



## **An Analysis of Factors Influencing Consumer Participation Interest to Improve Social Security Program Performance**

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### **ARTICLE HISTORY**

Received: January 30, 2024. Accepted: April 7, 2024. DOI: 10.55942/pssj.v4i4.1768

### **ABSTRACT**

Seeing the development of the realization of achieving the target number of participants in BPJS Ketenagakerjaan since 2009 sd in 2013, almost every year do not reach the target. Achievement of the target number of active kepesertan ever achieved by BPJS Ketenagakerjaan 2012. BPJS Ketenagakerjaan need to create a marketing strategy that focuses on service marketing strategy, by improving strategy of People, Process, Physical Evidence. Formulation of the problem in this study is the extent of the influence strategies People, peroses and Physical Evidence of the performance through the consumer's interest to become participants in BPJS Ketenagakerjaan. The aim of this study was to determine and analyze the effect of strategies People, Process and Physical Evidence against BPJS Ketenagakerjaan performance through Minta consumers. The theory used is the marketing management of the marketing mix, especially in the theory of People, Process, Physical Evidence and consumer behavior. This research approach is supported by a case study with a survey. This type of research is deskriptif and quantitative research, the nature of research just to get a picture of a situation and problems and interpret. The population in this study were 12.5 million workers, with a sample size of 100 respondents. Data were collected through questionnaires and documentation study. Hypothesis testing using multiple linear regression analysis, F test and t test to determine the effect of independent variables on the dependent variable on kepesercayaan rate of 95% ( $\alpha = 0.05$ ). The results showed that the strategy of People, Process, Physical Evidence, partial direct effect only two independent variables, namely Process and Physical Evidence significant effect on interest. Domain is the most variable Physical Evidence (41%). Whereas to variable performance, partially only two independent variables, namely People and Interests significant effect on performance. The most dominant variable is a variable one (38.7%). Partially indirect influence most dominant variable that influence Physical Evidence of 9.84% on the performance melalui interest. The coefficient of determination ( $R^2$ ) showed independent variables studied were able to explain 36.6% terhadap variables remaining 63.4 seangkan performance is explained by the other independent variables that are not included in this study.

### **KEYWORDS**

People; Process; Physical Evidence; Interest and Performance

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## **1. Introduction**

### **1.1. Research Background**

The role of labor in national development continues to increase in the era of globalization, accompanied by various challenges and risks faced by workers. Therefore, labor protection through social security programs becomes essential to ensure minimum welfare and economic stability for workers and their families .

Social security for workers in Indonesia is implemented through employment insurance programs that aim to provide protection against social and economic risks. This system is mandatory and reflects the responsibility of companies in ensuring the safety and well-being of their employees .

The transformation of PT Jamsostek (Persero) into BPJS Ketenagakerjaan, as mandated by Law No. 24 of 2011, was intended to expand coverage, improve service quality, and enhance institutional capacity. One of the key success factors of this transformation is the increase in active participants within the program .

However, the relatively low growth of active participants indicates challenges in attracting and retaining participants. This condition suggests that BPJS Ketenagakerjaan needs to improve its marketing strategy to influence consumer interest more effectively .

The concept of the marketing mix has evolved from the traditional 4Ps (product, price, place, promotion) into the extended 7Ps, which include people, process, and physical evidence (Kotler & Keller, 2013). These additional elements are particularly important in service industries, where customer experience and service delivery play a crucial role.

People refer to employees who deliver services and directly interact with customers. Their competence and attitude significantly influence customer perceptions and satisfaction (Kotler & Keller, 2013). Process refers to the procedures and mechanisms used to deliver services efficiently, while poor process design can lead to ineffective service delivery and customer dissatisfaction (Lovelock et al., 2010).

Physical evidence represents tangible aspects such as facilities, equipment, and environment that help customers evaluate service quality (Lovelock et al., 2010; Kotler & Keller, 2013). These elements contribute to shaping customer perceptions and influence their intention to participate.

Consumer interest reflects the stage where individuals form preferences and intentions to engage with a service (Kotler & Keller, 2013). This interest is influenced by psychological, social, and personal factors that drive decision-making behavior.

Furthermore, customer interest is closely related to organizational performance. Higher customer engagement and satisfaction contribute to improved performance outcomes, including productivity, profitability, and service effectiveness (Assauri, 2012; Keown et al., 2011).

