted, which means a significant influence between motivation and work discipline on employee performance.

V. Conclusion

Based on the results of research and discussion, it can be concluded as follows: Motivation affects employee performance. The results of the T-test calculations can prove this. It is known that the value of tcount> t-table (3.355>1.674) and a significance value of 0.002 <0.05, a (0.05), then Ho is rejected, and Ha is accepted. This means that there is an influence between motivation on employee performance. Then work discipline affects employee performance. The results of the T-test calculations can prove this. It is known that the value of tcount> t-table (7.934>1.674) and a significance value of 0.000 <0.05, a (0.05), then Ho is rejected, and Ha is accepted. This means that there is an influence between work discipline on employee performance. Finally, motivation and work discipline have a significant simultaneous effect on employee performance at the operator section at Pt. Sigma True Partner Cilegon. Because the value of Fcount>Ftable (184,169>4.03) and a significance value of 0.000<(0.05), Ho is rejected, and Ha is accepted. This means that there is an influence between work discipline on employee performance.

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The first hypothesis proposed states a significant effect of motivation on employee performance. Based on the calculation results, the t-test value of the t-count is 3.355. The t-table is 1.674 with a significance value of 0.002 because the t-count is more significant than the t-table. The significance value is more than 0.002 <0.05. The first hypothesis is accepted, which means a significant effect between motivation and employee performance.

The second hypothesis proposed states a significant effect of work discipline on employee performance. Based on the results of SPSS calculations, the t-count value is 7,934. The t-table is 1,674 with a significance value of 0.000 because the t-count value is more significant than the t-table. The significance value is less than 0.000 <0.05, the second hypothesis is accepted, which means that work discipline has a significant influence on employee performance. This research is in line with that conducted by Egis Yani Plamularso in 2017 with the title of the effect of work discipline on the performance of Cipta Hotel Plancoran, South Jakarta. The results showed that work discipline contributed to the implementation of 24.95%.

The third hypothesis proposed states a significant influence of motivation and work discipline on employee performance. Calculation results The results of the determination coefficient test are 0.937. It can be concluded that motivation (X1) and work discipline (X2) contributed 87.8% to employee performance (Y), while the remaining 12.2% were influenced by other variables that were not included in this study. While F-count is 184.169 and F-table is 4.03 with a significance value of 0.000. less than 0.05, then the third hypothesis is accepted, which means a significant influence between motivation and work discipline on employee performance.

V. Conclusion

Based on the results of research and discussion, it can be concluded as follows: Motivation affects employee performance. The results of the T-test calculations can prove this. It is known that the value of tcount> t-table (3.355>1.674) and a significance value of 0.002 <0.05, a (0.05), then Ho is rejected, and Ha is accepted. This means that there is an influence between motivation on employee performance. Then work discipline affects employee performance. The results of the T-test calculations can prove this. It is known that the value of tcount> t-table (7.934>1.674) and a significance value of 0.000 <0.05, a (0.05), then Ho is rejected, and Ha is accepted. This means that there is an influence between work discipline on employee performance. Finally, motivation and work discipline have a significant simultaneous effect on employee performance at the operator section at Pt. Sigma True Partner Cilegon. Because the value of Fcount>Ftable (184,169>4.03) and a significance value of 0.000<(0.05), Ho is rejected, and Ha is accepted. This means that there is an influence between work discipline on employee performance.

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The Layout Planning At Sehati Dua Minimarket, Ciawigebang, Kuningan (*Market Basket Analysis and Activity Relationship Chart Approach*)

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Abstract

The layout is one of the factors that affect visitor satisfaction. Where a good design will be the face of the company itself. There is a layout problem in the Sehati minimarket location where the product arrangement displayed has not been neatly arranged. The display of goods is placed directly on the floor without using any shelves. One way to optimize the relationship between product group proximity and use of space or layout. This research uses Market Basket Analysis and Activity Relationship Chart method by measuring three kinds of quantitative measures, namely support (factor domination level), confidence (factor level) and the ratio of improvement (viability factor proximity) and relationship product proximity qualitatively. Results of data processing and analysis with the method of MBA and Tolls ARC approach there are several alternatives to the new layout improvement then selected on of the best choice by the management company with a value of 40, and some changes from the previous layout the product – the product that must be moved among product with value the smallest, and development with an enormous support value,(1) namely The Gelas products.

Keywords: Layout, Market Basket Analysis, Activity Relationship Chart.
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I. Introduction

Retail growth in Indonesia is very rapid, with a population of ±252 million people, of whom 50% are of productive age, and is the most potential market in Southeast Asia with Indonesia's GDP per capita of US$ 3,500, which surpasses competitors in ASEAN such as the Philippines and Vietnam. This is inseparable from the increasingly rapid growth of the middle and upper-middle class. According to BPS data in 2016, it is estimated that there are as many as 74 million middles and upper-middle-class people, it is estimated to be 141 million people by 2020, and every year it is estimated that between 8 million and 9 million new people will join this class. Around 60 million low-income residents are projected to join them to drive more robust consumer demand. Based on the annual budget, it is estimated that US$ 5,000 – US$ 15,000 will expand from 36% in 2016 and 2020 will increase to 58%. (Source: article Dian Alamsyah 2016).

Sehati Minimarket is a retail business located in the Ciputat Village market, Ciawigebang District, which offers a variety of primary raw materials for daily needs. It can be said that the layout or layout of the Sehati minimarket is not neat. Several products are supposed to be on the same shelf but are far apart. Sehati Dua Minimarket needs to carry out a market basket analysis because it can improve the layout of its store on a more regular basis.

Table 1. Top Sales

No	Products Name	Qty / Box
1	Teh Gelas	154
2	Kapal Api Mix	131
3	Tea Jus Gula Batu	112
4	Good Day Mochacino	102
5	Aqua Botol	97
6	Masako Ayam	92
7	Slai Olai Strawberry	89
8	Torpedo	81
9	Royco Ayam	78
10	Granita Cup	67

Source: Sehati Dua Mini Market

Table 2. Top Sales

No	Products Name	Qty / Box
1	Taro Potato Bbq 36g	15
2	Piatos Keju 11g	15
3	Guinness Zero Abv	11
4	Fiesta Wht Leci 450m	11
5	Mie Telur 3 Ayam Hijau	10
6	Nivea Men Wht Oc Ff	8
7	Pokka Lemon Tea	7
8	Happy Coco Biskuit	5
9	Soba Ayam Bakar	4
10	Lem Fox Kaleng	1

Source: Sehati Dua Mini Market

The initial step in calculating the market basket analysis technique lies in the number of transactions because from the results of the transaction it can project information about which products are selling well and purchased by consumers and will affect other products that are often purchased by consumers so that consumers will make purchases without planning. The following is an image of the layout of the Sehati Minimarket:

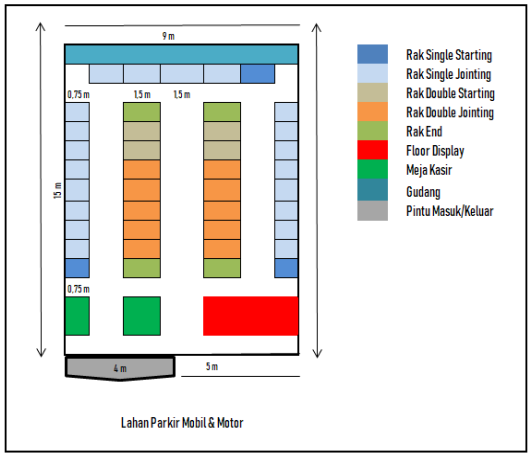

Figure 1. The layout of Sehati Mini Market
Source: Sehati Mini Market
Note: The red sign is one of the problems at the Sehati Minimarket

In the observations that the author made on October 22, 2019, at 10.30 - 12.00 WIB, the author found a problem with the layout of the Sehati minimarket. In management, the layout of the products on display is not neat, and there are also products displayed directly on the floor without using any shelves. We often encounter floor displays in minimarkets because they have a less spacious area so that the production of goods on the floor is quite disturbing the flow of goods/consumers.

Merchandise layout management is a way to get visitors interested in buying. In addition, product layout also serves to create the desired image and maintain a retail company's position. To develop a suitable product layout, several criteria must be met. (Widayanti, 2013). In his research journal, the market basket analysis (MBA) method is a form of cluster analysis that classifies data based on association rules by looking for three types of measures, namely support (factor dominance level), confidence (proximity level factor) and increase. . ratio (validation of proximity factor). Market basket analysis (MBA) is a mathematical technique that marketing uses to reveal similarities between individual products or product groups to determine what products consumers usually buy together. In addition, the application of the MBA method can make it easier for visitors to shop because the products that are typically purchased at the same time are located close together. (Andari et al., 2013). Based on the phenomena that have been described in the background of the problem, the formulation of the problem can be made as follows:

1. Can applying the market basket analysis (MBA) method optimize the layout at Sehati Minimarket?
2. Can the application of the activity relationship shop chart (ARC) method helps determine the close relationship between product groups in Sehati Minimarket?

3. How can applying the MBA and ARC methods optimize the relationship between product groups and provide new alternatives for layout planning at the Sehati Minimarket?

II. Literature Review

2.1. Layout

According to Heizer and Render (2015), spatial planning is one and the significant decisions that determine the long-term efficiency of an operation. Spatial planning has strategic implications as it creates competing priorities concerning work capacity, customer contact and image.

2.2. Market Basket Analysis

According to Ajeng Agestyana (2016), Market Basket Analysis is a mathematical technique that marketing professionals can use to express similarities between individual products or product groups. Market Basket Analysis deals with business problems related to knowing the point of sale from transaction data.

2.3. Activity Relationship Chart

Ajeng Agestyana (2016) Activity Relationship Chart (ARC) can be used as a layout analysis based on qualitative considerations. Activity Relationship Chart (ARC) facilitates the creation of layouts in manufacturing companies that describe activities between departments or machines.

III. Methodology

The research was conducted at the Sehati Dua Minimarket, located at Jln. Siliwangi No.92 Ciputat-Ciawigebang Kab. Brass. The time of the study was carried out from January to June 2020. There were 2540 transactions. From this number, 346 transaction samples were taken using a geometric algorithm. The data processing carried out in the research is as follows:

1. Product grouping.
2. Find the value of supporting factors
3. Find the value of the trust
4. Find the repair ratio value
5. Activity Relationship Chart (ARC).

After the data processing stage, analysis and discussion were carried out on factor dominance, factor proximity, factor validation and adjustment with quantitative and qualitative methods. Then a suitable latest layout recommendation is made.

In this study, the population used is data from product sales in February 2020. The data obtained from transactions in the Sehati Dua Minimarket product department is 2,540 products. From that information, then find the sample value using the Slovin formula. The error tolerance (d) is 5%. The results obtained were 346 data collection using a random table with a geometric distribution.

IV. Results and Discussion

This stage will contain data processing and a discussion of the data processing results. At this stage, there will also be suggestions for improving the layout based on data processing results.

4.1. Product Grouping

The first step is product grouping which is part of the data processing process. in this phase, the products or goods sold in the store are grouped based on several considerations, which can be seen in table 3:

Table 3. Product Grouping

No	Product Name	No	Product Name
1	Teh Gelas Cup 180ml	36	Taro Potato Bbq 36g
2	Kapal Api SPC Mix B5	37	Piatos Keju 11g
3	Telur Ayam	38	Sonice Ayam Bbq 18g
4	Good Day Mochacino 25g	39	Fiesta Wht Leci 450ml
5	Aqua Botol 600ml	40	Guiness Zero 330ml
6	Masako Ayam 13g	41	Peache Eye Shadow
7	Slai Olai Strawberry 24g	42	Indomilk Uht 190ml
8	Torpedo Kuning 175ml	43	Kiyora Matcha Latte 330ml
9	Royco Ayam 10g	44	Fruita Max Strbry 200ml
10	Granita Cup 120ml	45	Mie Telur 3 Ayam Hijau 140g
11	Rokok Gudang Baru 12	46	Kado Harvs pdk
12	Teh Pucuk 350ml	47	Mie Telur 3 Ayam Merah 140g
13	Indomie Goreng 85g	48	Fiesta Wht Peach 450ml
14	Luwak White Cofee 20g	49	Nivea Men Wht 100ml
15	Gery Chocholatos 9g	50	Taronet Curly 40g
16	Bango Kecap Manis 20ml	51	Pokka Lemon Tea
17	Abc Susu 31g	52	Pokka Leci Black Tea 350ml
18	Rokok Gudang Garam Filter 12	53	Fiesta Black Tea Jasmine 350ml
19	Top Ice Capucino 6g	54	Happy Coco Biscuit 12g
20	Indocafee Cofeemix 25g	55	Abc Kecap Rasa Mantap 30ml
21	Indomie Ayam Bawang 85g	56	Soba Balado 11g
22	Sukong Chese Snake	57	Soba Ayam Bakar 11g

No	Product Name	No	Product Name
23	Rokok Djarum Coklat	58	Abc Squash Cocopandan 525ml
24	Slai Olai Nanas 24g	59	Chocolatos Hazelnut 16g
25	Aqua Gelas 240ml	60	Abc Sari Kacang Hi Fit 250ml
26	Rokok Gudang Baru 16	61	Frozen Mineral 1500ml
27	Milkita Hanger B'12	62	Neurobion Ct 105
28	Sakura Mie Goreng 60gr	63	Penggaris Lipat 8910
29	Rolls Keju 8g	64	Primerose Sip 618
30	Tea Jus Apel 8g	65	Mamy Love Baby Pants L8
31	Ale-ale Jambu 200ml	66	Cil Shoap Classic 75g
32	Taro Seaweed 9g	67	Neapolitan 850ml
33	Kuaci Rebo 8g	68	Rani Kone 91 Blck
34	Royco Sapi 10g	69	Me So Fierche Shower 2in1
35	Indomie Soto 70g	70	Lem Fox Kaleng Biru

Source: Processed data, 2020

4.2. Calculation of Support Factor Value

It was based on the support factor calculation formula by adding up all transactions on products purchased by consumers in February 2020.

$$S = \frac{\mathrm{n}}{\mathrm{N}}$$

$$S = \frac{154}{346}$$

$$S = 0{,}445086705 = 0{,}4450$$

= 0,4450 x 100

= 44,50 %

From the results of the calculation of the group of Tea Glass products purchased by consumers at the time of shopping, it is 44.50% to determine the value of the product group support factor.

Table 4. Product Grouping Support Factor Value

No	Product Name	Total	Support Factor	Support %
1	Teh Gelas Cup 180ml	154	0,445	44,50%
2	Kapal Api SPC Mix B5	130	0,3757	37,57%
3	Telur Ayam	112	0,3237	32,37%
4	Good Day Mochacino 25g	102	0,2947	29,47%
5	Aqua Botol 600ml	97	0,2803	28,03%
6	Masako Ayam 13g	92	0,2658	26,58%
7	Slai Olai Strawberry 24g	89	0,2572	25,72%
8	Torpedo Kuning 175ml	81	0,2341	23,41%
9	Royco Ayam 10g	78	0,2254	22,54%
10	Granita Cup 120ml	67	0,1936	19,36%
11	Rokok Gudang Baru 12	65	0,1879	18,79%

No	Product Name	Total	Support Factor	Support %
12	Teh Pucuk 350ml	65	0,1879	18,79%
13	Indomie Goreng 85g	65	0,1879	18,79%
14	Luwak White Cofee 20g	60	0,1734	17,34%
15	Gery Chocholatos 9g	60	0,1734	17,34%
16	Bango Kecap Manis 20ml	60	0,1734	17,34%
17	Abc Susu 31g	57	0,1647	16,47%
18	Rokok Gudang Garam Filter 12	57	0,1647	16,47%
19	Top Ice Capucino 6g	55	0,1589	15,89%
20	Indocafee Cofeemix 25g	55	0,1589	15,89%
21	Indomie Ayam Bawang 85g	55	0,1589	15,89%
22	Sukong Chese Snake	55	0,1589	15,89%
23	Rokok Djarum Coklat	52	0,1503	15,03%
24	Slai Olai Nanas 24g	50	0,1445	14,45%
25	Aqua Gelas 240ml	50	0,1445	14,45%
26	Rokok Gudang Baru 16	50	0,1445	14,45%
27	Milkita Hanger B'12	50	0,1445	14,45%
28	Sakura Mie Goreng 60gr	50	0,1445	14,45%
29	Rolls Keju 8g	48	0,1387	13,87%
30	Tea Jus Apel 8g	48	0,1387	13,87%
31	Ale-ale Jambu 200ml	48	0,1387	13,87%
32	Taro Seaweed 9g	45	0,1301	13,01%
33	Kuaci Rebo 8g	40	0,1156	11,56%
34	Royco Sapi 10g	40	0,1156	11,56%
35	Indomie Soto 70g	40	0,1156	11,56%
36	Taro Potato Bbq 36g	15	0,0433	4,33%
37	Piatos Keju 11g	15	0,0433	4,33%
38	Sonice Ayam Bbq 18g	11	0,0318	3,18%
39	Fiesta Wht Leci 450ml	11	0,0318	3,18%
40	Guiness Zero 330ml	11	0,0318	3,18%
41	Peache Eye Shadow	11	0,0318	3,18%
42	Indomilk Uht 190ml	10	0,0289	2,89%
43	Kiyora Matcha Latte 330ml	10	0,0289	2,89%
44	Fruita Max Strbry 200ml	10	0,0289	2,89%
45	Mie Telur 3 Ayam Hijau 140g	10	0,0289	2,89%
46	Kado Harvs pdk	9	0,026	2,60%
47	Mie Telur 3 Ayam Merah 140g	8	0,0231	2,31%
48	Fiesta Wht Peach 450ml	8	0,0231	2,31%
49	Nivea Men Wht 100ml	8	0,0231	2,31%
50	Taronet Curly 40g	7	0,0202	2,02%

No	Product Name	Total	Support Factor	Support %
51	Pokka Lemon Tea	7	0,0202	2,02%
52	Pokka Leci Black Tea 350ml	5	0,0145	1,45%
53	Fiesta Black Tea Jasmine 350ml	5	0,0145	1,45%
54	Happy Coco Biscuit 12g	5	0,0145	1,45%
55	Abc Kecap Rasa Mantap 30ml	5	0,0145	1,45%
56	Soba Balado 11g	5	0,0145	1,45%
57	Soba Ayam Bakar 11g	4	0,0116	1,16%
58	Abc Squash Cocopandan 525ml	4	0,0116	1,16%
59	Chocolatos Hazelnut 16g	4	0,0116	1,16%
60	Abc Sari Kacang Hi Fit 250ml	4	0,0116	1,16%
61	Frozen Mineral 1500ml	4	0,0116	1,16%
62	Neurobion Ct 105	2	0,0058	0,58%
63	Penggaris Lipat 8910	2	0,0058	0,58%
64	Primerose Sip 618	2	0,0058	0,58%
65	Mamy Love Baby Pants L8	1	0,0029	0,29%
66	Cil Shoap Classic 75g	1	0,0029	0,29%
67	Neapolitan 850ml	1	0,0029	0,29%
68	Rani Kone 91 Blck	1	0,0029	0,29%
69	Me So Fierche Shower 2in1	1	0,0029	0,29%
70	Lem Fox Kaleng Biru	1	0,0029	0,29%

Source: Processed data, 2020

4.3. Confidence

Products with a support value of just over 3% are included in the confidence calculation. This product is then searched for the strength of its relationship with other products. Because the products screened at this stage were 41 products, there were 1640 product pairs to find the confidence value of each product pair. The product pair then looks for the value of support and trust. An example of calculating the confidence value is as follows:

$S_{a\rightarrow b} = \frac{n}{N}$

$S_{1\rightarrow 7} = \frac{72}{346}$

= 0,208092485

= 0,2181 x 100 = 21,81 %

$C_{a\rightarrow b} = \frac{S}{s}$

$C_{1\rightarrow 7} = \frac{21,81}{44,50}$

= 0,467640449

= 0,4676 x 100

= 46,76%

4.4. Improvement Ratio or Lift

After knowing the value of confidence, the next step in the MBA is finding the value of the improvement ratio. The improvement ratio shows whether a product affects other products. The increase rate indicates the strength of the association rule during random events between the affected product and the affected product by looking at the support. The improvement ratio provides information about the change in the probability of an outcome being affected by a previous event.

The improvement ratio value is the ratio between the combined support value (product A and product B) and the support value for product A multiplied by the support value for product B. An example of calculating the repair ratio value is as follows:

$$I_{a\rightarrow b} = \frac{s}{sa \times sb}$$

$$I_{1\rightarrow 7} = \frac{20,81}{44,50 \times 25,72}$$

= 1,818187703

= 1,82

Table 5. Nilai *Support, Confidence,* dan *Improvement*

No	No Nota	Transaction	S (3%)	C (30%)	I (>1)
1	1 > 7	72	20,81%	46,76%	1,82
2	1 > 13	69	19,94%	44,81%	2,38
3	1 > 5	66	19,07%	42,86%	1,51
4	2 > 11	65	18,79%	50,01%	2,66
5	2 > 18	63	18,21%	48,46%	2,94
6	3 > 21	65	18,79%	58,03%	3,65
7	3 > 29	64	18,50%	57,14%	4,17
8	4 > 7	66	19,07%	64,69%	2,51
9	4 > 23	59	17,05%	57,84%	3,85
10	4 > 28	53	15,32%	51,96%	3,6
11	5 > 15	56	16,18%	57,74%	3,33
12	5 > 19	51	14,74%	52,59%	3,25
13	8 > 18	49	14,16%	60,49%	3,67
14	10> 22	48	13,87%	71,66%	4,51

No	No Nota	Transaction	S (3%)	C (30%)	I (>1)
15	12 > 33	44	12,72%	67,68%	5,86
16	13 > 22	51	14,74%	78,49%	4,94
17	13 > 3	59	17,05%	90,80%	2,8
18	13 > 9	40	11,56%	61,56%	2,73
19	13 > 31	38	10,98%	58,48%	4,71
20	14 > 18	32	9,25%	53,34%	3,23
21	14 > 27	30	8,67%	50%	3,46
22	15 > 24	25	7,22%	41,67%	2,88
23	15 > 28	21	6,07%	35%	2,42
24	16 > 13	22	6,36%	36,67%	1,95
25	17 > 23	20	5,78%	35,09%	2,34
26	19 > 26	21	6,07%	38,20%	2,64
27	20 > 30	20	5,78%	36,37%	2,62
28	22 > 31	17	4,91%	31%	2,23
29	24 > 19	18	5,20%	36%	2,26
30	26 > 25	17	4,91%	33,98%	4,51
31	29 > 12	18	5,20%	37,50%	1,99
32	32> 22	16	4,62%	35,54%	2,09
33	34 > 29	15	4,33%	37,50%	2,7
34	36 >25	9	2,60%	60,07%	4,15
35	40 > 34	8	2,31%	72,70%	6,28

Source: Processed data, 2020

4.5. Activity Relationship Chart

ARC was created to determine the qualitative reasons why 2 products should be brought closer or farther away. The reasons for consideration are the chemical nature of the product, the uniformity of the species, and the similarity of the product. Differences in the chemical properties of the product can affect the quality. This is common between food & non-food products with strong chemical properties such as soap. So that these two types of products cannot be combined. Meanwhile, similar products are products that have close product functions.

