



The Influence Of Electronic Service Quality, Price, And Trust Towards Customer Satisfaction And Its Impact To Repurchase Intention On The Application Of Grab

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Abstract: Technological development is unavoidable over time. That phenomenon has created a new trend, which is online transportation services. Online transportation services provide road transports that track and exploit the development of technology-based online application. Indonesia has the highest market share in Southeast Asia with an estimated transaction value of 18 million dollars by 2025. Indonesia has many online transportation service companies. Gojek, Grab, Maxim, and InDriver are the companies with the most user in Indonesia. Gojek leads an online transportation market in Indonesia, followed by Grab in second rank, Maxim in the third rank, and InDriver in the fourth. Online transportation services companies retain their customer by making customers repurchase. Customer repurchase intention is affected by customer satisfaction while using online transportation services. Customer satisfaction is affected by e-service quality and customer's trust to the brand. Hence, this study aims to find out how much e-service quality and trust affect customer satisfaction, and how much customer satisfaction affects customer's repurchase intention. This study uses quantitative method with descriptive analysis way. Data collection will be done by using questionnaire as a tool which will be spreaded out through Google Forms. Respondence's population is a sum of Grab's user in Indonesia, with a purposive sampling technique. Datas that already collected will be processed using SMART-PLS software. The result shows that electronic service quality, price, and trust has positive influence towards customer satisfaction. Then customer satisfaction variable affecting repurchase intention positively.

Keywords - consumer behaviour, customer satisfaction, electronic service quality, online transportation services, price, repurchase intention, trust.

I. INTRODUCTION

Technology has made a huge change to human's behaviour. People tend to use online services rather than conventional services in many aspects, including transportation. Online Transportation Services has become a mandatory need to most of people in Indonesia. According to Databoks, predicted in 2025, Indonesia will have amount of transaction around 18 million USD in online transportation market. This means Indonesia is a prospect market for online transportation business. There are four most popular online transportation company that operate in Indonesia: Gojek, Grab, Maxim, and InDriver. According to Databoks, Gojek leads the market with 62,6% audiences use Gojek on August 2022 – September 2022 period. Followed by Grab in the second place with 57,3% audiences as a user. Maxim placed third with 19,6% and InDriver placed fourth with 4,9%.

Based on Fauzi (2018), online transportation business has to make their customer make a repeat purchase to survive in this sector. Therefore, repurchase intention are the main variable in this research. Kotler (2012) said that Repurchase Intention is affected by the level of satisfaction of consumer. Therefore, Customer Satisfaction act as intervening variable that connect E-Service Quality and Repurchase Intention. Customer Satisfaction is affected by many variables. In this research, the first variable that affect Customer Satisfaction is E-service Quality. This research uses Electronic Service Quality instead of the regular Service Quality because Grab uses application as a medium to communicate with customer. The second and third variable that affect Customer Satisfaction is Price and Trust. According to Indrasari (2019) and Ismanto (2020), price and trust are directly affecting customer satisfaction. Therefore, title that suitable for this research is Influence of E-Service Quality, Price, and Trust towards Customer Satisfaction and Its Impact to Repurchase Intention on Grab's Application.

II. LITERATURE REVIEW

2.1 Electronic Service Quality

E-Service Quality is the whole phase of interaction between consumer and a website or application (Parasuraman, 2005). The difference between E-Service Quality and conventional service quality is no direct interaction between seller and buyer. E-Service Quality is important nowadays because more relevant with technology's development which used for transaction process. E-Service Quality has four dimensions that suit online transportation business (Fauzi, 2018): Information Quality, Application Design, Payment Method, and Security & Privacy.

2.1.1 Information Quality

Information Quality in terms of E-Service Quality is the goodness of the information given by website or application to the user. Clarity of the information determine the information quality. Information quality is determined by few factors. First, reliability, means the information given is reliable, trusted, and true. Second is accuracy, means the information conduct something accurate to the actual fact. Third is completeness, means the information given has all things that related to the user's needs. Last, relevancy, means the information given is match with what users want to know (Liu, et al, 2008).

2.1.2 Application Design

Application design is the looks, or interface that used on the website or application. This conducts layout, navigation, interaction, and visualization. There are some factors that affected Application Design. First is navigation, which is the application/website helps user to find what they looking for and what they need. Second is visualization, means the looks of the application/website is comfortable for the user. Last is informative, the application/website's layout give a clear information to the user to help the user find what they need (Guo, et al., 2012).

2.1.3 Payment Method

According to Noorshellah et al. (2015) in Fauzi (2018), payment method is the important factor that influence the E-Service Quality score. Payment method that easy to use and has many options will have a good value in customer's perspective. This theory measuring how far payment method can affect customer's perception towards e-service quality.

