The Influence of Service Quality and Brand Image on Loyalty Through Satisfaction Grab-Bike Customers in Bekasi City
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ARTICLE INFO

ABSTRACT

The purpose of this study was to determine and analyze the effect of Service Quality and Brand Image on the loyalty of users of the online Grab bike Ojek transportation service through customer satisfaction as an intervening variable. The population in this study was Grab bike users in the city of Bekasi, with 200 respondents. This study uses non-probability sampling with SEM research methods assisted by the LISREL version 8.8 program as a data processing instrument. The results show that service quality and brand image have a direct effect on customer satisfaction. Another consequence of this study is that brand image has an indirect impact on customer loyalty. Quality directly affects customer loyalty through customer satisfaction and service, with customer satisfaction as an intervening variable.

1. INTRODUCTION

Financial Radical change is usually disliked in society. In any organization, radical change will clash with employees in adjusting to that drastic change. The radical change in the world of the workshop is not so. Blacksmiths can cannibalize one or more bicycles to save the other by dismantling parts or parts inserted into the bike that has minor damage and becomes bicycles that can be used according to their function. In the automotive industry, for example, we recognize cannibalization from one motor to another. Welding experts, motorcycle repair shops can audit some used engines and then dismantle them into something useful. The urban transportation industry is like cannibalization without dismantling transportation equipment parts to produce transportation services that the user community needs with benefits faster, cheaper, and easier to obtain from a place of residence or from a place where he is and where to go. Starting from the desire to do breakthrough and innovation using information technology so that gojek transportation service products, Grab and Ojek Shari can compete with regular transportation routes or routes with specific operational permits. Users can be satisfied with their needs even the benefits obtained by users are much cheaper and convenient in searching for transportation (Chandy and Tellis 1998; Chandy et al., 2003).

Research conducted by Lahap et al., 2016; Risdwiyanto & Saputra, 2016; Sasonkko, 2014; Setyowati & Wiyadi, 2016; Yana et al., 2015 brand image has a positive and significant effect on customer satisfaction. The research conducted by Soelasih, 2016; Sondakh, 2014 concluded that brand image does not affect customer satisfaction. In addition to customer satisfaction, customer loyalty is also influenced by brand image, according to previous research conducted by Setyowati and Wiyadi, 2016; Sasonkko, 2014; Hadisurya, 2008. The research questions raised in this study are about how to satisfy Grabbike customers in a particular city. The analysis unit of this study is in Bekasi city with customers as respondents. The inconsistency of the above research results encourages researchers. At the same time, the researchers propose a model that
can provide solutions to such discrepancies. Based on the theory of resource-based excellence in competition (Resource Advantage theory of competition), researchers applied this theory in finding a model in question (Arnett, Brashear, & Madhavaram, 2012).

The objectives of this study include:
1. To know the effect of quality of service on satisfaction on GrabBike customers in Bekasi City.
2. To know the effect of quality of service on loyalty to GrabBike customers in Bekasi City.
3. To know the effect of quality of service on loyalty through satisfaction with GrabBike customers in Bekasi City.
4. To know the influence of brand image on satisfaction on GrabBike customers in Bekasi City.
5. To find out the impact of brand image on loyalty to GrabBike customers in Bekasi City.
6. To know the influence of brand image on loyalty through satisfaction with GrabBike customers in Bekasi City.
7. To find out the effect of satisfaction on loyalty to GrabBike customers in Bekasi City.

2. Theoretical Studies

Quality of Service

The quality of service is one of the essential factors in the company to achieve a competitive advantage, namely by fulfilling the needs of its customers. Service companies can win the competition by consistently providing quality services higher than customer expectations compared to competitors. According to Setyowati & Wiyadi (2016), the quality of service is a level of excellence expected to meet customers’ wishes. The five main dimensions of service quality, according to Parasuraman, Zeithaml, & Berry (1988), among others: reliability, responsiveness, assurance, empathy (empathy), and physical evidence (tangibles).

Research conducted by Yacob et al. (2016); Amponsah & Adams (2016) shows that the quality of service affects customer satisfaction. A study conducted by Jiang & Zhang (2016); Amalia (2015) concluded that variable quality of service has a positive and significant effect on customer loyalty. Amalia’s research (2015) showed that tangibles, reliability, responsiveness, assurance, and empathy simultaneously significantly influence customer loyalty of the five free variables. Empathy is the most dominant variable influence. In addition to the direct effect on customer satisfaction and loyalty, research conducted by Hadisurya (2008); Rasyid (2017); Hernawan & Andy (2019) concluded that there is a positive and significant influence of service quality on loyalty through customer satisfaction.