### **1.2. Conceptual Framework**

The relationship between variables in this study is grounded in marketing and behavioral theories.

The “people” variable is expected to influence consumer interest through employee competence and service quality, which affect customer perception and motivation (Kotler & Keller, 2013).

The “process” variable is expected to influence consumer interest through service efficiency and effectiveness. A well-designed process enhances customer experience and increases the likelihood of participation (Lovelock et al., 2010).

The “physical evidence” variable is expected to influence consumer interest through tangible service attributes that reinforce perceived service quality (Kotler & Keller, 2013).

Consumer interest, in turn, is expected to influence organizational performance, as higher

engagement leads to increased participation, customer satisfaction, and overall performance outcomes (Assauri, 2012).

Additionally, people, process, and physical evidence are also hypothesized to have direct effects on organizational performance, as these factors directly shape service delivery and customer experience.

### **1.3. Hypotheses**

Based on the conceptual framework, the hypotheses of this study are formulated as follows:

People have a significant effect on consumer interest.

Process has a significant effect on consumer interest.

Physical evidence has a significant effect on consumer interest.

Consumer interest has a significant effect on organizational performance.

People have a direct effect on organizational performance.

Process has a direct effect on organizational performance.

Physical evidence has a direct effect on organizational performance.

## **2. Literature Review**

### **2.1. People**

People refer to individuals who play a role in delivering services and directly interact with customers.

Service companies recognize that employee attitudes and competencies significantly influence customer loyalty and satisfaction (Kotler & Keller, 2013). Employees are expected to transform intangible services into tangible benefits perceived by customers (Kotler, 2013).

Interactive marketing emphasizes the ability of employees to serve customers effectively, as customers evaluate services not only based on technical quality but also functional quality (Kotler, 2013). In addition, people include all actors involved in service delivery, including employees and other customers, who collectively shape purchasing decisions (Nirwana, 2009; Ratih, 2005).

The role of people also extends to influencing customer perceptions during the service process, as employee behavior and expertise differentiate one service provider from another (Socipto, 2011; Lovelock et al., 2010).

### **2.2. Process**

Process refers to the procedures, mechanisms, and flow of activities through which services are delivered.

Service companies can maintain service quality by investing in employee training, standardizing service processes, and monitoring customer satisfaction (Kotler & Keller, 2013). A well-structured process ensures efficiency and consistency in service delivery.

Process is defined as the actual procedures and operational systems that enable service delivery (Zeithaml, 2012). Effective production systems transform inputs into valuable outputs and must remain flexible to meet customer needs (Buffa & Sarin, 2012).

Management plays a crucial role in directing human resources and ensuring that processes are implemented effectively, combining both technical and interpersonal skills (Fahmi, 2012). Moreover, organizational systems often integrate manual and technological processes to manage information flow efficiently (McLeod & Schell, 2011).

Poorly designed processes can result in slow, bureaucratic, and ineffective service delivery, ultimately leading to customer dissatisfaction (Lovelock et al., 2010).

### **2.3. Physical Evidence**

Physical evidence refers to tangible elements that support service delivery and influence

customer perceptions.

Service companies use physical evidence such as facilities, equipment, and visual presentation to demonstrate service quality (Kotler & Keller, 2013). These tangible cues help customers evaluate intangible services.

Supporting facilities play an important role in enhancing customer experience, as service delivery often depends on physical infrastructure (Nirwana, 2009). Elements such as building appearance, interior design, employee uniforms, and printed materials contribute to perceived service quality (Lovelock et al., 2010).

#### **2.4. Consumer Interest**

Consumer interest reflects the stage where customers develop preferences and intentions toward a product or service.

Customer expectations are shaped by past experiences, word-of-mouth communication, and promotional activities, which influence perceived service quality (Kotler & Keller, 2013). Motivated individuals are more likely to take action and engage in purchasing decisions (Kotler & Keller, 2013).

During the evaluation stage, consumers compare alternatives and form preferences, ultimately leading to purchase intentions (Kotler & Keller, 2013). Consumer behavior involves interactions between cognition, emotion, and environmental factors (Peter & Olson, 2010).

Purchasing decisions are also influenced by how individuals allocate their resources, including time, money, and effort (Schiffman & Kanuk, 2010). These decisions are shaped by various internal and external factors.

#### **2.5. Factors Influencing Purchase Decisions**

Consumer purchasing decisions are influenced by cultural, social, personal, and psychological factors.