2.1.4 Security & Privacy

Security & privacy in terms of electronic is a security and privacy about personal data used in a website or application. User's personal data must be protected by sites that provide electronic services. A good security and privacy level of the website or application make consumer feels secure and safe while using electronic services.

2.2 Price

Price is the value of product or service that measured by money spent by customers to get that product or service (Indrasari, 2019). Price is the most flexible marketing element because it can change depends on many factors like product type, amount of demand, amount of supply, etc. Price could affect customer satisfaction because customers expect to spent money according to the amount they paid.

2.3 Trust

Trust is someone's willingness to put their expectation towards some objects. In terms of E-Service Quality, the objects are application and website that provided by the company. According to Chiou and Droge (2006) in Fauzi (2018), trust made from consumer's perspective towards product's quality. Consumer tends to trust a product when they get a good experience by using the product consistently. Trust can be built by fulfilling an appointment, ensure security every transactions, and giving a good quality services (Sin, et al., 2002).

2.4 Customer Satisfaction

According to Kotler and Keller (2016), Satisfaction shows someone's perspective towards a product's quality and performance they get compared to their expectation. If the quality and performance they get is beyond their expectation, they will be delighted. If the quality and performance they get is equal to their expectation, they will be satisfied. If the quality and performance they get is below their expectation, they will be disappointed.

2.5 Repurchase Intention

Repurchase intention is someone's decision to repeat a transaction from the same company or brand (Fauzi, 2018). Repurchase intention will happen if customer is satisfied by the product from the previous purchase. According to Hellier et al (2003), repurchase intention is the planned decision made by customer to do a repeat buying on some products. Some factors that affecting repurchase intention are customer satisfaction, product quality, service quality, and brand loyalty.

III. RESEARCH METHOD

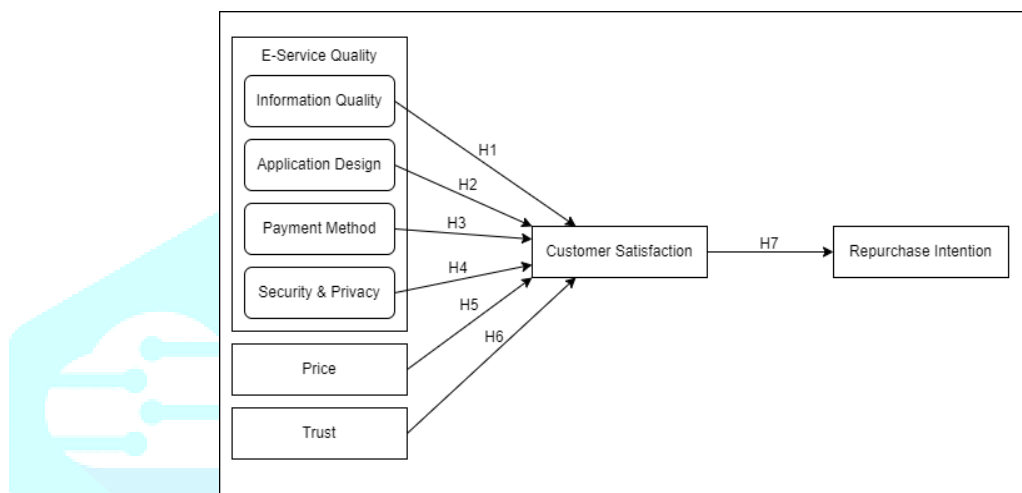


Figure 1. Research Framework

This research used a quantitative method because the goal is to measure mathematic model to obtain the relationship between variables. Population of this research is Grab user in Bandung. Since population size is unknown, to determine the sample size use the Limeshow formula. Sample size used on this research is 313. Data collected with with an online questionnaire made with Google Form and distributed to Grab's application user in Bandung.

Table 1 Convergent Validity Result

Construct	Items	Convergent Validity		Status
		Loading Factor	AVE	
Information Quality (IQ)	4	0.813 – 0.863	0.707	Valid
Application Design (AD)	7	0.750 – 0.835	0.655	Valid
Payment Method (PM)	1	1.000	1.000	Valid
Security & Privacy (SP)	3	0.795 – 0.881	0.700	Valid
Price (PR)	3	0.744 – 0.862	0.644	Valid
Trust (TR)	3	0.784 – 0.873	0.698	Valid
Customer Satisfaction (CS)	2	0.908 – 0.922	0.837	Valid
Repurchase Intention (RI)	2	0.893 – 0.895	0.800	Valid

Table 2 Construct Reliability Result

Variables	Cronbach's Alpha	Composite Reliability	Status
IQ	0.862	0.906	Reliable
AD	0.913	0.930	Reliable
PM	1.000	1.000	Reliable
SP	0.793	0.875	Reliable
PR	0.735	0.844	Reliable
TR	0.783	0.874	Reliable
CS	0.805	0.911	Reliable
RI	0.750	0.889	Reliable

Table 1 shows the convergent validity result with a loading factor and AVE as the measuring parameters. The minimum score of loading factor is 0.7, while minimum score of AVE is 0.5. All items in this research have reached those requirements. Therefore, all items can be stated as valid indicators. Table 2 shows the result of construct reliability measurement. There are two indicators to measure reliability, Cronbach's Alpha coefficient and Composite Reliability. Both must be scored more than 0.7. All items used in this research are stated as reliable because both score are exceed 0.7.

