The effect of service quality and brand trust on loyalty and the intervening role of customer satisfaction in transportation service

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Abstract- This study aims to analyze the effect of service quality and brand trust on loyalty and the intervening role of customer satisfaction in transportation services like Go-Ride of Go-Jek in Palembang city. Questionnaires were distributed to target respondents. Using a purposive sampling technique, a total of 100 respondents were obtained. Analysis was performed using Structural Equation Modeling (SEM). The result proved that service quality and brand trust had a significant effect on loyalty through customer satisfaction. It is suggested that the Go-Ride of Go-Jek management conduct a survey to determine the needs of the desired customer and provide promotions related to the desired needs. Further research on pricing policy and word of mouth may be necessary.

References- brand trust, customer satisfaction, loyalty, service quality

I. INTRODUCTION

The advancement of information technology has resulted in major shocks in all business worlds. One of these shocks to businesses that use online applications. There is no one of business not touched by advances in information technology. The presence of application technology in smartphones based on andriod, windows or ios operating systems has brought significant changes in all areas, including transportation.

Smartphone application technology able to answer the needs of the community will make it easy access mode of transportation in major cities, especially the city of Palembang. By using mobile phone customers can directly choose what mode of transportation will be present in front of the customer's home. Online application technology makes it easy for consumers to save time. Customers no longer need to walk to find the modes of transportation used, simply by using online application the consumer can already be picked up by the drivers in place. Complete with driver self data, vehicle type, phone number and travel rate. Customers can also see the journey to be skipped through GPS (Global Positioning System).

According to a survey conducted by YLKI (Indonesian Consumer Foundation) on the site http://ylki.or.id/2017/07/warta-konsumen-transportasi-online-kawan-atau-lawan/, to respond the growing dynamic of online transportation exist in some big cities in Indonesia involving 4,668 respondents. It can be concluded that survey respondents are dominated by working age or in other words that the presence of online transport is widely utilized by those who are productive.

In addition, the selection of modes of transportation of cars and motorcycles is still a consumer choice in using transportation. The number of 4,668 customer respondents, 55 percent used online transportation of cars and motorcycles; while by using motorcycles as much as 21 percent and by using car as much as 24 percent. While the reason customers choose or use online transportation, generally can be seen in the table below.

| Table 1. The Customers Reasons Use Online Transportation |
|-------------|-------------|-------------|----------------|
| Secure   | Cheap       | Fast        | Comfortable  |
| 61,4%    | 84,1%       | 81,9%       | 78,8%        |

From the table above can be seen that the reason customers use online transport for 84.1%. This indicates that the price factor becomes the consideration of most customers. Customers assume that online transportation is cheaper than conventional transportation.

According to a survey conducted that the frequency of its use, most customers use online transportation as is much as 2-3 times a week that is equal to 31.6 percent. Customers' opinion and frequency of use are in line with customer opinions that assess the level of online transportation services very good (77.7 percent) and only 0.4 percent who said less good. More as shown in table 2.
Table 2. Customer Perceptions of Online Transport Services

<table>
<thead>
<tr>
<th>Very good</th>
<th>Enough</th>
<th>Less good</th>
<th>Very bad</th>
</tr>
</thead>
<tbody>
<tr>
<td>77.7%</td>
<td>21.8%</td>
<td>0.4%</td>
<td>0.1%</td>
</tr>
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</table>

From the results of the survey dominant customer opinion that assessed the positive service of online transportation, does not seem to automatically remove customer disappointment, as many as 41 percent of customers claimed to have been disappointed.

The elaborated, the form of disappointment or customer complaints against the online transportation services is divided into two types; related to technology applications and human resources (drivers). From this two types of disappointment the shape is very diverse. Based on the results of this survey indicates that the absence of minimum service standards provided by the transport operator concerned. The potential impact of customer loss is enormous. The number of customer complaints against online transport operators, indicating that; Firstly, online transport operators do not yet have a measurable minimum service standard. This resulted between the driver with each other in one operator is not the same in providing services to customers.

Second, the online transport operator does not have a complaint handling mechanism. As mandated by Law No. 8 of 1999 on Customer Protection, the customer has the right to be heard of complaints over the use of goods / services (article 4).

The operators' competition in the online transport is also evident from the YLKI survey which says Go-Jek occupies the highest rated customer rating, 72.6 percent; then Grab as much as 66, 9 percent; Uber is used by 51 percent and BlueBird as much as 4.4 percent. This result is not surprising given the three operators who master the application of online transport.

