The Effect of E-Service Quality and Brand Image on E-Loyalty through Brand Trust and E-Satisfaction as Intervening Variables

Feliciana Regina Putri[1], Farida Indriani[2]
[1,2]*Diponegoro University, Indonesia*
feliciana.reginaputri@gmail.com, faridaindriani@lecturer.undip.ac.id

Abstract

This study aims to examine the effect of e-service quality and brand image on e-loyalty traveloka customers through brand trust and e-satisfaction as an intervening variable. Sampling was used using purposive sampling technique, total samples used as many as 276 respondents who had been a consumer of Traveloka and had made a purchase in Traveloka for a minimum of 2 times. The data analysis technique used in this study was to use SEM (Structural Equation Model) analysis with the AMOS program, and data collection techniques used a questionnaire. The results showed that E-Service Quality and Brand Image had a positive effect on the customer e-satisfaction. Brand Trust and e-satisfaction have a positive effect on e-loyalty and brand image positively influence the brand trust.

I. Introduction

The development of technology makes business development more dynamic. This can certainly be seen in the field of information technology (IT). Fast and accurate information is a form of information that is needed by the community. In other words, companies must be able to provide information to the public, so that they can more easily make purchasing decisions. Currently, consumers to make purchases do not only look at prices and facilities, but they look at the ease of making purchases and especially consumer confidence in the quality of services provided by service providers (Shafiee & Bazargan, 2018). Development is a systematic and continuous effort made to realize something that is aspired. Development is a change towards improvement. Changes towards improvement require the mobilization of all human resources and reason to realize what is aspired. In addition, development is also very dependent on the availability of natural resource wealth. The availability of natural resources is one of the keys to economic growth in an area. (Shah, M. et al. 2020)

Currently, almost all businesses have online sales services, and one of them is ticketing. In the past, to buy airline tickets, trains, buses or to book hotels by getting vouchers, consumers needed to go to a travel agent service office that provided air, train, and hotel ticket sales services. Later in its development, airlines such as Lion Air, Garuda Indonesia, Sriwijaya Air and Air Asia provide ticket sales services directly through their websites. Then with the increasing demands of consumers where consumers feel there is a lack of variety and it is not easy to switch websites to access information on various airlines and determine the right time, especially for connecting flights, market players have seized this opportunity by providing one stop e-service-ticketing which provides services for purchasing airline tickets, trains, as well as booking from only one website. Business actors who run e-ticketing include Agoda, Traveloka, Pegipegi, Tiket.com and others.

The e-ticketing website that is most frequently visited by consumers who intend to find airline tickets, trains, or make hotel reservations, visits the Traveloka website as much as 47%, then followed by Agoda as much as 17%, then Pegi-pegi, Tiket.com and Booking .com as much as 10%. These results indicate that there is a fairly large gap between Traveloka and e-ticketing, which also indicates the behavior to repurchase from its customers so that customers become loyal customers for Traveloka.

The decline in Traveloka's market share over the last four years, while industrial growth shows an increase, indicating that there are problems that need to be investigated at Traveloka. This makes it necessary to do research on consumer loyalty that can be built based on online that can make these consumers satisfied and loyal to the company. The research gap in this study is the difference in the results of research conducted by (Asgari et al., 2014), (Al-dweeri et al., 2017), (Saiful Riza, 2017), (Sundaram et al., 2017), (Shafiee & Bazargan, 2018) which states that e-service quality has a positive effect on customer e-loyalty. However, this result contradicts the results of research (Santos, 2003), (Feroza et al., 2018), (Veronika Septi Novianingsih et al., 2019) and (Pudjarti et al., 2019) which state that e-service quality has no effect significant to customer e-loyalty. Research (Saiful Riza, 2017), Sundaram et al (2017), (Feroza et al., 2018), and (Rita et al., 2019) which states that e-service quality has a positive effect on customer e-satisfaction. However, this result contradicts the results of research (Poon & Lee, 2012) which states that e-service quality has no significant effect on customer e-satisfaction. While research (Al-dweeri et al., 2017), (Saiful Riza, 2017), (Sundaram et al., 2017) and (Feroza et al., 2018) which states that customer e-satisfaction has a positive effect on customerloyalty. However, this result contradicts the results of research (Eid, 2011) which states that customer e-satisfaction has no significant effect on customer e-loyalty. This result shows the need for additional variables to strengthen this effect.