IV. RESULT AND DISCUSSION

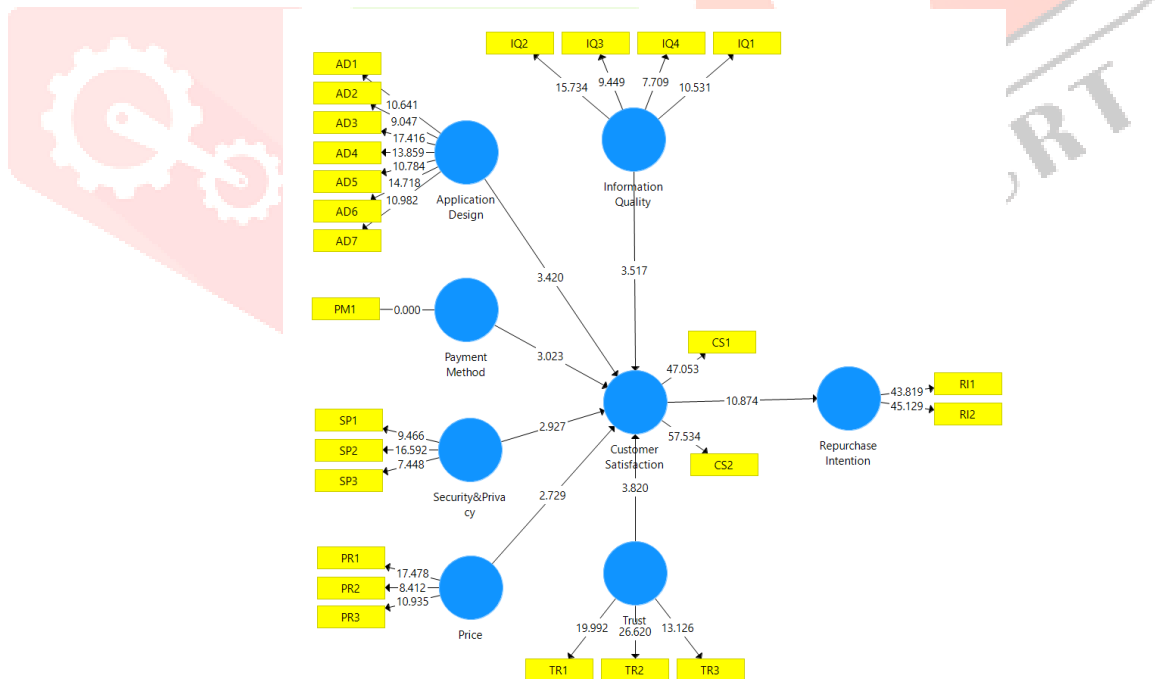


Figure 2 Path Coefficient Model

Based on Figure 2, path coefficient between customer satisfaction and repurchase intention calculated 10.874, which is the highest coefficient among the others. This means connection between those two variables is stronger than the other connection. While price to customer satisfaction has the lowest coefficient with 2.729 point. This means price's influence towards customer satisfaction does not too strong.

Table 3 Bootstrapping Result

	Original Sample (O)	Standard Deviation	T- Statistics (O/STDEV)	P-Values	Hypotesis
AD → CS	0.164	0.049	3.373	0.000	Accepted
CS → RI	0.544	0.048	11.444	0.000	Accepted
IQ → CS	0.195	0.056	3.497	0.000	Accepted
PM → CS	0.183	0.061	3.021	0.002	Accepted
PR → CS	0.141	0.052	2.724	0.002	Accepted
SP → CS	0.157	0.064	2.928	0.001	Accepted
TR → CS	0.243	0.061	3.998	0.000	Accepted

4.1 E-Service Quality and Customer Satisfaction

4.1.1 Information Quality and Customer Satisfaction

Based on Table 3, information quality has a positive and significant effect towards customer satisfaction because t-stat valued at 3.497, which is higher than critical t-table value of 1.65, and the p-value is 0.000 which is lower than significance level of 0.05. The original sample valued at 0.195. This means information quality has 19.5% influence towards customer satisfaction. This result aligned with prior research which conducted by Fauzi (2018), that stated information quality has a positive and significant effect towards customer satisfaction. This result shows that audience think informations that given in the Grab's application is accurate, reliable, easy to understand, and needed. Therefore, H1 is accepted.

