

Influence of Brand Images, Service Quality, Trust on Customer Satisfaction and Customer Loyalty

Djumarno¹, Citra Mega Lissha², Adi Nurmahdi³

¹(Lecturer, Mercubuana University, Indonesia)

²(Alumni, Mercubuana University, Indonesia)

³(Lecturer, Mercubuana University, Indonesia)

ABSTRACT : *This study aims to analyze the influence of brand image, service quality, trust on customer satisfaction and customer loyalty at PT PrismaHarapan. The survey method used a questionnaire. This research was conducted by distributing questionnaires to 121 customers who used the services of PT PrismaHarapan. The observation results were analyzed using The Structural Equation Modeling (SEM) of the AMOS statistical software package. SEM-AMOS was used in the model and hypothesis testing. The results showed that brand image has a significant effect on customer loyalty through customer satisfaction, service quality has a significant effect on customer loyalty through customer satisfaction and trust has a significant effect on customer loyalty through customer satisfaction. The conclusion of this study proved that customer satisfaction has a role as a mediating variable between brand image, service quality and trust in customer loyalty.*

KEYWORDS -brand image, service quality, trust, customer satisfaction, customer loyalty

I. INTRODUCTION

PT. Prisma Harapan is one of the leading advertising companies in Indonesia. Prisma is a premium innovation & media solution founded in 1992, Prisma has consistently worked to build their reputation in the outdoor media & indoor advertising industry. As a company that delivers information, service quality has an important aspect in achieving company goals.

However, service quality is strongly influenced by various aspects of service related to customer satisfaction. PT. PrismaHarapan currently has quite a number of billboard installation locations such as Jabodetabek, Bandung, West Java, Bali, Surabaya, East Java, Sumatra, Kalimantan, Sulawesi, and other billboard location points spread throughout the region both in the city and along the toll road, in the presence competition with other competitors this results in customer loyalty of PT. Prisma Hope fell due to billboard quality competition among competitors. The number of customers also experienced a decrease, this caused the turnover of PT. Prisma Hope decreases in addition to service quality, trust must also be considered. The reduced number of customers can be caused by the poor service quality from PT. PrismaHarapan to its customers so that the company must continue to strive to improve the service quality to customers. Currently, PT. Prisma hope to customers is as a billboard with display quality that is still standard compared to other companies this has resulted in the turnover of PT. PrismaHarapan declined because the installation of billboards had many choices to advertise using services in other companies including PT. WarnaWarni, PT. Rainbow Asia Poster, PT. Gemilang Partner Innovation, PT. Plasma Media, PT. Mahaka, Tbk. The empirical phenomenon that occurs at PT. PrismaHarapan is the number of subscribers.

II. LITERATURE REVIEW

1. Brand Image

Brand image is what consumers think or feel when they hear or see the brand name or essentially what consumers have learned about the brand (Supranto and Limakrisna, 2011:128). FandyTjiptono (2011:112) stated, brand image is a description of the associations and customer beliefs about a particular brand.

According to Kotler (2009:266), brand image is a hidden vision and trust in the minds of consumers, as a reflection of the association that exists in consumer memory. Keller (in JimmiTumpal, 2015) stated, brand Image is a perception of a brand that is a reflection of consumers' memory of their association with the brand.

According to Surachman (2008), brand image is part of a brand that can be recognized but cannot be pronounced, such as symbols, designs, letters or special colors, or customer perceptions of a product or service represented by the brand. Brand identity is made to get the brand image. brand image is a set of unique associations that brand holders want to create or maintain. The associations state what the brand is and what it promises to customers. Brand identity is a brand image that wants to be embedded in the minds of consumers (Surachman, 2008).

2. Service Quality

Tjiptono (2010:59) stated that service quality was the expected level of excellence and control of the level of excellence to meet customer desires. Zeithaml&Bitner (2009:111) stated, there were five dimensions that can be used in determining service quality.

