

# CHAPTER I

## INTRODUCTION

### 1.1 General Description of MRT Jakarta

Company Name	: PT MRT Jakarta
Company Address	: Wisma Nusantara, 21 <sup>st</sup> floor Jl. MH Thamrin, No.59 Central Jakarta 10350 – Indonesia
Telephone	: (+62) – 21 390 6454
Fax	: (+62) – 21 315 5846 (+62) – 21 314 2273
Website	: <a href="https://www.jakartamrt.co.id/">https://www.jakartamrt.co.id/</a>
Working Hour	: Monday – Friday, 08.00 AM – 04.00 PM

PT MRT Jakarta was established on June 17, 2018, in the form of incorporated company with a majority of shareholders is Government of DKI Jakarta (owner structure: DKI Jakarta Government 99.98%, PD Pasar Jaya 0.02%). PT MRT Jakarta has a scope of activities including for the exploitation and construction of MRT infrastructure and facilities, operation and maintenance of infrastructure and facilities, and property/business development and management in the stations and surrounding areas, as well as the Depo and surrounding area (MRT Jakarta Website, 2019).

The planned of Mass Rapid Transit development in Jakarta had actually pioneered since 1985. But, at that time the project of MRT Jakarta had not been declared as national project. In 2005, President of Republic Indonesia confirmed that project of MRT Jakarta was a national project. From that clarity, the Central Government and Government of DKI Jakarta began to move and share responsibilities. Funding was welcomed by the Japanese Government who were willing to provide loans.

On November 28, 2006 the signing of the financing agreement for the project of MRT Jakarta was carried out by Japan Bank for International Cooperation (JBIC) Governor, Kyosuke Shinozawa and Yusuf Anwar as Indonesian Ambassador to Japan. JBIC also designed and provided study recommendations to Government of DKI Jakarta. An agreement was also agreed between JBIC and Indonesian Government, to

choose one organization become a door for organizing the completion of this MRT project.

JBIC then merged with Japan International Cooperation Agency (JICA). JICA served as the assessment team of JBIC as a lender. In the schedule made by JICA and MRT Jakarta, technical design and land procurement were carried out in 2008-2009, construction tenders and tender for electrical and mechanical equipment in 2009-2010, while construction works began in 2010-2014. The operational trial is planned to begin in 2014. However, the schedule is not fulfilled. Project design was carried out in 2008-2009, the construction steps was carried out starting in October, 2013, and was announced to be completed in 2018.

The implementation of MRT development involves several agencies, at the Central Government level, Government of DKI Jakarta, and PT MRT Jakarta itself. Therefore, the budget documents that needed also involves those institutions with different names of program and activities but with the same output, the construction of MRT Jakarta.

### 1.1.1 Company Logo



**Figure 1.1 PT MRT Jakarta Logo**

Source: MRT Jakarta Website

### 1.1.2 Company Vision Mission

- **Vision**

Become a leading provider of public transportation services that are committed to pushing economic growth through increased mobility, reduction of congestion, and development of urban transit systems.

- **Mission**

Achieve continuous excellence in all elements of performance, through:

- Development and operation of public transportation network that safe, trusted and reliable.
- Revive the urban environment through development of famous urban transit: and,
- Build a reputation as chosen company by involving, inspiring, and motivating our employee.

## **1.2 Research Background**

Transportation is a main component in life and life systems, government systems, and social systems. Regional social demographic conditions have an influence on transportation performance in the region. The level of population density will have a significant influence on transportation capacity to serve the needs of the society. In urban areas, the trend is a high population increase due to birth rates and urbanization. The level of urbanization has implications for the increasingly densely populated population which directly or indirectly reduces the competitiveness of regional transportation (Susantoro&Parikesit, 2004:14).

Transportation in Indonesia has a very rapid development. This can be seen from the history of transportation in Indonesia. In ancient times people carried out activities of moving from one place to another just by relying on walking, using animals and simple vehicles that needed a very long time to get to their destination. But along with the development of technology, the existing transportation facilities are far different from the old times, the number of existing transportation facilities continues to increase every year, has a large amount of carrying capacity and shorter travel time.