The phenomenon of this research is based on table 1.1, an increase in market share from 2015 to 2016 but since 2016 Traveloka's market share has decreased from 78.50% to only 30% in 2019. This is in contrast to the results of a survey on e-ticketing websites that are most frequently visited by consumers who intend to find airline tickets, trains, or make hotel reservations, the most of which are visiting the Traveloka website as much as 47%. However, industrial growth as shown in Figure 1.2, shows that during industrial growth where the online flight and travel booking experienced an increase, Traveloka actually experienced a decline from 2016 to 2019. There was a decline in Traveloka's market share over the last four years. Meanwhile, industrial growth showed an increase, indicating that there was a problem with customer loyalty who made purchases through the website. This makes it necessary to do research on consumer loyalty that can be built online that can make these consumers satisfied and loyal to the company.

II. Review of Literature

2.1 E-Service Quality

E-service quality can be defined as services provided on the internet network as an extension of the ability of a site to facilitate shopping, purchasing, and distribution activities effectively and efficiently (Wu, 2019). E-service quality is the difference between the service expected by consumers and the service perceived by consumers. In simple terms, e-service quality can be interpreted as the quality of electronic media services (Lasyakka, 2017). Excellent service is absolutely provided by service providers when providing services to consumers online. Consumers need to get the best service, even though they can't meet face to face, online services must be better than face-to-face

services because e-service quality will reflect their business (Shafiee & Bazargan, 2018). When a service provider such as Traveloka, which provides ticketing electronic booking that can be used, having a service center that is easy to contact within 24 hours, the ability to respond to complaints from consumers via email in a polite and pleasant language, then it can increase consumer satisfaction electronically (customer e-satisfaction) (Rita et al., 2019).

H1: E-Service Quality has a positive effect on Customer E-Satisfaction

2.2. Customer E-Satisfaction

E-satisfaction is defined as customer satisfaction related to previous buying experiences with certain online stores. Satisfaction with online services is identified from the compatibility between consumer expectations and the realization of services obtained by consumers. When there is conformity, it means that customer satisfaction is achieved (Sanjaya, 2020). E-satisfaction is considered as satisfying customer needs that are gathered during multiple transaction experiences which result in the formation of an online retailer's overall evaluation. Satisfied consumers tend to be willing to repurchase. Consumers who make purchases from the website also usually tend to be loyal and buy from the same website for certain products. This can happen because of the fulfillment of the needs of service providers through their websites that can meet the needs of certain consumers:

H2: Customer E-Satisfaction has a positive effect on E-Loyalty
H6: Customer E-Satisfaction mediates the effect of E-Service Quality on E-Loyalty

2.3. Brand Trust

Brand trust can be defined as a sense of comfort that arises after using the products offered by the company so that it can fulfill the consumer's desire to trust the products offered by a company based on the promised expectations to create positive results for consumers (Sianipar, 2017). Brand trust plays an important role and contributes greatly in increasing consumer loyalty which will affect the level of sales, so that brand trust can affect consumer loyalty. The existence of trust that is owned by consumers makes these consumers will be loyal to the company. This also makes consumers want to continue to use products from the brand because they feel that the company will be able to fulfill the expectations promised to them (Sutanto, 2019).

H3: Brand Trust has a positive effect on E-Loyalty.

2.4. Brand

Image the company (Sianipar, 2017). Every consumer has a certain perception or impression of a brand, and that perception or impression will arise after they see, hear, read and even feel for themselves the product/goods either through TV, radio, or print media. A better brand image will make consumers feel satisfied because the perceptions they feel are in accordance with the reality they get.

H4: Brand Image has a positive effect on Brand Trust
H5: Brand Image has a positive effect on Customer E-Satisfaction

2.5. E-Loyalty

According to Liaw (2018), loyalty in e-business is defined as the behavior of consumers' repeated visits, consumption, and recommendations from websites. Meanwhile, according to Hur, et al. (2017), defines e-loyalty as the customer's intention to visit the website again with or without the occurrence of online.

