

# THE EFFECT OF SERVICE QUALITY ON CONSUMER TRUST AND CUSTOMER SATISFACTION TO IMPROVE CUSTOMER LOYALTY ON GO-CAR TRANSPORTATION ONLINE IN SEMARANG CITY

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This study aims to analyze the Effect of Service Quality on Consumer Satisfaction and Consumer Confidence in Improving Consumer Loyalty of Go-Car Online Transportation Services in Semarang City, by using variables of service quality, customer satisfaction, consumer trust and customer loyalty are expected to know the level of users of transportation service Go Car online.

In analyzing the data in this study using a quantitative approach to the method of analyzing structural equation models (SEM) using AMOS software on 96 respondents who have been determined to become research respondents through non-probability sampling techniques.

This study consists of four hypotheses proposed, the results of the study prove that 1) service quality has a positive and significant effect on customer satisfaction, 2) service quality has a positive effect on Consumer Confidence, 3) customer satisfaction has a negative effect on Consumer Loyalty, 4) Service Quality has an effect negative to Consumer Loyalty, 5) Customer Trust negatively affects Consumer Loyalty.

Keywords: Service Quality, Consumer Satisfaction, Consumer Trust, Consumer Loyalty.

## INTRODUCTION

In the age of globalization, information technology is now more developed. This has resulted in increased human insight and knowledge that is adjusted to the needs of information technology and provides innovations that lead to positive benefits. The increasingly sophisticated technology present in human life today, the effect is also felt by transportation users, an example of technological development is the existence of online transportation. Online-based transportation capital is formed by entrepreneurs who are interested in this field by using applications such as Grab, Gojek and Uber. The convenience provided in online transportation is more affordable cost, safety and comfort that can be guaranteed, so many people now prefer online transportation rather than using conventional modes of transportation. Over time, the modes of online transportation that are now present have caused social jealousy for conventional transportation drivers, both conventional taxis, motorcycle taxis, buses and others that have been around for a long time. Is it wrong for someone to create an online application for ease of transportation that utilizes current technological advancements? Of course not, because in this life we cannot avoid technological advances.

Pros and cons regarding the existence of online mode transportation is still always opposed by conventional taxis up to now, on the Facebook (FB) network, Netizens wrote on their timelines that online transportation mode demonstrators must understand that consumers have full rights in choosing the transportation preferences they will use. Not infrequently there are issues that are less synchronous with logic, for example in a global era with very high competition which shows the deterioration of the way of thinking of the people by rejecting Go-Jek's online transportation operations. Some other writings reveal that the search for online transportation when urgent as an alternative to the impasse. Other netizens expressly condemned the recommendation to close the application-based transportation. The government should be objective and find solutions to this problem instead of just playing it off arbitrarily. All should be returned to the community (zonautara.com). Behind the pros and cons of operating this application-based transportation, the public is now increasingly choosing the convenience that is behind the Go-Car service. Netizens admit they prefer Go-Car services over conventional ones, because they are far more expensive, and often uncomfortable (zonautara.com).

From these various problems, it is known that the service that has been provided online by Go-Car type of transportation has not been implemented properly and is not yet optimal. Especially for industries engaged in services, the importance of service quality in satisfying consumers is a priority. Tjiptono (2011: 59) argues, controlling the level of excellence in meeting the needs of consumers by providing quality services in accordance with the advantages offered and consumers are expected to meet their needs. If the acceptance of services perceived / perceived (perceived service) is in line with consumer expectations, the quality of service services will be perceived as good and satisfying by consumers. Especially if the quality of service exceeds expectations, it can be said that the perception of the quality of the service is already ideal, but on the contrary the acceptance of services by the public can not be said to be incompatible with what is thought. If the service characteristics received are bad, it makes the consumer feel unsatisfied according to the theory that reveals the perception of the individual who has felt the comparison between the results he felt with his initial expectations (Sunyoto, 2013: 35). Consumer satisfaction is very important. If the consumer is satisfied that the service is in accordance with expectations and vice versa consumers will feel unhappy if the service is far from what is expected (Kotler & Keller, 2013: 177).

Furthermore, according to Morgan and Hunt (1994), commitment and trust can create a profitable partnership in business. Consumers expect to get satisfactory service quality from the company so that it will increase consumer confidence in question and will have an impact on consumer loyal behavior. The involvement of positive expectations relating to someone with something fraught with risk can provide a belief in a statement called trust. Besides that

consumers who have trust in the sense of strong beliefs about a company, consumers will be loyal to the company and believe that the company will be kind to these consumers.

In accordance with the above theory, research from Dewi (2014) concluded that loyalty, satisfaction, and quality of customer service have positive significance. In accordance with this, Darwin (2014) mentioned in his research results that in terms of the services received by consumers can increase customer satisfaction that benefits the company, the services provided will increase consumer confidence if the service is good and wholehearted. In previous studies, many service quality can affect customer trust and service quality can also have an influence on the loyalty of the consumers concerned. In addition, a high level of trust can form a high customer loyalty of a company, but on the other hand there is no significant influence between service quality with consumer loyalty. The results of reviewers are different from the theory also obtained by Suprin (2014) who concluded that service quality has an influence on customer satisfaction, customer satisfaction has a positive impact on loyalty, while the results of the satisfaction and loyalty relationship that does not affect significantly, service quality variables do not has a direct influence on customer loyalty.