DKI Jakarta is the capital city of Indonesia and the center of government of Republic of Indonesia. Every capital city in various countries, will improve the quality in any aspect, including the issue of public transportation.

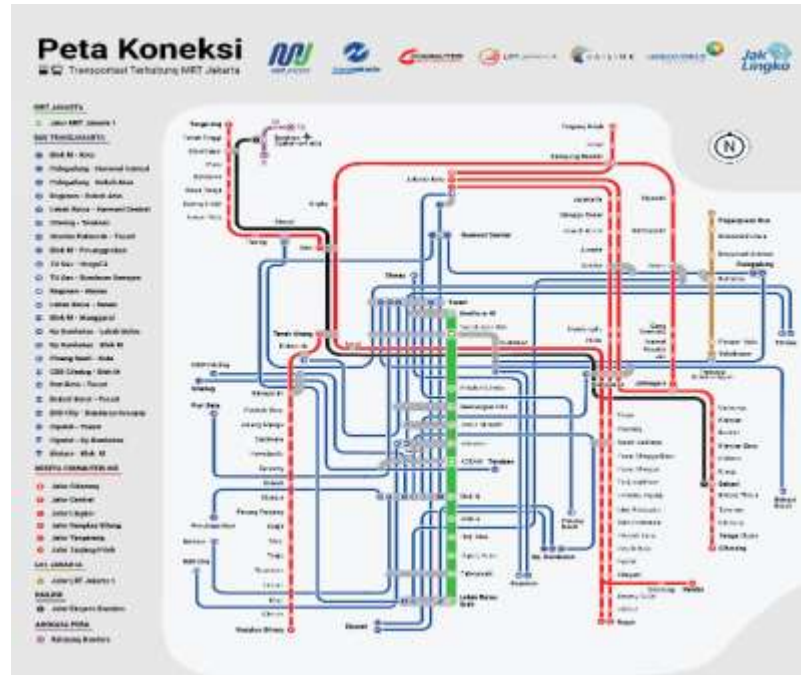
Economic losses due to traffic congestion in Jakarta based on the results of research conducted by Pelangi Foundation in 2005 were estimated at Rp. 12.8 trillion/year which included the value of time, fuel costs and health costs. While based on SITRAMP II in 2004 showed that if until 2020 there were no improvements made

to the transportation system, the estimated economic loss would reach IDR 65 trillion/year (Kompasiana Website, 2015). Air pollution due to motorized vehicles contributes 80 percent of pollution in Jakarta. MRT Jakarta is driven by electricity so it does not cause CO<sub>2</sub> emissions in cities. Based on the study, it is clear that DKI Jakarta is in dire need of more reliable mass transportation, such as the MRT, which can be an alternative transportation solution for people who are also environmentally friendly. MRT (Mass Rapid Transit) is an urban transportation system that has 3 main criteria, mass (large carrying capacity), rapid (fast travel time and high frequency), and transit (stopping at many stations in urban main points). MRT can literally be interpreted as a mode of transportation capable of carrying large numbers of passengers (mass) with very high frequency and speed (rapid).

Building an MRT network system is not just an economic and financial feasibility business, but more than that, building an MRT reflects the vision of a city. The life and economic activities of a city, such as depend on how easily citizens travel/mobility and how often they can do it to various destinations in the city. The main purpose of the construction of the MRT system is to provide opportunities for city residents to improve the quality and quantity of travel / mobility to be more reliable, trusted, safe, comfortable, affordable and more economical.

The immediate benefit of the operation of the MRT system is that it can reduce the density of vehicles on the road because the MRT is expected to divert people who use personal transportation to public transportation. MRT development can be an alternative solution to overcome transportation problems in big cities. The advantage of this system is its ability to carry large numbers of passengers, fast and reliable in various situations. By using the MRT, road space will be far more efficient because the use of private vehicles can be minimized.