Cultural factors include values, norms, and social class, which shape consumer behavior and preferences (Kotler, 2013). Social factors involve reference groups, family influence, and individual roles within society.

Personal factors include age, occupation, lifestyle, and personality, all of which affect purchasing behavior. Lifestyle reflects how individuals express themselves through activities, interests, and opinions.

Psychological factors such as motivation, perception, learning, beliefs, and attitudes also play a significant role in decision-making (Kotler, 2013). Additionally, advertising and interpersonal influence can affect consumer decisions by shaping perceptions and trust (Rahayu, 2005).

#### **2.6. Purchase Decision Process**

The purchase decision process consists of several stages that guide consumer behavior.

Consumers begin by recognizing a problem or need, followed by searching for information from various sources such as personal networks, commercial sources, and past experiences (Kotler, 2013).

Consumers then evaluate alternatives based on product attributes and expected benefits before making a purchase decision. After purchasing, consumers experience satisfaction or dissatisfaction, which influences future behavior and loyalty (Kotler, 2013).

#### **2.7. Performance**

Performance refers to the outcomes achieved by individuals or organizations in completing tasks and achieving objectives.

Performance is defined as the results of actions and the execution of tasks, reflecting both quality and quantity of output (Rivai et al., 2011). Organizational performance is closely linked

to customer satisfaction, as satisfied customers contribute to profitability and market share (Assauri, 2012).

Companies regularly evaluate service performance by collecting customer feedback to identify strengths and weaknesses (Kotler & Keller, 2013). Customer satisfaction and dissatisfaction significantly influence future purchasing behavior and loyalty (Kotler & Keller, 2013).

From a financial perspective, company performance is also measured by its ability to maximize shareholder value through increased firm value and profitability (Keown et al., 2011).

### **3. Research Methodology**

#### **3.1. Research Object**

The object of this study consists of variables derived from the conceptual framework, namely people, process, physical evidence, consumer interest, and organizational performance.

The “people” variable refers to human resources involved in service delivery, particularly employees of BPJS Ketenagakerjaan who possess competence and professional attitudes in providing quality services. The “process” variable represents procedures, mechanisms, and service delivery systems used to serve customers.

Physical evidence refers to tangible aspects such as facilities, infrastructure, and service environment that influence customer perceptions. Consumer interest reflects the intention of customers to engage with the service, while organizational performance refers to the achievement of program objectives, particularly in increasing participation and satisfaction levels.

#### **3.2. Research Location and Time**

This study was conducted at one of the branch offices of BPJS Ketenagakerjaan in the Jakarta area.

Data collection was carried out over a one-week period in September 2014, focusing on respondents who interacted directly with BPJS services.

#### **3.3. Operationalization of Variables**

This study employs five main variables consisting of independent, mediating, and dependent variables.

The “people” variable (X<sub>1</sub>) is measured through competence and attitude, including communication skills, service speed, friendliness, and professional appearance (Kotler & Keller, 2013).

The “process” variable (X<sub>2</sub>) is measured through procedural efficiency and technological support, including registration processes, complaint handling, and information accuracy (Lovelock et al., 2010; McLeod & Schell, 2011).

The “physical evidence” variable (X<sub>3</sub>) is measured through building conditions and supporting facilities, such as comfort, cleanliness, and service infrastructure (Kotler & Keller, 2013).

Consumer interest (Y) is measured through perception, reference, and motivation, reflecting how customers evaluate services and develop intentions to participate (Kotler & Keller, 2013).

Organizational performance (Z) is measured through indicators such as increased participation, customer satisfaction, and customer loyalty (Assauri, 2012; Keown et al., 2011).

#### **3.4. Sampling Method**

The study uses a survey approach by distributing questionnaires to respondents who have interacted with BPJS Ketenagakerjaan services.

A total of 100 respondents were selected, which meets the recommended sample size criteria for multivariate analysis, where the number of observations should exceed ten times the

number of variables (Roscoe, as cited in Sugiyono, 2012).

### ***3.5. Population and Sample***

The population consists of individuals who are registered as BPJS Ketenagakerjaan participants.

The sample represents a subset of this population selected to provide meaningful insights into consumer behavior and service evaluation. A random sampling technique is applied to ensure that each member of the population has an equal probability of being selected (Sugiyono, 2002).

### ***3.6. Data Collection Methods***

Data collection in this study is conducted using both primary and secondary data sources.