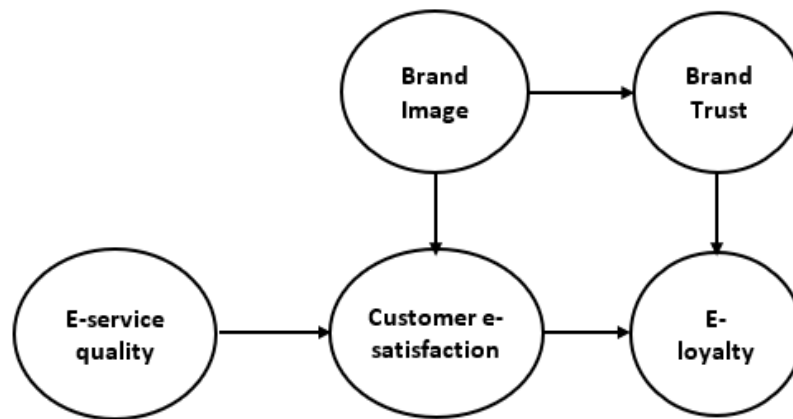This study was conducted by building a theoretical framework as follows:

Figure 1. *Theoretical framework*

III. Research Method

3.1 Types and Sources of Data

The type of data that will be used in this study is primary data. The primary data to be used in this research is primary data sourced from questionnaire answers by research respondents.

3.2 Population and Sample

The population of this study is all Indonesian citizens of Traveloka customers who have made purchases at least twice at Traveloka. Based on the minimum number of samples, the minimum number of samples is 130-260 respondents who were taken using purposive sampling.

3.3 Analysis Techniques

This Study uses quantitative methods using structural equation modeling/ SEM analysis. According to Arbuckle (1997), the use of the AMOS application program requires several criteria that must be agreed upon to obtain a good structural equation. The specified criteria are as follows:

a. The degree of freedom (DF) must be positive.
b. There was no chi-square at the highest required value ie, p = 0.05 and above the accepted conservative limit at p = 0.10.
c. Additional compatibility namely; "GFI (Goodness of Fit Index), GFI Adjusted (AGFI), Tucker-Lewis Index (TLI), and Normed Fit Index (NFI) are above 0.90".
d. Low RMR (Mean Square Residual) value and RMSEA (Root Square Approach).

IV. Result and Discussion

4.1 Analysis Model

Analysis *Structural Equation Modeling* (SEM) was used to determine the structural relationship between the variables studied. The structural relationship between variables was tested for conformity with the *Goodness-of-fit index*. The results of the *Structural Equation Modeling* in this study can be seen as follows:
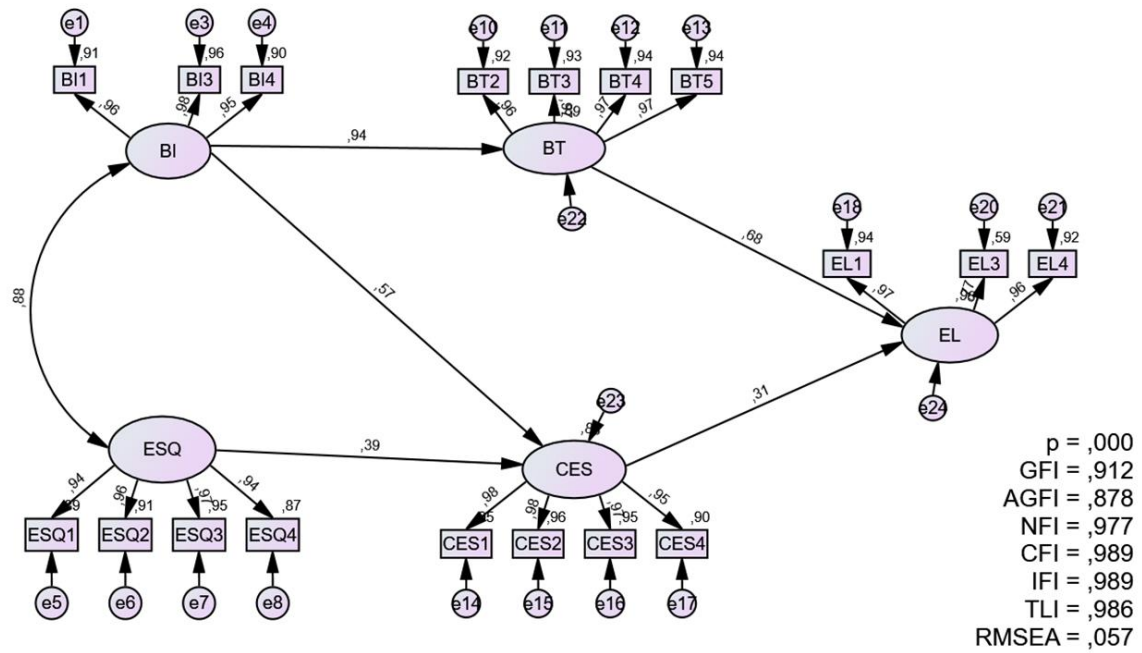
By paying attention to the image on the complete model analysis diagram above, we know that the model meets the conformity standard which is represented by the calculated value that meets the complete model's feasibility standard.