In essence, in theory, consumer satisfaction can influence consumer loyalty in the Go-Car online transportation mode which is realized through re-ordering and recommending it to others. This condition will make Gocar's online transportation mode business go forward to grow and exist.

## 1.1. The Problem

According to the presentations, there will be problems based on the gap phenomenon that occurs and based on research gaps, so that the research formulation is obtained, among others, whether the influence of Service Quality on Consumer Satisfaction and Consumer Confidence in Increasing Consumer Loyalty of Go-Car On-Line Transportation Services in the City Semarang

Some research on factors that influence Financial Distress is often done. These researchers tend to give different results from each other. Based on the explanation from the background above, the research formulation of this research is Whether the Effect of Service Quality on Consumer Satisfaction and Consumer Trust in Improving Consumer Loyalty of Go-Car Online Transportation Services in Semarang City. From this formulation, this research tries to analyze or provide empirical evidence on the influence of independent and dependent variables. This research hopes to contribute to adding theoretical insights or new input.

# LITERATURE REVIEW

# 2.1. Consumer Loyalty

Loyalty is defined as the deepening of commitments by individuals who consume goods and services from a company that will continue to buy and or support the company's sales activities despite the influence of competitors of other companies who try to distract individuals or buyers to stop using products and services and replace them by buying competing products (Kotler and Keller, 2013: 138). The desire of consumers or the desire to re-visit the seller or re-use and trust the company as a producer of goods and services is always needed by customers (Parraga and Sahagun, 2014). More than that loyalty can also be described as sensitivity to good or bad products and services to the perception of price certain given business entities (Abdullah et al, 2014).

## 2.2. Consumer Satisfaction

According to Kotler and Armstrong (2008: 17), the expectations / expectations of buyers with assumptions on products regarding conformity with performance are called consumer satisfaction. If consumer expectations exceed performance, then the Consumer is less satisfied with the company's services / products. Tjiptono (2011: 372) states the level of individual

feelings when comparing the perception of the results received with expectations at first, if according to expectations and results then the individual will feel satisfied also means the concept of satisfaction. From the definition presented, we can conclude that satisfaction is formed through the heart of someone who is used after the comparison between the results with the expected expectations of a product or service. A customer can be said to feel satisfied if the results received are worth balanced or even more than what is expected, and customers are said to be dissatisfied if the results received are very far from what has been expected, and this can make customers feel disappointed about the service they receive. To satisfy customers, certain factors that support the company's service quality can certainly be influenced by the company, to make it better, Kotler (2008) states that customer satisfaction is caused by:

#### a. Price

Goods or services have a relatively cheaper price than other products but have the same quality, will provide added value for customers. Because according to them they are cheap prices with good product quality is an important source of satisfaction.

# b. Service quality

Quality of service is supported by several factors, including systems, technology and usability. The most influential on the quality of service is the effectiveness of the community. Constraints experienced by a service or product company are usually difficult in forming an action that runs in accordance with the wishes. If they get services that are in line with expectations, of course, consumers have their own satisfaction which results in the nature of customers to buy or faithfully use products or services in the same brand.

## c. Emotional Factor

The level of customer satisfaction can be measured by feeling happy and confident about the selected product or service, it can be said that greater customer satisfaction. Feeling happy and confident a customer who has used a product with a particular brand, can be said to have a higher level of satisfaction than other factors. Satisfaction is not due to the quality of the product, but from a sense of pride for being able to use products from certain brands.

According to Tjiptono (2006) several benefits for the company with the perceived customer satisfaction include:

- 1. There is a bain relationship to business people and consumers
- 2. Creating an impression that satisfies customers so that buyers return to use our products or services.
- 3. Keeping consumers from moving to other brands.
- 4. Give benefits to companies through word of mouth recommendations.
- 5. In the eyes of customers the company's reputation is getting better.
- 6. Increase profits earned by the company.

# 2.2.1. Dimensions of Customer Satisfaction

According to Kotler (2008) there are three dimensions in creating customer satisfaction, including:

## 1. Value

Consumer analysis of the ability of goods and those that can satisfy the needs as they wish.

#### 2. Quality

The ability to meet needs that are affected by the overall characteristics and characteristics of the stated products and services.

## 3. Service

A form of activity will be given from the seller to the customer who has no form and does not produce any ownership.

# 2.2.2. Types of Customer Satisfaction

Customer satisfaction has its own types to be able to distinguish between one another, and several types of customer pleasure according to Stauss & Neuhaus in (Tjiptono & Gregorius, 2005), namely:

# a. Demanding Customers Satisfaction

This kind of customer satisfaction is a type of satisfaction that can be said to be active. There are good desires from customers, namely confidence and trust.

# **b. Stable Customer Satisfaction**

Customers have characteristics that tend to aspire to something inactive and demand relationships to behave. The customer wants everything to be the same and there is no difference at all from before.