According to Zeithmal and Bitner (2000: 75) satisfaction are: Response or response of consumers regarding the fulfillment of needs. Satisfaction is an assessment of the characteristics or features of the product or service, or the product itself, which provides the level of customer pleasure associated with the fulfillment of customer consumption needs.

In a competitive environment, an indicator that can indicate customer satisfaction is whether the customer will buy back and use the product in the future. Customers will be loyal to a brand if they get satisfaction from the brand. Therefore, if customers try several brands that are then evaluated whether the brand has exceeded their satisfaction criteria or not. If after a try and then a good response then it means that the customer is satisfied so he will decide to buy back the brand consistently all the time. This means that customers have created loyalty to the brand.

Zohaib (2014) in his research entitled "Effect of brand trust and customer satisfaction on brand loyalty in Bahawalpur" shows that brand trust variables are the most important factor of brand loyalty. These results indicate that the customer is already fulfilled in return for brand trust. In this study illustrates the positive and significant relationship between brand trust variables to loyalty. Other research conducted by Bakti and Sumaedi (2017) in his research entitled P-TRANSQUAL: a service quality of public land transport services, in the quality of service proved to have good validity and stability to measure the quality of paratransit services in Indonesia.

However, in a study conducted by Berlianto (2016) in his research entitled the influence of e-service quality, e-satisfaction and e-trust on e-loyalty, Go-jek found that ease of use, e-scape, responsiveness, customization and assurance which is the fifth quality of electronic services used in this research has no positive effect on e-satisfaction, e-satisfaction has effect on e-trust, e-trust has no effect on behavioral loyalty, affective loyalty, cognitive loyalty and conative loyalty.

Similarly, research conducted by Kiswara (2017) in his research entitled analysis of service quality, customer satisfaction, trust, commitment and customer loyalty in e-commerce services (study on traveloka customer service) shows that brand trust does not affect loyalty. High brand loyalty can increase sales and attract new customers, because they have confidence that buying branded products can minimize the risk at least.

The existence of loyal customers on the brand is necessary for companies to survive. Keeping brand loyalty a strategic effort is more effective than attracting new customers. According Rangkuti (2002) brand loyalty is a measure of customer loyalty to a brand. The importance of brand loyalty is that customers do not move to other products and always make purchases on the brand.

Based on the above, this research is conducted with the aim to analyze the quality of service and brand trust on loyalty through customer satisfaction. Quality of service and brand trust on an online transportation service is important to be analyzed, because based on the research stated that the quality of service and brand trust affect the loyalty and satisfaction of the consignment.
II. LITERATURE REVIEW

Service Quality
Service quality is an abstract and elusive construct because of three features for service: intangibility, heterogeneity, and the inability of production and consumption (Parasuraman et al., 1985, 1988). Meanwhile, according to Zeithaml (1988) service quality is the assessment of the customer to the superiority or overall service excellence. Therefore, the quality of land transport services is an overall passenger evaluation on the performance of public transport. The higher the public transport service performance, the more positive the perception of passengers on the quality of service from public transport services and vice versa.

Brand Trust
According to Chi, Yeh, and Chiou (2009, p231) say that Brand trust means customers who believe that a specific brand will offer a highly reliable product, such as complete functionality, quality assurance, and after sales service to them.

Customer Satisfaction
The definition of customer satisfaction by Kotler (2014: 150) is the feeling of pleasure or disappointment that comes after comparing the performance of the thought product to the expected performance (or outcome). From the definition if the services provided are not in accordance with the expectations of customers Go-Ride and if expectations are set too low, then consumers will feel dissatisfied and disappointed, if the performance in accordance with expectations then customers will feel satisfied, which is given beyond expectations, then the customer will feel happy and very satisfied. According to Giese and Cote in Literature and Customer View Satisfaction contains significant differences in the definition of satisfaction, all definitions share some common elements. When examined as a whole, three common components can be identified: 1) customer satisfaction is response (emotional or cognitive); 2) the response is related to a particular focus (hope, product, consumption experience); and 3) response occurs at a given time (after consumption, after selection, based on accumulated experience). Customer responses follow a common pattern similar to literature. Satisfaction consists of three basic components, a response related to a particular focus that is determined at a given time.