Table 1. Full Model Test Results

No	Indicator	Calculate	Cut-off	Conclusion
1	p	0.000	> 0.05 (5%)	*Marginal*
2	GFI	0.912	> 0.90	*Fit*
3	AGFI	0.878	> 0.90	*Marginal*
4	NFI	0.977	> 0.90	*Fit*
5	CFI	0.989	> 0.90	*Fit*
6	IFI	0.989	> 0.90	*Fit*
7	TLI	0.986	> 0.90	*Fit*
8	RMSEA	0.057	< 0.080	*Fit*

From the 8 indicators above, there are only 2 marginal indicators and 6 fit indicators, so from this it can be concluded that the model has *fit* a good.

4.2 Research Hypothesis Testing

Hypothesis testing is done by testing the relationship between latent variables by looking at the value of t or cr (Critical Ratio) in the regression weight table from the AMOS output results. The following table shows the results of the regression weights:

Table 2. Hypothesis Testing

			Estimate	SE	CR	P	Label
BT	<---	BI	,966	,033	29,412	***	par_13
CES	<---	BI	,599	,058	10,418	***	par_14
CES	<---	ESQ	,412	,057	7,283	***	par_15
EL	<---	CES	,317	,088	par_16	***	3,616
EL	<---	BT	,713	,091	7,872	***	par_17

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

1. Based on the significance value shown in the picture above, it can be said that *e-service quality* (p = 0.000 and CR = 7,283) has a positive effect on *customer e-satisfaction,* so it can be said that hypothesis 1 which states that *e-service quality* has a positive effect on *customer e-satisfaction is* accepted. This means that increasing *e-service quality* will significantly increase *customer e-satisfaction*.

2. Based on the significance value shown in the picture above, it can be said that *customer e-satisfaction* (p=0.000 and CR=3.616) has a positive effect on *e-loyalty*, so it can be said that hypothesis 2 which states that *customer e-satisfaction* has a positive effect on *e-loyalty* can be accepted. This means that increasing *customer e-satisfaction* will increase *e-loyalty*.

3. Based on the significance value shown in the picture above, it can be said that *brand image* (p=0.000 and CR=29.412) has a positive effect on *brand trust*, so it can be said that hypothesis 3 which states that *brand image* has a positive effect on *brand trust* can be accepted. This means that *brand image* will increase *brand trust*.

4. Based on the significance value shown in the picture above, it can be said that *brand image* (p = 0.000 and CR = 10.418) has a positive effect on *customer e-satisfaction*, so it can be said that hypothesis 4 which states that *brand image* has a positive effect on *customer e-satisfaction* can be accepted. This means that changes in *brand image* will increase *customer e-satisfaction*.

5. Based on the significance value shown in the figure above, it can be said that *brand trust* (p = 0.000 and CR = 7.872) has a positive effect on *e-loyalty,* so it can be said that hypothesis 5 which states that *brand trust* has a positive effect on *e-loyalty is* accepted. This means that increasing *brand trust* will significantly increase *e-loyalty*.

4.3 Discussion

The results of this study indicate that *e-service quality* has a positive effect on *customer e-satisfaction* of Traveloka consumers with a probability value of 0.000 and a *critical ratio* of 7.283. When a service provider such as Traveloka, which provides *ticketing* electronic *booking* that can be used, having a *service center* that is easy to contact within 24 hours, the ability to respond to complaints from consumers via email in a polite and pleasant language, then it can increase consumer satisfaction electronically. These results are in accordance with the results of Manopo & Widayanto (2019), and Bandawaty, et al. (2020) with the results of *e-service quality having a positive* effect on *customer e-satisfaction*.

The results of this study indicate that *perceived ease of use* has a positive effect on *attitude toward using* with a probability value of 0.000 and a *critical ratio* of 3.616. Satisfied consumers tend to be willing to repurchase. Consumers who make purchases from the website also usually tend to be loyal and buy from the same website for certain products. This can happen because of the fulfillment of the needs of service providers through their websites that can meet the needs of certain consumers. This result is in accordance with the results of Revita (2016) and Sanjaya (2020) which state that *customer e-satisfaction* has a positive effect on *e-loyalty*.