Primary data are obtained through questionnaires distributed to respondents using a Likert scale, allowing measurement of attitudes and perceptions. Secondary data are collected through literature review, including books, journals, and relevant academic sources (Supranto, 1996).

### ***3.7. Data Analysis Techniques***

This study employs both descriptive and quantitative analysis.

Descriptive analysis is used to summarize respondent characteristics and variable distributions. Quantitative analysis is conducted to test hypotheses and examine relationships between variables using statistical methods (Sugiyono, 2006).

### ***3.8. Validity and Reliability Testing***

Validity testing is conducted to ensure that the questionnaire measures what it is intended to measure, using product-moment correlation.

Reliability testing is performed using Cronbach's Alpha to assess the consistency of the measurement instrument. A coefficient value greater than 0.70 indicates that the instrument is reliable (Djaali & Muljono, 2004).

### ***3.9. Classical Assumption Tests***

Before hypothesis testing, classical assumption tests are conducted to ensure the suitability of the regression model.

Normality testing is used to determine whether data follow a normal distribution. Heteroscedasticity testing is conducted to examine the variance consistency of residuals, where a good model should exhibit homoscedasticity (Ghozali, 2006).

### ***3.10. Path Analysis***

This study uses path analysis to examine both direct and indirect relationships among variables.

Path analysis is applied to analyze causal relationships between exogenous variables (people, process, physical evidence) and endogenous variables (consumer interest and performance). This method allows for a comprehensive understanding of both direct and mediated effects within the model.

### ***3.11. Regression and Correlation Analysis***

Regression analysis is used to examine the influence of independent variables on dependent variables.

Correlation analysis is conducted to measure the strength and direction of relationships

between variables. Correlation coefficients range from -1 to +1, indicating negative, no, or positive relationships.

## **4. Results And Discussion**

### **4.1. Respondent Profile**

The respondents in this study consisted of 100 participants of BPJS Ketenagakerjaan who submitted Old Age Security (JHT) claims. This number represents approximately 70% of the average weekly claim applicants, which totals 143 individuals. Data collection was conducted in the service waiting room of the BPJS Ketenagakerjaan Setiabudi Branch Office .

Based on gender, the majority of respondents were male (67%), while female respondents accounted for 33%. In terms of age, most respondents were between 27–40 years old (66%), followed by respondents aged 17–26 years (17%) and above 40 years (17%).

Regarding educational background, most respondents had a high school education (47%), followed by undergraduate degree holders (32%), diploma (11%), junior high school (8%), and postgraduate degree (2%). In terms of occupation, the majority worked in the private sector (53%), followed by other occupations (44%), entrepreneurs (2%), and TNI/POLRI (1%).

### **4.2. Descriptive Analysis**

Descriptive analysis was conducted to examine the distribution of respondents' answers across all variables.

The “people” variable (X1) showed that most respondents agreed and strongly agreed with the statements, reaching 95.25%. This indicates that employees were perceived as competent, particularly in delivering clear information. However, a small proportion of respondents expressed dissatisfaction with the implementation of one-day service.

The “process” variable (X2) also showed positive perceptions, with 90% of respondents indicating agreement or strong agreement. Despite this, some respondents noted discrepancies between reported wages and JHT balance information.

The “physical evidence” variable (X3) was perceived positively by 93% of respondents, reflecting satisfactory facilities and service environment.

Consumer interest (Y) was also rated positively, with 92.5% agreement, although a small portion of respondents perceived that benefits were not fully aligned with their contributions.

Organizational performance (Z) received the highest positive perception at 96%, indicating strong satisfaction with service outcomes.

### **4.3. Validity and Reliability Testing**

Validity testing was conducted using corrected item-total correlation.

All questionnaire items across variables showed correlation values greater than the critical value ( $r > 0.3061$ ), indicating that all items were valid.

Reliability testing using Cronbach's Alpha showed values above 0.70 for all variables, including people (0.831), process (0.711), physical evidence (0.731), consumer interest (0.772), and performance (0.846). These results indicate that all measurement instruments are reliable.

### **4.4. Classical Assumption Testing**

Normality testing was conducted using the Kolmogorov-Smirnov method.

The results showed that all variables had K-S values greater than the significance level ( $\alpha = 0.05$ ), indicating that the data were normally distributed.

Heteroscedasticity testing using scatterplots indicated that residuals were randomly distributed without forming a specific pattern, suggesting that the regression model met the homoscedasticity assumption.