- 1) *Reliability*, the ability to provide was promised services reliably and accurately. If seen in the field of restaurant service business, then a reliable service was when an employee be able to provide services as promised and help resolve problems faced by consumers quickly.
- 2) *Responsiveness*, There were the willingness to help customers and provide services quickly. If seen more deeply on responsive services in a restaurant, it can be seen from the ability of employees who quickly provide service to customers and quickly handle their complaints.
- 3) *Assurance*, There were knowledge, courtesy, and the ability of employees to generate confidence and trust. In a restaurant service certainty is an important thing to be given to consumers, such as guaranteed security and safety in transactions and guaranteed consumer confidentiality.
- 4) *Empathy*, it was personal care and attention given to customers. Services provided by employees must be able to show their concern for consumers.
- 5) *Tangible*, there were the appearance of physical facilities, equipment, employees, and materials installed. Describe the physical form and service that will be accepted by consumers. Examples such as the state of the building, cafe facilities, cafe design, and neatness of employee appearance.

3. Trust

Trust is someone's willingness to rely on other people where we have confidence in him. The key that is very important in increasing high trust in companies/organizations is achieving results. Trust is a very important thing for a commitment or promise, and commitment can only be realized if one day means. Confidence or trust are important factors that can overcome crises and difficulties while business partners are also important assets in developing long-term relationships between organizations. An organization must be able to recognize the factors that can shape the trust in order to be able to create, organize, maintain, support and enhance the level of relationships with customers. According to Moorman, Deshpande, and Zatman (2008) as quoted by Dharmmestha (2012) defines trust as the willingness of someone to depend on another party involved in the exchange because he has confidence in the other party.

Sumarwan (2011:51) trust is the power that a product has certain attributes. trust is often called the object-attribute linkage, which is consumer confidence about the possibility of a relationship between an object and the relevant attributes.

4. Customer satisfaction

Customer satisfaction is one of the secrets of the success in business. Even so, there are still many people who intentionally or unintentionally forget this. Many business failures occur because customers are disappointed so they look for alternatives to other similar products. Approach based on customer interests. Retaining customers means expecting customers to repurchase products and services when the same needs arise at any time. According to Kotler (2009:138) customer satisfaction is a feeling of pleasure or disappointment someone who appears after comparing between expectations of reality obtained. High satisfaction or pleasure creates an emotional bond with the brand or company in question. Based on these opinions, it can be seen that

customer satisfaction is closely related to two things, there are expectations and results received. Customer satisfaction is the match between expectations and perceptions of services received (results obtained or reality experienced). Customer satisfaction is created during the purchase period, experience using the product or service and the period after the purchase. Customers who are satisfied with the products they use will return to use the products offered. This results in customer satisfaction being one of the most important factors to win the competition.

5. Customer loyalty

Basically real loyalty will not be formed if the customer does not or has not made the purchase process first. Satisfied customers will have a high level of loyalty to the product or service offered compared to dissatisfied customers. Customer loyalty is a continuation of customer satisfaction, even though loyalty is not absolutely created from the results of customer satisfaction. According to Kotler (2008:138), loyalty is a commitment held deeply to buy or support a product or service that is favored in the future despite the influence of the situation and marketing efforts that cause customers to switch. Based on these opinions, it can be seen that loyalty is a commitment from customers that shape customer loyalty to a product or service, so that customers will make continuous purchases of selected products and services. Customers will remain consistent and not easily affected by market situations that are volatile and generally can affect consumer behavior.

6. Hypotheses

The hypothesis used in this study consists of seven hypotheses, there are:

- H1. Brand image has a positive and significant effect on customer satisfaction.
- H2. Service quality has a positive and significant effect on customer satisfaction.
- H3. Trust has a positive and significant effect on customer satisfaction.
- H4. Brand image has a positive and significant effect on customer loyalty.
- H5. Service quality has a positive and significant effect on customer loyalty.
- H6. Trust has a positive and significant effect on customer loyalty.
- H7. Customer satisfaction has a positive and significant effect on customer loyalty.

III. RESEARCH MODEL

This study design used by the author in this research is conclusive research, and the types are multiple cross – sectional descriptive research and causal research. The data collection method used in this research is quantitative research method using survey as the method, by conducting structured interview with respondents by using questionnaire designed to obtain specific information. The statement expressed in the questionnaire is created by using 1 – 5 scale (Likert scale which is developed) to obtain the data that the nature is interval and will given a score or value (1 strongly disagree, 2 disagree, 3 neutral, 4 agree and 5 strongly agree).