Customer Loyalty
The opinion of Oliver in Chauduri and Holbrook (2012: 27) defines customer loyalty as a strong commitment to repurchase a product or service consistently in the future. According to Griffin (2010: 291) There are five factors that cause customers loyal to products / services used are: 1) Brand value; 2) customer perceptions that compare between the cost or the price to be borne and the benefits it receives; 3) service quality; 4) customer satisfaction; 5) trust. The same is expressed by Darsono Weellyan (2007) that satisfaction has a positive association with the competitive competition between trust in a category of product or service.

Relationship Quality of Service and Customer Loyalty
Wijayanti (2007) states that customer satisfaction can increase the buying intensity of the customer. The creation of an optimal level of customer satisfaction then encourages the creation of loyalty in the minds of customers who feel satisfied. Customer loyalty is seen as the strength of the relationship between the relative attitude of a person and a repeat business. Hallowell (1996) states that satisfaction has a positive influence on customer loyalty. The same is expressed by Darsono Weellyan (2007) that satisfaction has a positive association with loyalty, but with a note of increased satisfaction does not always result in increased loyalty in the same degree.

Brand Trust Relationship and Customer Loyalty
Morgan and Hunt (1994) say that trust and commitment are key in building loyalty. According to Aaker (Maylina, 2003), customer loyalty will arise when there is trust from customers to the product brand so that there is communication and interaction among customers is by talking about the product. The relationship between variables with customer loyalty is, the higher the customer's confidence in a product, the higher the level of customer loyalty to a brand. The commitment of customers to the product is a trust in using a product that includes recommendations and beliefs. Thus the higher the level of consumer loyalty to a brand. Customer commitment to the product is a belief in using a product that recommendations and trust. Indirectly companies can utilize contact relationships, specialization, and scale economic operations of employees with customers to increase customer commitment to the product brand (Aaker in Maylina, 2003).
H2 = Brand Trust has a positive effect on Customer Loyalty

Relationship of Service Quality and Customer Satisfaction
Customer satisfaction is a stand-alone construct and influenced by the quality of service, as well as customer loyalty influenced by the quality of service (Oliver, 1980 in Aryani and Rosinta, 2010). Aryani and Rosinta (2010) states there is a strong and positive influence between the variable quality of service to customer satisfaction. Service quality can also influence customer loyalty directly (Zeithaml et al, 1996; Japrianto et al, 2007) and indirectly affect customer loyalty through customer satisfaction (Samuel and Wijaya, 2009). The same opinion was expressed by Hallowell (1996) that satisfaction has the potential to build loyalty. Customer satisfaction is key in creating customer loyalty. Akbar and Parvez (2009) stated that the factors that form customer loyalty are the quality of service, trust and customer satisfaction. A similar opinion is also put forward by Hallowell (1996) which suggests that customer satisfaction is a prerequisite of customer loyalty. Loyal customers have a lower tendency to switch brands, less price sensitive, buy more frequently and / or more, become strong word of mouth, create business referrals.
H3 = Service Quality positively affects Customer Satisfaction.

Relationship of Brand Trust and Customer Satisfaction
Asseal (1998), customer satisfaction arises when customer expectations are in accordance with the purchase decisions that have been made. Satisfaction can be felt after individuals buy and use products or services provided by a company (Ritonga: 2011). While the belief of a brand comes after customers buy and consume and feel satisfied with a product. Brand belief emerges from past experiences and consumer interactions with products (Garbarino and Johnson: 1999). Trust is a collection of knowledge and experience with the brand. If customers are satisfied with a product or service based on past experience, then customers will feel confident in the brand they buy. Based on research conducted by Singh and Sirdeshmukh (2009) on the theory of social change, satisfaction after consuming a product or service has a positive relationship directly to customer confidence in the brand of the product or service.
H4 = Brand Trust has a positive effect on Customer Satisfaction

Relationship of Customer Satisfaction and Customer Loyalty
Customer satisfaction is an encouragement of individual desire directed to the goal to obtain satisfaction. Customers will be loyal to a product or service offered when they get satisfaction from the product or service. This is in accordance with the proposed Dick and Basu, et al (1994) in Lupiyoadi (2006) that customer satisfaction is a factor affecting customer loyalty. The relationship between Customer Satisfaction with Customer Loyalty is, The higher the customer satisfaction, the higher the loyalty of the customer to remain loyal to use the product. Supported from previous research by Suryanti (2007), where satisfaction has a significant influence on customer loyalty.
H5 = Customer Satisfaction has a positive effect on Customer Loyalty