So the hypotheses proposed in this study are:
H1: The quality of service affects grubbike customer satisfaction in Bekasi City.
H2: Service quality affects GrabBike customer loyalty in Bekasi City.
H3: Service Quality affects GrabBike Loyalty in Bekasi City through Customer Satisfaction.

2.1. Brand Image

According to Saleem and Raja (2014) suggests the brand image is a reflection of a brand that is in the memory of consumers. They add that, in simple words, brand image is basically what comes to consumers’ minds when a brand is put in front of customers. Brand imagery can be translated into what can be beneficial to customers, realizing customer attributes and personality traits of customers (Maroofi, Nazaripour, & Maaznezhad, 2012). Keller (2013) pointed out the factors of brand image formation: Strength of Brand Association. When a customer actively describes the meaning of a product or service meaning, there will be a stronger association in the customer’s memory—favorability of brand association. Favorability of brand association is a brand
association where customers believe that the attributes and benefits provided by the brand will meet or satisfy their needs and desires so that they form a positive attitude towards the brand. The uniqueness of Brand Association. The uniqueness of a brand is an association against a brand that inevitably has to be divided with other brands.

The indirect influence of brand image on customer loyalty through customer satisfaction was done by Sulibhavi & Shivashankar (2017); Saputra (2013) concluded that brand image affects customer loyalty. Based on the above arguments submitted hypotheses, al:

H4: Brand image affects GrabBike customer satisfaction in Bekasi City.
H5: Brand image influences GrabBike customer loyalty in Bekasi City
H6: Brand Image affects GrabBike Loyalty in Bekasi City through Customer Satisfaction

2.2. Customer Satisfaction

Financial satisfied customers will return to buy, and they will tell others about the product used. Satisfied customers usually increase and buy more products. In addition to buying more, they also work as a network to reach other customers by sharing. Business organizations cannot grow if companies ignore customer needs (Tao 2014). When a company acquires a new customer, it must continue to build a good relationship with its customers so that the customer feels satisfied and does not switch to a similar company—providing quality goods and services today to satisfy customers and as a safe position for the company. Five main factors of customer satisfaction, according to Irawan (2002), namely: product quality, price, service quality, an emotional aspect, as well as cost and convenience.

Research conducted by Setyowati and Wiyadi (2016); Novianti, Endri, & Darlius (2018); Mashur et al. (2019); Indah (2014); Sasongko (2014); Rasyid (2017); Vun et al. (2013); Bakti & Sumaedi (2013); Hadisurya (2008); Sondakh (2014); Wijaya, Beik, & Sartono (2017) concluded that there is a positive and significant influence between satisfaction and loyalty. As for the research results conducted by Wibowo, 2014 contrary to the above, research suggests that there is no significant influence between satisfaction and loyalty. So the hypotheses proposed in this study are:

H7: Customer Satisfaction affects GrabBike customer loyalty in Bekasi City

2.3. Loyalty

Loyalty is a behavior indicated by making regular purchases based on decision-making (Hurriyati, 2015). To understand the meaning of customer loyalty, it must start from customer satisfaction. According to Adam (2015), loyalty is a routine buying behavior made by customers based on unit return decisions. Meanwhile, customer loyalty is a deep feeling, commitment, and support to products/services felt by loyal customers. Customer loyalty is a source of competitive advantage and an essential intangible asset for any organization (Cossío-Silva et al. 1., 2016). In connection with this, Griffin said (2016) two conditions associated with loyalty are customer retention and total share of customers. Customer retention describes the length of the relationship with the customer indicated by the percentage rate of customers who made a buyback within a certain period. The total share of customers describes the customer budget spent on the company. According to Griffin (2016), the envy of loyal customers makes regular repeat purchase, purchase across product and service, others refers and demonstrates in immunity to the pull of the competition.

3. METHOD

This study uses Structural Equation Modeling (SEM) analysis method, with the population in this study being all GrabBike users in Bekasi City. In determining the number of samples studied, researchers used Accidental Sampling, where a selection of 200 respondents was obtained. After a multivariate outlier examination with Mahalanobis Distance statistics and the help of SPSS software, 190 qualified respondents were obtained. The type of data used in the study is primary data obtained from the results of the respondent's questionnaire. Questionnaires are first tested through validity and reliability tests. According to Bollen and
Long (1993), the processes that must be passed in sem analysis include: 1) model specifications; 2) Identify the model; 3) Model Estimation (Multivariate Outlier, Normality Test, Linearity); 4) Model Fit Test (Measurement Model Validity Test, Reliability of Fit Measurement, Overall Fit Indices, Incremental Fit Indices, and Parsimonious Fit Indices); 5) Evaluation of the suitability of the measurement model; 6) Evaluation of structural models; 7) Parameter Significance; 8) Correlation and Coefficient of Determinates.