# c. Resigned Customer Satisfaction

Customers get their own satisfaction, but the nature of satisfaction is not from the cause because their expectations are met, but rather due to the impression that it is not reality to expect more.

## 2.2.3. Elements of Customer Satisfaction

According to Kotler (2008) five elements are found in customer satisfaction, namely:

# 1. Expectation

Before the customer buys a product or service, the customer has created expectations for a product or service. When a purchase transaction occurs, the buyer wishes that a product or service received has synchronized with his conscience. Customers' perceptions and expectations are influenced by the following factors:

- a. Needs and desires related to consumer tastes when trying to do business with suppliers of goods (business entities)
- b. You spend the goods sold at the company and from competitors at that time.
- c. A friend who is trying
- d. Advertising through marketing and sales

# 2. Performance

Performance is a form of customer knowledge about the ability of an actual product or service when you use it without even touching expectations. When using a product or service, the use of the original product has been realized for its use by the customer and product performance that is important to the customer is acceptable.

## 3. Comparison

When customers use products or services, customers will compare the expectations and actual performance of the product or service.

# 4. Confirmation or Disconfirmation

Customer experience by using branded products, services, or other experiences can lead to customer expectations. With trademarks and other communications from businesses and others, customers compare expectations about the effectiveness of the product or service that has been purchased and used in the actual operation of a product or service. The same desire for true ability matches the reality of the goods or service received by customers and satisfied customers called Confirmation. Meanwhile, if someone's desire is greater or smaller than the actual capacity it is called Disconfirmation

# 5. Discrepancy

Indications of a mismatch are the level of success and ambition. Negative disconfirmation is when the actual performance of a product or service is below the level of expectation, this can cause dissatisfaction. While positive disconfirmation is real performance above the level of expectation, this can cause customer satisfaction. Customers are more likely to use a product or service again when they are satisfied and will demand repairs or complaints if they are dissatisfied.

## 2.2.4. Measurement of customer satisfaction

Tjiptono (1997) argues that the fulfillment of consumer desires is measured using several methods including:

1. Take measurements directly with questions.

- 2. Give questions by interviewing respondents about how much they expect and feel certain attributes.
- 3. Respondents write down all problems faced related to what is offered by the company, and also respondents are asked to write criticisms and suggestions with the aim to improve company performance.
- 4. Respondents can be asked to classify various supply elements based on the importance of each element and the company's performance in each element.

## 2.3. Quality of Service

Tjiptono (2011) assumes that service quality can be identified by comparing the quality of services provided with consumer expectations, Kotler (2013) adds that there is a competitive advantage among many business entity competitors based on satisfying service. Parasuraman in Tjiptono (2011) explains that customer satisfaction can be realized, companies must approach service quality (servqual) in the form of aspects or dimensions as follows:

- 1. Tangible is the existence of expertise of business entities that are shown to people outside the scope. Service providers offer concrete evidence in terms of the appearance and capabilities of the company's physical facilities and infrastructure and the state of the environment, which includes physical facilities (buildings, warehouses, etc.) and the appearance of their employees.
- 2. Reliability is the way the company provides the best service as promised. What the customer expects, such as timeliness, error-free use and customer sympathy.
- 3. Responsiveness (responsiveness) is a way for a company to convey information as clearly as possible and provide fast and convenient service to customers.
- 4. Assurance (guarantee and certainty) is the ability of its employees in growing knowledge, politeness, and customer confidence in society. The supporting components are communication, credibility, security, ability, and politeness.
- 5. Emphaty (empathy) is a way of a company in giving more attention to its customers to better understand customer desires.

The success of the company in terms of the success of the service factor provided (Lupioyadi, 2008: 181) means that service quality is a successful strategy in maintaining existence among competitors and is a path to business success. The ability to meet the desires and needs of consumers with expectations consumers called service quality. The concept of service quality is related to satisfaction as a driver to increase company profitability (Yap et al., 2012). Products / services with purchasing services provided from producers / companies to customers or consumers with guaranteed quality will result in consumers feeling satisfied.

Chou et al (2013), Akbar and Parvez (2009), Zhaou et al (2013), Consumer satisfaction is a method of maintaining long-term relationships by maximizing satisfaction with services from purchasing products that are offered or offered by companies so that consumer needs are optimally met.

## 2.4. Consumer Confidence

In marketing studies and perspectives, trust should contain a fundamental component of marketing strategies that can build the creation of loyal Consumers. Consumers must be able to feel him that he can rely on the company. Trust takes a long time to build often happens after an agreement is reached between producers and consumers. Kotler (2013) explains the notion of trust which includes a number of components between certain individuals / organizations, such as integrity, competence, and understanding and appreciation of the company, honesty. Chi et al (2009: 231) explain the reliability of a product that consumers trust comes from a specific brand and has a positive image, reliable, guaranteed and high-value benefits that are packaged in a high quality service. Furthermore, trust means the specific belief in the honesty of the trusted party along with the ability to fulfill promises that have been said (integrity), the party trusts the

ability of the trusted party (competence), motivation and attention that is believed to do work according to interests (benevolence) and behavioral consistency trusted parties (predictability / reliability).