Relationship Quality of Service to Loyalty through Customer Satisfaction
According to academics, customer satisfaction is a stand-alone construct and is influenced by the quality of service (Rosinta et al, 2010). Service quality can also affect customer loyalty directly (Zeithaml et al, 1996) and indirectly affect customer loyalty through satisfaction (Caruana, 2002)
H6 = Service Quality positively affects Loyalty through Customer Satisfaction

Relation of Beliefs to Loyalty through Customer Satisfaction
Trust and commitment are the mediating variables in the long-term relationship between the company and the customer (Morgan and Hunt, 1994). Based on research conducted Tezinde et al (2001) that trust and satisfaction will affect the relationship with customers and loyalty.
H7 = Brand Trust has positive influence Loyalty through Customer Satisfaction

III. METHOD

The writer used a causal design to conduct this study. The population of this study was college students who have Go-Jek application. This research used purposive sampling technique. Purposive sampling is sample determination technique with certain consideration. The criteria in the sampling in this study were: 1) Students who are conducting studies in public and private universities, 2) Have a Go-Jek application and already have a user ID, 3) Have used Go-Ride services at least three times. The samples used in this study were 100 respondents.

The data types in this study were used: a) Quantitative data, comes from questionnaires given to customers who use Go-Jek services especially Go-Ride, b) Qualitative data, Qualitative data used in this study are: Go-Jek-
related data especially Go-Ride. The data sources in this study using primary data and secondary data. The primary data used in this study were obtained from questionnaires distributed through surveys. The questionnaire includes questions relating to service quality, brand trust, consumer satisfaction, and Go-Jek (Go-Ride) customer loyalty in Palembang City. Meanwhile, the secondary data used in this study is Go-Jek user data, the number of consumers who have used Go-Ride and Rating provided by the customer to the driver. Survey to field is a method in this research. The writer distributed the questionnaire is a list of questions asked to students of UNSRI Palembang campus and Tridinanti University of Palembang to obtain data relating to research, the reponden asked to fill out questionnaires according to the guidelines that have been provided. This questionnaire is intended to obtain data in testing the hypothesis. The data analyzed by using SEM (Structural Equation Modeling) program AMOS 16. Some of the steps done through AMOS program is to test SEM assumption (normality test, multicollinearity test, and outliers test). The data analysis is also done by using SPSS program.

IV. RESULT

Based on the Table 2 obtained Chi-square value of 141.007 with p-value 0.160. Because the p-value generated is greater than α = 5%), then the model is said to be fit. The GFI fit index, AGFI, TLI and CFI yielded values of only 0.979; 0.906; 0.971 and 0.916. Due to GFI, and TLI greater than 0.90, it indicates that the model is fit. The value of CMIN / DF obtained is 1.609, the value is <2.00 and indicates that the fit model and RMSEA value is 0.162. Because this value is smaller than 0.8 then the model is said fit. According to Haryono & Wardoyo (2012: 116), from several models feasibility test, the model is said to be feasible if at least one of the feasibility test methods of the model is fulfilled. While AMOS test results from the Full Model is already fit in Table 2 below:

Table 2. The test results from Amos Full Model Fit

<table>
<thead>
<tr>
<th>Regression Weights Results</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction ← Service quality</td>
<td>.236</td>
<td>.124</td>
<td>2.235</td>
<td>.021</td>
</tr>
<tr>
<td>Customer satisfaction ← Brand trust</td>
<td>.221</td>
<td>.121</td>
<td>2.651</td>
<td>.026</td>
</tr>
<tr>
<td>Customer loyalty ← Service quality</td>
<td>.224</td>
<td>.497</td>
<td>3.659</td>
<td>.006</td>
</tr>
<tr>
<td>Customer loyalty ← Customer satisfaction</td>
<td>.024</td>
<td>.469</td>
<td>.117</td>
<td>.735</td>
</tr>
<tr>
<td>Customer loyalty ← Customer loyalty</td>
<td>.270</td>
<td>.744</td>
<td>2.128</td>
<td>.033</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Standardized Regression Weights results</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction ← Service quality</td>
<td>.453</td>
</tr>
<tr>
<td>Customer satisfaction ← Brand Trust</td>
<td>.322</td>
</tr>
<tr>
<td>Customer loyalty ← Service quality</td>
<td>.114</td>
</tr>
<tr>
<td>Customer loyalty ← Brand trust</td>
<td>.015</td>
</tr>
<tr>
<td>Customer loyalty ← Customer satisfaction</td>
<td>.100</td>
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</table>