4. RESULTS and DISCUSSION

The users of GrabBike are dominated by women between the ages of 21 - 29 years old with the last level of education. The majority of respondents are high school/vocational school and strata 1 (S1). The majority of respondents are private employees with an income of Rp. 5,000,000,- and use GrabBike for work purposes. The data analysis results in this study showed that the goodness of fit CFA model meets the criteria "good fit" so that the relationship between each latent variable and its indicators is acceptable. The model feasibility test shows that the model is by the data or fits the data used in the study. The results of such conformity can be seen in the following table.

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Standardized Loading</th>
<th>Error Variance</th>
<th>CR ≥ 0.7</th>
<th>AVE ≥ 0.5</th>
<th>Ve</th>
</tr>
</thead>
<tbody>
<tr>
<td>X_{11}</td>
<td>0.89</td>
<td>0.28</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X_{12}</td>
<td>0.88</td>
<td>0.29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X_{13}</td>
<td>0.85</td>
<td>0.28</td>
<td>0.94</td>
<td>0.76</td>
<td>0.87</td>
</tr>
<tr>
<td>X_{14}</td>
<td>0.89</td>
<td>0.15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X_{15}</td>
<td>0.87</td>
<td>0.22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X_{21}</td>
<td>0.89</td>
<td>0.11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>X_{22}</td>
<td>0.84</td>
<td>0.16</td>
<td>0.94</td>
<td>0.85</td>
<td>0.92</td>
</tr>
<tr>
<td>X_{23}</td>
<td>0.87</td>
<td>0.13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{11}</td>
<td>0.94</td>
<td>0.07</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{12}</td>
<td>0.76</td>
<td>0.29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{13}</td>
<td>0.79</td>
<td>0.18</td>
<td>0.96</td>
<td>0.81</td>
<td>0.90</td>
</tr>
<tr>
<td>Y_{14}</td>
<td>0.80</td>
<td>0.23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{15}</td>
<td>0.95</td>
<td>0.06</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{21}</td>
<td>0.83</td>
<td>0.23</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{22}</td>
<td>0.80</td>
<td>0.24</td>
<td>0.84</td>
<td>0.57</td>
<td>0.75</td>
</tr>
<tr>
<td>Y_{23}</td>
<td>0.89</td>
<td>0.14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Y_{24}</td>
<td>0.64</td>
<td>1.30</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Data processed

Based on the output results in the table above, it can be known that all variables studied have a high-reliability value indicated by cr ≥ 0.7. Diversity of data Indicators capable of being contained by latent variables are acceptable with an AVE value of ≥ 0.5. It can be concluded that this measurement model is reasonable and supported by the data obtained.
Based on Figure 1, the model hypothesis can be explained as follows:

**Effect of Service Quality (X1) on Customer Satisfaction (Y1)**

The parameters of the estimated quality of service to customer satisfaction showed significant results with a Standardized Solution value of 0.22 with a value of t-value = 3.50 greater than the standard. Thus there is a positive and significant influence of the quality of service on customer satisfaction. The results of this study are consistent and support the opinion of Laksana (2008) that the comparison between customer expectations and the reality of service quality will result in satisfaction and dissatisfaction felt by customers who are the goals of the company. In previous research conducted by Yacob et al. (2016); Amponsah & Adams (2016) also showed that the quality of service affects customer satisfaction. His research on air transportation (Farooq et al. 2018) said that the good quality of transportation leads to increased customer satisfaction. In the context of transportation, passenger satisfaction is created by a comparison of pre-trip expectations and post-trip experiences (Ojo et al., 2014). In short, when a passenger's experience is compared to expectations in a feeling of satisfaction, satisfaction is created. Innovations developed by PT Grab in the field of online transportation have a good quality of service. This is because prospective partners who will join Grab must take various tests and training provided by PT Grab before being declared legal to be a partner of PT Grab. Furthermore, prospective partners who have passed tests and exercises can work as Grab partners with standard operating procedures that have been provided by PT Grab, thus making customer expectations met and improving GrabBike customer satisfaction.