#### **4.5. Path Analysis and Regression Results**

The structural model consists of two substructures. The first examines the effect of people, process, and physical evidence on consumer interest.

Simultaneous testing using the F-test showed that the model is significant, with  $F = 23.958$  and significance value of 0.000. Since the significance value is less than 0.05, it can be concluded that people, process, and physical evidence simultaneously influence consumer interest.

The coefficient of determination ( $R^2$ ) is 0.428, indicating that 42.8% of the variation in consumer interest is explained by people, process, and physical evidence, while the remaining 57.2% is influenced by other factors outside the model.

#### **4.6. Partial Effects Analysis**

Partial testing was conducted using the t-test to examine the effect of each independent variable.

The “people” variable does not have a significant effect on consumer interest, as indicated by a significance value of 0.666 and t-value of 0.433, which is lower than the critical value. The standardized coefficient ( $\beta = 0.050$ ) indicates a weak influence.

The “process” variable has a positive and significant effect on consumer interest, with a significance value of 0.003 and t-value of 3.028. The standardized coefficient ( $\beta = 0.306$ ) indicates a moderate influence.

The “physical evidence” variable also has a positive and significant effect on consumer interest, with a significance value of 0.000 and t-value of 4.062. The standardized coefficient ( $\beta = 0.410$ ) indicates the strongest influence among the independent variables.

The findings indicate that process and physical evidence play a significant role in influencing consumer interest, while people do not show a significant effect.

This suggests that in the context of BPJS Ketenagakerjaan, customers prioritize efficient procedures and tangible service quality over interpersonal aspects. The strong influence of physical evidence highlights the importance of facilities and environment in shaping customer perceptions.

The relatively weak influence of the people variable may indicate that employee performance is already perceived as adequate, resulting in a lower variability of responses.

Overall, the results support the theoretical framework that service quality dimensions, particularly process and physical evidence, are critical determinants of consumer interest in public service institutions.

#### **4.7. Correlation Analysis**

Correlation analysis was conducted to examine the strength and direction of relationships among the independent variables.

The results show that the correlation between people and process is 0.641, indicating a strong and positive relationship. This implies that improvements in employee quality are associated with better service processes. Similarly, the correlation between people and physical evidence is 0.639, which also indicates a strong and positive relationship. This suggests that better human resource performance tends to be accompanied by improved physical facilities.

Meanwhile, the correlation between process and physical evidence is 0.470, which indicates a moderate to strong positive relationship. This result implies that efficient service processes are often supported by adequate physical facilities.

All correlation values are statistically significant at the 0.01 level, indicating that the relationships among variables are not due to random chance. These findings confirm that the independent variables are interrelated and collectively contribute to shaping service quality.

#### **4.8. Substructure 1: The Effect of People, Process, and Physical Evidence on Consumer Interest**

The first structural model examines the effect of people (X<sub>1</sub>), process (X<sub>2</sub>), and physical evidence (X<sub>3</sub>) on consumer interest (Y).

The regression results show that the model is statistically significant, with an F-value of 23.958 and a significance level of 0.000. This indicates that all independent variables simultaneously have a significant effect on consumer interest.

The coefficient of determination (R<sup>2</sup>) is 0.428, meaning that 42.8% of the variation in consumer interest can be explained by people, process, and physical evidence, while the remaining 57.2% is influenced by other factors outside the model.

In terms of partial effects, the people variable does not have a significant influence on consumer interest, with a beta coefficient of 0.050 and a significance value of 0.666. This indicates that employee-related factors are not the main determinant of customer interest in this context.

In contrast, the process variable shows a positive and significant effect on consumer interest, with a beta coefficient of 0.306 and a significance value of 0.003. This suggests that efficient and well-structured service procedures play an important role in attracting customer interest.

The physical evidence variable has the strongest influence on consumer interest, with a beta coefficient of 0.410 and a significance value of 0.000. This indicates that tangible aspects such as facilities and service environment are key determinants in shaping customer perceptions and intentions.

The structural equation for this model can be expressed as:

$$Y = 0.050X_1 + 0.306X_2 + 0.410X_3 + \varepsilon_1$$

#### **4.9. Substructure 2: The Effect of People, Process, Physical Evidence, and Consumer Interest on Performance**

The second structural model examines the effect of people (X<sub>1</sub>), process (X<sub>2</sub>), physical evidence (X<sub>3</sub>), and consumer interest (Y) on performance (Z).