4.6. Layout Alternative

Making an alternative layout shows how many products are usually displayed in the store. Products traditionally displayed on two large shelves will still be displayed based on the number of available products. If there is a shift in the product's position from the large shelf to the small frame or vice versa, the number of products will be adjusted to the length of the rack.

Table 6. Layout alternative assessment results

Criteria	Layout Alternative

	I	II
Product Proximity (Confidence)	7	9
Product efficiency with great support	6	7
The proximity of similar products	6	7
Uniform product proximity	7	8
Relations between departments	8	9
Total Value	34	40

Source: Processed data, 2020

So from the assessment results, the alternative layout that has the most value given by the company, the design is chosen, is in the second alternative layout with a total of 40. Then the structure is determined to be a recommendation for layout improvement in the Sehati Dua Minimarket product department.

V. Conclusion and Recommendation

5.1. Conclusion

Based on the results of data processing and discussion that has been explained in the previous chapters, the authors formulate the following conclusions:

1. Applying the Market Basket Analysis method can optimize an effective layout application system in the product department at the Sehati Dua Minimarket by determining which products are often purchased by consumers simultaneously by calculating the value of support, confidence, and improvement ratio.
2. The application of the Activity Relationship Chart method can assist in determining the relationship between product groups within the Sehati Dua product department by analyzing inter-departmental activities and the relationship between the proximity of one product to another.
3. The results of the research conducted by the author on the layout of the Sehati Dua minimarket using the MBA method and ARC tools can provide several new alternatives to layout changes based on the application of the MBA method and ARC tools. The largest and the second alternative, namely layout changes based on the proximity of similar products and uniform products and other changes located in the product department of the two choices, given an assessment of layout improvement by the company management by testing several assessment criteria based on product proximity (confidence), product efficiency with considerable support value, the closeness of similar products, the intimacy of uniform products, and inter-departmental relationships. From the assessment results given by the company's management, the layout chosen is the second alternative with a value of 40 from this value, the recommendation for layout improvement can be used by the company.

5.2. Recommendation

Based on these conclusions, allow the authors to submit some suggestions as follows:

1. To make visitors crowded and comfortable while in the minimarket, the layout should be rearranged by looking at the products often purchased by consumers so that consumers can easily find them when making purchases at the Sehati Dua Mini marker.
2. Some products that should be approached by the MBA method but affect interdepartmental pathways according to the ARC method should be eliminated.
3. To increase the value of the company's profit, the company should replace and add new products on the shelves between departments, so that impulse buying or unplanned purchases increase.

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The Layout Planning At Sehati Dua Minimarket, Ciawigebang, Kuningan (*Market Basket Analysis and Activity Relationship Chart Approach*)

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Abstract

The layout is one of the factors that affect visitor satisfaction. Where a good design will be the face of the company itself. There is a layout problem in the Sehati minimarket location where the product arrangement displayed has not been neatly arranged. The display of goods is placed directly on the floor without using any shelves. One way to optimize the relationship between product group proximity and use of space or layout. This research uses Market Basket Analysis and Activity Relationship Chart method by measuring three kinds of quantitative measures, namely support (factor domination level), confidence (factor level) and the ratio of improvement (viability factor proximity) and relationship product proximity qualitatively. Results of data processing and analysis with the method of MBA and Tolls ARC approach there are several alternatives to the new layout improvement then selected on of the best choice by the management company with a value of 40, and some changes from the previous layout the product – the product that must be moved among product with value the smallest, and development with an enormous support value,(1) namely The Gelas products.

Keywords: Layout, Market Basket Analysis, Activity Relationship Chart.
JEL Classification: L00, M00
Type of paper: Research Paper/.

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I. Introduction

Retail growth in Indonesia is very rapid, with a population of ±252 million people, of whom 50% are of productive age, and is the most potential market in Southeast Asia with Indonesia's GDP per capita of US$ 3,500, which surpasses competitors in ASEAN such as the Philippines and Vietnam. This is inseparable from the increasingly rapid growth of the middle and upper-middle class. According to BPS data in 2016, it is estimated that there are as many as 74 million middles and upper-middle-class people, it is estimated to be 141 million people by 2020, and every year it is estimated that between 8 million and 9 million new people will join this class. Around 60 million low-income residents are projected to join them to drive more robust consumer demand. Based on the annual budget, it is estimated that US$ 5,000 – US$ 15,000 will expand from 36% in 2016 and 2020 will increase to 58%. (Source: article Dian Alamsyah 2016).

Sehati Minimarket is a retail business located in the Ciputat Village market, Ciawigebang District, which offers a variety of primary raw materials for daily needs. It can be said that the layout or layout of the Sehati minimarket is not neat. Several products are supposed to be on the same shelf but are far apart. Sehati Dua Minimarket needs to carry out a market basket analysis because it can improve the layout of its store on a more regular basis.

Table 1. Top Sales

No	Products Name	Qty / Box
1	Teh Gelas	154
2	Kapal Api Mix	131
3	Tea Jus Gula Batu	112
4	Good Day Mochacino	102
5	Aqua Botol	97
6	Masako Ayam	92
7	Slai Olai Strawberry	89
8	Torpedo	81
9	Royco Ayam	78
10	Granita Cup	67

Source: Sehati Dua Mini Market

Table 2. Top Sales

No	Products Name	Qty / Box
1	Taro Potato Bbq 36g	15
2	Piatos Keju 11g	15
3	Guinness Zero Abv	11
4	Fiesta Wht Leci 450m	11
5	Mie Telur 3 Ayam Hijau	10
6	Nivea Men Wht Oc Ff	8
7	Pokka Lemon Tea	7
8	Happy Coco Biskuit	5
9	Soba Ayam Bakar	4
10	Lem Fox Kaleng	1

Source: Sehati Dua Mini Market

The initial step in calculating the market basket analysis technique lies in the number of transactions because from the results of the transaction it can project information about which products are selling well and purchased by consumers and will affect other products that are often purchased by consumers so that consumers will make purchases without planning. The following is an image of the layout of the Sehati Minimarket:

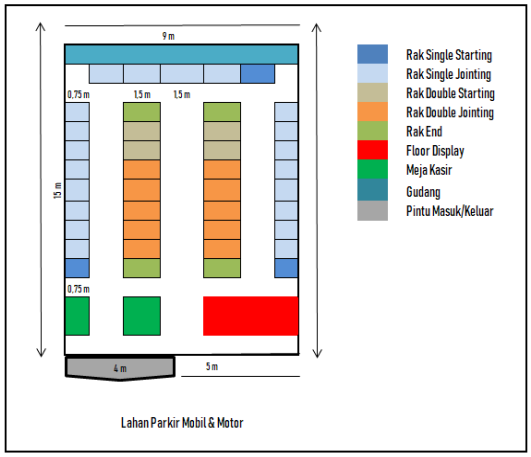

Figure 1. The layout of Sehati Mini Market
Source: Sehati Mini Market
Note: The red sign is one of the problems at the Sehati Minimarket

In the observations that the author made on October 22, 2019, at 10.30 - 12.00 WIB, the author found a problem with the layout of the Sehati minimarket. In management, the layout of the products on display is not neat, and there are also products displayed directly on the floor without using any shelves. We often encounter floor displays in minimarkets because they have a less spacious area so that the production of goods on the floor is quite disturbing the flow of goods/consumers.

Merchandise layout management is a way to get visitors interested in buying. In addition, product layout also serves to create the desired image and maintain a retail company's position. To develop a suitable product layout, several criteria must be met. (Widayanti, 2013). In his research journal, the market basket analysis (MBA) method is a form of cluster analysis that classifies data based on association rules by looking for three types of measures, namely support (factor dominance level), confidence (proximity level factor) and increase. . ratio (validation of proximity factor). Market basket analysis (MBA) is a mathematical technique that marketing uses to reveal similarities between individual products or product groups to determine what products consumers usually buy together. In addition, the application of the MBA method can make it easier for visitors to shop because the products that are typically purchased at the same time are located close together. (Andari et al., 2013). Based on the phenomena that have been described in the background of the problem, the formulation of the problem can be made as follows:

1. Can applying the market basket analysis (MBA) method optimize the layout at Sehati Minimarket?
2. Can the application of the activity relationship shop chart (ARC) method helps determine the close relationship between product groups in Sehati Minimarket?

3. How can applying the MBA and ARC methods optimize the relationship between product groups and provide new alternatives for layout planning at the Sehati Minimarket?

II. Literature Review

2.1. Layout

According to Heizer and Render (2015), spatial planning is one and the significant decisions that determine the long-term efficiency of an operation. Spatial planning has strategic implications as it creates competing priorities concerning work capacity, customer contact and image.

2.2. Market Basket Analysis

According to Ajeng Agestyana (2016), Market Basket Analysis is a mathematical technique that marketing professionals can use to express similarities between individual products or product groups. Market Basket Analysis deals with business problems related to knowing the point of sale from transaction data.

2.3. Activity Relationship Chart

Ajeng Agestyana (2016) Activity Relationship Chart (ARC) can be used as a layout analysis based on qualitative considerations. Activity Relationship Chart (ARC) facilitates the creation of layouts in manufacturing companies that describe activities between departments or machines.

III. Methodology

The research was conducted at the Sehati Dua Minimarket, located at Jln. Siliwangi No.92 Ciputat-Ciawigebang Kab. Brass. The time of the study was carried out from January to June 2020. There were 2540 transactions. From this number, 346 transaction samples were taken using a geometric algorithm. The data processing carried out in the research is as follows:

1. Product grouping.
2. Find the value of supporting factors
3. Find the value of the trust
4. Find the repair ratio value
5. Activity Relationship Chart (ARC).

After the data processing stage, analysis and discussion were carried out on factor dominance, factor proximity, factor validation and adjustment with quantitative and qualitative methods. Then a suitable latest layout recommendation is made.

In this study, the population used is data from product sales in February 2020. The data obtained from transactions in the Sehati Dua Minimarket product department is 2,540 products. From that information, then find the sample value using the Slovin formula. The error tolerance (d) is 5%. The results obtained were 346 data collection using a random table with a geometric distribution.

IV. Results and Discussion

This stage will contain data processing and a discussion of the data processing results. At this stage, there will also be suggestions for improving the layout based on data processing results.

4.1. Product Grouping

The first step is product grouping which is part of the data processing process. in this phase, the products or goods sold in the store are grouped based on several considerations, which can be seen in table 3:

Table 3. Product Grouping

No	Product Name	No	Product Name
1	Teh Gelas Cup 180ml	36	Taro Potato Bbq 36g
2	Kapal Api SPC Mix B5	37	Piatos Keju 11g
3	Telur Ayam	38	Sonice Ayam Bbq 18g
4	Good Day Mochacino 25g	39	Fiesta Wht Leci 450ml
5	Aqua Botol 600ml	40	Guiness Zero 330ml
6	Masako Ayam 13g	41	Peache Eye Shadow
7	Slai Olai Strawberry 24g	42	Indomilk Uht 190ml
8	Torpedo Kuning 175ml	43	Kiyora Matcha Latte 330ml
9	Royco Ayam 10g	44	Fruita Max Strbry 200ml
10	Granita Cup 120ml	45	Mie Telur 3 Ayam Hijau 140g
11	Rokok Gudang Baru 12	46	Kado Harvs pdk
12	Teh Pucuk 350ml	47	Mie Telur 3 Ayam Merah 140g
13	Indomie Goreng 85g	48	Fiesta Wht Peach 450ml
14	Luwak White Cofee 20g	49	Nivea Men Wht 100ml
15	Gery Chocholatos 9g	50	Taronet Curly 40g
16	Bango Kecap Manis 20ml	51	Pokka Lemon Tea
17	Abc Susu 31g	52	Pokka Leci Black Tea 350ml
18	Rokok Gudang Garam Filter 12	53	Fiesta Black Tea Jasmine 350ml
19	Top Ice Capucino 6g	54	Happy Coco Biscuit 12g
20	Indocafee Cofeemix 25g	55	Abc Kecap Rasa Mantap 30ml
21	Indomie Ayam Bawang 85g	56	Soba Balado 11g
22	Sukong Chese Snake	57	Soba Ayam Bakar 11g

No	Product Name	No	Product Name
23	Rokok Djarum Coklat	58	Abc Squash Cocopandan 525ml
24	Slai Olai Nanas 24g	59	Chocolatos Hazelnut 16g
25	Aqua Gelas 240ml	60	Abc Sari Kacang Hi Fit 250ml
26	Rokok Gudang Baru 16	61	Frozen Mineral 1500ml
27	Milkita Hanger B'12	62	Neurobion Ct 105
28	Sakura Mie Goreng 60gr	63	Penggaris Lipat 8910
29	Rolls Keju 8g	64	Primerose Sip 618
30	Tea Jus Apel 8g	65	Mamy Love Baby Pants L8
31	Ale-ale Jambu 200ml	66	Cil Shoap Classic 75g
32	Taro Seaweed 9g	67	Neapolitan 850ml
33	Kuaci Rebo 8g	68	Rani Kone 91 Blck
34	Royco Sapi 10g	69	Me So Fierche Shower 2in1
35	Indomie Soto 70g	70	Lem Fox Kaleng Biru

Source: Processed data, 2020

4.2. Calculation of Support Factor Value

It was based on the support factor calculation formula by adding up all transactions on products purchased by consumers in February 2020.

$$S = \frac{\mathrm{n}}{\mathrm{N}}$$

$$S = \frac{154}{346}$$

$$S = 0{,}445086705 = 0{,}4450$$

= 0,4450 x 100

= 44,50 %

From the results of the calculation of the group of Tea Glass products purchased by consumers at the time of shopping, it is 44.50% to determine the value of the product group support factor.

Table 4. Product Grouping Support Factor Value

No	Product Name	Total	Support Factor	Support %
1	Teh Gelas Cup 180ml	154	0,445	44,50%
2	Kapal Api SPC Mix B5	130	0,3757	37,57%
3	Telur Ayam	112	0,3237	32,37%
4	Good Day Mochacino 25g	102	0,2947	29,47%
5	Aqua Botol 600ml	97	0,2803	28,03%
6	Masako Ayam 13g	92	0,2658	26,58%
7	Slai Olai Strawberry 24g	89	0,2572	25,72%
8	Torpedo Kuning 175ml	81	0,2341	23,41%
9	Royco Ayam 10g	78	0,2254	22,54%
10	Granita Cup 120ml	67	0,1936	19,36%
11	Rokok Gudang Baru 12	65	0,1879	18,79%

No	Product Name	Total	Support Factor	Support %
12	Teh Pucuk 350ml	65	0,1879	18,79%
13	Indomie Goreng 85g	65	0,1879	18,79%
14	Luwak White Cofee 20g	60	0,1734	17,34%
15	Gery Chocholatos 9g	60	0,1734	17,34%
16	Bango Kecap Manis 20ml	60	0,1734	17,34%
17	Abc Susu 31g	57	0,1647	16,47%
18	Rokok Gudang Garam Filter 12	57	0,1647	16,47%
19	Top Ice Capucino 6g	55	0,1589	15,89%
20	Indocafee Cofeemix 25g	55	0,1589	15,89%
21	Indomie Ayam Bawang 85g	55	0,1589	15,89%
22	Sukong Chese Snake	55	0,1589	15,89%
23	Rokok Djarum Coklat	52	0,1503	15,03%
24	Slai Olai Nanas 24g	50	0,1445	14,45%
25	Aqua Gelas 240ml	50	0,1445	14,45%
26	Rokok Gudang Baru 16	50	0,1445	14,45%
27	Milkita Hanger B'12	50	0,1445	14,45%
28	Sakura Mie Goreng 60gr	50	0,1445	14,45%
29	Rolls Keju 8g	48	0,1387	13,87%
30	Tea Jus Apel 8g	48	0,1387	13,87%
31	Ale-ale Jambu 200ml	48	0,1387	13,87%
32	Taro Seaweed 9g	45	0,1301	13,01%
33	Kuaci Rebo 8g	40	0,1156	11,56%
34	Royco Sapi 10g	40	0,1156	11,56%
35	Indomie Soto 70g	40	0,1156	11,56%
36	Taro Potato Bbq 36g	15	0,0433	4,33%
37	Piatos Keju 11g	15	0,0433	4,33%
38	Sonice Ayam Bbq 18g	11	0,0318	3,18%
39	Fiesta Wht Leci 450ml	11	0,0318	3,18%
40	Guiness Zero 330ml	11	0,0318	3,18%
41	Peache Eye Shadow	11	0,0318	3,18%
42	Indomilk Uht 190ml	10	0,0289	2,89%
43	Kiyora Matcha Latte 330ml	10	0,0289	2,89%
44	Fruita Max Strbry 200ml	10	0,0289	2,89%
45	Mie Telur 3 Ayam Hijau 140g	10	0,0289	2,89%
46	Kado Harvs pdk	9	0,026	2,60%
47	Mie Telur 3 Ayam Merah 140g	8	0,0231	2,31%
48	Fiesta Wht Peach 450ml	8	0,0231	2,31%
49	Nivea Men Wht 100ml	8	0,0231	2,31%
50	Taronet Curly 40g	7	0,0202	2,02%

No	Product Name	Total	Support Factor	Support %
51	Pokka Lemon Tea	7	0,0202	2,02%
52	Pokka Leci Black Tea 350ml	5	0,0145	1,45%
53	Fiesta Black Tea Jasmine 350ml	5	0,0145	1,45%
54	Happy Coco Biscuit 12g	5	0,0145	1,45%
55	Abc Kecap Rasa Mantap 30ml	5	0,0145	1,45%
56	Soba Balado 11g	5	0,0145	1,45%
57	Soba Ayam Bakar 11g	4	0,0116	1,16%
58	Abc Squash Cocopandan 525ml	4	0,0116	1,16%
59	Chocolatos Hazelnut 16g	4	0,0116	1,16%
60	Abc Sari Kacang Hi Fit 250ml	4	0,0116	1,16%
61	Frozen Mineral 1500ml	4	0,0116	1,16%
62	Neurobion Ct 105	2	0,0058	0,58%
63	Penggaris Lipat 8910	2	0,0058	0,58%
64	Primerose Sip 618	2	0,0058	0,58%
65	Mamy Love Baby Pants L8	1	0,0029	0,29%
66	Cil Shoap Classic 75g	1	0,0029	0,29%
67	Neapolitan 850ml	1	0,0029	0,29%
68	Rani Kone 91 Blck	1	0,0029	0,29%
69	Me So Fierche Shower 2in1	1	0,0029	0,29%
70	Lem Fox Kaleng Biru	1	0,0029	0,29%

Source: Processed data, 2020

4.3. Confidence

Products with a support value of just over 3% are included in the confidence calculation. This product is then searched for the strength of its relationship with other products. Because the products screened at this stage were 41 products, there were 1640 product pairs to find the confidence value of each product pair. The product pair then looks for the value of support and trust. An example of calculating the confidence value is as follows:

$S_{a\rightarrow b} = \frac{n}{N}$

$S_{1\rightarrow 7} = \frac{72}{346}$

= 0,208092485

= 0,2181 x 100 = 21,81 %

$C_{a\rightarrow b} = \frac{S}{s}$

$C_{1\rightarrow 7} = \frac{21,81}{44,50}$

= 0,467640449

= 0,4676 x 100

= 46,76%

4.4. Improvement Ratio or Lift

After knowing the value of confidence, the next step in the MBA is finding the value of the improvement ratio. The improvement ratio shows whether a product affects other products. The increase rate indicates the strength of the association rule during random events between the affected product and the affected product by looking at the support. The improvement ratio provides information about the change in the probability of an outcome being affected by a previous event.

The improvement ratio value is the ratio between the combined support value (product A and product B) and the support value for product A multiplied by the support value for product B. An example of calculating the repair ratio value is as follows:

$$I_{a\rightarrow b} = \frac{s}{sa \times sb}$$

$$I_{1\rightarrow 7} = \frac{20,81}{44,50 \times 25,72}$$

= 1,818187703

= 1,82

Table 5. Nilai *Support, Confidence,* dan *Improvement*

No	No Nota	Transaction	S (3%)	C (30%)	I (>1)
1	1 > 7	72	20,81%	46,76%	1,82
2	1 > 13	69	19,94%	44,81%	2,38
3	1 > 5	66	19,07%	42,86%	1,51
4	2 > 11	65	18,79%	50,01%	2,66
5	2 > 18	63	18,21%	48,46%	2,94
6	3 > 21	65	18,79%	58,03%	3,65
7	3 > 29	64	18,50%	57,14%	4,17
8	4 > 7	66	19,07%	64,69%	2,51
9	4 > 23	59	17,05%	57,84%	3,85
10	4 > 28	53	15,32%	51,96%	3,6
11	5 > 15	56	16,18%	57,74%	3,33
12	5 > 19	51	14,74%	52,59%	3,25
13	8 > 18	49	14,16%	60,49%	3,67
14	10> 22	48	13,87%	71,66%	4,51

No	No Nota	Transaction	S (3%)	C (30%)	I (>1)
15	12 > 33	44	12,72%	67,68%	5,86
16	13 > 22	51	14,74%	78,49%	4,94
17	13 > 3	59	17,05%	90,80%	2,8
18	13 > 9	40	11,56%	61,56%	2,73
19	13 > 31	38	10,98%	58,48%	4,71
20	14 > 18	32	9,25%	53,34%	3,23
21	14 > 27	30	8,67%	50%	3,46
22	15 > 24	25	7,22%	41,67%	2,88
23	15 > 28	21	6,07%	35%	2,42
24	16 > 13	22	6,36%	36,67%	1,95
25	17 > 23	20	5,78%	35,09%	2,34
26	19 > 26	21	6,07%	38,20%	2,64
27	20 > 30	20	5,78%	36,37%	2,62
28	22 > 31	17	4,91%	31%	2,23
29	24 > 19	18	5,20%	36%	2,26
30	26 > 25	17	4,91%	33,98%	4,51
31	29 > 12	18	5,20%	37,50%	1,99
32	32> 22	16	4,62%	35,54%	2,09
33	34 > 29	15	4,33%	37,50%	2,7
34	36 >25	9	2,60%	60,07%	4,15
35	40 > 34	8	2,31%	72,70%	6,28

Source: Processed data, 2020

4.5. Activity Relationship Chart

ARC was created to determine the qualitative reasons why 2 products should be brought closer or farther away. The reasons for consideration are the chemical nature of the product, the uniformity of the species, and the similarity of the product. Differences in the chemical properties of the product can affect the quality. This is common between food & non-food products with strong chemical properties such as soap. So that these two types of products cannot be combined. Meanwhile, similar products are products that have close product functions.