As you can see below Connection Map of MRT on figure 1.2



**Figure 1.2 Connection Map of MRT Jakarta**

Source: MRT Jakarta Website

Part of the construction of the MRT Jakarta line is an elevated structure that stretches  $\pm 10$  km; from Lebak Bulus to Sisingamangaraja. From the route, there are 7 Elevated Stations, are Lebak Bulus, Fatmawati, Cipete Raya, Haji Nawu, Blok A, Blok M and ASEAN. While the train depot was built in Lebak Bulus area, near with Lebak Bulus beginning/end station. All passenger stations and trails are built with elevated structures above the ground, while train depots are built on ground. Underground construction of MRT Jakarta stretches  $\pm 6$  km, consisting of an underground MRT tunnel and six underground MRT stations, consisting of Senayan, Istora, Bendungan Hilir, Setiabudi, Dukuh Atas, Bundaran Hotel Indonesia stations (MRT Jakarta Website, 2019).

MRT Jakarta provides 16 sets of train; 14 sets will operate and 2 sets being an alternative. A set is consisted of six trains. One train can accommodate 200-300 passengers, so a set of circuits can accommodate around 1,200 - 1,800 passengers. The mileage needed from between stations varies, ranging from 0.8 km - 2.2 km. The trains headway is 5 minutes at rush/busy hour, with a total travel time of 30 minutes and operates from 05.00 - 24.00 WIB every day.

MRT Jakarta also provides escalators, elevators and stairs are available as a convenience option for passengers who want to enter the station by flyover and underground. There is a concourse area that provides commercial outlets which provide a variety of services needed by the community to support their mobility.

Inside the station, there are escalators, elevators, first aid rooms, breastfeeding rooms, public toilets, Platform Screen Door (PSD), seating, station front office for customer services, ticket vending machine (TVM), public announcement tactile for people with disabilities. For the passenger gate, in addition to the usual (60 cm wide), there also be a wide passenger gate with a width of 90 cm for wheelchair users. Each station will also be equipped with a wireless network, passenger information display that contains information on the status of train arrivals and departures. In spite of that, there are CCTV and security staff at each station to monitor activities inside the station. Furthermore, each underground station be equipped with air conditioning, while at each elevated station a design that optimizes open air circulation will be used.



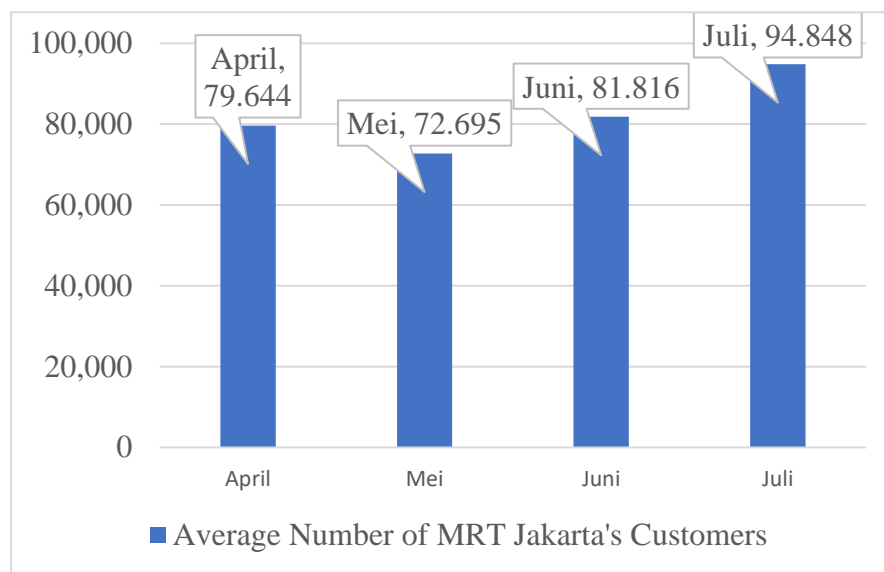
**Figure 1.3 Ticket Vending Machine**

Source: Author Personal Documentation

For trains, telecommunication signals can still be accessed by passengers even though they are in a tunnel with a depth of 20 meters. The trains also provided a priority seat for persons with disabilities, parents, pregnant women, and children. Goods places also available at the top of the priority bench. Inside the train, there is a

passenger information display that contains a track map and the position status of the train.