The simultaneous test shows that the model is statistically significant, with an F-value of 13.686 and a significance value of 0.000. This indicates that all variables jointly influence organizational performance.

The coefficient of determination (R<sup>2</sup>) is 0.366, meaning that 36.6% of the variation in performance can be explained by the model, while 63.4% is influenced by other variables not included in the study.

Partial testing reveals that the people variable has a positive and significant effect on performance, with a beta coefficient of 0.387 and a significance value of 0.002. This indicates that employee quality directly contributes to improved organizational performance.

On the other hand, the process variable does not have a significant effect on performance, as indicated by a beta coefficient of -0.019 and a significance value of 0.864. Similarly, physical evidence also does not significantly influence performance, with a beta coefficient of 0.091 and a significance value of 0.433.

Consumer interest shows a positive and significant effect on performance, with a beta coefficient of 0.240 and a significance value of 0.029. This suggests that higher customer interest leads to better organizational outcomes.

The structural equation for this model can be expressed as:

$$Z = 0.387X_1 - 0.019X_2 + 0.091X_3 + 0.240Y + \varepsilon_2$$

#### **4.10. Direct and Indirect Effects**

The analysis of direct and indirect effects provides a deeper understanding of the relationships among variables.

Direct effect analysis shows that process (30.6%) and physical evidence (41.0%) significantly influence consumer interest, while people (5.0%) does not have a meaningful impact.

In terms of performance, people have the strongest direct effect (38.7%), followed by

consumer interest (24.0%), while process and physical evidence do not have significant direct effects.

Indirect effect analysis reveals that process and physical evidence influence performance through consumer interest. The indirect effect of process on performance is 7.34%, while physical evidence contributes 9.84%. Meanwhile, the indirect effect of people on performance through consumer interest is relatively small at 1.20%.

These findings indicate that consumer interest acts as a mediating variable, particularly in transmitting the influence of process and physical evidence on performance.

The results of this study highlight the importance of service quality dimensions in influencing consumer behavior and organizational performance.

The significant effect of process on consumer interest suggests that customers prioritize efficiency, clarity, and accessibility of services. This aligns with service marketing theory, which emphasizes the importance of process in delivering consistent and satisfactory service experiences.

The strong influence of physical evidence indicates that tangible aspects play a crucial role in shaping customer perceptions, especially in public service institutions where trust and credibility are essential.

Interestingly, the people variable does not significantly influence consumer interest but has a strong impact on performance. This suggests that while employee performance may not directly attract customers, it plays a critical role in maintaining service outcomes and organizational effectiveness.

The role of consumer interest as a mediating variable confirms that customer perception and intention are key drivers of performance. Organizations that successfully enhance customer interest are more likely to achieve better service outcomes.

Overall, these findings suggest that improving service processes and physical facilities is essential to increase customer interest, while strengthening human resource quality is crucial for enhancing organizational performance.

The findings of this study highlight the importance of service quality dimensions in influencing consumer behavior and organizational performance.

The significant effect of process on consumer interest suggests that customers prioritize efficiency, clarity, and accessibility of services. This finding is consistent with service marketing theory, which emphasizes that well-designed service processes enhance customer satisfaction and perceived value (Loveloek et al., 2010). In the context of BPJS Ketenagakerjaan, this implies that simplifying procedures, reducing waiting time, and ensuring transparency in service delivery are critical factors in attracting and maintaining participant interest.

The strong influence of physical evidence indicates that tangible aspects such as facilities, infrastructure, and service environment play a crucial role in shaping customer perceptions. This result supports the argument that in service industries, especially public services, customers rely heavily on physical cues to evaluate service quality (Kotler & Keller, 2013). A comfortable waiting area, clean facilities, and organized service systems contribute to building trust and enhancing user experience.

Interestingly, the people variable does not significantly influence consumer interest but has a strong and significant effect on organizational performance. This suggests that while employee competence and behavior may not directly drive initial customer interest, they are essential in ensuring service effectiveness and operational outcomes. This finding can be interpreted as an indication that customers may perceive employee performance as a basic expectation (hygiene factor), rather than a differentiating factor in forming interest.

The role of consumer interest as a mediating variable confirms that customer perception and intention are key drivers of organizational performance. Higher levels of interest lead to increased participation, engagement, and ultimately better performance outcomes. This aligns with behavioral theories which state that intention is a strong predictor of actual behavior (Kotler & Keller, 2013).