4.6. Layout Alternative

Making an alternative layout shows how many products are usually displayed in the store. Products traditionally displayed on two large shelves will still be displayed based on the number of available products. If there is a shift in the product's position from the large shelf to the small frame or vice versa, the number of products will be adjusted to the length of the rack.

Table 6. Layout alternative assessment results

Criteria	Layout Alternative

	I	II
Product Proximity (Confidence)	7	9
Product efficiency with great support	6	7
The proximity of similar products	6	7
Uniform product proximity	7	8
Relations between departments	8	9
Total Value	34	40

Source: Processed data, 2020

So from the assessment results, the alternative layout that has the most value given by the company, the design is chosen, is in the second alternative layout with a total of 40. Then the structure is determined to be a recommendation for layout improvement in the Sehati Dua Minimarket product department.

V. Conclusion and Recommendation

5.1. Conclusion

Based on the results of data processing and discussion that has been explained in the previous chapters, the authors formulate the following conclusions:

1. Applying the Market Basket Analysis method can optimize an effective layout application system in the product department at the Sehati Dua Minimarket by determining which products are often purchased by consumers simultaneously by calculating the value of support, confidence, and improvement ratio.
2. The application of the Activity Relationship Chart method can assist in determining the relationship between product groups within the Sehati Dua product department by analyzing inter-departmental activities and the relationship between the proximity of one product to another.
3. The results of the research conducted by the author on the layout of the Sehati Dua minimarket using the MBA method and ARC tools can provide several new alternatives to layout changes based on the application of the MBA method and ARC tools. The largest and the second alternative, namely layout changes based on the proximity of similar products and uniform products and other changes located in the product department of the two choices, given an assessment of layout improvement by the company management by testing several assessment criteria based on product proximity (confidence), product efficiency with considerable support value, the closeness of similar products, the intimacy of uniform products, and inter-departmental relationships. From the assessment results given by the company's management, the layout chosen is the second alternative with a value of 40 from this value, the recommendation for layout improvement can be used by the company.

5.2. Recommendation

Based on these conclusions, allow the authors to submit some suggestions as follows:

1. To make visitors crowded and comfortable while in the minimarket, the layout should be rearranged by looking at the products often purchased by consumers so that consumers can easily find them when making purchases at the Sehati Dua Mini marker.
2. Some products that should be approached by the MBA method but affect interdepartmental pathways according to the ARC method should be eliminated.
3. To increase the value of the company's profit, the company should replace and add new products on the shelves between departments, so that impulse buying or unplanned purchases increase.

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Organizational Culture and Employee Competence on Employee Performance to Improve Service Effectiveness in the North Sumedang Public Health Center

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Abstract

This study aims to analyze the Influence of Organizational Culture And Competence Of Employees To Improve Employee Performance Effectiveness Environmental Health Center Services In North Sumedang Sumedang The method used is descriptive analysis, variables consisted of independent variables that Organisation Culture And Employee Competence, variable between the employee performance, the dependent variable is Effectiveness Service. The study population was Kaler City Employee Health Center and the Employee Health Center as 75orang Situ. The sampling is done using the Census, where the entire population of as many as 75 people were made respondents in the study. Data were collected with a documentary study and field study through observation, interviews and questionnaires and data analysis techniques using statistical analysis with path analysis model (path analysis). The results of the study hypothesis testing obtained evidence that Organizational Culture and Employee Competence real and positive impact on employee performance to Improve Effectiveness of Environmental Health Center Services In North Sumedang Sumedang that is equal to 84%. While the influence of outside variables Employee Performance and Effectiveness Service is at 16%, that other factors not examined or epsilon factor. For further advice given author to convey the presence of some of the findings in the study and because of the limited time in research, it is expected to come advisable to conduct further research on organizational culture, employee competency, employee performance and effectiveness of services and different perspectives through a disciplined approach good knowledge of Public Administration and other disciplines.

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I. Introduction

Health development aims to increase public awareness, willingness, and ability to live a healthy life for everyone to realize the highest degree of public health. Health development is an effort of all the potentials of the Indonesian people, both the community, the private sector, and the government. The occurrence of interactions with the characteristics and the many interests that shape lifestyles, behavior patterns, and work ethics will characterize the condition of an organization. So that every individual in the organization cannot be separated from the essence of the cultural values he adheres to, which will ultimately synergize with organizational tools, technology, systems, strategies and leadership lifestyles so that the pattern of human resource interaction in the organization must be balanced and harmonized so that the organization can continue to exist.

Furthermore, Robbins (2010) that An organization is a consciously coordinated social unit with a relatively identifiable boundary, working continuously to achieve goals. In government agencies, it is known that there is a work culture of state apparatus. Following the Decree of the Minister for Empowerment of State Apparatus No. 25/KEP/M.PAN/04/2002 dated April 25, 2002, as a culture, the work culture of the state apparatus can be recognized in the form of the values contained therein, work institutions or systems, and attitudes and behaviour. The behaviour of the human resources of the apparatus that carries it out. So that the work culture of the state apparatus in the decision is defined as the attitudes and behaviour of individuals and groups of state apparatus based on values that are believed to be accurate and have become the nature and habits of carrying out daily tasks and work. It is hoped that the work culture of the state apparatus will be beneficial for the individual state apparatus and their work units, where personally it provides opportunities for role play, achievement and self-actualization, in groups that can improve the quality of joint performance.

The success of health services at this '*puskesmas*' can be realized if it is supported by the quality of human resource factors or, in other words, the performance of its employees. Puskesmas, as an organization/government agency in carrying out health services, feel how important the workforce factor or Human Resources (HR) factor is. In general, the data obtained shows that the percentage of national health services is still in the low category, as shown in the figure below:

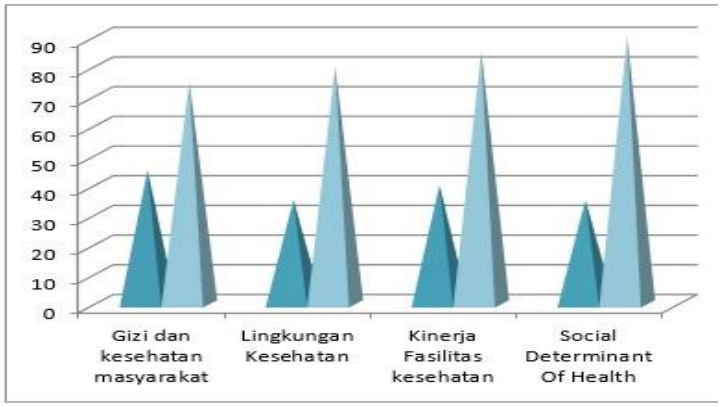

Figure 1. Basic service health research statistics
Source: Risekesdas Data, 2019

From the picture above, it shows that some research is prioritized on analysis related to the National Medium-Term Development Plan (RPJMN), Long-Term Development Plan (RPJP), Millennium Development Goals (MDGs), which are related to the Public Health Development Index (IPKM) indicator. The impact of various health efforts on nutrition and public health is still at the level of 40%. The health environment indicator is even lower at 30%. For the performance of health facilities reaching 35%, it is still far from the national target of 80%. The Social Determinant Of Health indicator is around 30 % of the achievement of the national target of 85%. This organizational culture needs to be known by leaders or managers to make it easier for them to determine attitudes, how they should act so that its members can be directed towards an attitude and behaviour that will be useful to achieve organizational goals. Organizational culture is at the Kotakaler Health Center, Sumedang Regency, in connection with the corporate culture. The problem that arises is Employee Discipline, which generally seems low, ultimately resulting in inferior performance. Based on the results of previous research on *puskesmas* employees in the city of Kaler and Situ, namely:

Table 1. Pre-Research Resource Persons Data

No	Name	Rank / Group	Education		Main Tasks
			Profession	Latter	
1	Hj. Juju Julaeha, S.Km	Superintendent / IIIC	Midwife	Bachelor	Head of TU
2	Wardiman, S.Km	First Class Superintendent / IIIC	Public Health	Bachelor	Head of Public Health

Source: Data on employees of Kaler and Situ City Public Health Centers

Mrs Hj. Juju Julaeha as the head of administration and Pa Wardiman as the Head of the Puskesmas stated that the organizational culture in the North Sumedang Environment, namely the Kotakaler and Situ Health Centers, tends to be still not optimal, as can be seen from the results of the summary of interviews with the following indicators:

1. Employee responsiveness is not yet optimal. Some employees are less responsive to organizational needs and the public interest, do not prioritise carrying out their duties, and do not have a clear plan.
2. There are still limited quality apparatus resources. With the limited ability of staff to carry out their respective duties and functions, the field of work is not in accordance with the expertise and disciplines possessed, so the organizational targets cannot be achieved optimally.
3. Lack of coordination between service units related to one another. As a result, there are often overlapping or conflicting policies between one service unit and other related service units.
4. Have not carried out the vision and strategic direction of the organization clearly and actually regarding the quality of service
5. Teamwork within the Kotakaler Health Center organizational environment, in general, has not been seen and has not been shown in real terms.
6. The discipline and regularity of the work of the apparatus are still low, and it is proven that many top-level officials are too busy attending coordination meetings in various places and work late into the night. In contrast, many lower-level employees work only on orders, so they are often unemployed without their superiors.
7. The dedication and loyalty of the state apparatus are still low, and there are even officials who are wrong in applying commitment only to their superiors but are not loyal to the agency's vision, mission, and duties.

II. Literature Review

As previously stated, the effectiveness of service activities is determined by several things included in the dimensions mentioned above. These dimensions are closely related to service elements. So that the effectiveness of the service will depend on how the organizational culture and competence of the employee carry out their activities. Corporate culture and employee competence are essential strategies that are effective for management in encouraging employee performance and others, including the element of community participation itself. Thus it can be stated that organizational culture and employee competencies are very influential in improving service effectiveness. Corporate culture refers to the system of shared meanings adopted by members of the organization that distinguishes the organization from other organizations. Robbins, (2011). said that a cultural value system that grows strong can spur the organization towards better development, where the better the work culture, the higher the performance and vice versa. This means that any improvement in the work culture towards a more conducive direction will significantly contribute to employee competence and improve employee performance, and vice versa. The results of the research by Waridin and Masrukhin (2010) show that organizational culture which is

indicated by the culture of requiring employees to find ways that are more effective and willing to take the risk, careful in carrying out work, attention to employee welfare, demands concentration achieved, high enthusiasm at work as well as the obligation to realize the targets and duties of the agency have a positive influence on employee performance.

Kottler and Hesket (in Waridin, 2010) say that corporate culture can significantly impact long-term economic performance. And corporate culture will be an even more critical factor in determining the organisation's success. Supporting theory of Organizational Culture, namely Robbins Theory, SP (2010) The elements and dimensions of organizational culture are innovation and risk-taking.; Attention to detail/detail, Leadership. People orientation, Team/group orientation, Aggressiveness, Stability. Meanwhile, the supporting criteria for Employee Competency Theory of Spenser & Spenser in Wibowo (2011) there are 5 (five) characteristics of competence and are the dimensions that are measured in the employee competence variable, namely as follows; Motives given by working hard, Traits are physical characteristics and consistent responses to situations or information, Self-concept, Knowledge, Dreaming skills Supporting theory of employee performance, namely Mitchel theory (in Sedarmayanti, 2011) also states that version includes several dimensions, namely: Communication, Initiative, Workability, Punctuality, Quality of work Service Effectiveness Theory Gibson et al. (2010:32) that the dimensions of effectiveness that are short and long term include: Efficiency, Satisfaction, Adaptation, Development Based on the description above, it can be concluded that there is a conceptual relationship between research variables, where organizational culture and employee competence on employee performance in service effectiveness is one of the compensations for optimal performance, of course, a service effectiveness will be realized and the more aspects that exist in the individual who in accordance with the culture of the organization where they work, the higher the competence of employees who are expected to improve employee performance in an effort to accelerate the improvement of service effectiveness.

III. Methodology

The research method is a scientific way to obtain data with a specific purpose and use. The technique used in this research is a descriptive analysis using survey techniques. This method aims to get an overview of the symptoms studied in the current state and then find answers for solving existing problems or phenomena. Descriptive research, according to Iskandar (2012): "Research that has a relationship between two or more phenomena, and this method often uses survey techniques" The data that will be tested in this study is data taken from several samples that are considered representative to represent the population from the facts and phenomena of organizational culture variables in the North Sumedang Public Health Center, Employee Competence, employee performance in the North Sumedang Public Health Center and Effectiveness.

Services in the North Sumedang Public Health Center, Sumedang Regency. Paradigm has a function to solve a research problem Paradigm has a role in explaining a significant problem that is accurate and complex, and normative and notification of something that must be done without understanding its existence and epistemology. To clarify the substance of the research, the research variables to be measured are first compiled and described in a research paradigm. This research paradigm will be relatively easy to do and prove the truth so that the research results will be more accountable from a scientific point of view. To further clarify the relationship between the variables to be studied, therefore the research paradigm is as follows:

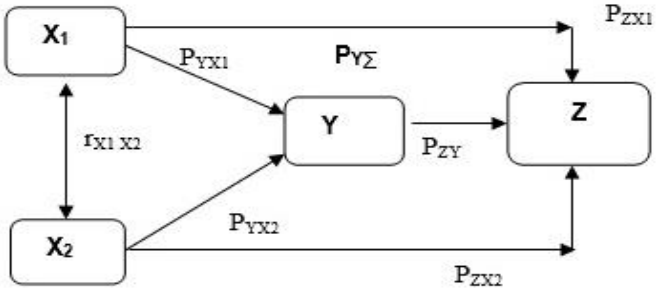

Figure 2. Research Paradigm

What is meant in this study is to test hypotheses and answer the formulation of the problem posed, then it is done through data analysis techniques. In connection with the data obtained on an ordinal scale, the scale is divided into interval scales with the "Sussive Interval" method. The steps for Data Analysis Techniques are as follows: 1. Create data analysis tables 2. It transfers data from the data processing table to the data analysis table 3. Re-checking the data transfer process 4. Entering data from tables into statistical formulas 5. Conclusion of data analysis/testing The data analysis used is path analysis with the following steps:

- Looking for the correlation between the independent variable itself and the correlation between the independent variable and the dependent variable

1. $= \dfrac{\Sigma XY\{1/n(\Sigma X)(\Sigma Y)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Y^2 - 1/n(\Sigma Y)^2\right]}}$

$$r_{x2y} = \frac{\Sigma XZ\{1/n(\Sigma X)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$$

2.

3. $r_{xz} = \dfrac{\Sigma XZ\{1/n(\Sigma X)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$

4. $r\,yz = \dfrac{\Sigma YZ\{1/n(\Sigma Y)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma Y)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$

- Looking for correlation matrix between variables X with Y and Z:

Code	X_1	X_2	Y	Z
X_1	X1X1	rX2X1	rX1Y	rX1Z
X_2	X1X2	rX2X2	rX2Y	rX2Z
Y	X1Y	rYX2	rYY	rYZ
Z	X1Z	rZX	rZY	rZZ

IV. Results and Discussion

The results of data collection from respondents produced a description of the data. Then carried out data processing and analyzed using a statistical approach. Data processing is divided into four data based on four existing variables, namely Organizational Culture (X1) and Employee Competence (X2) as independent variables, Employee Performance (Y) as an intermediate variable, and Service Effectiveness (Z) as the dependent variable. According to the respondent, each question is accompanied by 5 possible answers that must be chosen and deemed appropriate. From these answers, the following assessment criteria are arranged: 1. The cumulative value is the sum of the scores for each question item which is the answer from 75 respondents. 2. Percentage is the cumulative value of the item divided by the frequency value multiplied by 100% 3. The number of respondents: 75 people, and the largest measurement scale value: 5, while the smallest measurement scale is 1, so that the largest cumulative number of values: 75 x 5 = 375, and the smallest cumulative value: 75x 1 = 75. The largest percentage value are : (375/75) x 100 % = 100% and the smallest percentage value : (75/375) x 100 % = 20%, and the two percentage values are obtained from the range value: 1000%-20% = 80% and if divided with 5 measurement scales, the percentage interval value is: (80%)/5 = 16%. The main hypothesis formulation of the Main Hypothesis proposed in this study is: "There is an Influence of Organizational Culture and Employee Competence on Employee Performance in Order to Improve Service Effectiveness in the North Sumedang Public Health Center Sumedang Regency". A test is carried out to answer the proposed hypothesis, namely by using path analysis testing. Based on the test results, the path coefficient value is 0.917.

To find out more about the influence of Organizational Culture (X1) and Employee Competence (X2) variables on Employee Performance (Y) in Service Effectiveness (Z), a test was conducted, namely by looking at the comparison between F-count and F-table. Based on the test, the value of the F-count is greater than the value of the F-table, namely F-count = 12,681 > Ftable = 2,730, the decision Ho is rejected.

Table 1. F test

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	960,551	3	320,184	12,681	,000[b]
	Residual	182,329	71	2,568		
	Total	1142,880	74			
a. Dependent Variable: Efektivitas						
b. Predictors: (Constant), Kinerja, Budaya, Kompetensi						

From this value, it was obtained that Ho's decision was rejected, so that the Organizational Culture (X1) and Employee Competence (X2) variables had a significant and positive effect on Employee Performance (Y) in Service Effectiveness (Z).

Table 2. R Square

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,917[a]	,840	,834	1,603
a. Predictors: (Constant), Kinerja, Budaya, Kompetensi				
b. Dependent Variable: Efektivitas				

The significance of the value of the test results above is also supported by the Coefficient of Determination (R2YZX) of = 0.840. This value indicates that Organizational Culture (X1) and Employee Competence (X2) affect Employee Performance (Y) in Service Effectiveness (Z), amounting to 84.0%. In comparison, the rest (PYZ∈)2 of 16.0% is influenced by the variable other variables outside of Employee Performance (Y) in Service Effectiveness (Z), which are not included in the model.

V. Conclusion and Recommendation

5.1. Conclusion

Based on the results of research and discussion in Chapter IV, the authors can draw the following conclusions:

1. Respondents' opinion on the cumulative Organizational Culture variable is quite reasonable on average, and this means that Organizational Culture has been understood and understood as expected,
2. Respondents' opinions regarding the Employee Competence variable cumulatively the average number is quite good, this means that the Employee Competence has been understood and understood as expected,

3. Respondents' opinions regarding the cumulative employee performance variable are pretty good on average, and this means that employee performance has been understood and understood as expected,
4. Respondents' opinion regarding the Service Effectiveness variable cumulatively the average number is quite good, this means that the Service Effectiveness has been understood and understood as expected

Based on the things that have been stated above, the results of this study have implications for Organizational Culture and Employee Competence which have been going quite well. Still, some problems and findings need to be reviewed about the existing problems, especially in socialization. In addition, the implications for employee performance are also quite good. Still, with some finding problems, essential things can be determined to improve employee performance in realizing the effectiveness of health services in the Puskesmas area, North Sumedang District, Sumedang Regency. Improvement of Service Effectiveness in the North Sumedang District, Sumedang Regency which is the goal of Employee Competence and Organizational Culture carried out by Employee Performance which in general based on research has been carried out quite well, but based on research it turns out that there are still obstacles found so that the implications for the community Of course, part of it is still not fully realized Health Services. It is hoped that the things mentioned above can be used as material for improvement, both in Organizational Culture and Employee Competence, Employee Performance and in increasing the Effectiveness of Health Center Services in the North Sumedang District, Sumedang Regency so that the implications for the community can be appropriately achieved, namely the creation of Health Services at the Puskesmas.

5.2. Recommendation

As a further suggestion, the author conveys considering several findings in the research. Due to the limited time in the study, it is hoped that it is advisable to conduct further research on Organizational Culture, Employee Competence, Employee Performance and Service Effectiveness as well as different perspectives both through a disciplinary approach. Science, namely State Administration and other disciplines.

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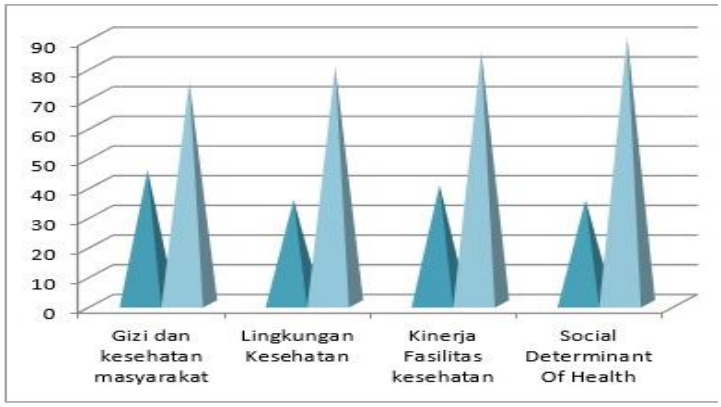

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5. Teamwork within the Kotakaler Health Center organizational environment, in general, has not been seen and has not been shown in real terms.
6. The discipline and regularity of the work of the apparatus are still low, and it is proven that many top-level officials are too busy attending coordination meetings in various places and work late into the night. In contrast, many lower-level employees work only on orders, so they are often unemployed without their superiors.
7. The dedication and loyalty of the state apparatus are still low, and there are even officials who are wrong in applying commitment only to their superiors but are not loyal to the agency's vision, mission, and duties.