# 2.5. Relationship Between Variables

# 2.5.1. The effect of service quality on Consumer satisfaction

Mursaleen et al (2014) examined the quality of service information systems will have a positive impact on customer satisfaction, namely the existence of service quality that prioritizes customer satisfaction which contains five dimensions as follows:

- 1) Tangible is the existence of the extent to which the company is able to show its expertise in the outside circles. Service providers offer concrete evidence in terms of the appearance and capabilities of the company's physical facilities and infrastructure and the state of the environment, which includes physical facilities (buildings, warehouses, etc.) and the appearance of their employees.
- 2) Reliability is the way the company provides the best service as promised. What the customer expects, such as timeliness, error-free use and customer sympathy.
- 3) Responsiveness (responsiveness) is a way for a company to deliver information as clearly as possible and provide fast and convenient service to customers.
- 4) Assurance (guarantee and certainty) is the ability of its employees in growing knowledge, politeness, and customer trust in the community. There are several components that support communication, credibility, security, ability, and politeness.
- 5) Emphaty (empathy) is a way for a company to give more attention to its customers, adding that the improved service will have a parallel impact on customers to better understand customer desires.

Sulaiman and Hudhaif (2010) users of a product or service. From the description, service quality and customer satisfaction that emphasizes service quality that can increase the achievement of success where it shows the ability to create good business services to customers. Based on the description above, conclusions can be drawn regarding the hypothesis, namely:

H1: Service Quality positively influences Customer Satisfaction

# 2.5.2. Influence Between Service Quality on Consumer Confidence

Individual perception of service quality in the past which is still maintained until now will bring high trust in the eyes of its customers. High quality service means quality that is timely, relevant, and credible (Morgan and Hunt, 1994).

Increasing the provision of better services or products by producers, customers will get what they expect through the performance / results or the reality of the services they receive so that customers do not feel cheated. That's where trust comes from. Conversely, when the service is not quality so far from expectations, the customer will lose confidence in the company.

Brahmasari's research (2016) entitled the influence of service quality, CRM, satisfaction, brand image, patient trust and loyalty in military hospitals in Indonesia provides evidence supporting a positive influence between good or bad service with consumer trust. According to these explanations the following hypothesis will be obtained:

H2: Service Quality positively influences Consumer Trust

# 2.5.3. Influence Between Consumer Satisfaction on Consumer Loyalty

Tjiptono (2011) revealed a reflection of consumer behavior in the form of repurchasing an item continuously recommending a product brand to other consumers. This form of consumer loyalty consists of several dimensions including competitiveness of a competitor's product, a type of repurchase of a brand's tendency and willingness to reference a product.

Companies that have loyal customers according to Hurriyati (2010: 130) means the company has valuable assets because it is seen as very important as supported by the

characteristics of customer loyalty among which customers are not easily influenced by other products from competitors to switch to using other products always favor company products by giving references to others that this product is highly recommended and then have the purchasing power of other supplementary goods in the same place as well as by regular repetitive buying it will continue to increase the company's revenue.

Furthermore, the level of customer perception when using a product as well as comparing goods and services produced by other competitors will focus on comparing the quality obtained by consumers if it is in line with what the customer wants so that the feeling of pleasure arises. (Lupiyoadi, 2008 and Tjiptono, 2011). Satisfaction is a perception of customer impressions and functions of the price of completeness of service in accordance with customer expectations. Customers will be satisfied with a product or service if influenced by quality service factors that exceed expectations of completeness of the product. company-owned services that can satisfy customers and affordability. According to what has been explained, another hypothesis can be proposed:

H3: Consumer Satisfaction positively influences Consumer Loyalty

# 2.5.4. Influence Between Service Quality on Consumer Loyalty

Discussing the relationship between service quality and customer loyalty, perceived quality and quality expectations are the main things in the goal of evaluating service success in forming loyalty. The customer values contained in service quality are identified as factors that can cause consumers to give both positive and positive ratings negative. If the assessment is good, consumers will be as loyal as customers who always value a service acceptance compared to what is expected or desired (Parasuraman et al., 1993).

The better the quality of the services provided by the company, the higher the customer loyalty and vice versa the lower the quality of the services provided, the lower the customer loyalty of a product / service. Based on the description above, the hypothesis proposed is: H4: Service Quality positively influences Consumer Loyalty.

# 2.5.5. Effect of Consumer Confidence on Consumer Loyalty

Consumer loyalty is caused because there is no deterrent effect from doing a thing. Loyalty is the estuary of consumer confidence. If consumers do not believe so do not buy back will be the goods concerned as a repurchase, including the loyal character of consumers. Other characteristics of loyal consumers according to Griffin (1997) include buying outside the product / service line (supplement seeking), persuading others to influence (recommending), and showing commitment to product offerings from competitors (retention).

Building business relationships stems from efforts to take advantage of consumer trust. The difficulty of building trust makes each company compete for product / service excellence because trust is a valuable asset of the company in building consumer loyalty. Based on the above discussion, a hypothesis is obtained:

H5: Trust positively influences Consumer Loyalty

## RESEARCH METHOD

# 3.1. Data Types and Sources

# **3.1.1.** Data type

The research method used is quantitative. While the way to obtain information can be done with primary and secondary. Primary data in this study were obtained after completing a questionnaire conducted by Go-Car consumers. While secondary data obtained from searches through the website.