Furthermore, the indirect effect analysis reveals that process and physical evidence

influence performance through consumer interest. This indicates that improvements in operational systems and physical facilities do not directly enhance performance unless they first influence customer perception and interest. Therefore, organizations need to focus not only on improving internal systems but also on how these improvements are perceived by customers.

Another important finding is the relatively low explanatory power of the model, where 42.8% of consumer interest and 36.6% of performance are explained by the variables included in this study. This suggests that there are other factors influencing consumer interest and performance, such as trust, service innovation, digital accessibility, and external socio-economic conditions. Future research is recommended to incorporate these variables to provide a more comprehensive understanding of service performance.

From a managerial perspective, these findings provide important implications. Organizations should prioritize process improvement and enhancement of physical facilities to increase customer interest. At the same time, investment in human resources remains crucial, as employee performance directly impacts organizational outcomes. A balanced approach between operational efficiency, service environment, and human resource development is necessary to achieve optimal performance.

In addition, the findings suggest that public service institutions like BPJS Ketenagakerjaan should adopt a customer-oriented strategy by continuously evaluating customer feedback and adapting their services accordingly. The integration of digital services, automation, and user-friendly systems can further enhance process efficiency and customer satisfaction.

Overall, this study confirms that service quality dimensions do not operate independently but interact with each other in influencing consumer behavior and organizational performance. The mediating role of consumer interest highlights the importance of understanding customer perceptions as a central element in service management strategies.

## **5. Conclusion And Recommendations**

### **5.1. Conclusion**

This study aims to examine the effect of people, process, and physical evidence on consumer interest and organizational performance at BPJS Ketenagakerjaan.

The descriptive findings indicate that all variables were generally perceived positively by respondents. The “people” variable was rated positively by 95.25% of respondents, indicating that employees are considered competent and capable in delivering services. Similarly, the “process” variable was positively perceived by 90% of respondents, reflecting satisfactory service procedures. The “physical evidence” variable was rated positively by 93% of respondents, indicating that facilities and service environments are generally adequate.

Consumer interest was also perceived positively, with 92.5% of respondents expressing agreement, while organizational performance received the highest positive perception at 96%. These findings suggest that BPJS Ketenagakerjaan has generally succeeded in delivering satisfactory services to its participants.

The results of hypothesis testing show that process and physical evidence have a positive and significant effect on consumer interest, with contributions of 30.6% and 41.0%, respectively. In contrast, the people variable does not have a significant effect on consumer interest.

In terms of organizational performance, the people variable has a positive and significant direct effect, with a contribution of 38.7%. Consumer interest also significantly influences performance, contributing 24.0%. However, process and physical evidence do not have a significant direct effect on performance.

Furthermore, indirect effect analysis reveals that process and physical evidence influence performance through consumer interest, with contributions of 7.34% and 9.84%, respectively. Meanwhile, the indirect effect of people on performance through consumer interest is relatively small, at 1.20%.

Overall, these findings indicate that consumer interest plays an important mediating role in

linking service quality dimensions to organizational performance. While process and physical evidence are critical in shaping consumer interest, human resources play a more direct role in determining organizational outcomes.

## **5.2. Recommendations**

Based on the findings of this study, several recommendations can be proposed to improve service quality and organizational performance at BPJS Ketenagakerjaan.

First, although organizational performance has been perceived positively, the sustainability of participant contributions needs to be improved. BPJS Ketenagakerjaan should focus on increasing participant retention and encouraging continuous contribution payments.

Second, employee capability should be continuously enhanced, particularly in delivering faster and more efficient services, such as implementing and optimizing the one-day service system.

Third, service processes should be further improved, especially in simplifying registration procedures and enhancing responsiveness to customer complaints through call center services. Efficient and transparent processes are essential to maintain customer trust and interest.

Fourth, improvements should be made in the reporting system of Old Age Security balances to ensure accuracy and alignment with participants' actual wages. Transparency in financial information is crucial in building credibility and trust.

Fifth, physical facilities should be continuously maintained and improved, including cleanliness, comfort, and accessibility. Special attention should be given to facilities such as nursing rooms to ensure inclusivity and convenience for all participants.

Finally, BPJS Ketenagakerjaan should intensify socialization and public education programs to increase public awareness and understanding of social security programs. Effective communication strategies will help attract new participants and strengthen engagement with existing ones.

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