II. Literature Review

As previously stated, the effectiveness of service activities is determined by several things included in the dimensions mentioned above. These dimensions are closely related to service elements. So that the effectiveness of the service will depend on how the organizational culture and competence of the employee carry out their activities. Corporate culture and employee competence are essential strategies that are effective for management in encouraging employee performance and others, including the element of community participation itself. Thus it can be stated that organizational culture and employee competencies are very influential in improving service effectiveness. Corporate culture refers to the system of shared meanings adopted by members of the organization that distinguishes the organization from other organizations. Robbins, (2011). said that a cultural value system that grows strong can spur the organization towards better development, where the better the work culture, the higher the performance and vice versa. This means that any improvement in the work culture towards a more conducive direction will significantly contribute to employee competence and improve employee performance, and vice versa. The results of the research by Waridin and Masrukhin (2010) show that organizational culture which is

indicated by the culture of requiring employees to find ways that are more effective and willing to take the risk, careful in carrying out work, attention to employee welfare, demands concentration achieved, high enthusiasm at work as well as the obligation to realize the targets and duties of the agency have a positive influence on employee performance.

Kottler and Hesket (in Waridin, 2010) say that corporate culture can significantly impact long-term economic performance. And corporate culture will be an even more critical factor in determining the organisation's success. Supporting theory of Organizational Culture, namely Robbins Theory, SP (2010) The elements and dimensions of organizational culture are innovation and risk-taking.; Attention to detail/detail, Leadership. People orientation, Team/group orientation, Aggressiveness, Stability. Meanwhile, the supporting criteria for Employee Competency Theory of Spenser & Spenser in Wibowo (2011) there are 5 (five) characteristics of competence and are the dimensions that are measured in the employee competence variable, namely as follows; Motives given by working hard, Traits are physical characteristics and consistent responses to situations or information, Self-concept, Knowledge, Dreaming skills Supporting theory of employee performance, namely Mitchel theory (in Sedarmayanti, 2011) also states that version includes several dimensions, namely: Communication, Initiative, Workability, Punctuality, Quality of work Service Effectiveness Theory Gibson et al. (2010:32) that the dimensions of effectiveness that are short and long term include: Efficiency, Satisfaction, Adaptation, Development Based on the description above, it can be concluded that there is a conceptual relationship between research variables, where organizational culture and employee competence on employee performance in service effectiveness is one of the compensations for optimal performance, of course, a service effectiveness will be realized and the more aspects that exist in the individual who in accordance with the culture of the organization where they work, the higher the competence of employees who are expected to improve employee performance in an effort to accelerate the improvement of service effectiveness.

III. Methodology

The research method is a scientific way to obtain data with a specific purpose and use. The technique used in this research is a descriptive analysis using survey techniques. This method aims to get an overview of the symptoms studied in the current state and then find answers for solving existing problems or phenomena. Descriptive research, according to Iskandar (2012): "Research that has a relationship between two or more phenomena, and this method often uses survey techniques" The data that will be tested in this study is data taken from several samples that are considered representative to represent the population from the facts and phenomena of organizational culture variables in the North Sumedang Public Health Center, Employee Competence, employee performance in the North Sumedang Public Health Center and Effectiveness.

Services in the North Sumedang Public Health Center, Sumedang Regency. Paradigm has a function to solve a research problem Paradigm has a role in explaining a significant problem that is accurate and complex, and normative and notification of something that must be done without understanding its existence and epistemology. To clarify the substance of the research, the research variables to be measured are first compiled and described in a research paradigm. This research paradigm will be relatively easy to do and prove the truth so that the research results will be more accountable from a scientific point of view. To further clarify the relationship between the variables to be studied, therefore the research paradigm is as follows:

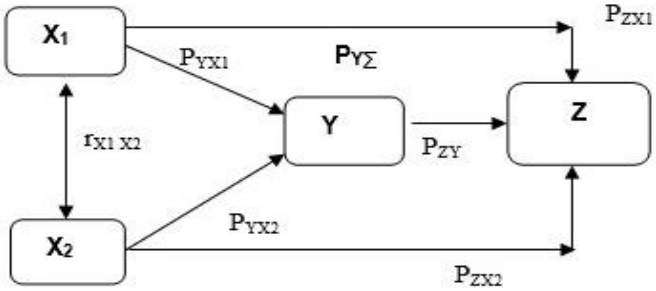

Figure 2. Research Paradigm

What is meant in this study is to test hypotheses and answer the formulation of the problem posed, then it is done through data analysis techniques. In connection with the data obtained on an ordinal scale, the scale is divided into interval scales with the "Sussive Interval" method. The steps for Data Analysis Techniques are as follows: 1. Create data analysis tables 2. It transfers data from the data processing table to the data analysis table 3. Re-checking the data transfer process 4. Entering data from tables into statistical formulas 5. Conclusion of data analysis/testing The data analysis used is path analysis with the following steps:

- Looking for the correlation between the independent variable itself and the correlation between the independent variable and the dependent variable

1. $= \dfrac{\Sigma XY\{1/n(\Sigma X)(\Sigma Y)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Y^2 - 1/n(\Sigma Y)^2\right]}}$

$$r_{x2y} = \frac{\Sigma XZ\{1/n(\Sigma X)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$$

2.

3. $r_{xz} = \dfrac{\Sigma XZ\{1/n(\Sigma X)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma X)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$

4. $r\,yz = \dfrac{\Sigma YZ\{1/n(\Sigma Y)(\Sigma Z)}{\sqrt{\left[\Sigma X^2 - 1/n(\Sigma Y)^2\right]\left[\Sigma Z^2 - 1/n(\Sigma Z)^2\right]}}$

- Looking for correlation matrix between variables X with Y and Z:

Code	X_1	X_2	Y	Z
X_1	X1X1	rX2X1	rX1Y	rX1Z
X_2	X1X2	rX2X2	rX2Y	rX2Z
Y	X1Y	rYX2	rYY	rYZ
Z	X1Z	rZX	rZY	rZZ

IV. Results and Discussion

The results of data collection from respondents produced a description of the data. Then carried out data processing and analyzed using a statistical approach. Data processing is divided into four data based on four existing variables, namely Organizational Culture (X1) and Employee Competence (X2) as independent variables, Employee Performance (Y) as an intermediate variable, and Service Effectiveness (Z) as the dependent variable. According to the respondent, each question is accompanied by 5 possible answers that must be chosen and deemed appropriate. From these answers, the following assessment criteria are arranged: 1. The cumulative value is the sum of the scores for each question item which is the answer from 75 respondents. 2. Percentage is the cumulative value of the item divided by the frequency value multiplied by 100% 3. The number of respondents: 75 people, and the largest measurement scale value: 5, while the smallest measurement scale is 1, so that the largest cumulative number of values: 75 x 5 = 375, and the smallest cumulative value: 75x 1 = 75. The largest percentage value are : (375/75) x 100 % = 100% and the smallest percentage value : (75/375) x 100 % = 20%, and the two percentage values are obtained from the range value: 1000%-20% = 80% and if divided with 5 measurement scales, the percentage interval value is: (80%)/5 = 16%. The main hypothesis formulation of the Main Hypothesis proposed in this study is: "There is an Influence of Organizational Culture and Employee Competence on Employee Performance in Order to Improve Service Effectiveness in the North Sumedang Public Health Center Sumedang Regency". A test is carried out to answer the proposed hypothesis, namely by using path analysis testing. Based on the test results, the path coefficient value is 0.917.

To find out more about the influence of Organizational Culture (X1) and Employee Competence (X2) variables on Employee Performance (Y) in Service Effectiveness (Z), a test was conducted, namely by looking at the comparison between F-count and F-table. Based on the test, the value of the F-count is greater than the value of the F-table, namely F-count = 12,681 > Ftable = 2,730, the decision Ho is rejected.

Table 1. F test

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	960,551	3	320,184	12,681	,000[b]
	Residual	182,329	71	2,568		
	Total	1142,880	74			
a. Dependent Variable: Efektivitas						
b. Predictors: (Constant), Kinerja, Budaya, Kompetensi						

From this value, it was obtained that Ho's decision was rejected, so that the Organizational Culture (X1) and Employee Competence (X2) variables had a significant and positive effect on Employee Performance (Y) in Service Effectiveness (Z).

Table 2. R Square

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,917[a]	,840	,834	1,603
a. Predictors: (Constant), Kinerja, Budaya, Kompetensi				
b. Dependent Variable: Efektivitas				

The significance of the value of the test results above is also supported by the Coefficient of Determination (R2YZX) of = 0.840. This value indicates that Organizational Culture (X1) and Employee Competence (X2) affect Employee Performance (Y) in Service Effectiveness (Z), amounting to 84.0%. In comparison, the rest (PYZ∈)2 of 16.0% is influenced by the variable other variables outside of Employee Performance (Y) in Service Effectiveness (Z), which are not included in the model.

V. Conclusion and Recommendation

5.1. Conclusion

Based on the results of research and discussion in Chapter IV, the authors can draw the following conclusions:

1. Respondents' opinion on the cumulative Organizational Culture variable is quite reasonable on average, and this means that Organizational Culture has been understood and understood as expected,
2. Respondents' opinions regarding the Employee Competence variable cumulatively the average number is quite good, this means that the Employee Competence has been understood and understood as expected,

3. Respondents' opinions regarding the cumulative employee performance variable are pretty good on average, and this means that employee performance has been understood and understood as expected,
4. Respondents' opinion regarding the Service Effectiveness variable cumulatively the average number is quite good, this means that the Service Effectiveness has been understood and understood as expected

Based on the things that have been stated above, the results of this study have implications for Organizational Culture and Employee Competence which have been going quite well. Still, some problems and findings need to be reviewed about the existing problems, especially in socialization. In addition, the implications for employee performance are also quite good. Still, with some finding problems, essential things can be determined to improve employee performance in realizing the effectiveness of health services in the Puskesmas area, North Sumedang District, Sumedang Regency. Improvement of Service Effectiveness in the North Sumedang District, Sumedang Regency which is the goal of Employee Competence and Organizational Culture carried out by Employee Performance which in general based on research has been carried out quite well, but based on research it turns out that there are still obstacles found so that the implications for the community Of course, part of it is still not fully realized Health Services. It is hoped that the things mentioned above can be used as material for improvement, both in Organizational Culture and Employee Competence, Employee Performance and in increasing the Effectiveness of Health Center Services in the North Sumedang District, Sumedang Regency so that the implications for the community can be appropriately achieved, namely the creation of Health Services at the Puskesmas.

5.2. Recommendation

As a further suggestion, the author conveys considering several findings in the research. Due to the limited time in the study, it is hoped that it is advisable to conduct further research on Organizational Culture, Employee Competence, Employee Performance and Service Effectiveness as well as different perspectives both through a disciplinary approach. Science, namely State Administration and other disciplines.

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The Influence of Trust and Service Quality on Online Shop Interested in Buying

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Abstract

In this 4.0 generation, buying and selling online is very popular. Convenience, various choices and various promotions offered are the main factors behind this 4.0 generation purchasing online. This can also be seen from the change in buying styles from traditional markets to online stores, which are increasing. Although there are many advantages and disadvantages of buying and selling online, some consumers are not satisfied with their online purchases. This is due to the seller's lack of service and consumers' doubts about buying because the goods sent by the seller are often not following the order, thereby reducing the value of consumer confidence in buying and selling online. Based on this phenomenon, this study aims to determine the effect of trust and service quality on online shop buying interest with a case study of Islamic Business Economics Faculty students. The number of stamps used is 150 people.

Keywords: Trust, Quality of Service, Interest in Buying Online Shop.
JEL Classification: L00, M00.
Type of paper: Research Paper.

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I. Introduction

In this modernization era, the development of the internet is growing rapidly and rapidly. Most internet users are teenagers or can be called the generation born around 1980 to 1995 when technology has advanced. They grew up in the world have been adept at using Social Media and Smartphones so that automatically they are very proficient in technology. They're a generation that chooses an instant way of doing things. Online purchases of goods by millennial buyers are made in two ways, the first is through Social Commerce, and the second is E-commerce. Social commerce is an online purchase through owned social media such as Facebook, Instagram and Twitter. In Social commerce, buyers only need to create an account provided for free. They need to see the goods they need through the group or interpretation of the product provider they want. Still, the drawbacks are that there is no transparency in payment and delivery, there is no guarantee, and it isn't easy to measure credibility. Purchasing goods through e-commerce is starting to be in great demand by the current millennial generation. Various promos offered official guarantees, shipping transparency, and seeing the credibility of the seller.

Moreover, it is supported by creating a free account and a variety of products provided. E-commerce is the process of transacting goods or services through information systems that utilize internet technology. E-commerce that is often used by generations is an e-commerce type of marketplace.

The trust factor is a critical factor of the many factors that influence the occurrence of online buying and selling transactions. Only customers who have confidence dare to make purchases online. Trust has a positive and significant effect on buying online products. Online shop owners must provide the best service, including improving the website to convince visitors and gain trust to customer loyalty. Good online service quality will make the service effective and attractive so that it helps the company in achieving the highest level of customer satisfaction. Based on various phenomena and previous research that states that service quality and trust affect purchasing decisions, this researcher aims to examine the effect of trust and service quality provided by online shops on online shop buying interest.

II. Literature Review

Online purchasing is a process where consumers directly buy goods or services offered from a seller interactively and in real-time through intermediary media, namely the internet (Mujiyana and Elissa, 2013). Purchasing online or shopping online, a buyer can preview the goods or services he wants to buy through the web or online stores promoted by the seller. This online purchase activity is a new form of transaction that does not require direct face-to-face dealings but can be done separately from and to the rest of the world via smartphones. Apart from making it easier for consumers to make

online purchases due to internet technology, however, some risks must be faced, especially trust.

2.1. Trust

In buying and selling online, trust is one of the main factors that must be built by online business transactions. Businesses' trust will encourage consumer interest to shop online through online stores or websites created by themselves (Harris & Goode, 2010). Trust is a foundation in running a business. A transaction between two or more people will occur if both parties trust each other (Anwar & Adidarma, 2016). Trust in the business world does not appear instantly but must be built from the start of the business. According to (Hsiao & Tsai, 2018), in their research, trust in online buying and selling sites is the willingness of consumers to trust online buying and selling sites. The trust factor strongly influences the success of online transactions (Pavlou, 2003). According to (Fidayanti, 2012) consumer trust is a perception from the consumer's point of view about the reliability of the seller in the experience and the fulfilment of expectations to lead to consumer satisfaction.

Research (McKnight & Chervany, 2001) states that trust is a comprehensive concept. In a further elaboration (McKnight & Chervany, 2001) explains that the components of trust are divided into several instruments in detail. First is integrity; integrity is the ability to keep promises from the seller. Integrity is closely related to how the behaviour or habits of the seller in carrying out their business transactions. Integrity can be seen from openness, fulfilment, loyalty, honesty, relevance and reliability. Second, benevolence (kindness) is a concern and motivation to act following the interests of consumers by the seller (provider of goods). Kindness is the seller's willingness to provide mutual benefit between the provider of goods and the consumer. Sellers are not solely looking for maximum profit but have excellent attention to customer satisfaction. Indicators of kindness include caring, empathy, confidence and acceptance. The third competency is the seller's ability to carry out consumers' needs. This means how the seller can provide, serve and secure transactions from interference from other parties. Consumers get a guarantee of satisfaction and security from the seller in conducting transactions. Indicators include experience, institutional attestation and proficiency in science. Fourth is predictability, which is the consistency of behaviour by the provider of the goods (seller). The ability of the seller to provide certainty about the goods being sold so that consumers can anticipate and predict the seller's performance. The indicators include the self-image of the seller, predictable risk and consistency. Various indicators affect the interest in buying online shops.

2.2. The Quality of Service

The quality of service is currently faced with services that must keep up with the times in the 4.0 era, namely internet technology. The quality of online services in the online world is essential in determining electronic commerce's success or failure (Kuspriyono, 2017). According to (Sousa & Voss, 2009), online services are "the delivery as service

using new media such as the web". This understanding means delivering goods or services using new media, namely the website. The existence of evidence of the quality of service upon delivery of goods or services through the website is a critical strategic success compared to low prices and web presence. Based on research (Parasuraman et al., 1998) define the quality of online services (e-service quality) in its interaction with the website as "the extent to which a website facilities efficient and effective shopping, purchasing and delivery". This means that the quality of online service is a level of a website that effectively and efficiently facilitates customers purchasing goods or services. The assessment of the quality of the website lies not only in the experience during interaction with the website but also in the interaction after getting good service. Service quality in the internet world is an essential determinant of the effectiveness of the e-commerce process. The highest standards of quality online services mean the potential benefits of the internet can be realized. The growing quality of online services makes online services more attractive. They help companies or online shops achieve buying interest, thus leading to decisions and learning the highest customer satisfaction.

2.3. Interest in Buying Online Shop

The results of research conducted by (Kim et al., 2008) found a relationship between intention and purchase decision. The association is based on humans always trying to make rational decisions based on the available information level. Thus, a person's intention to buy or not to buy is a direct determination of the actual action taken by that person. Based on this relationship (Kim et al., 2008) confirms that interest in making a purchase estimates consumers' real action or purchase decision. According to (Binalay, Mandey, & Minatrdjo, 2016), what is meant by buying interest is planning the purchase of a product made by consumers by considering several factors. The first is the number of product units needed and the brand and consumer attitudes in buying these goods.

Meanwhile, according to (Maulana & Kurniawat, 2014) explains that buying interest is obtained from a learning process and thought process that forms perceptions. The claim that arises in the purchase decision creates a motivation that is kept in his mind and becomes an extreme activity when consumers have to fulfil their needs to realize what they have in mind. Purchase interest (Anwar & Adidarma, 2016) carried out on online media is an activity to buy a product or service offered by sellers to consumers through online media.

III. Methodology

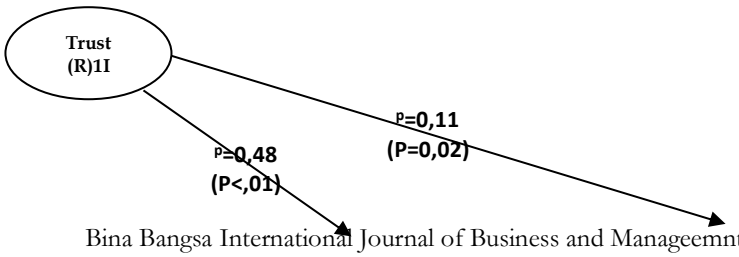
The research method used in this study is quantitative research with a non-probability sampling technique, namely purposive random sampling (Sugiyono, 2014). The sample was selected from the millennial generation population in Kudus, Pati and Jepara districts who made online purchases. The questionnaire was distributed via a google form link with the trust indicators being security, confidentiality and compensation with

4 question items. Service quality indicators are the accuracy of promises, clarity of information, professional attitude and punctuality with 5 question items. Buying interest with indicators of preferences, desires, needs and information search with 4 question items. Purchasing decisions with indicators of needs, information seeking, alternatives, beliefs and satisfaction with 5 question items. The measurement scale uses a Likert scale interval 1 to 5 with answers strongly disagree, disagree, hesitate, agree and strongly agree.

The measurement technique uses a structural equational model (SEM) with service quality and trust variables as exogenous variables and the endogenous variables of buying and purchasing decisions of online goods. The measuring instrument used is warp PLS 6.0. Warp PLS 6.0 is an application for a structural equation model to simultaneously test the relationship between latent constructs in a linear relationship in either reflective or formative form (Haryono, 2014) (Kock, 2014). The measurement model is the reliability indicator criteria using the significant weight parameter with p-value <0.05. Collinearity uses VIF < 5 and tolerance > 0.2. In testing the indirect variables, the VAF > 80% basis is used, then full mediation, 20% < VAF < 80% partial mediation, VAF < 20% then no effect mediation. The suitability test between the theoretical model and empirical data can be seen at the level of (Goodness-of-fit statistics) (Barrett, 2007). A model is said to be fit if the covariance matrix of a model is the same as the covariance of the data matrix (observed) (Ghozali, 2009).

IV. Results and Discussion

The data collection results from a sample of 375 respondents were then processed using the WarpPLS 6.0 application by formulating the variables of trust and service quality as exogenous variables; interest and purchasing decisions became endogenous variables. The formulation of these variables then produces the following image model:



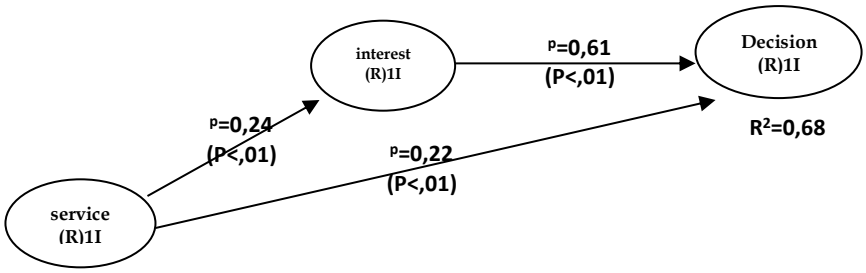


Figure 1. Trust Model, Service Quality, Interests and Decisions

From this model, it can be explained that the hypotheses in the research formulated are as follows:

H1 = trust affects an interest in buying goods online

H2 = Trust affects the decision to purchase goods online H3 = Quality of service affects the interest in purchasing goods online

H4 = quality of service affects the decision to purchase goods online

H5 = interest affects the decision to purchase goods online

H6 = Trust affects interest and has an effect on purchasing decisions

H7 = Service quality has an effect on interest and has an effect on online purchasing decisions.