MRT Jakarta gets diverse enthusiasm from people of DKI Jakarta and around it. There were those who enthusiastically welcomed the presence of this transportation, but there were those who compared economies of scale with other transportation. MRT Jakarta tickets price factor is a major consideration, especially for people who are always using motorcycle as a daily transportation. (CNN Indonesia Website, 2019)

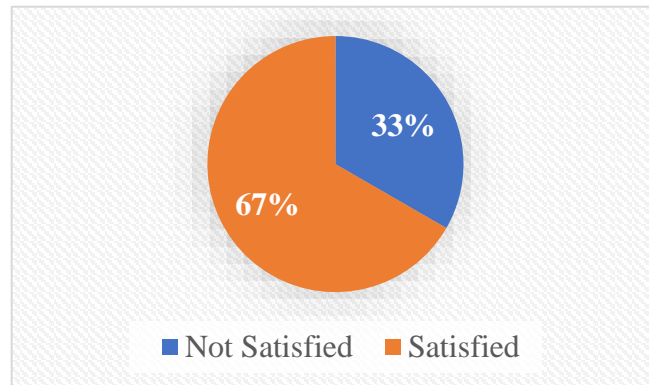


**Figure 1.4 Number of MRT Jakarta's Customers**

Source: Detik.com Website

From Figure 1.4 it can be concluded that the number of MRT Jakarta users in a period of 4 months has increased. As for July 2019, MRT Jakarta users reached the highest average compared to the average number of passengers in the previous month. The lowest average number of users was in May 2019, this was due to the end of the 50% discount tariff program that had been in effect since the start of MRT Jakarta operation. In addition, a series of demonstrations in Jakarta also affected the number of passengers during May (Finance.Detik Website, 2019).

To obtain a general description in this study, the author has conducted field observations through interview with MRT Jakarta customers as many as 30 respondents about their satisfaction and suggestions of MRT Jakarta. Questions given by the author to respondents during the interview can be seen in appendix 2, and the results of the question can be seen in Figure 1.5.



**Figure 1.5 The Proportions of MRT Jakarta’s Customer Satisfaction**

Source: Questionnaires Distributed

Based on the figure 1.5, that are obtained from the interview with 30 respondents, 20 respondents said they are satisfied with MRT Jakarta while 10 respondents are not satisfied with MRT Jakarta. Customer satisfaction is formed by 5 things based on theory of Irawan: Price, Service Quality, Product Quality, Emotional Factor, and Easiness. The author conduct observation based on 5 variables as follow.

**TABLE 1.1**

Price of MRT Jakarta from Bundaran HI Station

Station	Price
Bundaran HI station – Lebak Bulus station	Rp. 14.000,-
Bundaran HI station – Fatmawati station	Rp. 13.000,-
Bundaran HI station – Cipete Raya station	Rp. 11.000,-
Bundaran HI station – Haji Nawiri station	Rp. 10.000,-
Bundaran HI station – Blok A station	Rp. 9.000,-
Bundaran HI station – Blok M station	Rp. 8.000,-
Bundaran HI station - ASEAN station	Rp. 7.000,-
Bundaran HI station - Senayan station	Rp. 6.000,-
Bundaran HI station – Istora Mandiri station	Rp. 5.000,-
Bundaran HI station – Bendungan Hilir station	Rp. 4.000,-
Bundaran HI station – Setia Budi Astra station	Rp. 4.000,-
Bundaran HI station – Dukuh Atas station	Rp. 3.000,-