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<thead>
<tr>
<th>Corelation results</th>
<th>Estimate</th>
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<tbody>
<tr>
<td>Service quality ← Brand trust</td>
<td>.727</td>
</tr>
</tbody>
</table>
Based on the results from Table 2 it can be seen that for the first hypothesis obtained value of t-Value or C.R amounted to 3.659> 1.967 or P value 0.001 <0.05 then H1 accepted, so it can be concluded that Service Quality affects Customer Loyalty. The results of this study are in harmony with Hallowell (1996) which states that satisfaction has a positive influence on consumer loyalty.

Results of the second hypothesis test obtained t-Value or C.R 0.117 <1.967 or P value 0.735> 0.05 then H2 rejected, so it can be concluded that Brand Trust does not affect the Customer Loyalty. This study corroborates research Kiswara (2017) where the results of his research said that trust does not significantly affect customer loyalty.

The third hypothesis testing result obtained that t-Value or C.R 2.235> 1.967 or P value 0.021 <0.05 then H3 accepted, so it can be concluded that the Quality of Service influence on Customer Satisfaction. The results of this study are consistent with the results of previous research, where the Quality of Service has a positive and significant impact on Customer Satisfaction. The research was conducted by Aryani and Rosinta (2010), Kassim et.al (2009), Omar Cashier (2011), Wendha, et al. (2013) and Kiswara (2017.)

Fourth hypothesis in get t-Value or C.R 2.635> 1.967 or P value 0.021 <0.05 then H4 accepted, so it can be concluded that the Brand Confidence effect on Customer Satisfaction. This result is in line with research conducted by Kiswara (2017).

From Table 2 we get the result for the fifth hypothesis that is t-Value or C.R 2.651> 1.967 or P value 0.026 <0.05 then H4 is accepted, so it can be concluded that Customer Satisfaction has an effect on Customer Loyalty. The findings of this study are in accordance with the proposed Dick and Basu et al (1994) in Lupiyoadi (2006) that customer satisfaction is a factor affecting customer loyalty. The results of the sixth hypothesis obtained the result that the value of indirect effect of Quality of Service to Customer Loyalty through Costumer Satisfaction, obtained value t arithmetic for Hypothesis 1 of 3.659 x 2.128 = 7.7863 and the value of t arithmetic Hypothesis 3 of 2.235 x 2.128 = 4.756. Results of the second calculation t hyphonesis 1.96, so the hypothesis accepted. This result is in line with Caruana (2002).

The seventh hypothesis obtained result that the value of indirect influence of Brand Trust to Customer Loyalty through Customer Satisfaction, obtained t value for Hypothesis 2 of 0.117 x 2.128 = 0.2489 and the value t arithmetic Hypothesis 4 of 2.651 x 2.128 = 5.641, Hypothesis 5 2.128 x 2.128 = 4.528. The results of the third calculation t arithmetic hypothesis is only two that the value of t>> 1.96, so the hypothesis accepted. This result is in accordance with research conducted Tezinde et al (2001) that trust and satisfaction will affect the relationship with customers and loyalty.

V. CONCLUSION

This study aims to identify the effect of service quality and brand trust on loyalty through customer satisfaction. The results of this study indicate that of the seven hypotheses prepared, there is one hypothesis that is rejected the influence of brand trust on loyalty. Based on the research results can be concluded into short-term and long-term suggestions. For short-term suggestions, 1) management is expected to conduct socialization to the drivers by explaining how the importance of customers to continue to use Go-Ride services, 2) Conduct continuous updates to the customer promo, 3) Provide knowledge of route to drivers, 4) Conducting a customer survey of the prime activities the customer wants. As for long-term advice, 1) Go-Jek must improve the network of online applications, 2) Management should involve Go-Ride partners in decision-making, especially on the online motorcycle taxis, 3) Go-Jek must improve the ability to understand customer needs and more proactive (making the service as a corporate culture).

<table>
<thead>
<tr>
<th>Square Multiple Correlations Test</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction</td>
<td>.522</td>
</tr>
<tr>
<td>Customer loyalty</td>
<td>.008</td>
</tr>
</tbody>
</table>

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