**Effect of Service Quality (X1) on Customer Loyalty (Y2)**

Based on the results of the study obtained t-value of 6.89, which means that the hypothesis has a significant value, so it is concluded that the quality of service directly affects customer loyalty following research conducted by Sasongko (2014), Setyowati and Wiyadi (2016), Jiang & Zhang (2016); Amalia (2015). Different marketing strategies can be used to target different market segments to increase customer loyalty (Jiang & Zhang, 2016). Previous research conducted by Jiang & Zhang (2016); Amalia (2015) concluded that service quality variables affect customer loyalty. The maximum and good quality of service provided by GrabBike driver-partners will make customer expectations met and increase GrabBike customer loyalty.
Effect of Service Quality (X₁) on Customer Loyalty (Y₂) through Customer Satisfaction (Y₁)

Based on the results of the study, obtained t-count of 2.12, and this hypothesis is accepted. That is the quality of service from GrabBike mediated by customer satisfaction to achieve customer loyalty. These results follow the research conducted by Hadisurya (2008); Rasyid (2017); Hernawan & Andy (2019). This makes satisfied customers will increase loyalty to the quality of service from GrabBike. GrabBike driver-partners have met customer expectations by providing the best service to become loyal and continue to use GrabBike regularly.

Effect of Brand Image (X₂) on Customer Satisfaction (Y₁)

The parameters of estimating brand image to customer satisfaction showed significant results with a calculated t = 7.40. This means that brand imagery has a direct and significant positive effect on customer satisfaction. When services are challenging to evaluate, brand image is an essential factor that can influence consumer perception and evaluation of service satisfaction. This attitude will cause customer satisfaction towards the company and its products (Risdwiyanto & Saputra: 2016). This is also supported by previous research conducted by Setyowati and Wiyadi (2016), Sasonoko (2014), Lahap et al. (2016). Grab not only focuses on their products and services, but they also need to pay attention to driver-partners. This is because the driver-partners are the ones who will provide service to the customer, so the driver-partners need to be properly trained and compensated, and they can provide outstanding service to the customer (Lahap et al., 2016). The good image of the Grab Brand will make improvements to the quality of service, and this will lead to the reuse of the Grab app.

The Influence of Brand Image (X₂) on Customer Loyalty (Y₂)

Judging from figure 1 were obtained the value of t-count = 2.11 so that hypothesis 5 (H₅) proposed in this study can be accepted. Thus there is a positive and significant influence of image on customer satisfaction in line with research conducted by Setyowati and Wiyadi (2016), Sasonoko (2014), Hadisurya (2008). Brand imagery is one of the first things a customer sees before making a purchase or product selection. As good and as good as any brand image of a company will undoubtedly increase customers' loyalty.

The Influence of Brand Image (X₂) on Customer Loyalty (Y₂) through Customer Satisfaction (Y₁)

The parameters of estimating brand image to loyalty through customer satisfaction showed significant results with a Standardized Solution value of 0.25 with a t-value value of 2.81 > 1.97. Thus there is a positive and significant influence of brand image on loyalty through customer satisfaction. A good brand image can increase customer loyalty through customer satisfaction. This is in accordance with Saputra's opinion (2013) that customers who feel satisfaction will remain loyal if the image of the company with what it feels can be realized. Managers need to strive to understand and create a brand image that will help in developing customer loyalty by giving consideration to customer satisfaction with the brand (Sulibhavi & Shivashankar, 2017). Research conducted by Sulibhavi & Shivashankar (2017); Saputra (2013) concluded that brand image influences customer loyalty through customer satisfaction. That is, a good brand image of a product/service can increase customer satisfaction, and in the end, the customer will repurchase and promote the product/service to others so as to increase customer loyalty.

Effect of Customer Satisfaction (Y₁) on Customer Loyalty (Y₂)

Based on figure 1, were obtained the value of t-count = 3.01 so that hypothesis 7 (H₇) proposed in this study can be accepted. Previous research conducted by Setyowati & Wiyadi (2016); Novianti, Endri, & Darlius (2018); Mashur et al. (2019); Indah (2014); Sasonoko (2014); Rashid (2017); Vun et al. (2013); Bakti & Sumaedi (2013); Hadisurya (2008); Sondakh (2014); Wijaya, Beik, and Sartono (2017) concluded that there is a positive and significant influence between satisfaction and loyalty. The results of this study are consistent and support Griffin's (2016) opinion that loyalty is an act of purchase occurring no less than twice in a given duration of time. To understand the meaning of customer loyalty, it must start from customer satisfaction. Customer satisfaction is a business belief
that leads to value creation for customers, anticipating and managing their expectations, determining capabilities, and adjusting the ability to meet their needs (Dominici & Guzzo, 2010). This results in customer satisfaction that will lead to increased customer loyalty, resulting in the reuse of the Grab app.