4.1.2 Application Design and Customer Satisfaction

Result on table 3 shows that application design has a positive and significant effect towards customer satisfaction because t-stat valued at 3.373, which is higher than critical t-table value of 1.65, and the p-value is 0.000 which is lower than significance level of 0.05. The original sample valued at 0.164. This means application design has 16.4% influence towards customer satisfaction. This result aligned with prior research which conducted by Fauzi (2018), that stated application design has a positive and significant effect towards customer satisfaction. This result shows that audience think design, layout, color combination, transition quickness of each menu that given in the Grab's application is good enough. Therefore, H2 is accepted.

4.1.3 Payment Method and Customer Satisfaction

Based on table 3 above, payment method has a positive and significant effect towards customer satisfaction because t-stat valued at 3.021, which is higher than critical t-table value of 1.65, and the p-value is 0.002 which is lower than significance level of 0.05. The original sample valued at 0.183. This means payment method has 18.3% influence towards customer satisfaction. This result aligned with prior research which conducted by Fauzi (2018), that stated payment method has a positive and significant effect towards customer satisfaction. This result shows that audience think Grab's application has many options of payment method that made them comfortable while doing transaction. Therefore, H3 is accepted.

4.1.4 Security & Privacy and Customer Satisfaction

Security & privacy has a positive and significant effect towards customer satisfaction because t-stat valued at 2.928, which is higher than critical t-table value of 1.65, and the p-value is 0.001 which is lower than significance level of 0.05. The original sample valued at 0.157. This means security & privacy has 15.7% influence towards customer satisfaction. This result aligned with prior research which conducted by Fauzi (2018), that stated security & privacy has a positive and significant effect towards customer satisfaction. This result shows that audience satisfied with security system provided by Grab's application. This will make user feels more confident and secure when doing transaction in the application. Therefore, H4 is accepted.

4.2 Price and Customer Satisfaction

According to the table 3, price has a positive and significant effect towards customer satisfaction because t-stat valued at 2.973, which is higher than critical t-table value of 1.65, and the p-value is 0.002 which is lower than significance level of 0.05. The original sample valued at 0.141. This means price has 14.1% influence towards customer satisfaction. This result is different from the prior research which conducted by Pasharibu (2018), that stated price has a negative effect towards customer satisfaction. Pasharibu (2018) assumed that price doesn't affect customer satisfaction because the price offered by online transportation company barely same. On the other side, this research findings show that audience pay an attention on the price offered by each company. The little gap is important for them to make a purchase decision. They think price that offered by Grab is relatively lower than the competitor. Therefore, H5 is accepted.

4.3 Trust and Customer Satisfaction

Table 3 shows us that trust has a positive and significant effect towards customer satisfaction because t-stat valued at 3.870, which is higher than critical t-table value of 1.65, and the p-value is 0.000 which is lower than significance level of 0.05. The original sample valued at 0.243. This means trust has 24.3% influence towards customer satisfaction. This result is aligned with the prior research which conducted by Pasharibu (2018), that stated trust has a positive and significant effect towards customer satisfaction. This result findings show that audience feels comfortable, satisfied, and safe while using Grab's application. Therefore, H6 is accepted.

4.4 Customer Satisfaction and Repurchase Intention

Based on Table 3, customer satisfaction has a positive and significant effect towards repurchase intention because t-stat valued at 11.109, which is higher than critical t-table value of 1.65, and the p-value is 0.000 which is lower than significance level of 0.05. The original sample valued at 0.544. This means customer satisfaction has 54.4% influence towards repurchase intention. This result aligned with prior research which conducted by Fauzi (2018), that stated customer satisfaction has a positive and significant effect towards repurchase intention. This result shows that audience tend to reuse the application and recommend it to other people when they feel satisfied while using the app. Therefore, H7 is accepted.

V. ACKNOWLEDGMENT

This study revealed that repurchase intention is significantly positive affected by customer satisfaction. While customer satisfaction is significantly positive affected by electronic service quality and all its subvariables (information quality, application design, payment method, security & privacy), price, and trust. All of the connections in this research framework have positive relationship. Therefore, all hypotheses are accepted.

This research has practical and academical benefits. For the practical, the online transportation service providers should improve the quality of their application (information, design, payment method, and security) because it influences customer satisfaction level. The other factor that should be improved by the online transportation service providers are price and trust. A little price difference could affect consumer's buying decision, while trust can make consumer stayed and loyal to your brand. For the academic aspect, this research' findings can be a reference for the next study about online transportation service's application. Next study can deepen the influence of other electronic service quality's dimension. The price variable needs to be reexamined because it has a different result from the prior study. The next study can use this research' model and indicator for another object with the same topic, which is online transportation service.

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