## 3.1.2. Data source

The primary data source in this study was obtained from the distribution of questionnaires to Go-Car customer respondents. The distribution of questions summarized in questionnaire questionnaires given to people who have used and made transactions of Go-Car online

transportation services in Semarang City include: demographic identity of respondents, customer satisfaction, service quality, customer loyalty and buyer trust.

# 3.2. Population and Sample

# 3.2.1. Population

Everything with certain characteristics both in a group of people and organizations is called the population (Arikunto, 2006: 122). The people involved are community groups who often use and have used Go-Car transportation services in Semarang City. Regarding the total population of this study can not be predicted.

# **3.2.2. Sample**

A number of different characteristics possessed by people are called by example (Sugiyono, 2009). Judging from the characteristics of the population that has the research objectives outlined earlier, the technique for determining the research sample is the accidental sampling method, this determination is done based on the ease of the researcher. Respondents' criteria are deemed suitable based on the criteria, namely:

- 1) Lived in Semarang City in the past 6 months;
- 2) Respondents are willing to be met and interviewed;
- 3) Have done transactions using Go-Car in Semarang City at least 2 times in the last 2 months;
- 4) Respondents make transactions through their personal Go-Car account on their own mobile device

Considering that in this study the number of study populations is unknown. According to Wibisono in Ridwan and Akdon (2013) to find out the amount, the formula can be used:

$$n = \left(\frac{Z \times /2\sigma}{e}\right)^2 = \left(\frac{(1,96).(0,25)}{0.05}\right)^2 = 96,04$$
 Sample

Information:

n = sample size

Za / 2d = standard outside normal values with a confidence level of (a) 95%

e = error rate of 5%

In determining the addition of a sample, at least use SEM follows five to ten times the number of indicators (Hair, 1995). In this study the determination of the number of samples is determined by the formula above with an error rate of 5%.

## 3.3. Sampling technique

Non Probability Sampling is chosen based on the number of populations that have not been known with certainty. Non-probability sampling is a way to take samples and do not have the same opportunity for the population to be included as samples (Sugiyono, 2008). The technique used is Accidental Sampling, which is spontaneous sampling and is easily found by researchers when conducting research (Akon and Riduwan, 2013). Prospective respondents' data obtained through Snowball sampling using listed sampling respondents in the Semarang city area owned by Go drivers -Car that can be found by researchers with the following criteria:

- 1. The Go-Car Driver agrees to provide information on its passengers;
- 2. Go-Car passengers or users of the Go Car On-line transportation services are willing to be interviewed;
- 3. From one Go-Car driver, a maximum of 5 Go-Car transportation service users may only be taken as a maximum of respondents, other respondents are taken from information from other Go-Car drivers;
- 4. Respondents taken may not be in one Go-Car (at the same time ordering), meaning that if there are more than one Go-Car consumers in a Go-Car car, only one respondent may be taken;



5. The use of early and starting Go-Car services is still in the Semarang City area (not outside Semarang City).

## 3.4. Method of collecting data

Obtaining a data can be done by:

- a. Conducting interviews is a method of asking the person directly in order to produce information.
- b. The questionnaire is a questionnaire method by distributing a list of questions to consumers of the Semarang city Go-Car transportation service.

## 3.4.1. Scale of Measurement

Make a questionnaire to find actual information. The method used in collecting data is: 1) written questions given by researchers to the intended person, 2) explains if the reader feels that there is still something unclear, after it is clear the respondent directly analyzes the questionnaire given, 3) if the second and third conditions have been met the next step is to determine the outcome of the question by processing using the Likertz scale so that the summary can be taken and known.

Likert scale is a rating scale that contains favorable statements given to respondents (Cooper, 2013). The reader must give a response in the form of a checklist if it is in accordance with the facts which later the answers will be given an overall score then added up to measure the overall attitude given by the respondent

## 3.5 Variable Identification

In this study using exogenous variables namely service quality (X1), bound (endogenous) discussed consumer loyalty (Y) and intervening in knowing about customer satisfaction (X2) consumer trust and consumer confidence (X3)

# 3.6. Definition of Variable Operations

Operational definitions are details and observable procedures that are used to identify what is meant by an operationally defined word if the steps in observation or measurement are clearly stated and can be expressed by expressing the indicators.

# 3.6.1. Consumer Loyalty (Y)

Loyalty is a positive attitude from customers who are committed to using a product or a company brand consistently. Indicators of customer loyalty are as follows:

- 1) Referencing
- 2) Brand
- 3) Willingness to purchase / reuse transactions
- 4) Sensitivity does not shift to similar products owned by competitors.