Table 1. Model Fit

Average path coefficient (APC)	0,331	Probability < 0,001
Average R-squared (ARS)	0,550	Probability < 0,001
Average adjusted R-Squared (AARS)	0,548	Probability < 0,001
Average block VIF (AVIF)	1,676	acceptable if ≤5 ideally ≤ 3,3
Average full collinearity VIF (AFVIF)	2,395	acceptable if ≤5 ideally ≤ 3,3
Tenenhaus GoF (GoF)	0,742	small ≥ 0,1 , medium ≥ 0,25 ,large ≥ 0,36
Sympson's paradox ratio (SPR)	1.000	acceptable if ≥ideally = 10,7
R-squared contribution ratio (RSCR)	1.000	acceptable if ≥ ideally = 10,9
Statistical suppression ratio(SSR)	1.000	acceptable if ≥ 0,7
Non linear bivariate causality direction ratio (NLBCR)	1.000	acceptable if ≥ 0,7

Source: Output WarpPLS 6.0

After the data analysis is fit, the research model is shown in Table 1. The average path coefficient APC = 0.331 with p < 0.001. The average value of R2 (average R-squared (ARS) = 0.550 with p < 0.001 and the average adjusted R2 value of AARS (average

adjusted R-squared) = 0.548 with p < 0.001 which is significant because it is smaller than 0, 05. Likewise with the average block value of VIF (AVIF) of 1.676 and the resulting average full collinearity (AFVIF) of 2.395 < 3.3, which means that there is no multicollinearity problem between indicators and between exogenous variables (Barrett, 2007). Model suitability (Tenenhaus Goodness of Fit) GoF = 0.742 which means it has a high fit because it is greater than 0.36. Symson's Paradox Ratio (Sympson's Paradox Ratio) SPR = 1. R2 contribution comparison value (R-Squared Contribution Ratio) RSCR = 1. For the Symson's Paradox Ratio (SPR), R-Squared Contribution Ratio (RSCR) and Nonlinear Bivariate Causality Direction Ratio (NLBCDR) indexes, the value is > 0.7, which is 1, which means there is no causality problem in the model. Dex Statistical Suppression Ratio (SSR) produces a value of 1, which is acceptable.

Tabel 2. Results output latent variable coefficient

	Trust	**Service**	**Interest**	**Purchase Decision**
R-Squared			0,425	0,675
Adj. R-squared			0,422	0,673
Composite reliable	1,000	1,000	1,000	1,000
Cronbach's alpha	1,000	1,000	1,000	1,000
Avg. var. extra.	1,000	1,000	1,000	1,000
Full Collin. VIF	1,946	1,777	2,818	3,040
Q-Squared			0,426	0,676

Source: Output WarpPLS 6.0

The table above shows that the adjusted R-squared coefficient for the trust and service variable can explain the online buying interest of 42.2%. Other variables influence the rest. Meanwhile, the adjusted R-squared coefficient of faith, service quality, and interest variables can explain online purchasing decisions by 67.3%, and other variables influence the rest.

Table 3. Path Coefficient Significance Test Results

H	**Track**	**β**	**P**	**Standar Error**	**Effect Size**	**Result**
H1	Trust -> Interests	0,484	< 0,001	0,048	0,302	Sig.
H2	Trust -> Online Purchase Decision	0,109	0,017	0,049	0,247	Sig.
H3	Service Quality -> Interest	0,236	< 0,001	0,050	0,103	Sig.
H4	Service Quality -> Online Purchase Decision	0,220	< 0,001	0,049	0,217	Sig.
H5	Interests -> Online Purchase Decision	0,606	< 0,001	0,047	0,477	Sig.
H6	Trust -> Interests -> Online Purchase Decision	0,293	< 0,001	0,035	0,180	Sig.

H7	Quality of Service -> Interests -> Decisions Buy Online	0,143	< 0,001	0,036	0,086	Sig.

Source: Output WarpPLS 6.0

The first hypothesis to be tested is the effect of trust on interest in buying goods online. The formulation of the hypothesis is obtained that there is a direct influence of trust on the interest of 0.484 with probability < 0.001 less than 0.05 with a standard error value of 0.048. The effect size value is 0.302 (> 0.15). Thus H1, which states that trust is directly influenced by interest, is accepted.

The second hypothesis tested is the effect of trust on online purchasing decisions. The formulation of the hypothesis is obtained that there is no direct influence of trust on purchasing decisions because the value is 0.109 with a probability of 0.017 > 0.001 with a standard error value of 0.049. The effect size value is 0.247 (> 0.15). Thus H2, which states a direct influence of trust on purchasing decisions, is rejected.

The third hypothesis tested is the effect of service quality on the interest in purchasing goods online. The formulation of the hypothesis is obtained that there is a direct effect of trust on the interest of 0.236 with probability < 0.001 less than 0.05 with a standard error value of 0.050. The effect size value is 0.103 (< 0.15). Thus, H3, which states that service quality is directly influenced by interest, is accepted.

The fourth hypothesis being tested is the effect of service quality on online purchasing decisions. The formulation of the hypothesis is obtained that there is a direct influence of trust on purchasing decisions of 0.220 with probability < 0.001 less than 0.05 with a standard error value of 0.049. The effect size value is 0.217 (> 0.15). Thus, H4, which states that trust is directly influenced by purchasing decisions, is accepted.

The fifth hypothesis being tested is the effect of interest on online purchasing decisions. The formulation of the hypothesis is obtained that there is a direct influence of interest on purchasing decisions of 0.606 with probability < 0.001 less than 0.05 with a standard error value of 0.047. The effect size value is 0.477 (> 0.15). Thus, H5, which states that interest is directly influenced by purchasing decisions, is accepted.

The sixth hypothesis tested is the indirect effect of trust on purchasing decisions through interest. The formulation of the hypothesis is obtained that there is an indirect effect of trust on purchasing decisions through the interest of 0.293 with probability < 0.001 less than 0.05 with a standard error value of 0.035. The effect size value is 0.180 (> 0.15). Thus H6, which states an indirect effect of trust on interest decisions, is accepted.

The seventh hypothesis tested is the effect of service quality on purchasing decisions through interest. The formulation of the hypothesis is obtained that there is an indirect effect of service quality on decisions through the interest of 0.143 with probability < 0.001 less than 0.05 with a standard error value of 0.036. The effect size value is 0.086 (> 0.15).

Thus, H7, which states that service quality directly influences purchasing decisions through interest, is accepted.

Table 4. Results Total effect path coefficient

No	Track	β	P	StandarError	Effect Size	Results
1	Trust -> Interests -> Decision Buy Online	0,402	< 0,001	0,049	0,247	Sig.
2	Quality of service -> Interests -> Online Purchase Decision	0,363	< 0,001	0,049	0,217	Sig.

Source: Output WarpPLS 6.0

Based on the total effect table, it can be explained that trust has a real influence on purchasing decisions through the interest of 0.484, the direct effect of faith on buying decisions is 0.109. This means that the result given by trust on online purchasing decisions through interest is greater than the direct influence of trust on purchasing decisions. The actual effect of service quality on purchasing decisions through interest is 0.363, the immediate impact of service quality is 0.220. The influence of the quality of service on the decision to buy goods online through interest is greater than the direct influence of trust on the decision to purchase goods online.

The research results that have been carried out show that trust is greater in purchasing decisions through interest than the effect of service quality through an interest in buying decisions. This means that the millennial generation uses the trust variable more than service quality to carry out the online purchasing decision process. The goods sent are not as expected, which makes further consideration in making a purchase decision. Sellers must increase the trust component of their online store, which includes integrity, kindness, competence, and consistency.

V. Conclusion and Recommendation

Based on the analysis of research conducted by researchers, it can be concluded that trust has an indirect influence on purchasing decisions through the interest of 0.293. Service quality indirectly affects buying decisions through the attraction of 0.143. Interest directly influences buying decisions of 0.606. This means that the millennial generation is interested in making online purchases based on trust and the quality of services offered. Suppose the millennial generation already has an interest in online purchases. In that case, they will likely make a purchase decision because the influence of interest on buyer decisions is quite considerable. This needs to be considered by providers of goods or sellers at online stores to increase the trust and quality of the services they provide.

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The Influence of Trust and Service Quality on Online Shop Interested in Buying

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Abstract

In this 4.0 generation, buying and selling online is very popular. Convenience, various choices and various promotions offered are the main factors behind this 4.0 generation purchasing online. This can also be seen from the change in buying styles from traditional markets to online stores, which are increasing. Although there are many advantages and disadvantages of buying and selling online, some consumers are not satisfied with their online purchases. This is due to the seller's lack of service and consumers' doubts about buying because the goods sent by the seller are often not following the order, thereby reducing the value of consumer confidence in buying and selling online. Based on this phenomenon, this study aims to determine the effect of trust and service quality on online shop buying interest with a case study of Islamic Business Economics Faculty students. The number of stamps used is 150 people.

Keywords: Trust, Quality of Service, Interest in Buying Online Shop.
JEL Classification: L00, M00.
Type of paper: Research Paper.

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I. Introduction

In this modernization era, the development of the internet is growing rapidly and rapidly. Most internet users are teenagers or can be called the generation born around 1980 to 1995 when technology has advanced. They grew up in the world have been adept at using Social Media and Smartphones so that automatically they are very proficient in technology. They're a generation that chooses an instant way of doing things. Online purchases of goods by millennial buyers are made in two ways, the first is through Social Commerce, and the second is E-commerce. Social commerce is an online purchase through owned social media such as Facebook, Instagram and Twitter. In Social commerce, buyers only need to create an account provided for free. They need to see the goods they need through the group or interpretation of the product provider they want. Still, the drawbacks are that there is no transparency in payment and delivery, there is no guarantee, and it isn't easy to measure credibility. Purchasing goods through e-commerce is starting to be in great demand by the current millennial generation. Various promos offered official guarantees, shipping transparency, and seeing the credibility of the seller.

Moreover, it is supported by creating a free account and a variety of products provided. E-commerce is the process of transacting goods or services through information systems that utilize internet technology. E-commerce that is often used by generations is an e-commerce type of marketplace.

The trust factor is a critical factor of the many factors that influence the occurrence of online buying and selling transactions. Only customers who have confidence dare to make purchases online. Trust has a positive and significant effect on buying online products. Online shop owners must provide the best service, including improving the website to convince visitors and gain trust to customer loyalty. Good online service quality will make the service effective and attractive so that it helps the company in achieving the highest level of customer satisfaction. Based on various phenomena and previous research that states that service quality and trust affect purchasing decisions, this researcher aims to examine the effect of trust and service quality provided by online shops on online shop buying interest.

II. Literature Review

Online purchasing is a process where consumers directly buy goods or services offered from a seller interactively and in real-time through intermediary media, namely the internet (Mujiyana and Elissa, 2013). Purchasing online or shopping online, a buyer can preview the goods or services he wants to buy through the web or online stores promoted by the seller. This online purchase activity is a new form of transaction that does not require direct face-to-face dealings but can be done separately from and to the rest of the world via smartphones. Apart from making it easier for consumers to make

online purchases due to internet technology, however, some risks must be faced, especially trust.

2.1. Trust

In buying and selling online, trust is one of the main factors that must be built by online business transactions. Businesses' trust will encourage consumer interest to shop online through online stores or websites created by themselves (Harris & Goode, 2010). Trust is a foundation in running a business. A transaction between two or more people will occur if both parties trust each other (Anwar & Adidarma, 2016). Trust in the business world does not appear instantly but must be built from the start of the business. According to (Hsiao & Tsai, 2018), in their research, trust in online buying and selling sites is the willingness of consumers to trust online buying and selling sites. The trust factor strongly influences the success of online transactions (Pavlou, 2003). According to (Fidayanti, 2012) consumer trust is a perception from the consumer's point of view about the reliability of the seller in the experience and the fulfilment of expectations to lead to consumer satisfaction.

Research (McKnight & Chervany, 2001) states that trust is a comprehensive concept. In a further elaboration (McKnight & Chervany, 2001) explains that the components of trust are divided into several instruments in detail. First is integrity; integrity is the ability to keep promises from the seller. Integrity is closely related to how the behaviour or habits of the seller in carrying out their business transactions. Integrity can be seen from openness, fulfilment, loyalty, honesty, relevance and reliability. Second, benevolence (kindness) is a concern and motivation to act following the interests of consumers by the seller (provider of goods). Kindness is the seller's willingness to provide mutual benefit between the provider of goods and the consumer. Sellers are not solely looking for maximum profit but have excellent attention to customer satisfaction. Indicators of kindness include caring, empathy, confidence and acceptance. The third competency is the seller's ability to carry out consumers' needs. This means how the seller can provide, serve and secure transactions from interference from other parties. Consumers get a guarantee of satisfaction and security from the seller in conducting transactions. Indicators include experience, institutional attestation and proficiency in science. Fourth is predictability, which is the consistency of behaviour by the provider of the goods (seller). The ability of the seller to provide certainty about the goods being sold so that consumers can anticipate and predict the seller's performance. The indicators include the self-image of the seller, predictable risk and consistency. Various indicators affect the interest in buying online shops.

2.2. The Quality of Service

The quality of service is currently faced with services that must keep up with the times in the 4.0 era, namely internet technology. The quality of online services in the online world is essential in determining electronic commerce's success or failure (Kuspriyono, 2017). According to (Sousa & Voss, 2009), online services are "the delivery as service

using new media such as the web". This understanding means delivering goods or services using new media, namely the website. The existence of evidence of the quality of service upon delivery of goods or services through the website is a critical strategic success compared to low prices and web presence. Based on research (Parasuraman et al., 1998) define the quality of online services (e-service quality) in its interaction with the website as "the extent to which a website facilities efficient and effective shopping, purchasing and delivery". This means that the quality of online service is a level of a website that effectively and efficiently facilitates customers purchasing goods or services. The assessment of the quality of the website lies not only in the experience during interaction with the website but also in the interaction after getting good service. Service quality in the internet world is an essential determinant of the effectiveness of the e-commerce process. The highest standards of quality online services mean the potential benefits of the internet can be realized. The growing quality of online services makes online services more attractive. They help companies or online shops achieve buying interest, thus leading to decisions and learning the highest customer satisfaction.

2.3. Interest in Buying Online Shop

The results of research conducted by (Kim et al., 2008) found a relationship between intention and purchase decision. The association is based on humans always trying to make rational decisions based on the available information level. Thus, a person's intention to buy or not to buy is a direct determination of the actual action taken by that person. Based on this relationship (Kim et al., 2008) confirms that interest in making a purchase estimates consumers' real action or purchase decision. According to (Binalay, Mandey, & Minatrdjo, 2016), what is meant by buying interest is planning the purchase of a product made by consumers by considering several factors. The first is the number of product units needed and the brand and consumer attitudes in buying these goods.

Meanwhile, according to (Maulana & Kurniawat, 2014) explains that buying interest is obtained from a learning process and thought process that forms perceptions. The claim that arises in the purchase decision creates a motivation that is kept in his mind and becomes an extreme activity when consumers have to fulfil their needs to realize what they have in mind. Purchase interest (Anwar & Adidarma, 2016) carried out on online media is an activity to buy a product or service offered by sellers to consumers through online media.

III. Methodology

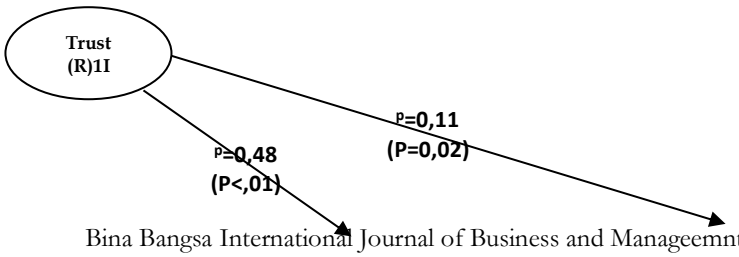
The research method used in this study is quantitative research with a non-probability sampling technique, namely purposive random sampling (Sugiyono, 2014). The sample was selected from the millennial generation population in Kudus, Pati and Jepara districts who made online purchases. The questionnaire was distributed via a google form link with the trust indicators being security, confidentiality and compensation with

4 question items. Service quality indicators are the accuracy of promises, clarity of information, professional attitude and punctuality with 5 question items. Buying interest with indicators of preferences, desires, needs and information search with 4 question items. Purchasing decisions with indicators of needs, information seeking, alternatives, beliefs and satisfaction with 5 question items. The measurement scale uses a Likert scale interval 1 to 5 with answers strongly disagree, disagree, hesitate, agree and strongly agree.

The measurement technique uses a structural equational model (SEM) with service quality and trust variables as exogenous variables and the endogenous variables of buying and purchasing decisions of online goods. The measuring instrument used is warp PLS 6.0. Warp PLS 6.0 is an application for a structural equation model to simultaneously test the relationship between latent constructs in a linear relationship in either reflective or formative form (Haryono, 2014) (Kock, 2014). The measurement model is the reliability indicator criteria using the significant weight parameter with p-value <0.05. Collinearity uses VIF < 5 and tolerance > 0.2. In testing the indirect variables, the VAF > 80% basis is used, then full mediation, 20% < VAF < 80% partial mediation, VAF < 20% then no effect mediation. The suitability test between the theoretical model and empirical data can be seen at the level of (Goodness-of-fit statistics) (Barrett, 2007). A model is said to be fit if the covariance matrix of a model is the same as the covariance of the data matrix (observed) (Ghozali, 2009).

IV. Results and Discussion

The data collection results from a sample of 375 respondents were then processed using the WarpPLS 6.0 application by formulating the variables of trust and service quality as exogenous variables; interest and purchasing decisions became endogenous variables. The formulation of these variables then produces the following image model:



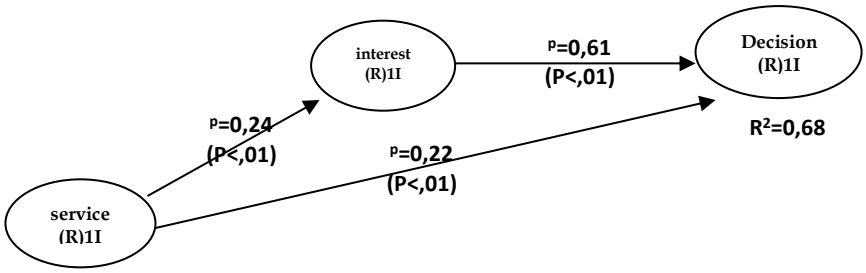


Figure 1. Trust Model, Service Quality, Interests and Decisions

From this model, it can be explained that the hypotheses in the research formulated are as follows:

H1 = trust affects an interest in buying goods online

H2 = Trust affects the decision to purchase goods online H3 = Quality of service affects the interest in purchasing goods online

H4 = quality of service affects the decision to purchase goods online

H5 = interest affects the decision to purchase goods online

H6 = Trust affects interest and has an effect on purchasing decisions

H7 = Service quality has an effect on interest and has an effect on online purchasing decisions.

Table 1. Model Fit

Average path coefficient (APC)	0,331	Probability < 0,001
Average R-squared (ARS)	0,550	Probability < 0,001
Average adjusted R-Squared (AARS)	0,548	Probability < 0,001
Average block VIF (AVIF)	1,676	acceptable if ≤5 ideally ≤ 3,3
Average full collinearity VIF (AFVIF)	2,395	acceptable if ≤5 ideally ≤ 3,3
Tenenhaus GoF (GoF)	0,742	small ≥ 0,1 , medium ≥ 0,25 ,large ≥ 0,36
Sympson's paradox ratio (SPR)	1.000	acceptable if ≥ideally = 10,7
R-squared contribution ratio (RSCR)	1.000	acceptable if ≥ ideally = 10,9
Statistical suppression ratio(SSR)	1.000	acceptable if ≥ 0,7
Non linear bivariate causality direction ratio (NLBCR)	1.000	acceptable if ≥ 0,7

Source: Output WarpPLS 6.0

After the data analysis is fit, the research model is shown in Table 1. The average path coefficient APC = 0.331 with p < 0.001. The average value of R2 (average R-squared (ARS) = 0.550 with p < 0.001 and the average adjusted R2 value of AARS (average

adjusted R-squared) = 0.548 with p < 0.001 which is significant because it is smaller than 0, 05. Likewise with the average block value of VIF (AVIF) of 1.676 and the resulting average full collinearity (AFVIF) of 2.395 < 3.3, which means that there is no multicollinearity problem between indicators and between exogenous variables (Barrett, 2007). Model suitability (Tenenhaus Goodness of Fit) GoF = 0.742 which means it has a high fit because it is greater than 0.36. Symson's Paradox Ratio (Sympson's Paradox Ratio) SPR = 1. R2 contribution comparison value (R-Squared Contribution Ratio) RSCR = 1. For the Symson's Paradox Ratio (SPR), R-Squared Contribution Ratio (RSCR) and Nonlinear Bivariate Causality Direction Ratio (NLBCDR) indexes, the value is > 0.7, which is 1, which means there is no causality problem in the model. Dex Statistical Suppression Ratio (SSR) produces a value of 1, which is acceptable.

Tabel 2. Results output latent variable coefficient

	Trust	**Service**	**Interest**	**Purchase Decision**
R-Squared			0,425	0,675
Adj. R-squared			0,422	0,673
Composite reliable	1,000	1,000	1,000	1,000
Cronbach's alpha	1,000	1,000	1,000	1,000
Avg. var. extra.	1,000	1,000	1,000	1,000
Full Collin. VIF	1,946	1,777	2,818	3,040
Q-Squared			0,426	0,676

Source: Output WarpPLS 6.0

The table above shows that the adjusted R-squared coefficient for the trust and service variable can explain the online buying interest of 42.2%. Other variables influence the rest. Meanwhile, the adjusted R-squared coefficient of faith, service quality, and interest variables can explain online purchasing decisions by 67.3%, and other variables influence the rest.

Table 3. Path Coefficient Significance Test Results

H	**Track**	**β**	**P**	**Standar Error**	**Effect Size**	**Result**
H1	Trust -> Interests	0,484	< 0,001	0,048	0,302	Sig.
H2	Trust -> Online Purchase Decision	0,109	0,017	0,049	0,247	Sig.
H3	Service Quality -> Interest	0,236	< 0,001	0,050	0,103	Sig.
H4	Service Quality -> Online Purchase Decision	0,220	< 0,001	0,049	0,217	Sig.
H5	Interests -> Online Purchase Decision	0,606	< 0,001	0,047	0,477	Sig.
H6	Trust -> Interests -> Online Purchase Decision	0,293	< 0,001	0,035	0,180	Sig.

H7	Quality of Service -> Interests -> Decisions Buy Online	0,143	< 0,001	0,036	0,086	Sig.