The results of this study indicate that *brand image* has a positive effect on the *brand trust* of Traveloka consumers with a probability value of 0.000 and a *critical ratio* of 29.412. The existence of trust that is owned by consumers makes these consumers will be loyal to the company. This also makes consumers want to continue to use the products of the brand because they feel that the company will be able to meet the expectations promised to them. These results are consistent with the results of research by Sianipar

(2017) and Sutanto (2019) with the results that *brand image* has a positive effect on *brand trust*.

The results of this study indicate that *brand image* has a positive effect on *customer e-satisfaction* of Traveloka consumers with a probability value of 0.000 and a *critical ratio* of 10.418. The existence of a better customer perception of the brand will make the brand more trusted by consumers, where consumers will have stronger beliefs to be able to choose the product compared to its competitors. These results are in accordance with the results of research (Bonfilio, S., 2018) and Aeni and Ikkhsan (2021) with the results that *brand image* has a positive effect on *customer e-satisfaction*.

The results of this study indicate that *brand trust* has a positive effect on *e-loyalty* Traveloka consumers with a probability value of 0.000 and a *critical ratio* of 7.872. A better brand image will make consumers feel satisfied because the perceptions they feel are in accordance with the reality they get. These results are in accordance with the research of Manopo & Widayanto (2019) and Bandawaty, et al. (2020) which states that *brand trust* has a positive effect on *e-loyalty*.

The results of this study indicate that *customer e-satisfaction* mediates the effect of *e-service quality* on *e-loyalty* Traveloka consumers with a probability value of 0.001 and test *statistics* of 3.224. With current technological advances, the services provided by service providers are not carried out *offline*, but all services are carried out online. Consumers need to get the best service, even though they can't meet *face to face*, *online services* must be better than face-to-face services because *e-service quality* will reflect their business. Satisfied consumers tend to be willing to repurchase. Consumers who make purchases from the website also usually tend to be loyal and buy from the same website for certain products.

V. Conclusion

This study aims to solve the research problem, namely "how to increase customer e-loyalty of Traveloka consumers". The results of this study are to increase customer e-loyalty of Traveloka consumers, the strongest independent variable in influencing it is brand image. the indicator brand image that has the strongest indicator is that Traveloka has a trusted reputation. Traveloka needs to further enhance its reputation as a company that provides transportation and accommodation for travelers who travel. Consumers want to remain loyal to using Traveloka because they feel that the Traveloka company is a company with a good big name and is also supported by strong entities and cooperates with other companies such as hotel chains and strong flight networks in running their business so that they can be trusted to serve their consumers' journeys.

5.1 Theoretical Implications

The advancement of the internet and technology has expanded the concept of brand loyalty into the online, hereinafter referred to as e-loyalty. E-loyalty is defined as a consumer's commitment to revisit a website of a certain brand to buy on a website without moving to another website (Sutanto, 2019). E-loyalty leads to consumer interest in visiting websites that can potentially occur through repeat purchases.

E-service quality is a term used to describe electronic commerce transaction services between companies or known as B2B service quality (Ningsih, et al., 2019). E-service quality is defined as the level of efficiency and effectiveness of a website facilitating shopping, purchasing and the process of delivering products and services (Budiman, 2020). The service quality assessment is carried out during interaction with the website, and also

after receiving the service. The measurement is carried out by measuring how the service is perceived by the customer and comparing it with the service expected by the customer based on certain dimensions (Prisanti, et al., 2017).

E-satisfaction is the result of post-consumption evaluation of how good the product and service provider are services meet or exceed customer expectations based on the online (Sanjaya, 2020). In addition, e-satisfaction can be defined as a process of satisfying customer satisfaction about the online they feel (including browsing experience and purchasing experience) with the e-commerce site that provides.

5.2 Managerial Implications

Based on the results of this research, it is necessary to pay attention to several things that can be input for Traveloka, including the following:
1. Traveloka needs to create an interface that is more easily understood and understood by consumers who have never used it so that it is faster to find product and service options.
2. Traveloka needs to position itself differently from other companies in the same industry by providing different services, such as with virtual packages during the Covid-19 pandemic.

5.3 Limitations of the Research

The limitation of this study is that 67% of respondents are consumers aged >20-30 years. In addition, 59.1% of respondents have undergraduate education, 18.5% are diplomas, 16.7% are postgraduate graduates and 1.1% have doctoral degrees. so that only 4.7% of respondents who have not studied.

5.4 Future Research Agenda

Future research is expected to use consumers with a more even age range across age groups so that all age groups are represented. For future research, researchers should be able to use more respondents with more diverse educational backgrounds considering that the average education in Indonesia is senior high school.

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