# 3.6.2. Service Quality (X1)

Quality of service is the company's business in fulfilling consumer desires and needs. Service quality indicators are as follows:

- 1) Tangible (physical evidence) is the existence of the expertise of a business entity shown to outsiders. Service providers offer concrete evidence in terms of the appearance and capabilities of the company's physical facilities and infrastructure and the state of the environment, which includes physical facilities (buildings, warehouses, etc.) and the appearance of their employees.
- 2) Reliability is the way the company provides the best service as promised. What the customer expects, such as timeliness, error-free use and customer sympathy.
- 3) Responsiveness (responsiveness) is a way for a company to deliver information as clearly as possible and provide fast and convenient service to customers.



- 4) Assurance (guarantee and certainty) is the ability of its employees in growing knowledge, politeness, and customer trust in the community. There are several components that support communication, credibility, security, ability, and politeness.
- 5) Emphaty (empathy) is a way of a company in giving more attention to its customers to better understand customer desires.

## 3.6.3. Consumer Satisfaction (X2)

Consumers will compare the quality of service that is good and can be obtained according to his request and thus can be stated if it is customer satisfaction. The indicators of customer satisfaction are:

- 1) Perception of performance, perceptions created by consumers for services provided by the company;
- 2) Customer assessment, overall performance evaluation of company services by consumers.
- 3) Conformity of consumer expectations, what consumers expect to the quality of company services as desired or not;

## 3.6.4. Customer Trust (X3)

Consumer trust is the willingness of consumers to believe that what they hope will actually be realized and create a sense of trust itself such as one's promises and words. Indicators of consumer confidence, namely:

- 1) Integrity, honesty of the company's employees that can be trusted by consumers and the ability to keep promises.
- 2) Benevolence, attention and motivation of the company employees who have the credibility to prioritize consumers who trust them.
- 3) Competency, is the ability of the company employees who are trusted to carry out the desires of consumers who trust.
- 4) Predictability, the consistency of the company's employees as a trusted party behavior.

# 3.7. Data analysis technique

Furthermore, an analysis technique was carried out using two stages of analysis namely descriptive statistical analysis and Structural Equation Model (SEM) as follows:

# 3.7.1. Descriptive Statistical Analysis

This variable uses the initial analysis in the form of descriptive analysis. There are two descriptive analyzes, the first is the description of research respondents and the second is the use of frequency distribution tables that explain the theoretical range, actual range, mean value and standard deviation (Ghozali, 2014).

This descriptive analysis technique is used to get a simple statistical picture that is to describe the respondents' perceptions of the statement items of each indicator about the four variables namely Service Quality (X1), Consumer Satisfaction (X2), Consumer Trust (X3), and Consumer Loyalias (Y). Descriptive analysis adopted by Sugiyono (2011) includes minimum, maximum, and mean frequency values.

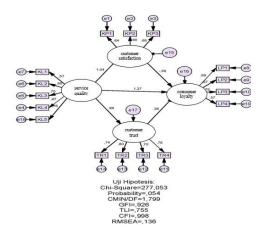
# 3.7.2. Equation Model Structure Analysis (SEM)

| Indicator | Line | Konstruc              | Estimate |
|-----------|------|-----------------------|----------|
| KL.1      | <    | Service Quality       | .570     |
| KL.2      | <    | Service Quality       | .600     |
| KL.3      | <    | Service Quality       | .700     |
| KL.4      | <    | Service Quality       | .670     |
| KL.5      | <    | Service Quality       | .760     |
| TR.5      | <    | Customer trust        | .740     |
| TR.4      | <    | Customer trust        | .600     |
| TR.3      | <    | Customer trust        | .700     |
| TR.2      | <    | Customer trust        | .760     |
| KP1       | <    | Customer satisfaction | .640     |
| KP2       | <    | Customer satisfaction | .680     |
| KP3       | <    | Customer satisfaction | .680     |
| Y4        | <    | Consumer Loyalty      | .570     |
| Y3        | <    | Consumer Loyalty      | .790     |
| Y2        | <    | Consumer Loyalty      | .670     |
| Y1        | <    | Consumer Loyalty      | .690     |

Source: Primary data processed, 2019

From the table above, each indicator or dimension forming each latent variable (research variable) mostly shows good results.

# 3.7.3. Full Model Structural Equation Analysis



| Goodne                 | ss of FitStructu | ral Equation Mode | l (SEM)            |
|------------------------|------------------|-------------------|--------------------|
| Goodness of Fit Indeks | Cut-off value    | Analysis results  | Evaluate the model |
| Chi square             | ≤194,8825        | 277.053           | Not good           |
| Probability            | ≥0,05            | 0,054             | Good               |
| RMSEA                  | ≤0,08            | 0,136             | Not good           |
| GFI                    | ≥0,90            | 0,926             | Good               |
| TLI                    | ≥0,90            | 0,775             | Not good           |
| CFI                    | ≥0,90            | 0,998             | Good               |
| CMIN/DF                | ≤2,00            | 1,799             | Good               |