Source: Output WarpPLS 6.0

The first hypothesis to be tested is the effect of trust on interest in buying goods online. The formulation of the hypothesis is obtained that there is a direct influence of trust on the interest of 0.484 with probability < 0.001 less than 0.05 with a standard error value of 0.048. The effect size value is 0.302 (> 0.15). Thus H1, which states that trust is directly influenced by interest, is accepted.

The second hypothesis tested is the effect of trust on online purchasing decisions. The formulation of the hypothesis is obtained that there is no direct influence of trust on purchasing decisions because the value is 0.109 with a probability of 0.017 > 0.001 with a standard error value of 0.049. The effect size value is 0.247 (> 0.15). Thus H2, which states a direct influence of trust on purchasing decisions, is rejected.

The third hypothesis tested is the effect of service quality on the interest in purchasing goods online. The formulation of the hypothesis is obtained that there is a direct effect of trust on the interest of 0.236 with probability < 0.001 less than 0.05 with a standard error value of 0.050. The effect size value is 0.103 (< 0.15). Thus, H3, which states that service quality is directly influenced by interest, is accepted.

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The seventh hypothesis tested is the effect of service quality on purchasing decisions through interest. The formulation of the hypothesis is obtained that there is an indirect effect of service quality on decisions through the interest of 0.143 with probability < 0.001 less than 0.05 with a standard error value of 0.036. The effect size value is 0.086 (> 0.15).

Thus, H7, which states that service quality directly influences purchasing decisions through interest, is accepted.

Table 4. Results Total effect path coefficient

No	Track	β	P	StandarError	Effect Size	Results
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Based on the total effect table, it can be explained that trust has a real influence on purchasing decisions through the interest of 0.484, the direct effect of faith on buying decisions is 0.109. This means that the result given by trust on online purchasing decisions through interest is greater than the direct influence of trust on purchasing decisions. The actual effect of service quality on purchasing decisions through interest is 0.363, the immediate impact of service quality is 0.220. The influence of the quality of service on the decision to buy goods online through interest is greater than the direct influence of trust on the decision to purchase goods online.

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Based on the analysis of research conducted by researchers, it can be concluded that trust has an indirect influence on purchasing decisions through the interest of 0.293. Service quality indirectly affects buying decisions through the attraction of 0.143. Interest directly influences buying decisions of 0.606. This means that the millennial generation is interested in making online purchases based on trust and the quality of services offered. Suppose the millennial generation already has an interest in online purchases. In that case, they will likely make a purchase decision because the influence of interest on buyer decisions is quite considerable. This needs to be considered by providers of goods or sellers at online stores to increase the trust and quality of the services they provide.

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The Effect of Energy Consumption and Taxes with the Mediation of Economic Growth on Pollution in 9 ASEAN Countries

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Abstract

Global warming and climate change over the last ten years caused by greenhouse gas emissions have become severe problems faced by countries globally, both developed and developing countries, including ASEAN countries. The relationship between energy consumption, applying the tax burden, economic growth and its effect on pollution are essential things to be investigated further. This study aims to analyze the impact of energy consumption and taxes by mediating economic growth on pollution in nine ASEAN countries (Indonesia, Cambodia, Laos, Myanmar, Malaysia, Philippines, Singapore, Thailand and Vietnam). This study uses data from 2004 – 2020 with an analytical method using the PLS-SEM approach and SmartPLS version 3.0 as a data analysis tool. The study results show that energy consumption has a positive effect on economic growth and pollution, taxes have a positive impact on economic growth and hurt pollution. Economic growth has a positive impact on pollution. Besides that, economic growth can mediate the relationship between energy consumption and pollution and the relationship between taxes and pollution.

Keywords: Energy Consumption, Taxes, Economic Growth, Pollution.
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I. Introduction

Environmental issues have become a global concern in today's world. Problems about environmental issues arise with increasing global warming and climate change mainly caused by greenhouse gas emissions. Gases consisting of Carbon dioxide (CO_2), Methane (CH_4), Nitrogen (N_2O) and three other gases containing Fluorine accumulate in the atmosphere, thereby changing the radiation balance, which causes the earth's surface to be warmer (Shazhad, 2015).

Based on the World Meteorological Organization (WMO) report in the Greenhouse Gas Bulletin 2021, the most considerable contribution of greenhouse gas emissions comes from carbon dioxide (CO_2), which is 66% of the total greenhouse gas emissions. In 2020 the buildup of heat-trapping gases in the atmosphere hit a new record where annual growth was higher than the yearly average between 2011–2020, and this trend is expected to continue. The same report states that carbon dioxide (CO2) concentration in 2020 will reach 413.2 ppm (parts per million).

From the 2019 World Research Institute (WRI) report, until the beginning of 2018, more than half of global greenhouse gas emissions were contributed by ten countries in the world, of which China was the most significant contributor to global greenhouse gas emissions of 12,399.6 million metric tons of carbon dioxide equivalent ($MtCO_2e$). Equivalent to 26.1% of total global emissions, followed by the United States by contributing 6,018.2 $MtCO_2e$, equal to 12.7% of global emissions and the European Union in third position contributing 3,572.6 $MtCO_2e$ or equivalent to 7.52% of global emissions. The ASEAN region itself contributes quite a lot to greenhouse gas emissions. According to a WRI report in 2016, ten countries members of ASEAN accounted for 7.35% of CO2 emissions or around 1841.14 $MtCO_2e$ of total global emissions.

Based on *Climate Watch* data, global greenhouse gas emissions are generated from various sectors where energy consumption is the most significant contributor to greenhouse gas emissions. The energy sector contributed 71.5% or 36.44 gigatons of carbon dioxide equivalent ($GtCO_2e$) of total emissions in 2017. From the International Energy Agency (IEA) data, in 2020, CO_2 emissions produced by fossil fuels reached 31.5 $GtCO_2e$ Globally, this is quite a concern because both developed and developing countries still rely on fossil fuels as the primary energy source in industrial and business activities as well as other activities carried out by the community.

Southeast Asia is a region with the fastest economic growth in the world. Rapid economic development will lead to high energy demand according to the IESR (Institute for Essential Services Reform) forecast that energy demand in the region will increase by up to 70% by 2040. This is not without reason because countries in the Southeast Asia region, especially those that are members of ASEAN, are currently in industrialization.

According to Carfora (2019), energy is one of the most critical factors in economic growth, the use of energy will encourage economic productivity and industrial growth

where energy is also the operational centre of the modern economy besides energy is also a driver of household consumption which will ultimately drive the economy. On the other hand, economic growth has led to environmental degradation, which is often the result of development and industrialization in developing and developed countries. Economic growth depends on various factors, which can negatively impact the environment, such as unsustainable exploitation of natural resources, environmental pollution and climate change. (Phimphanthavong, 2013).

Challenges regarding the environment are increasing pressure on countries globally. This increases the pressure on the Government to find ways to reduce environmental damage but, on the other hand, minimizes the stress on economic growth. Based on the guidelines issued by the OECD in 2011, applying the tax burden is one tool that the Government can utilize. One reason for using taxes is that they can directly address market failures to account for environmental impacts by incorporating them into prices. A well-designed environmental tax increases the price of a good or service to reflect the cost of the ecological damage it causes to others.

Based on this background, the purpose of this study is to examine the effect of energy consumption (ECP) and taxes (TAX) by mediating economic growth (EG) on pollution (CO2 emissions).

II. Methodology

This study uses the Structural Equation Modeling (SEM) method with a variant based on Partial Least Square (PLS) and SmartPLS version 3.0 as a data analysis tool to evaluate the effect between latent variables. The use of PLS-SEM is based on the PLS method is the proper method in testing the predictive impact of the relationship between variables in a model. In addition, PLS can also be used on tiny data that is not normally distributed, does not require various assumptions, and can be tested on research models with a weak theoretical basis (Ghazali and Latan, 2014). This study uses time-series data for 2004 – 2020 in 9 (nine) ASEAN countries, including Indonesia, Cambodia, Laos, Myanmar, Malaysia, Philippines, Singapore, Thailand and Vietnam. Data comes from the World Development Indicators except for taxes from the Economic Freedom Index published by the Heritage Foundation. The research variables used are as follows: CO2 emissions (metric tons per capita) as a proxy for pollution, GDP per capita (PPP, constant 2017 international $) as a proxy for economic growth, electricity consumption (kWh per capita) as a proxy for energy consumption and Fiscal Freedom (index) as a Tax proxy. The data used is then transformed into a natural logarithm (ln).

Table 1. Research Variable

Variable	Proxy	Symbol	Unit	Source
Pollution	CO_2 Emissions	CO_2	Metric tons per capita	WDI

Economic growth	GDP per capita	EG	PPP, constant 2017 internasional $	WDI
Energy Consumption	Electrical Energy Consumption	EPC	kWh per capita	WDI
Tax	Fiscal Freedom	TAX	Index	Heritage Foundation

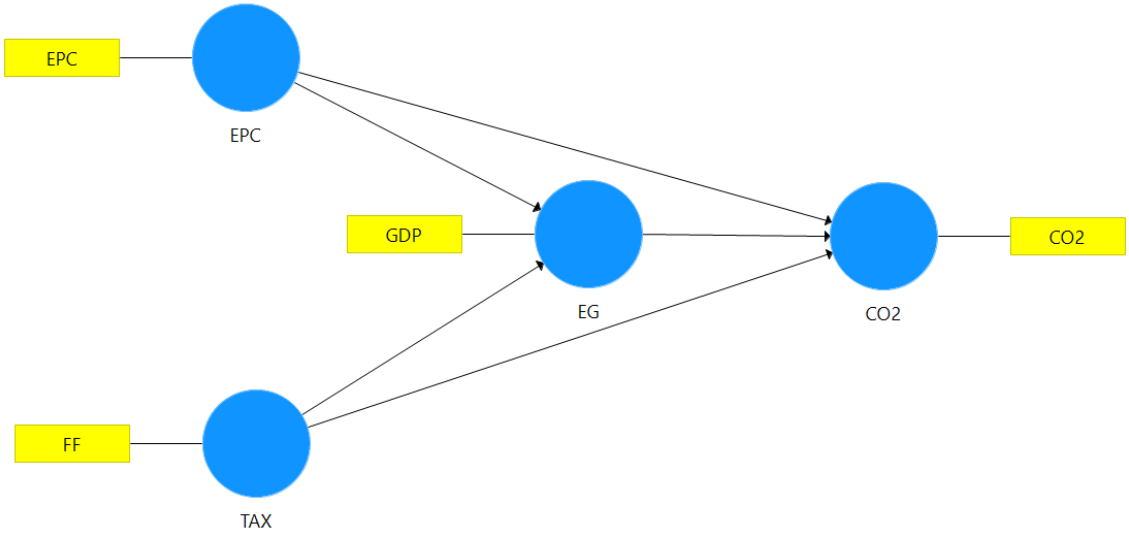

Figure 1. Structural Model

Hypothesis:

H1 There is a significant effect of energy consumption on economic growth

H2 There is a significant effect of energy consumption on pollution

H3 There is a significant effect of taxes on economic growth

H4 There is a significant effect of taxation on pollution

H5 There is a significant effect of economic growth on pollution

H6 Economic growth mediates the relationship between energy consumption and pollution

H7 Economic growth mediates the relationship between taxes and pollution

III. Results and Discussion

4.1. Measurement Model

The measurement model aims to measure the dimensions that make up a factor and is a model that describes pre-existing hypotheses, namely the relationship between indicators and factors. The model is then evaluated to determine the relationship between latent variables and their indicators. Testing is done by looking at the results of convergent validity, discriminant validity and composite reliability and Cronbach's alpha. The Convergent Validity test is seen from the loading factor value. Individual indicators are considered reliable if they have a correlation value greater than 0.70. However, in the research development stage of the loading scale, 0.5 to 0.6 is still acceptable (Ghozali, 2014). The discriminant validity test uses the results of cross-loading. A reflective indicator will be declared to meet discriminant validity if the value of the cross-loading indicator on the variable is the largest compared to other variables. Another test is to assess the validity of the construct by looking at the AVE value, and a good model has required if the AVE value of each construct is more significant than 0.5 (Ghozali, 2014).

Table 2. ***Loading Factor*** **and AVE**

Variable	Loading Factor	AVE
Pollution	**1.00**	**1.00**
Economic growth	**1.00**	**1.00**
Energy Consumption	**1.00**	**1.00**
Tax	**1.00**	**1.00**

Table 3. ***Cross Loading***

	CO2	EG	EPC	TAX
CO2	1.000	0.894	0.856	0.351
EPC	0.856	0.903	1.000	0.374
FF	0.351	0.503	0.374	1.000
GDP	0.894	1.000	0.903	0.503

In Tables 2 and 3, it can be seen that the loading factor value of all latent variables is more significant than 0.7, and AVE is greater than 0.5. To test the reliability of the indicators on the variables, it is seen from the value of composite reliability and Cronbach's alpha value. A variable can be declared to meet composite reliability if its composite reliability value > 0.7 and Cronbach's alpha value > 0.7.

Table 4. ***Internal Consistency***

	Cronbach's Alpha	*Composite Reliability*
CO2	**1.000**	**1.000**
EG	**1.000**	**1.000**
EPC	**1.000**	**1.000**
TAX	**1.000**	**1.000**

From table 4, the output results of Cronbach's alpha and composite reliability show that all variables have a value above 0.7, so it can be concluded that all variables have good reliability.

4.2. Structured Model Assessment

Testing of the structural model (Inner Model) is done by looking at the value of the R-square, which is a goodness-fit model test (Ghozali 2014), effect size and hypothesis testing. A model is robust if the R-square value is 0.75, an intermediate model if the R-square value is 0.50, and a weak model if the R-square value is 0.25 (Latan & Ghozali, 2012). Hair et al. (2014) explained that the closer the R2 value to 1, the greater the percentage of variance explained by all exogenous latent variables.

Table 5. R-Square

	R Square	Range
CO2	0.820	Strong
EG	0.847	Strong

Based on table 5, the variance that can be explained by the model (R2) is 82% for pollution and 84.7% for economic growth. The value of the f square model is used to determine the effect size of the endogenous latent variable on the exogenous latent variable. If the value of f square is equal to 0.35, it can be interpreted that the latent variable predictor has a significant effect. If it is similar to 0.15, it has a medium impact, and if it is equal to 0.02, it has a small effect (Ghozali, 2014).

Table 6. Effect Size (f^2)

Path	f^2	Range
EG -> CO2	0.481	Strong
EPC -> CO2	0.047	Weak
EPC-> EG	3.871	Strong
TAX ->CO2	0.047	Weak
TAX-> EG	0.206	Medium

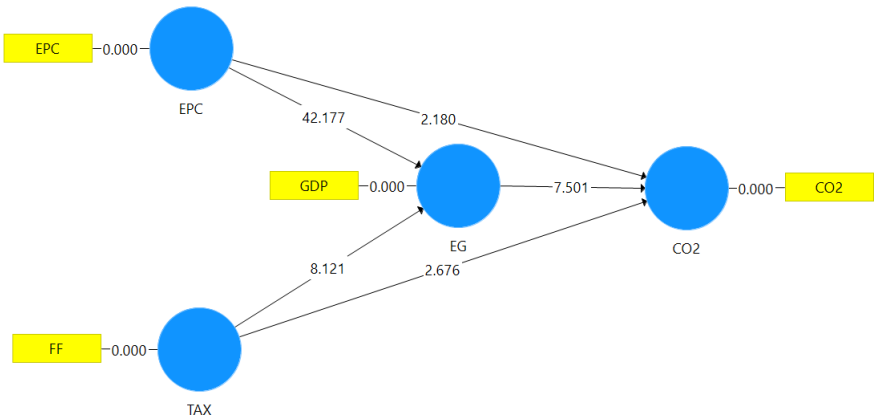

Figure 2. Bootstrapping Inner Model

The structural model shows a causal relationship between the constructs, the path coefficient (direct effect) and indirect effect (mediation effect) in the model that estimates

the t-count value, which must be greater than 1.96 and the p-value, which must be less than 0. 05.

Table 7. Path Coefficients

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EG -> CO2	0.751	7.437	**0.000**
EPC -> CO2	0.218	2.150	**0.032**
EPC -> EG	0.831	41.669	**0.000**
TAX -> CO2	-0.109	2.725	**0.007**
TAX -> EG	0.192	8.482	**0.000**

Table 8. Specific Indirect Effects

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EPC -> EG -> CO2	0.624	7.661	**0.000**
TAX -> EG -> CO2	0.144	6.996	**0.000**

Table 9. Total Effects

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EG -> CO2	0.751	7.437	**0.000**
EPC -> CO2	0.843	28.600	**0.000**
EPC -> EG	0.831	41.669	**0.000**
TAX -> CO2	0.036	0.897	**0.370**
TAX -> EG	0.192	8.482	**0.000**

4.3. Hypothesis test

4.3.1. The Effect of Energy Consumption on Economic Growth

From the results of hypothesis testing, the path coefficient value is 0.831 with a P-value of 0.000 <0.05. It can be concluded that energy consumption has a positive and significant influence on economic growth, meaning that the greater energy consumption, the higher economic growth, then H1 received. The results of this study are consistent with research conducted by Jabeur and Sghaler (2018), Gozgor et al. (2018) and Chen et al. (2020), which conclude that energy consumption has a positive and significant effect on economic growth. According to Rezki (2011), energy is inseparable from increasing economic development. An increase in energy consumption will encourage business and industrial growth, which will impact economic growth. This opinion is in line with Arcandra (2017), which states that the greater electricity consumption for a country will make business and industrial activities more vibrant to support economic growth.

4.3.2. Effect of Energy Consumption on Pollution

From the results of hypothesis testing, the path coefficient value is 0.218 with a P-value of 0.032 > 0.05. It can be concluded that energy consumption has a positive and

significant effect on pollution, meaning that the greater the energy consumption, the higher the level of pollution in a country. , then H2 is accepted. The results of this study are in line with research conducted by Sasana and Jaka (2019), Bakri (2020), Khan et al. (2020) and Osobajo et al. (2020), which state that energy consumption has a positive and significant effect on increasing pollution. According to Rehman (2017), energy consumption will impact the environment in the uncontrolled exploitation of natural resources and the pollutants produced, such as CO2 emissions. This is confirmed by Jabeur and Sghaler (2018), which states that CO2 emissions are influenced by energy consumption in the short term.

4.3.3. The Effect of Taxes on Economic Growth

From the results of hypothesis testing, the path coefficient value is 0.192 with a P-value of 0.000 > 0.05. It can be concluded that taxes have a positive and significant effect on economic growth, meaning that the higher tax revenues, the higher economic growth, then H3 is accepted. . The results of this study support previous research conducted by Syahputra (2017), Saragih (2018), Sihaloho (2020) which concludes that tax revenue has a positive and significant effect on economic growth. Stoilova (2017) explains that taxes received by a country will support the country's economic growth, while Adkisson and Mohammed (2014) state that even during a recession, tax revenues impact a country's economic growth.

4.3.4. The Effect of Taxes on Pollution

From the results of hypothesis testing, the path coefficient value is -0.109 with a P-value of 0.007 > 0.05. It can be concluded that taxes have a negative and significant effect on pollution, meaning that the higher the tax rate, the lower the pollution level, then H4 is accepted. The results of this study support research conducted by Farajzadeh (2018), which concludes that a high tax scenario reduces pollutant emissions by at least 20%.

4.3.5. The Effect of Economic Growth on Pollution

From the results of hypothesis testing, the path coefficient value is 0.751 with a P-value of 0.000 > 0.05. It can be concluded that economic growth has a positive and significant influence on pollution, meaning that the higher the economic growth, the higher the pollution level of a country, then H5 received. The results of this study are consistent with the research conducted by Sasana and Aminata (2019) and Osobajo et al. (2020), and Khan et al. (2020), which concluded that there is a positive and significant effect of economic growth on CO2 emissions, but the results of this study are different from research conducted by Bakhri (2020) which found that economic growth had a negative and significant effect on CO2 emissions in 5 ASEAN countries. Khan et al. (2020) mention that economic activities in developing countries cause environmental degradation because these countries usually use non-renewable energy resources for industry and other economic activities carried out by the community, which cause an increase in CO2 emissions.

4.4. Mediation Effect Test

According to Jogiyanto (2014), there are two conditions before conducting the mediation test: a. The independent variable must influence the intervening variable, b. The intervening variable must affect the dependent variable. The mediation effect can be seen in the Specific Indirect Effect if the P-Value <0.05, then there is a mediation effect to determine whether this mediation effect is pseudo or complete; it is seen in the total effects. Full mediation (fully mediating) occurs if the total effects found the relationship of the independent variable to the dependent variable to be insignificant (Hartono and Abdillah, 2014).

4.4.1. Economic Growth Mediates the Relationship between Energy Consumption and Pollution

Based on tables 1.8 and 1.9, it can be seen that energy consumption has a positive and significant effect on pollution through economic growth where the P-Values value is 0.000 <0.05, so it can be concluded that economic growth can mediate the relationship between energy consumption and pollution even though the mediation is pseudo or partial. Then H6 is accepted. The calculation results can also be concluded that the indirect effect of energy consumption on pollution is greater than the direct effect.

4.4.2. Economic Growth Mediates the Relationship between Taxes and Pollution

Based on tables 1.8 and 1.9, it can be seen that taxes have a positive and significant effect on pollution through economic growth where the P-Values value is 0.000 <0.05, so it can be concluded that economic growth can mediate the relationship between taxes and pollution where the nature of the mediation is whole (fully mediation). , then H7 is accepted. From the calculation results, it can also be concluded that the indirect effect of taxes on pollution is greater than the direct effect.

IV. Conclusion

The main objective of this study is to examine the effect of energy consumption and taxes by mediating economic growth on pollution in 9 ASEAN countries from 2004 – 2020. From the test results, it can be concluded that: energy consumption has a positive effect on economic growth and pollution, taxes have a positive impact on economic growth has a negative impact on pollution, and economic growth has a positive impact on pollution, besides that economic growth can mediate the relationship between energy consumption and pollution and the relationship between taxes and pollution. For further research, it is recommended to add variables not included in this study, such as population, government subsidies, carbon trading or using other indicators such as renewable energy, fossil fuels and other environmental issues that can describe the level of pollution more broadly.

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Based on this background, the purpose of this study is to examine the effect of energy consumption (ECP) and taxes (TAX) by mediating economic growth (EG) on pollution (CO2 emissions).