The results of correlation analysis and coefficient of determination of this study can be seen in the following table:

<table>
<thead>
<tr>
<th>Path</th>
<th>Correlation</th>
<th>$R^2$</th>
<th>Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Service ($X_1$) → Customer Satisfaction ($Y_1$)</td>
<td>0.58</td>
<td>0.34</td>
<td>Weak</td>
</tr>
<tr>
<td>Brand Image ($X_2$) → Customer Satisfaction ($Y_1$)</td>
<td>0.83</td>
<td>0.69</td>
<td>Strong</td>
</tr>
<tr>
<td>Quality of Service ($X_1$) → Customer Loyalty ($Y_2$)</td>
<td>0.75</td>
<td>0.56</td>
<td>Are</td>
</tr>
<tr>
<td>Brand Image ($X_2$) → Customer Loyalty ($Y_2$)</td>
<td>0.73</td>
<td>0.53</td>
<td>Are</td>
</tr>
<tr>
<td>Customer Satisfaction ($Y_1$) → Customer Loyalty ($Y_2$)</td>
<td>0.78</td>
<td>0.61</td>
<td>Strong</td>
</tr>
</tbody>
</table>

Source: Data processed

Based on the results of table 2, analysis on correlation coefficient and determination coefficient found partial correlation coefficient value of service quality variable with customer satisfaction of 0.58, meaning there is a fundamental but weak relationship between service quality variable and partial customer satisfaction. The value of the coefficient of service quality determination means that the variable capability of service quality explains the partial relevance of GrabBike customer satisfaction is 34%. From the description above, it can be concluded that PT Grab maintains the quality of service that makes customers feel the benefits. It can improve customer satisfaction in the future.

A brand image variable's correlation coefficient and determination coefficient with customer satisfaction of 0.83 mean a real and strong relationship between brand image variables and partial customer satisfaction. The coefficient of determining brand image variables means that the ability of brand image variables to explain the advantages of GrabBike customer satisfaction is 69%. Citra brand is an essential nature of customersatisfaction, where PT Grab good brand image in customers' eyes according to expectations that make customer satisfaction even more improved.

Correlation coefficient and coefficient of service quality variable determination with customer loyalty of 0.78 mean a real and strong relationship between service quality variables and partial customer loyalty. The value of the coefficient of variable determination of service quality means that the service loyalty variable to explain the relevance of GrabBike customer satisfaction is 61%. Quality service is a very influential nature of customerloyalty causality of service remains one of the essential elements in determining.

The correlation coefficient and coefficient of determining brand image variables with customer loyalty of 0.73 mean a real and strong relationship between brand image variables and partial customer loyalty. The value of the coefficient of determining brand image variables means that the service loyalty variable to explain GrabBike's brand image's relevance is 53%. A good brand image stored in a strong consumer memory will increase customer confidence to make repeated orders/purchases and become loyal to Grab bike.
5. CONCLUSION

5.1. Conclusion

After conducting research that tested seven hypotheses presented in the previous discussion, the research conclusions on the seven hypotheses are as follows:

1. The quality of service has a positive and significant impact on GrabBike customer satisfaction in Bekasi City.
2. Brand image has a positive and significant impact on GrabBike customer satisfaction in Bekasi City.
3. The quality of service has a positive and significant impact on the loyalty of Grab bike customers in Bekasi City.
4. Brand image has no positive and significant effect on Grab bike customer loyalty in Bekasi City.
5. Customer satisfaction has a positive and significant impact on GrabBike customer loyalty in Bekasi City.
6. The quality of service has a positive and significant effect on loyalty through customer satisfaction.
7. Brand image has a positive and significant effect on loyalty through customer satisfaction.

5.2. Implications

Based on this research's analysis and conclusion, it is expected to provide benefits for GrabBike in terms of customer satisfaction and loyalty. The implications or benefits of this study are:

1. PT Grab can be more maximal in conducting periodic supervision to handle complaints and suggestions from customers for the services provided by GrabBike driver-partners to achieve customer expectations to increase customer satisfaction and foster customer loyalty.
2. With this research, PT Grab can provide GrabBike driver-partners opportunities, which have provided full service and maintained Grab's brand image by giving More Rewards and attention to GrabBike driver-partners.
3. PT Grab can maintain and foster the satisfaction and loyalty of its customers by improving its brand image.

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