Source: Primary data processed, 2018

The assumption of data normality is tested by looking at the value of skewness and kurtosis of the data used. If the value of CR on skewness and kurtosis data is in the range between  $\pm 2.58$ , then the data can still be declared normally distributed at a significance level of 0.01. Data normality test results are shown in the following table:

| Variable     | min   | max   | skew  | c.r.   | kurtosis | C.f.   |
|--------------|-------|-------|-------|--------|----------|--------|
| LP4          | 2,000 | 5,000 | -,316 | -1,276 | -,315    | -,637  |
| KL5          | 2,000 | 5,000 | -,355 | -1,436 | ,129     | ,261   |
| TR1          | 2,000 | 5,000 | -,026 | -,105  | -,608    | -1,228 |
| TR2          | 3,000 | 5,000 | ,000  | ,000   | -,125    | -,253  |
| TR3          | 2,000 | 5,000 | -,214 | -,864  | -,296    | -,599  |
| TR4          | 2,000 | 5,000 | -,210 | -,848  | -,081    | -,163  |
| LP3          | 2,000 | 5,000 | -,160 | -,646  | -,627    | -1,266 |
| LP2          | 2,000 | 5,000 | -,119 | -,480  | -,422    | -,852  |
| LP1          | 3,000 | 5,000 | ,000  | ,000   | -,773    | -1,561 |
| KL1          | 3,000 | 5,000 | ,016  | ,065   | -,197    | -,399  |
| KL2          | 3,000 | 5,000 | -,003 | -,012  | ,161     | ,326   |
| KL3          | 3,000 | 5,000 | ,000  | ,000   | -,421    | -,851  |
| KL4          | 2,000 | 5,000 | ,094  | ,379   | -,548    | -1,107 |
| KP3          | 2,000 | 5,000 | -,327 | -1,323 | -,119    | -,241  |
| KP2          | 3,000 | 5,000 | ,072  | ,290   | -,395    | -,798  |
| KP1          | 2,000 | 5,000 | -,433 | -1,748 | ,578     | 1,168  |
| Multivariate |       |       |       |        | 27,531   | 5,678  |

The results of SEM analysis as a hypothesis testing step are as follows:

|                       | 0 | utput Regression Weight. | 5            |       |       |      |
|-----------------------|---|--------------------------|--------------|-------|-------|------|
|                       |   |                          | Estim<br>ate | S.E.  | C.R.  | P    |
| Customer_Satisfaction | < | Service_Quality          | ,953         | ,162  | 5,901 | ***  |
| Customer_Trust        | < | Service_Quality          | 1,101        | ,170  | 6,471 | ***  |
| Consumer_Loyalty      | < | Customer_Satisfaction    | -,644        | 1,285 | -,501 | ,616 |
| Consumer_Loyalty      | < | Service_Quality          | 1,372        | 1,214 | 1,131 | ,258 |
| Consumer Loyalty      | < | Customer Trust           | ,229         | ,457  | ,501  | ,616 |

|                       |   |                       | Keterangan  |
|-----------------------|---|-----------------------|-------------|
| Customer_Satisfaction | < | Service_Quality       | H1 Accepted |
| Customer_Trust        | < | Service_Quality       | H2 Accepted |
| Consumer_Loyalty      | < | Customer_Satisfaction | H3 Rejected |
| Consumer_Loyalty      | < | Service_Quality       | H4 Rejected |
| Consumer_Loyalty      | < | Customer_Trust        | H5 Rejected |

## 3.7.4. Sobel Test

| Test Name              | Test statistic | P value |  |
|------------------------|----------------|---------|--|
| Sobel Test Kepercayaan | 0.49960        | 0.61735 |  |
| Aroian Test            | 0.49378        | 0.5106  |  |
| Sobel Test Kepuasan    | 0.49935        | 0.61752 |  |
| Aroian Test            | -0.49234       | 0.62247 |  |

Based on the table, it can be seen that the t-statistic is less than the 1.96 range and the significance level is more than 0.05 so it is not proven as a mediating variable between service quality and customer loyalty. Means that customer trust and satisfaction have not been able to be the intermediary of service quality and customer loyalty

## RESULT AND DISCUSSION

# 4.1. Quality of Service to Consumer Satisfaction

Quality of service and customer satisfaction that emphasizes service quality that can increase the achievement of success where it shows the ability of the company to provide quality services to consumers. Mursaleen et al (2014) who examined the quality of service information systems will have a positive impact on customer satisfaction, namely the quality of service that prioritizes customer satisfaction which contains five dimensions of SERVQUAL.

Ha & Cheong (2010) shows that service quality influences service satisfaction. Sulaiman and Hudhaif (2010) also prove that the better the quality of services provided, the higher the customer satisfaction of a product or service. This research is also consistent with research Riswandhi Ismail (2014) which shows that service quality has a positive effect on customer satisfaction.

# 4.2. Service Quality affects Consumer Confidence

Consumer confidence is influenced by individual perceptions that give a positive impression on the quality of services provided by service providers. Individual perception of service quality in the past which is still maintained until now will bring high trust in the eyes of its customers. High quality service means quality that is timely, relevant, and credible (Morgan and Hunt, 1994). Kotler (2013) explains the notion of trust which includes a number of components between specific individuals / organizations, such as integrity, competence, and understanding and appreciation of the company, honesty. Customers feel happy because they get optimal and honest service that makes customers not deterred from putting trust in the organization .