II. Methodology

This study uses the Structural Equation Modeling (SEM) method with a variant based on Partial Least Square (PLS) and SmartPLS version 3.0 as a data analysis tool to evaluate the effect between latent variables. The use of PLS-SEM is based on the PLS method is the proper method in testing the predictive impact of the relationship between variables in a model. In addition, PLS can also be used on tiny data that is not normally distributed, does not require various assumptions, and can be tested on research models with a weak theoretical basis (Ghazali and Latan, 2014). This study uses time-series data for 2004 – 2020 in 9 (nine) ASEAN countries, including Indonesia, Cambodia, Laos, Myanmar, Malaysia, Philippines, Singapore, Thailand and Vietnam. Data comes from the World Development Indicators except for taxes from the Economic Freedom Index published by the Heritage Foundation. The research variables used are as follows: CO2 emissions (metric tons per capita) as a proxy for pollution, GDP per capita (PPP, constant 2017 international $) as a proxy for economic growth, electricity consumption (kWh per capita) as a proxy for energy consumption and Fiscal Freedom (index) as a Tax proxy. The data used is then transformed into a natural logarithm (ln).

Table 1. Research Variable

Variable	Proxy	Symbol	Unit	Source
Pollution	CO_2 Emissions	CO_2	Metric tons per capita	WDI

Economic growth	GDP per capita	EG	PPP, constant 2017 internasional $	WDI
Energy Consumption	Electrical Energy Consumption	EPC	kWh per capita	WDI
Tax	Fiscal Freedom	TAX	Index	Heritage Foundation

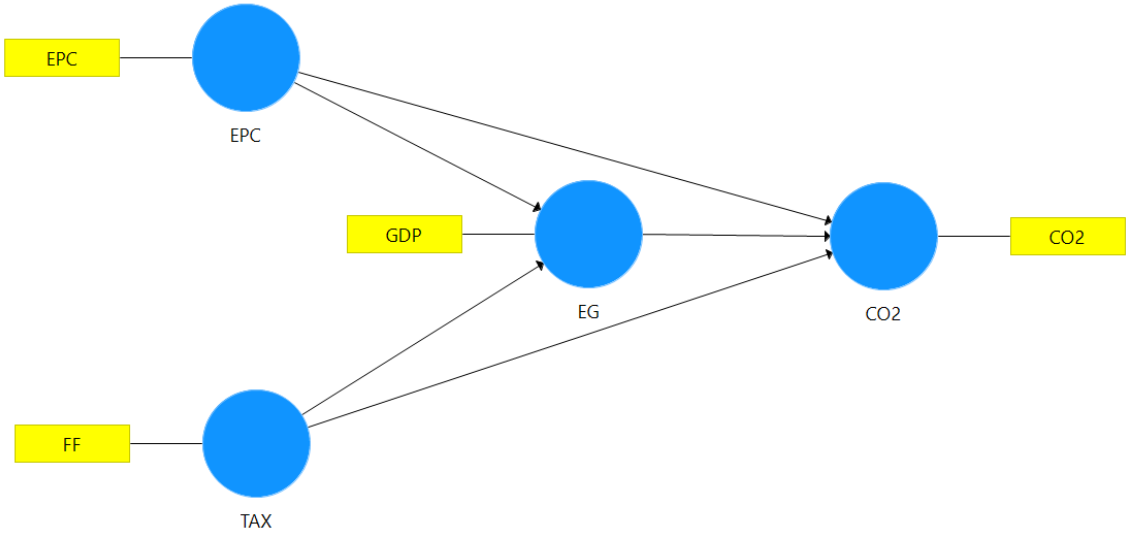

Figure 1. Structural Model

Hypothesis:

H1 There is a significant effect of energy consumption on economic growth

H2 There is a significant effect of energy consumption on pollution

H3 There is a significant effect of taxes on economic growth

H4 There is a significant effect of taxation on pollution

H5 There is a significant effect of economic growth on pollution

H6 Economic growth mediates the relationship between energy consumption and pollution

H7 Economic growth mediates the relationship between taxes and pollution

III. Results and Discussion

4.1. Measurement Model

The measurement model aims to measure the dimensions that make up a factor and is a model that describes pre-existing hypotheses, namely the relationship between indicators and factors. The model is then evaluated to determine the relationship between latent variables and their indicators. Testing is done by looking at the results of convergent validity, discriminant validity and composite reliability and Cronbach's alpha. The Convergent Validity test is seen from the loading factor value. Individual indicators are considered reliable if they have a correlation value greater than 0.70. However, in the research development stage of the loading scale, 0.5 to 0.6 is still acceptable (Ghozali, 2014). The discriminant validity test uses the results of cross-loading. A reflective indicator will be declared to meet discriminant validity if the value of the cross-loading indicator on the variable is the largest compared to other variables. Another test is to assess the validity of the construct by looking at the AVE value, and a good model has required if the AVE value of each construct is more significant than 0.5 (Ghozali, 2014).

Table 2. ***Loading Factor*** **and AVE**

Variable	Loading Factor	AVE
Pollution	**1.00**	**1.00**
Economic growth	**1.00**	**1.00**
Energy Consumption	**1.00**	**1.00**
Tax	**1.00**	**1.00**

Table 3. ***Cross Loading***

	CO2	EG	EPC	TAX
CO2	1.000	0.894	0.856	0.351
EPC	0.856	0.903	1.000	0.374
FF	0.351	0.503	0.374	1.000
GDP	0.894	1.000	0.903	0.503

In Tables 2 and 3, it can be seen that the loading factor value of all latent variables is more significant than 0.7, and AVE is greater than 0.5. To test the reliability of the indicators on the variables, it is seen from the value of composite reliability and Cronbach's alpha value. A variable can be declared to meet composite reliability if its composite reliability value > 0.7 and Cronbach's alpha value > 0.7.

Table 4. ***Internal Consistency***

	Cronbach's Alpha	*Composite Reliability*
CO2	**1.000**	**1.000**
EG	**1.000**	**1.000**
EPC	**1.000**	**1.000**
TAX	**1.000**	**1.000**

From table 4, the output results of Cronbach's alpha and composite reliability show that all variables have a value above 0.7, so it can be concluded that all variables have good reliability.

4.2. Structured Model Assessment

Testing of the structural model (Inner Model) is done by looking at the value of the R-square, which is a goodness-fit model test (Ghozali 2014), effect size and hypothesis testing. A model is robust if the R-square value is 0.75, an intermediate model if the R-square value is 0.50, and a weak model if the R-square value is 0.25 (Latan & Ghozali, 2012). Hair et al. (2014) explained that the closer the R2 value to 1, the greater the percentage of variance explained by all exogenous latent variables.

Table 5. R-Square

	R Square	Range
CO2	0.820	Strong
EG	0.847	Strong

Based on table 5, the variance that can be explained by the model (R2) is 82% for pollution and 84.7% for economic growth. The value of the f square model is used to determine the effect size of the endogenous latent variable on the exogenous latent variable. If the value of f square is equal to 0.35, it can be interpreted that the latent variable predictor has a significant effect. If it is similar to 0.15, it has a medium impact, and if it is equal to 0.02, it has a small effect (Ghozali, 2014).

Table 6. Effect Size (f^2)

Path	f^2	Range
EG -> CO2	0.481	Strong
EPC -> CO2	0.047	Weak
EPC-> EG	3.871	Strong
TAX ->CO2	0.047	Weak
TAX-> EG	0.206	Medium

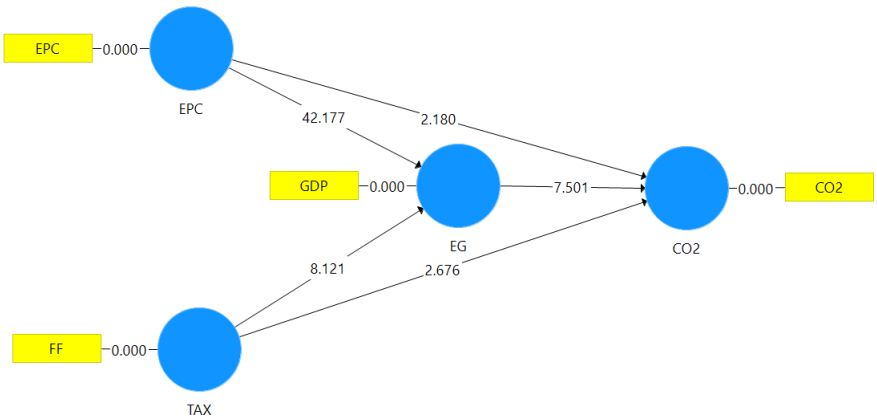

Figure 2. Bootstrapping Inner Model

The structural model shows a causal relationship between the constructs, the path coefficient (direct effect) and indirect effect (mediation effect) in the model that estimates

the t-count value, which must be greater than 1.96 and the p-value, which must be less than 0. 05.

Table 7. Path Coefficients

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EG -> CO2	0.751	7.437	**0.000**
EPC -> CO2	0.218	2.150	**0.032**
EPC -> EG	0.831	41.669	**0.000**
TAX -> CO2	-0.109	2.725	**0.007**
TAX -> EG	0.192	8.482	**0.000**

Table 8. Specific Indirect Effects

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EPC -> EG -> CO2	0.624	7.661	**0.000**
TAX -> EG -> CO2	0.144	6.996	**0.000**

Table 9. Total Effects

Path	Original Sample (O)	T Statistics (|O/STDEV|)	P Values
EG -> CO2	0.751	7.437	**0.000**
EPC -> CO2	0.843	28.600	**0.000**
EPC -> EG	0.831	41.669	**0.000**
TAX -> CO2	0.036	0.897	**0.370**
TAX -> EG	0.192	8.482	**0.000**

4.3. Hypothesis test

4.3.1. The Effect of Energy Consumption on Economic Growth

From the results of hypothesis testing, the path coefficient value is 0.831 with a P-value of 0.000 <0.05. It can be concluded that energy consumption has a positive and significant influence on economic growth, meaning that the greater energy consumption, the higher economic growth, then H1 received. The results of this study are consistent with research conducted by Jabeur and Sghaler (2018), Gozgor et al. (2018) and Chen et al. (2020), which conclude that energy consumption has a positive and significant effect on economic growth. According to Rezki (2011), energy is inseparable from increasing economic development. An increase in energy consumption will encourage business and industrial growth, which will impact economic growth. This opinion is in line with Arcandra (2017), which states that the greater electricity consumption for a country will make business and industrial activities more vibrant to support economic growth.

4.3.2. Effect of Energy Consumption on Pollution

From the results of hypothesis testing, the path coefficient value is 0.218 with a P-value of 0.032 > 0.05. It can be concluded that energy consumption has a positive and

significant effect on pollution, meaning that the greater the energy consumption, the higher the level of pollution in a country. , then H2 is accepted. The results of this study are in line with research conducted by Sasana and Jaka (2019), Bakri (2020), Khan et al. (2020) and Osobajo et al. (2020), which state that energy consumption has a positive and significant effect on increasing pollution. According to Rehman (2017), energy consumption will impact the environment in the uncontrolled exploitation of natural resources and the pollutants produced, such as CO2 emissions. This is confirmed by Jabeur and Sghaler (2018), which states that CO2 emissions are influenced by energy consumption in the short term.

4.3.3. The Effect of Taxes on Economic Growth

From the results of hypothesis testing, the path coefficient value is 0.192 with a P-value of 0.000 > 0.05. It can be concluded that taxes have a positive and significant effect on economic growth, meaning that the higher tax revenues, the higher economic growth, then H3 is accepted. . The results of this study support previous research conducted by Syahputra (2017), Saragih (2018), Sihaloho (2020) which concludes that tax revenue has a positive and significant effect on economic growth. Stoilova (2017) explains that taxes received by a country will support the country's economic growth, while Adkisson and Mohammed (2014) state that even during a recession, tax revenues impact a country's economic growth.

4.3.4. The Effect of Taxes on Pollution

From the results of hypothesis testing, the path coefficient value is -0.109 with a P-value of 0.007 > 0.05. It can be concluded that taxes have a negative and significant effect on pollution, meaning that the higher the tax rate, the lower the pollution level, then H4 is accepted. The results of this study support research conducted by Farajzadeh (2018), which concludes that a high tax scenario reduces pollutant emissions by at least 20%.

4.3.5. The Effect of Economic Growth on Pollution

From the results of hypothesis testing, the path coefficient value is 0.751 with a P-value of 0.000 > 0.05. It can be concluded that economic growth has a positive and significant influence on pollution, meaning that the higher the economic growth, the higher the pollution level of a country, then H5 received. The results of this study are consistent with the research conducted by Sasana and Aminata (2019) and Osobajo et al. (2020), and Khan et al. (2020), which concluded that there is a positive and significant effect of economic growth on CO2 emissions, but the results of this study are different from research conducted by Bakhri (2020) which found that economic growth had a negative and significant effect on CO2 emissions in 5 ASEAN countries. Khan et al. (2020) mention that economic activities in developing countries cause environmental degradation because these countries usually use non-renewable energy resources for industry and other economic activities carried out by the community, which cause an increase in CO2 emissions.

4.4. Mediation Effect Test

According to Jogiyanto (2014), there are two conditions before conducting the mediation test: a. The independent variable must influence the intervening variable, b. The intervening variable must affect the dependent variable. The mediation effect can be seen in the Specific Indirect Effect if the P-Value <0.05, then there is a mediation effect to determine whether this mediation effect is pseudo or complete; it is seen in the total effects. Full mediation (fully mediating) occurs if the total effects found the relationship of the independent variable to the dependent variable to be insignificant (Hartono and Abdillah, 2014).

4.4.1. Economic Growth Mediates the Relationship between Energy Consumption and Pollution

Based on tables 1.8 and 1.9, it can be seen that energy consumption has a positive and significant effect on pollution through economic growth where the P-Values value is 0.000 <0.05, so it can be concluded that economic growth can mediate the relationship between energy consumption and pollution even though the mediation is pseudo or partial. Then H6 is accepted. The calculation results can also be concluded that the indirect effect of energy consumption on pollution is greater than the direct effect.

4.4.2. Economic Growth Mediates the Relationship between Taxes and Pollution

Based on tables 1.8 and 1.9, it can be seen that taxes have a positive and significant effect on pollution through economic growth where the P-Values value is 0.000 <0.05, so it can be concluded that economic growth can mediate the relationship between taxes and pollution where the nature of the mediation is whole (fully mediation). , then H7 is accepted. From the calculation results, it can also be concluded that the indirect effect of taxes on pollution is greater than the direct effect.

IV. Conclusion

The main objective of this study is to examine the effect of energy consumption and taxes by mediating economic growth on pollution in 9 ASEAN countries from 2004 – 2020. From the test results, it can be concluded that: energy consumption has a positive effect on economic growth and pollution, taxes have a positive impact on economic growth has a negative impact on pollution, and economic growth has a positive impact on pollution, besides that economic growth can mediate the relationship between energy consumption and pollution and the relationship between taxes and pollution. For further research, it is recommended to add variables not included in this study, such as population, government subsidies, carbon trading or using other indicators such as renewable energy, fossil fuels and other environmental issues that can describe the level of pollution more broadly.

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The Effect of Services and Prices On Customer Satisfaction

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Abstract

The orientation of the marketing world has changed from profit orientation to satisfaction orientation. Many companies implement strategies to improve service quality, increase customer satisfaction, and win the competition to increase profits. The researcher tries to prove that there is a positive and significant influence on the quality of service and that it can increase customer satisfaction and increase profits. This research was conducted at PT. Anugrah Argon Medica Branch Serang Banten, from the total population of 200 active customers taken samples from Slovin formula as many as 67 respondents. This researcher uses associative research methods with a quantitative correlational approach. Associative research is a research method. Based on the results of hypothesis testing that has been carried out, the t-test variable Service Quality (X1) 1.040 <1.997 and significance level of 0.302> 0.005, it turns out that service quality has no significant effect on customer satisfaction. From the results of the variable t-test Price (X2) 5,284> 1,996 and the significance level of 0,000 <0.05, it turns out the price has a positive and significant effect on Customer Satisfaction, the results of the F test results obtained 23,103> 3.14 and the significance level of 0,000 <0.05 turned out to be Service Quality, and Simultaneous prices have a positive and significant influence on customer satisfaction. From the results obtained, the value of R 0.648 while Adjusted R Square has amounted to 0.419 so that it can be concluded that the contribution of service quality and price to the dependent variable customer satisfaction simultaneously is 41.90%

Keywords: Needs, Consumer Satisfaction, Quality of Service and Price.
JEL Classification: L00, M00.
Type of paper: Research Paper.

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I. Introduction

Today's business environment is changing very rapidly and dynamically in both the product and service business, where nearly 70% of the total workforce of each country is engaged in the service sector. To maintain existence in an industrial environment, a company must have a competitive advantage that is unique and not easily imitated to be used to be able to compete and be able to maintain its own business. Competitive advantages are resources/resources owned either in the form of tangible assets or intangible assets. These conditions are the main driving force for every product and service company to continue producing products and providing the best servants so that consumer satisfaction can be fulfilled and continue to generate profits from the products or services offered, and mutual need relationships continue to exist.

Consumer satisfaction is an essential concept in the marketing concept. Satisfaction reflects someone's judgment about the product or service's performance to the desired expectations. Satisfaction or dissatisfaction is the customer's response to the evaluation of perceived incompatibility between previous expectations (or other performance norms) and the actual performance of the product or service that is felt after its use. This can also be used as a guideline by the company so that consumers can trust the product or service offered and make repeated purchases at the company. Many companies rely on customer satisfaction to guarantee success in the future. Still, they are disappointed to find that satisfied customers can buy products or use competitors' services without hesitation.

PT. Anugrah Argon Medica is a service company engaged in pharmaceutical distribution that has been established since 1980. Initially, PT Anugrah Argon Medica only distributed products from PT. Dexa Medica is a group within the Dexa Medica Group company. But when the government issues regulations relating to the distribution of pharmaceutical products and their sales operations, the distribution must be carried out through companies with their legal status, then PT. Anugrah Argon Medica also provides an opportunity for PT Anugrah Argon Medica to distribute products that come from PT Dexa Medica and can distribute products from other principals. In addition, in 1993, other government regulations allowed distribution companies to import finished products and register as local partners of each foreign company. At present, the distributor PT. Grace Argon Medica is trusted to distribute products from approximately 30 principles at present, and its business partners include PT. Pfizer, PT. Bayer, PT. Actavis, PT. Dexa Medica, PT, Merck, PT BSN, and PT. BDI.

PT. Anugrah Argon Medica has committed to improving customer and principal services continuously. In anticipation of intense competition, PT. Anugrah Argon Medica realizes the importance of enhancing capabilities and existence as one of the leading distribution companies in Indonesia. PT. Anugrah Argon Medica has spread throughout Indonesia with 44 branches, 2 representative offices and 2 depot offices. Each unit has been computerized and integrated with the head office in a modern way that

allows each department to provide a comprehensive information system for different uses of internal and external stakeholders.

PT. Anugrah Argon Medica applies the concept of prioritizing customer satisfaction by providing services and the best facilities and competitive prices. PT. Anugrah Argon Medica Serang Banten branch is the 43rd branch of PT. Anugrah Argon Medica is located in the attack area of Banten, where this branch office is always required to provide excellent service quality and must be able to apply the concept of prioritizing customer satisfaction by consistently delivering the best services and facilities and continuously improving sustainable expertise. Several fields of services and facilities must be developed sustainably, including service, delivery services, ease of transactions, handling complaints, and enhancing the competency of competent human resources.

Some of the problems that often arise from a company engaged in service delivery include service provided if it meets consumer expectations. The price given is already in line with customer expectations and accordance with perceived quality so that customers feel satisfied or even disappointed. Therefore, PT. Anugrah Argon Medica is required to innovate continuously to maintain consumer trust by continually improving the quality of service, providing competitive prices, ease of transactions, ease of complaint, timely delivery, easy payment methods, and being obedient and obedient to existing regulations so that customer satisfaction can increase and provide benefits to the company on an ongoing basis. Companies need to carefully determine consumer needs to fulfil desires and increase satisfaction with the services and facilities.

II. Literature Review

According to Daryanto and Setyobudi (2014: 48), customer satisfaction is an emotional assessment of consumers after they use products where the expectations and needs of consumers who use them are met.

Abdullah and Tantri (2016: 45) explain that customer satisfaction results from a perceived performance by buyers of corporate performance. Customers are satisfied if their expectations are fulfilled and happy or happy if their expectations are exceeded. Satisfied customers will be loyal for longer, buy more, less sensitive to prices and give good comments about the company. At the same time, Tjptono (2014: 353) explains customer satisfaction as the overall attitude towards an item or service after the acquisition and use.

According to Handi (2014), the factors that can influence customer satisfaction are:

1. Product quality, whether directly or indirectly, will affect customer satisfaction, and if it continues, it will lead to loyal customers buying or using the product and called customer loyalty.

2. In addition to product quality, Service Quality, there is another thing that affects loyalty, namely the quality of service.
3. Emotional is the seller's confidence to be more advanced in his business.
4. Price, surely people want good items at lower prices or compete, so prices here are more interpreted as high costs resulting from good quality products or high prices resulting from good quality service.
5. Cost: People think that companies that dare to spend a lot of money on a promotion or product must be reasonable and quality products, so customers are more loyal to the product.

The quality of a product or service evaluates essential functions owned by a product regarding several aspects such as accuracy, product durability, reliability, ease of operation, and other crucial attributes according to what is desired and needed by consumers.

If the service is received or felt as expected, the quality can be perceived as good and satisfying. Suppose the quality of service received exceeds customer expectations. In that case, the quality of service is perceived as the ideal quality of service. Still, if the quality of service received is lower than expected, then the quality of service is perceived poorly. So the customer's assessment of the quality of service depends on the provider's ability. Fandy Tjiptono (2014) defines service quality as focused on meeting customer needs and desires and the accuracy of delivery to offset customer expectations.