Source: MRT Jakarta Website

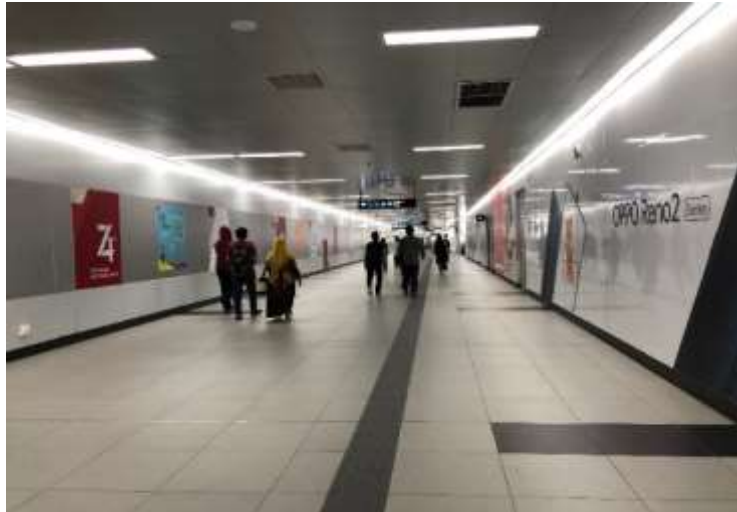


Table 1.1 above is describing a list of MRT Jakarta ticket prices from the first station, namely Bundaran HI Station. The price of course raises the pros and cons in the society.

Elsa (18), one of the High School students in Jakarta, admitted that she objected with the price of the MRT Jakarta ticket, and gave suggestions for PT. MRT Jakarta to provide special prices for students with a maximum price that suitable is Rp. 10,000. The same thing was expressed by Yuli (32) a housewife, she felt that the ticket price was too expensive and made her prefer to choose Commuter Line or Transjakarta as the main public transportation mode. She also believes that the price is more suitable for exclusivity in certain circles.

However, some customers assume that the ticket prices worth it with the facilities, convenience and time-advantage when using the MRT Jakarta. This thing is revealed with Andriani (24), she didn't mind with the ticket prices that have been assign because the ticket prices are cheaper than online transportation prices. Fajarina (22) also said the same thing, she felt the ticket prices was quite expensive but compared with the facilities and services the ticket prices were worth it.

Furthermore, most people who not satisfied focus on the services quality of MRT Jakarta. Raynold Eduardo (35) one of Bogor residents, a private employee thinks that MRT Jakarta station does not cover all Jabodetabek areas and the station officers at night are considered to be very lacking while MRT Jakarta passengers are still crowded enough. There is even Dinul Qayim (21) a student of Institute Pertanian Bogor said that he still found rubbish scattered around the station area. That thing supports the statement of Zharfa (22) one of Tangerang residents who thinks that in the station areas rarely seen the trash bins. As well as, Ahmad Wildan (27) a hospitality employee, think that MRT Jakarta have to improve the facilities, such as: food & beverage tenant supposed to exist in every station not only in a big station.



**Figure 1.6 The Stations Area of MRT Jakarta**

Source: Author Personal Documentation

Based on the figure 1.6 that showed the stations of the Jakarta MRT area it can be seen that it is very rare to see trash bins around the MRT Jakarta station area. It also supports the statement of Zharfa (22) who said that in the station areas rarely seen the trash bins.

MRT Jakarta is presented with various world-class facilities and is intended to provide a sense of security and comfort for the customers. This is supported by the statement of Salsabilla (20), one of the customers of MRT Jakarta from East Jakarta expressing her amazement for MRT Jakarta, she argues that the quality of MRT Jakarta is not inferior to other developed countries such as Singapore, Hong Kong, even Japan. She also felt that MRT Jakarta was more comfortable than other public transportation, especially in terms of shortening travel time. In addition, Aisyah (26) said that the train of MRT is very comfortable and not noisy.

The existence of MRT Jakarta enhances Indonesians emotional factors, which the people feels proud and curious about this transportation. In addition, MRT Jakarta has become a trend in social media so that it is not rare to meet MRT Jakarta's customers taking pictures in the train or in the station.



**Figure 1.7 MRT Jakarta's Customer**

Source: MRT Jakarta's Instagram Account

From figure 1.7 it can be seen that she intentionally took a picture inside the train of MRT Jakarta. This is supported by the statement of Chanigia (21) a one of University student in Bandung who came to Jakarta just to try MRT Jakarta, then document it. She also said that she wants to took pictures to be posted on her Instagram account because it could be a pride that she had used the mode of transportation which became the trending topic at this time.