The better the service provided by the manufacturer or a company, the more customers get what they expect through the performance / results / reality of the service they receive so that the customer does not feel cheated. That's where trust comes from. Conversely, when the service is not quality so far from expectations, the customer will lose confidence in the company. Building relationships so that producers trust their business partners according to Barnes (2003) by involving the building of trust and openness, including in anticipating the risks that may occur.

Darwin (2014) shows the significance of service quality and consumer trust. Brahmasari's research (2016) entitled the effect of service quality, CRM, satisfaction, brand image, patient trust and loyalty at military hospitals in Indonesia also provides evidence support that service quality has a positive effect on consumer trust.

# 4.3. Consumer Satisfaction has no effect on Consumer Loyalty

Tjiptono (2011) revealed a reflection of consumer behavior in the form of repurchasing an item continuously recommending a product brand to other consumers. This form of consumer

loyalty consists of several dimensions including competitiveness of a competitor's product, a type of repurchase of a brand's tendency and willingness to reference a product.

Indications of loyalty vary as consumers buy out of necessity, buy repeatedly, recommend and communicate / refer. Consumers who are satisfied may not necessarily refer to services, given the differences in individual characteristics. Not necessarily, they also re-use the services due to accidental factors and in a certain urgency.

Furthermore, the use of online transportation in a small number of individuals is deemed unaffordable so that perceptions or impressions that arise are not good in terms of price so that it becomes a factor that makes consumers feel less satisfied. High or low customer perceptions when using a product while comparing products or services with products or services produced by other competitors will focus on comparing the quality obtained by consumers if in accordance with expectations, the customer will be satisfied (Lupiyoadi, 2008 and Tjiptono, 2011). But behind it, the level of customer satisfaction does not affect the level of customer loyalty. This study is in line with the study of Yaqin (2014) but is not consistent with the research of Radhita, et al (2016) who found that customer satisfaction is the second dominant determinant that influences consumer loyalty. Research support is also contrary to the findings of Usada (2016) and Sutrisno et al (2016).

# 4.4. Service Quality has No Impact on Consumer Loyalty

Quality perception and quality expectations become the main thing in the goal of evaluating the success of services in forming loyalty. The customer values contained in the quality of service are identified as factors that can cause consumers to give both positive and negative ratings (Parasuraman et al., 1993).

In a company with certain characteristics that have monopoly strength has its own special features. Generally, customers will make repeated use when a given service leaves a positive impression in the eyes of the customer. As we know, online transportation customers in Indonesia are dominated by one unicorn start-up business with high monopoly power. As a result, if certain conditions are found that cause customer dissatisfaction, it will not discourage customers from re-using the online transportation.

The better or less good quality of the services provided by the company will not be able to guarantee the level of customer loyalty. This study is in line with the research of Darwin (2014) and contrasts with the research of Kusuma (2014) and Yaqin (2014) where Kusuma and Yaqin (2014) revealed that service quality was significantly positive on customer loyalty.

# 4.5. Consumer Trust Has No Effect on Consumer Loyalty.

Characteristics of loyal consumers according to Griffin (1997) include buying outside the product / service line (supplement seeking), persuading others (recommending), and showing commitment to product offerings from competitors (retention). Building business relationships stems from efforts to take advantage of consumer trust. But the difficulty of building trust makes each company competing for product / service excellence because trust is a valuable asset of the company in building consumer loyalty.

High or low consumer confidence has not been able to influence the high and low quality. The high level of consumer confidence in online transportation services is no doubt, but there is a gap with the mismatch of prices offered in the hope that the tendency to choose is low again. But sometimes when negative perceptions result in a decrease in customer trust, it does not rule out the possibility of customers still using the service. Therefore, trust has an insignificant relationship to loyalty.

The results of this study are not consistent with the research of Darwin (2014), Hidayat (2014) which revealed that customer trust has a positive effect on consumer loyalty in a product or service provider organization.

## CONCLUSION AND SUGGESTION

#### 5.1. Conclusion

According to the above interpretation, the conclusions thus obtained include:

- (1) Increasing the quality of service for the better also results in customer satisfaction will increase. If the quality of service decreases impact on customer satisfaction which also deteriorates. Therefore, it has a positive and significant effect on customer satisfaction.
- (2) Good service will have a significant positive impact on the satisfaction of consumer desires, if a business entity has poor service quality, the resulting mistrust of customers in products or services, and vice versa.
- (3) Satisfied customers do not affect Consumer Loyalty, the higher or lower Customer Satisfaction does not cause the high or low of Customer Loyalty.
- (4) Service Quality does not affect Consumer Loyalty, the higher or lower the Quality of Service does not cause the high or low of Customer Loyalty.
- (5) Customer Trust does not affect Consumer Loyalty, the higher or lower Customer Trust does not cause the high or low of Customer Loyalty.

# **5.2. Suggestion**

Suggestions from researchers for further research include:

- 1. Future studies are expected to increase the number of samples and then further modify them to meet the goodness of fit data.
- 2. Future studies are expected to add to the independent variables in the study given that there are so many variables that affect Consumer Loyalty, for example by expanding studies with system variables and marketing strategies.
- 3. In future studies, it would be nice to add analytical tools using PLS.

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