According to Parasuraman, quoted by Fandy Tjiptono (2014: 282), there are five main dimensions for measuring service quality, namely:

1. Reliability
   That is the company's ability to provide services as promised, quickly, accurately, accurately and reliably. Performance must be by customer expectations which means timeliness, the same service for all customers, a sympathetic attitude, and high accuracy.
2. Assurance
   That is the knowledge, politeness, and ability of company employees to foster customer trust in the company. This variable consists of several components, including communication (communication), credibility (credibility), security, competence (competence), and courtesy (courtesy).
3. Physical Evidence
   That is the ability of a company to show its existence to external parties about the physical appearance of service facilities, equipment/equipment, human resources, and corporate communication materials.
4. Empathy
   That includes ease in establishing relationships, good communication, personal attention and understanding of customer needs by trying to understand the desires of consumers. A company is expected to have experience and knowledge

of customers, meet customer needs specifically, and have a comfortable operating time.

5. Responsiveness
   That is the willingness of employees to be responsive to help customers and provide fast, precise service accompanied by clear service delivery. In this case, the company is always responsive to consumer complaints arising from unfulfilled promises and responsiveness in capturing market changes, technology, equipment, and consumer behaviour.

In addition to product quality, the factors influencing customer satisfaction include price. Consumers tend to choose companies that offer their products at high discounts. Discounts are important considerations for consumers to buy products in a company.

Kotler and Armstrong (2012) that prices can be narrowly defined as the amount of money charged for a product or service. Or it can be broadly defined as the amount of value exchanged by consumers for the benefit of owning and using a product or service that enables the company to obtain a reasonable profit by being paid for the value of the customer it creates.

The narrow definition is that price is the amount of money charged on a product or service. More broadly, price is the sum of all the values that consumers exchange for the benefits of owning or using the product or service. (Kotler, 2001). Company goals and marketing should do the pricing process. The company does pricing based on many considerations. According to Stanton (2003), prices are nothing but an experiment to test the market's pulse. If a customer accepts an offer, the price is right. If they refuse, usually the price will be quickly replaced, or if necessary, the product can be withdrawn from its circulation. Companies need to see the importance of consumers being satisfied by providing good services and economical prices, providing the same performance or exceeding consumer expectations, to get consumers and achieve profits.

III. Methodology

This research uses quantitative methods with probabilistic characteristics using multiple regression analysis. The technique used to analyze the data is multiple linear regression with a series of instrument tests and definitive assumption tests. The population of this study were 200 customers of PT Anugrah Argon Medica. Based on calculations with the Slovin method, the samples to be taken are 67 customers or around 33% of the total customers of PT. Anugrah Argon Medica. This is done to facilitate data processing and for better testing results. Samples were taken based on probability sampling techniques; simple random sampling, where researchers provide the same opportunity for each customer to be chosen as a sample that is done randomly regardless of the strata that exist in the population itself. The data analysis testing technique used is the Validity

Test, Reliability, Classical Assumptions consisting of Normality, Multicollinearity, and Heteroscedasticity, Simple Regression Test, Multiple Regression, Determination Coefficient and Hypothesis Test (t-Test and F Test).

IV. Results and Discussion

Analysis of the data used is the Coefficient of Determination and Multiple Regression with the following results:

Table 1. R Square Test Result

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.648 [a]	.419	.401	4,322
a. Predictors: (Constant), Price, Quality of service				

Based on the *Model Summary* table, it is known that the value of R is 0.648 while *Adjusted R Square is* 0.419. It can be concluded that the contribution of service quality and price to the dependent variable of customer satisfaction simultaneously is 41.90.

Table 2. *Partial Correlation*

Correlations					
Control Variables			Service quality	Price	Customer satisfaction
-one- [a]	Service quality	Correlation	1,000	.503	.407
		Significance (2-tailed)	.	.000	.001
		df	0	65	65
	Price	Correlation	.503	1,000	.640
		Significance (2-tailed)	.000	.	.000
		df	65	0	65
	Customer satisfaction	Correlation	.407	.640	1,000
		Significance (2-tailed)	.001	.000	.
		df	65	65	0
Customer satisfaction	Service quality	Correlation	1,000	.345	
		Significance (2-tailed)	.	.005	
		df	0	64	
	Price	Correlation	.345	1,000	
		Significance (2-tailed)	.005	.	
		df	64	0	
a. Cells contain zero-order (Pearson) correlations.					

The output consists of 2 parts. Namely, the first part shows a correlation with customer satisfaction variables included. It appears that the correlation coefficient between service quality and price is 0.503. And a significance value of 0 means service quality and price correlate (0.00 <0.05).

In the second part, customer satisfaction variables are not included. It appears that the correlation coefficient between service quality and price is 0.345 (down from the previous value). And the significance value is 0.00, which means the service quality and cost become a correlation (0.05 <0.05). This means that customer satisfaction is influenced by service quality and price.

Table 3. ***Multiple Linear Regression***

Coefficients [a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	16,389	5,820		2,816	.006
	Service quality	.106	.102	.115	1,040	.302
	Price	.562	.106	.582	5,284	.000
a. Dependent Variable: Customer Satisfaction						

From the table above, the regression equation is obtained as follows:

$$Y = 16.389 + 0{,}106\ X1 + 0{,}562\ X2 + e$$

The results of the regression analysis show that the t design of service quality is 2.816 with a significance of t valued at 0.302 (significant at α = 5%) and a regression coefficient of 0, 106 In the regression equation, the constant value of 16,389 can be interpreted as customer satisfaction before being influenced by quality service and price.
Regression coefficient X1 is 0, 106 states that if every increase in product quality variable (X1) is equal to one unit, it will cause an increase or increase in customer satisfaction by 0, 106 units. The regression coefficient X2 of 0.562 states that if each increase in the promotion variable (X2) is equal to one team, it will cause an increase or increase in consumer satisfaction by 0.562 units.

Table 5. Simultaneous Test (F test)

ANOVA [a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	863,314	2	431,657	23,103	.000 [b]
	Residual	1195,761	64	18,684		

	Total	2059,075	66
a. Dependent Variable: Customer Satisfaction			
b. Predictors: (Constant), Price, Quality of service			

From the ANOVA test, the value of F count 23.103> F table 3.13, then the independent variable (X) affects the dependent variable (Y). From the ANOVA test or F test, the calculated F value is 23.103 with a significance level of 0.000. because the significant probability is much smaller than 0.05, Ho is rejected, and Ha is accepted. This shows that simultaneously H3 states that service quality and price influence together on customer satisfaction.

Table 6. t-Test

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	16,389	5,820		2,816	.006
	Service quality	.106	.102	.115	1,040	.302
	Price	.562	.106	.582	5,284	.000
a. Dependent Variable: Customer Satisfaction						

From the test, the value of t count 1.040 (X1) <t table 1.996, then the independent variable (X1) does not affect the dependent variable (Y). From the test value of t count 5.284 (X2)> t table 1.996, then the independent variable (X2) affects the dependent variable (Y). Based on the partial test results for product quality variables (X1) obtained t = 1.040 with a significance value of 0.302. because the significant probability is far greater than 0.05, Ho is accepted, and Ha is rejected. This shows that partially H1 states an influence of service quality on customer satisfaction declined. Based on the partial test results for the promotion variable (X2) obtained t = 5.284 with a significance value of 0,000. Because the significant probability is much smaller than 0.05, Ho is rejected, and Ha is accepted. This shows that partially H2 states an effect of price on customer satisfaction received.

V. Conclusion

The results of the study show that the variables of Service Quality (X1) and Price (X2) together has a positive and significant influence on Customer Satisfaction (Y) at PT. Anugrah Argon Medica Branch Serang Banten. This means that service quality and price must be given special attention because it will impact customer satisfaction. If the service quality consumers perceive their expectations, they will feel satisfied and are expected to return to buying the product and gain profit. Quality of service can be used to achieve competitive advantage and determine the success and quality of the company. If you want to create customer satisfaction, the services offered by the company must also be

of high quality. Therefore, PT Anugrah Argon Medica should continue to innovate and improve service quality to maintain customer satisfaction. Similarly, prices are part of a sales promotion that aims to increase sales and attract customer interest, also seeks to make customers who use these products feel satisfied with the benefits of using these products. PT Anugrah Argon Medica should still hold a discount program that affects customer satisfaction.

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The Effect of Services and Prices On Customer Satisfaction

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Abstract

The orientation of the marketing world has changed from profit orientation to satisfaction orientation. Many companies implement strategies to improve service quality, increase customer satisfaction, and win the competition to increase profits. The researcher tries to prove that there is a positive and significant influence on the quality of service and that it can increase customer satisfaction and increase profits. This research was conducted at PT. Anugrah Argon Medica Branch Serang Banten, from the total population of 200 active customers taken samples from Slovin formula as many as 67 respondents. This researcher uses associative research methods with a quantitative correlational approach. Associative research is a research method. Based on the results of hypothesis testing that has been carried out, the t-test variable Service Quality (X1) 1.040 <1.997 and significance level of 0.302> 0.005, it turns out that service quality has no significant effect on customer satisfaction. From the results of the variable t-test Price (X2) 5,284> 1,996 and the significance level of 0,000 <0.05, it turns out the price has a positive and significant effect on Customer Satisfaction, the results of the F test results obtained 23,103> 3.14 and the significance level of 0,000 <0.05 turned out to be Service Quality, and Simultaneous prices have a positive and significant influence on customer satisfaction. From the results obtained, the value of R 0.648 while Adjusted R Square has amounted to 0.419 so that it can be concluded that the contribution of service quality and price to the dependent variable customer satisfaction simultaneously is 41.90%

Keywords: Needs, Consumer Satisfaction, Quality of Service and Price.
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I. Introduction

Today's business environment is changing very rapidly and dynamically in both the product and service business, where nearly 70% of the total workforce of each country is engaged in the service sector. To maintain existence in an industrial environment, a company must have a competitive advantage that is unique and not easily imitated to be used to be able to compete and be able to maintain its own business. Competitive advantages are resources/resources owned either in the form of tangible assets or intangible assets. These conditions are the main driving force for every product and service company to continue producing products and providing the best servants so that consumer satisfaction can be fulfilled and continue to generate profits from the products or services offered, and mutual need relationships continue to exist.

Consumer satisfaction is an essential concept in the marketing concept. Satisfaction reflects someone's judgment about the product or service's performance to the desired expectations. Satisfaction or dissatisfaction is the customer's response to the evaluation of perceived incompatibility between previous expectations (or other performance norms) and the actual performance of the product or service that is felt after its use. This can also be used as a guideline by the company so that consumers can trust the product or service offered and make repeated purchases at the company. Many companies rely on customer satisfaction to guarantee success in the future. Still, they are disappointed to find that satisfied customers can buy products or use competitors' services without hesitation.

PT. Anugrah Argon Medica is a service company engaged in pharmaceutical distribution that has been established since 1980. Initially, PT Anugrah Argon Medica only distributed products from PT. Dexa Medica is a group within the Dexa Medica Group company. But when the government issues regulations relating to the distribution of pharmaceutical products and their sales operations, the distribution must be carried out through companies with their legal status, then PT. Anugrah Argon Medica also provides an opportunity for PT Anugrah Argon Medica to distribute products that come from PT Dexa Medica and can distribute products from other principals. In addition, in 1993, other government regulations allowed distribution companies to import finished products and register as local partners of each foreign company. At present, the distributor PT. Grace Argon Medica is trusted to distribute products from approximately 30 principles at present, and its business partners include PT. Pfizer, PT. Bayer, PT. Actavis, PT. Dexa Medica, PT, Merck, PT BSN, and PT. BDI.

PT. Anugrah Argon Medica has committed to improving customer and principal services continuously. In anticipation of intense competition, PT. Anugrah Argon Medica realizes the importance of enhancing capabilities and existence as one of the leading distribution companies in Indonesia. PT. Anugrah Argon Medica has spread throughout Indonesia with 44 branches, 2 representative offices and 2 depot offices. Each unit has been computerized and integrated with the head office in a modern way that

allows each department to provide a comprehensive information system for different uses of internal and external stakeholders.

PT. Anugrah Argon Medica applies the concept of prioritizing customer satisfaction by providing services and the best facilities and competitive prices. PT. Anugrah Argon Medica Serang Banten branch is the 43rd branch of PT. Anugrah Argon Medica is located in the attack area of Banten, where this branch office is always required to provide excellent service quality and must be able to apply the concept of prioritizing customer satisfaction by consistently delivering the best services and facilities and continuously improving sustainable expertise. Several fields of services and facilities must be developed sustainably, including service, delivery services, ease of transactions, handling complaints, and enhancing the competency of competent human resources.

Some of the problems that often arise from a company engaged in service delivery include service provided if it meets consumer expectations. The price given is already in line with customer expectations and accordance with perceived quality so that customers feel satisfied or even disappointed. Therefore, PT. Anugrah Argon Medica is required to innovate continuously to maintain consumer trust by continually improving the quality of service, providing competitive prices, ease of transactions, ease of complaint, timely delivery, easy payment methods, and being obedient and obedient to existing regulations so that customer satisfaction can increase and provide benefits to the company on an ongoing basis. Companies need to carefully determine consumer needs to fulfil desires and increase satisfaction with the services and facilities.

II. Literature Review

According to Daryanto and Setyobudi (2014: 48), customer satisfaction is an emotional assessment of consumers after they use products where the expectations and needs of consumers who use them are met.

Abdullah and Tantri (2016: 45) explain that customer satisfaction results from a perceived performance by buyers of corporate performance. Customers are satisfied if their expectations are fulfilled and happy or happy if their expectations are exceeded. Satisfied customers will be loyal for longer, buy more, less sensitive to prices and give good comments about the company. At the same time, Tjptono (2014: 353) explains customer satisfaction as the overall attitude towards an item or service after the acquisition and use.

According to Handi (2014), the factors that can influence customer satisfaction are:

1. Product quality, whether directly or indirectly, will affect customer satisfaction, and if it continues, it will lead to loyal customers buying or using the product and called customer loyalty.

2. In addition to product quality, Service Quality, there is another thing that affects loyalty, namely the quality of service.
3. Emotional is the seller's confidence to be more advanced in his business.
4. Price, surely people want good items at lower prices or compete, so prices here are more interpreted as high costs resulting from good quality products or high prices resulting from good quality service.
5. Cost: People think that companies that dare to spend a lot of money on a promotion or product must be reasonable and quality products, so customers are more loyal to the product.

The quality of a product or service evaluates essential functions owned by a product regarding several aspects such as accuracy, product durability, reliability, ease of operation, and other crucial attributes according to what is desired and needed by consumers.

If the service is received or felt as expected, the quality can be perceived as good and satisfying. Suppose the quality of service received exceeds customer expectations. In that case, the quality of service is perceived as the ideal quality of service. Still, if the quality of service received is lower than expected, then the quality of service is perceived poorly. So the customer's assessment of the quality of service depends on the provider's ability. Fandy Tjiptono (2014) defines service quality as focused on meeting customer needs and desires and the accuracy of delivery to offset customer expectations.

According to Parasuraman, quoted by Fandy Tjiptono (2014: 282), there are five main dimensions for measuring service quality, namely:

1. Reliability
   That is the company's ability to provide services as promised, quickly, accurately, accurately and reliably. Performance must be by customer expectations which means timeliness, the same service for all customers, a sympathetic attitude, and high accuracy.
2. Assurance
   That is the knowledge, politeness, and ability of company employees to foster customer trust in the company. This variable consists of several components, including communication (communication), credibility (credibility), security, competence (competence), and courtesy (courtesy).
3. Physical Evidence
   That is the ability of a company to show its existence to external parties about the physical appearance of service facilities, equipment/equipment, human resources, and corporate communication materials.
4. Empathy
   That includes ease in establishing relationships, good communication, personal attention and understanding of customer needs by trying to understand the desires of consumers. A company is expected to have experience and knowledge

of customers, meet customer needs specifically, and have a comfortable operating time.

5. Responsiveness
   That is the willingness of employees to be responsive to help customers and provide fast, precise service accompanied by clear service delivery. In this case, the company is always responsive to consumer complaints arising from unfulfilled promises and responsiveness in capturing market changes, technology, equipment, and consumer behaviour.

In addition to product quality, the factors influencing customer satisfaction include price. Consumers tend to choose companies that offer their products at high discounts. Discounts are important considerations for consumers to buy products in a company.

Kotler and Armstrong (2012) that prices can be narrowly defined as the amount of money charged for a product or service. Or it can be broadly defined as the amount of value exchanged by consumers for the benefit of owning and using a product or service that enables the company to obtain a reasonable profit by being paid for the value of the customer it creates.

The narrow definition is that price is the amount of money charged on a product or service. More broadly, price is the sum of all the values that consumers exchange for the benefits of owning or using the product or service. (Kotler, 2001). Company goals and marketing should do the pricing process. The company does pricing based on many considerations. According to Stanton (2003), prices are nothing but an experiment to test the market's pulse. If a customer accepts an offer, the price is right. If they refuse, usually the price will be quickly replaced, or if necessary, the product can be withdrawn from its circulation. Companies need to see the importance of consumers being satisfied by providing good services and economical prices, providing the same performance or exceeding consumer expectations, to get consumers and achieve profits.

III. Methodology

This research uses quantitative methods with probabilistic characteristics using multiple regression analysis. The technique used to analyze the data is multiple linear regression with a series of instrument tests and definitive assumption tests. The population of this study were 200 customers of PT Anugrah Argon Medica. Based on calculations with the Slovin method, the samples to be taken are 67 customers or around 33% of the total customers of PT. Anugrah Argon Medica. This is done to facilitate data processing and for better testing results. Samples were taken based on probability sampling techniques; simple random sampling, where researchers provide the same opportunity for each customer to be chosen as a sample that is done randomly regardless of the strata that exist in the population itself. The data analysis testing technique used is the Validity

Test, Reliability, Classical Assumptions consisting of Normality, Multicollinearity, and Heteroscedasticity, Simple Regression Test, Multiple Regression, Determination Coefficient and Hypothesis Test (t-Test and F Test).

IV. Results and Discussion

Analysis of the data used is the Coefficient of Determination and Multiple Regression with the following results:

Table 1. R Square Test Result

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.648 [a]	.419	.401	4,322
a. Predictors: (Constant), Price, Quality of service				

Based on the *Model Summary* table, it is known that the value of R is 0.648 while *Adjusted R Square is* 0.419. It can be concluded that the contribution of service quality and price to the dependent variable of customer satisfaction simultaneously is 41.90.

Table 2. *Partial Correlation*

Correlations					
Control Variables			Service quality	Price	Customer satisfaction
-one- [a]	Service quality	Correlation	1,000	.503	.407
		Significance (2-tailed)	.	.000	.001
		df	0	65	65
	Price	Correlation	.503	1,000	.640
		Significance (2-tailed)	.000	.	.000
		df	65	0	65
	Customer satisfaction	Correlation	.407	.640	1,000
		Significance (2-tailed)	.001	.000	.
		df	65	65	0
Customer satisfaction	Service quality	Correlation	1,000	.345	
		Significance (2-tailed)	.	.005	
		df	0	64	
	Price	Correlation	.345	1,000	
		Significance (2-tailed)	.005	.	
		df	64	0	
a. Cells contain zero-order (Pearson) correlations.					

The output consists of 2 parts. Namely, the first part shows a correlation with customer satisfaction variables included. It appears that the correlation coefficient between service quality and price is 0.503. And a significance value of 0 means service quality and price correlate (0.00 <0.05).

In the second part, customer satisfaction variables are not included. It appears that the correlation coefficient between service quality and price is 0.345 (down from the previous value). And the significance value is 0.00, which means the service quality and cost become a correlation (0.05 <0.05). This means that customer satisfaction is influenced by service quality and price.

Table 3. ***Multiple Linear Regression***

Coefficients [a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	16,389	5,820		2,816	.006
	Service quality	.106	.102	.115	1,040	.302
	Price	.562	.106	.582	5,284	.000
a. Dependent Variable: Customer Satisfaction						

From the table above, the regression equation is obtained as follows:

$$Y = 16.389 + 0{,}106\ X1 + 0{,}562\ X2 + e$$

The results of the regression analysis show that the t design of service quality is 2.816 with a significance of t valued at 0.302 (significant at α = 5%) and a regression coefficient of 0, 106 In the regression equation, the constant value of 16,389 can be interpreted as customer satisfaction before being influenced by quality service and price.
Regression coefficient X1 is 0, 106 states that if every increase in product quality variable (X1) is equal to one unit, it will cause an increase or increase in customer satisfaction by 0, 106 units. The regression coefficient X2 of 0.562 states that if each increase in the promotion variable (X2) is equal to one team, it will cause an increase or increase in consumer satisfaction by 0.562 units.

Table 5. Simultaneous Test (F test)

ANOVA [a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	863,314	2	431,657	23,103	.000 [b]
	Residual	1195,761	64	18,684		

	Total	2059,075	66
a. Dependent Variable: Customer Satisfaction			
b. Predictors: (Constant), Price, Quality of service			

From the ANOVA test, the value of F count 23.103> F table 3.13, then the independent variable (X) affects the dependent variable (Y). From the ANOVA test or F test, the calculated F value is 23.103 with a significance level of 0.000. because the significant probability is much smaller than 0.05, Ho is rejected, and Ha is accepted. This shows that simultaneously H3 states that service quality and price influence together on customer satisfaction.

Table 6. t-Test

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
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	Service quality	.106	.102	.115	1,040	.302
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a. Dependent Variable: Customer Satisfaction						

From the test, the value of t count 1.040 (X1) <t table 1.996, then the independent variable (X1) does not affect the dependent variable (Y). From the test value of t count 5.284 (X2)> t table 1.996, then the independent variable (X2) affects the dependent variable (Y). Based on the partial test results for product quality variables (X1) obtained t = 1.040 with a significance value of 0.302. because the significant probability is far greater than 0.05, Ho is accepted, and Ha is rejected. This shows that partially H1 states an influence of service quality on customer satisfaction declined. Based on the partial test results for the promotion variable (X2) obtained t = 5.284 with a significance value of 0,000. Because the significant probability is much smaller than 0.05, Ho is rejected, and Ha is accepted. This shows that partially H2 states an effect of price on customer satisfaction received.

V. Conclusion

The results of the study show that the variables of Service Quality (X1) and Price (X2) together has a positive and significant influence on Customer Satisfaction (Y) at PT. Anugrah Argon Medica Branch Serang Banten. This means that service quality and price must be given special attention because it will impact customer satisfaction. If the service quality consumers perceive their expectations, they will feel satisfied and are expected to return to buying the product and gain profit. Quality of service can be used to achieve competitive advantage and determine the success and quality of the company. If you want to create customer satisfaction, the services offered by the company must also be

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