The sampling technique used in this study was nonprobability sampling. The sample selection method used was purposive sampling. Purposive sampling is techniques for determining the sample with certain considerations (Sugiyono, 2009: 85) where the researcher has certain criteria or goals for the sample to be studied. The criteria in question are customers who use the services of PT PrismaHarapan twice or more. The total number of members of the sample is determined by Slovin formula (Husein Umar, 2008: 141), which is the sample size which is a comparison of population size with a percentage of leeway inaccuracy, because sampling can be tolerated or desired. In taking this sample the error rate of 5% was used. The number of samples obtained in this study was 120.97 respondents. But to facilitate research, the number of samples was fulfilled to 121 people. From the formula above the sample set in this study amounted to 121 PrismaHarapan customers, this is in accordance with the opinion stated by (Imam Ghozali, 2017: 62) that the number of samples using SEM is 100-200.

The hypothesis test is stated in this research is done with Structural Equation Modelling as the test tool by using AMOS as the program measurement model. The measurement model shapes the relationship between latent variable and the other variable which are observed. The nature of the relationship is reflective which the

observed variables are the reflection of the related latent variable. The hypothesis test is conducted through the compatibility test of overall model, measurement, and structural equation.

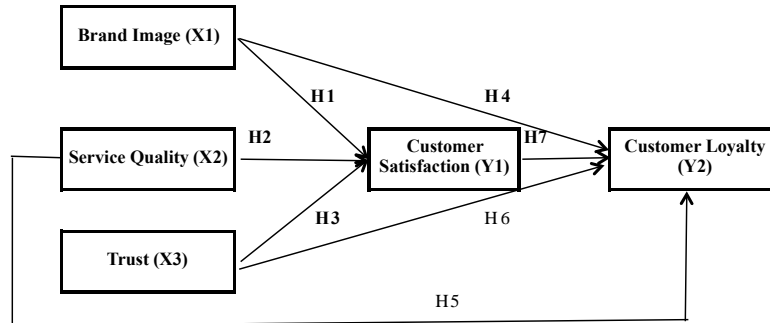


Fig. 1. Conceptual Model

Goodness of Fit shows the result of the result of Structural Equation Modeling test resulting Chi-Square value 1209,718 (marginal fit), Probability value 0,000 \geq 0.05 (bad), RMSEA value 0,117 \leq 0.05 (marginal fit), GFI values 0.651 \geq 0.90 (bad), AGFI value 0.597 \geq 0.90 (bad), CMIN/DF value 2.647 \leq 2.00 (marginal fit), TLI value 0.808 \geq 0.90 (marginal fit) and CFI 0.823 \geq 0.90 (marginal fit).

The next step is measurement model fit analysis, evaluation or compatibility test of this measurement model carried out on each construct or measurement model (the relationship between a latent variable with several observed variables/indicators separately through confirmatory factor analysis or often called CFA). The researcher tested the construct validity with the first order CFA followed by second order CFA.

The result of data processing analysis show that all the indicators forming all latent variables (constructs) show good validity, namely the value of the loading factor above 1.96 and the standardized value of loading factors above 0,50. The value of Construct Reliability all latent variables (constructs) are greater than 0.70 and the value of Variance Extracted are greater than 0.50 which indicates that each indicator forming a latent variable has good reliability. Thus all indicators in research model have a significant effect on latent variables.

The final part of this hypothesis test is related to the evaluation of the coefficients or parameters that shows the causal relationship and the effect of one latent variable on the other latent variable. A hypothesis can be accepted if the standard path of the coefficient value has positive value and has significant effect on t-value higher than 1.96.