Nowadays, the customers of MRT Jakarta can easily access information about routes, schedules, transit, until the arrival time of the MRT Jakarta through Google Maps service. This is done with the aim to make it easy for MRT Jakarta customers especially the customers from outside Jakarta to plan their daily trips. In addition, the customers of MRT Jakarta are also given 2 choices of MRT Jakarta tickets, such as single trip and multi trip. The customers can also use e-money cards such as JakLingko, E-Money Bank Mandiri, Brizzi Bank BRI, Tap Cash Bank BNI, Flazz Bank BCA, and Jakarta One Bank DKI. For single trip card, the balance is done per trip, and the card is valid for 7 days from the first purchase. While the multi trip card can be used so long as the balance is sufficient to be used in each trip. Both types of cards can be obtained through Ticket Vending Machines, sales counters at every MRT Jakarta station. However, from all of the easiness provided by the MRT Jakarta, there are suggestion also from the costumers to MRT Jakarta. As an example, Aditya Fiqri

(20) university student, hope that in the future, MRT Jakarta can provide the customers to do a balance top-up through Fintech such as: gopay and ovo.

As we can see from the customers perception there are many complaints and suggestion to improve MRT Jakarta performances in field of services dan facilities. Complaints handling is very important to be considered, understood, and must be immediately corrected by the company because the handling of complaints is closely related to customers satisfaction. If the performance (results) of the products provided are in accordance with what's expected it means that customers satisfaction will be achieved. Conversely, if the performance is not in accordance with what's expected, customers satisfaction will not be achieved.

Customers satisfaction is one of the defining factors for the company's success, therefore the company must give an attention to the customer expectations about the services and facilities provided. If the number of customers complain, criticizing is very high it means that the services and facilities provided is not fit with customers expectation. To reduce that things, the company must improve their service quality that fit with customers expectation. Because service quality is the most important factor to achieving customers satisfaction.

This research is in line with conducted by Checilia Febiyansi (2019) with tittle "*Analisis Kepuasan Pelanggan dengan Metode Importance Performance Analysis (IPA) Studi Kasus Pada PT. Gumbira Wana Indonesia Bandung*" showed that the level of customer expectations at PT. Gumbira Wana Indonesia has a percentage value of 82.75%. While the level of reality obtained by PT. Gumbira Wana Indonesia obtained a value of 81.25%, and obtained a suitability level of 98.19%.

By seeing the importance of a study to understand the factors that can influence customers satisfaction of MRT Jakarta. Based on the background described above, the author interested to do the research of "*Analyzing MRT Jakarta's Customer Satisfaction using Importance Performance Analysis*".

### **1.3 Problem Statement**

Based on the background that has been explained, then the formulation of the problem raised by the author is as follows:

1. How are the condition of MRT Jakarta's customer satisfaction?
2. How are the expectation of customers in each dimension of customer satisfaction on MRT Jakarta?
3. How are the reality in each dimension of customer satisfaction on MRT Jakarta?
4. Which attributes need to be improved on MRT Jakarta?

### **1.4 Research Objectives**

The objectives of this research are to answer the formulation of the problem that has been explained:

1. To find out the condition of MRT Jakarta's customer satisfaction.
2. To find out how the level of expectation in each dimension of customer satisfaction on MRT Jakarta.
3. To find out how the level of performance received on each dimension of customer satisfaction on MRT Jakarta.
4. To find out which attributes need to be improved on MRT Jakarta.

### **1.5 Research Benefit**

#### **1.5.1 Theoretical Uses**

The theoretical use of this research is expected to be used as material for the development of further research as a scientific reference for analyzing the level of customer satisfaction.

#### **1.5.2 Practical Uses**

The practical use of this research is expected to be beneficial for the company as an input in developing the company, especially those related to the level of customer satisfaction and can improve the company's performance.

## **1.6 Writing Structure**

This systematics is made to provide a general overview of research. Systematics writing as follows:

### **Chapter I Introduction**

In chapter I contains an overview of the research object, research background, problem statement, research objectives, research benefit, and the writing structure of the thesis.

### **Chapter II Literature Review**

In chapter II contains the literature review of research, previous research and research framework.

### **Chapter III Research Methods**

In chapter III contains the types of research, operational variables, stages of research, population and samples, data collection, and data analysis techniques

### **Chapter IV Research Results and Discussions**

Chapter IV describes the characteristics of respondents, the results of research and discussion of research

### **Chapter V Conclusions and Suggestions**

Chapter V describes the conclusions and suggestions regarding the results of research.