IV. RESULT AND ANALYSIS

Variables are considered to have a significant effect if the value of Critical Ratio (CR) on AMOS output shows a value of more or equal to 1.96 because it means that the variable has a 95% significance level. The analysis results can be seen in the following table:

TABLE 1.INTERPRETATION OF RESEARCH RESULT

			Estimate	S.E.	C.R.	P	Conclusion
Satisfaction	<---	Brand Image	0,469	0,125	3,763	0,000	Supported
Satisfaction	<---	Service Quality	0,411	0,096	4,292	0,000	Supported
Satisfaction	<---	Trust	0,258	0,083	3,111	0,002	Supported
Loyalty	<---	Service Quality	0,210	0,082	2,577	0,010	Supported
Loyalty	<---	Brand Image	0,282	0,105	2,701	0,007	Supported
Loyalty	<---	Trust	0,166	0,067	2,492	0,013	Supported
Loyalty	<---	Satisfaction	0,503	0,123	4,092	0,000	Supported

Source: data is processed by researchers (2018)

V. CONCLUSION

1. Conclusion

Through the results of the research and discussion described in the previous section, conclusions can be drawn as follows:

- 1) Brand image has a positive and significant effect on customer satisfaction of service users of PT PrismaHarapan. This finding explains that with the higher brand image of the company, customer satisfaction will be higher.
- 2) Quality of service has a positive and significant effect on customer satisfaction of service users of PT PrismaHarapan. This finding explains that the higher the quality of service provided by the company, the higher customer satisfaction will be.
- 3) Trust has a positive and significant effect on customer satisfaction of service users of PT PrismaHarapan. This finding explains that with the higher customer trust in the company, customer satisfaction will be higher.
- 4) Brand image has a positive and significant effect on customer loyalty of PT PrismaHarapan service users. This finding explains that with the higher brand image of the company the customer loyalty will be higher.
- 5) Quality of service has a positive and significant effect on customer loyalty of PT PrismaHarapan service users. This finding explains that with the higher quality of service provided by the company, customer loyalty will be higher.
- 6) Trust has a positive and significant effect on customer loyalty of PT PrismaHarapan service users. This finding explains that with the higher customer trust in the company, customer loyalty will be higher.
- 7) Customer satisfaction has a positive and significant effect on customer loyalty of PT PrismaHarapan service users. This finding explains that with the higher level of customer satisfaction the customer loyalty will be higher.

2. Suggestion

There are a number of recommendations that are recommendations through research findings, including:

2.1. For Managerial (Company)

In accordance with the findings that prove that brand image, service quality and trust that have a significant influence on customer satisfaction and customer loyalty, then as an effort to improve customer satisfaction and customer loyalty, PT PrismaHarapan can evaluate aspects that have an average value. lower average described as follows:

- 1) This research proves that the higher the brand image, the higher customer satisfaction will be. For this reason, as an effort to increase customer satisfaction, PT PrismaHarapan can improve the company's brand image, especially with regard to ease of conducting transactions and maintaining a good image in the eyes of customers.
- 2) This research proves that the higher the quality of services provided, the higher customer satisfaction will be. For this reason, PT PrismaHarapan can focus on increasing understanding of customer desires / needs, providing friendly and polite service, having solutions from employees to customers who have problems, and personal attention.
- 3) This research has proven that along with increasing customer trust will significantly increase customer satisfaction. On the factor of customer trust, PT PrismaHarapan can pay attention to the matter of work standards in the delivery of services and experience in understanding or meeting customer demand.
- 4) This research proves that the increase in brand image will significantly increase customer loyalty. For this reason, PT PrismaHarapan can evaluate the company's brand image, especially with regard to the characteristics that distinguish its products from other companies' products so that they can become loyal customers significantly.
- 5) This research proves that with the higher quality of services provided, customer loyalty will be higher. For this reason, PT PrismaHarapan can maintain in terms of providing accurate information, speed and responsiveness in responding to customer requests, responding to and handling customer complaints to completion, as well as neatness in installing products and employees as an effort to keep customers loyal customers.
- (6) This research has proven that along with the increase in customer trust, it can significantly increase customer loyalty. For this reason, PT PrismaHarapan can maintain the provision of information needed by

customers in an effort to maintain loyalty from its customers.

- 7) This research has also proven that through high customer satisfaction makes customers more loyal, in this case PT PrismaHarapan can maintain a level of speed and friendliness in serving customers and can increase the knowledge of their employees such as by providing new information / knowledge about their products .

2.2. For Further Researchers

The next researcher is expected to be able to develop this research by improving the structural model framework, so that later it can create a perfect model. Future studies using SEM analysis are expected to be able to use even larger samples, for example above 200 samples. In developing the model, the next researcher can add variables such as price, product quality and customer commitment.

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