# CUSTOMER LOYALTY FORMATION MODEL BASED ON SATISFACTION CUSTOMER IN E-COMMERCE-BASED TRANSPORTATION INDUSTRY IN INDONESIA

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#### Abstract

The research objective is to create a construction model for the formation of Customer Loyalty based on Customer Satisfaction in the E-Commerce-Based Transportation industry to improve the ability to compete in maintaining loyal customers and reaching new customers. Companies must know how the pattern of the formation of Customer Loyalty based on Customer Satisfaction in the E-commerce based transportation industry, based on brand image and service quality. The research design is quantitative and in the form of explanatory causality, testing the effect of brand image and service quality factors on customer loyalty through customer satisfaction with 380 respondents. Sampling uses a purposive sampling technique. Hypothesis testing uses Structural Equation Modeling (SEM) through AMOS. Brand image factors (X1) include the strength of brand associations, the uniqueness of brand associations, the uniqueness of brand associations. Service Quality Factors (X2) include tangible, empathy, responsiveness, reliability and assurance; to Customer Loyalty (Y) including making regular repurchase, purchasing across products and service lines, referring others, demonstrating an immunity to the full of the competition; and Customer Satisfaction (Z) includes buying again, buying other products, offering company ideas / products, saying good or recommending them. The results showed that Brand Image and Service Quality partially had a positive and significant effect on customer satisfaction. Brand Image and Service Quality have a significant positive effect on Loyalty through customer satisfaction. Brand Image, Service Quality and Customer Satisfaction show that together affect Loyalty. Findings Overall transportation based on E-Commerce, customer satisfaction is a major factor in shaping customer loyalty from the aspects of Brand Image and Service Quality, in other words customer satisfaction is a factor that mediates brand image and service quality to customer loyalty. So in order for consumers to be loyal, elements of Brabd Image and Service Quality must be able to increase increasing customer satisfaction.

**Keywords:** 1.Brand Image, 2.Service Quality, 3.Customer Satisfaction, 4.Customer Loyalty, 5.Transportation Based on E-Commerce.

#### **PRELIMINARY**

## 1.1. Background

The development of a country's progress is always followed by the advance of technology and information that are required by the demands of its people to support and facilitate its activities. Rapidly developing transportation technology has changed humans by making something far and near something impossible that is possible, the rapid progress has also led to a very basic problem. Road congestion in big cities can lead to lower productivity and high costs in various fields. In Indonesia, especially in big cities shows an extraordinary phenomenon. According to a transportation analyst company report, Inrix traffic conditions around the world in 2017, congestion caused people in

Indonesia to waste time on the road for 47 hours a year due to being stuck in traffic. Customer loyalty is a very important aspect, because according to Shoemaker and Lewis in Wijaya & Thio (2008) 1, the cost of getting new buyers is five times more expensive than the cost of keeping old customers loyal. Another important aspect that is taken care of in achieving customer service is brand image, service quality, and other elements that can create satisfaction.

#### 1.2. Rumusan Masalah Penelitian

Based on the description of the problem phenomena above, the formulation of the problem in this research can be formulated as follows:

- 1. It is suspected that Brand Image has an effect on Customer Satisfaction based on E-Commerce transportation.
- 2. It is suspected that Service Quality has a direct effect on Customer Satisfaction based on E-Commerce transportation.
- 3. It is suspected that Brand Image has a direct effect on Customer Loyalty based on E-Commerce transportation.
- 4. It is suspected that Service Quality has a direct effect on Customer Loyalty based on E-Commerce transportation..
- 5. It is suspected that Customer Satisfaction has an effect on Customer Loyalty based on E-Commerce transportation.
- 6. It is suspected that Brand Image has an effect on Customer Loyalty through Customer Satisfaction based on E-Commerce transportation.
- 7. It is suspected that Service Quality affects Customer Loyalty through E-Commrece based Customer Satisfaction in transportation.

Based on the description of the problem phenomena above, the formulation of the problem in this research can be formulated as follows:

- 1. It is suspected that Brand Image has an effect on Customer Satisfaction based on Commerce transportation..
- 2. It is suspected that Service Quality has a direct effect on Customer Satisfaction based on E-Commerce transportation.
- 3. It is suspected that Brand Image has a direct effect on Customer Loyalty based on E-Commerce transportation.
- 4. It is suspected that Service Quality has a direct effect on Customer Loyalty based on E-Commerce transportation.
- 5. It is suspected that Customer Satisfaction has an effect on Customer Loyalty based on E-Commerce transportation.
- 6. It is suspected that Brand Image has an effect on Customer Loyalty through Customer Satisfaction based on E-Commerce transportation.
- 7. It is suspected that Service Quality affects Customer Loyalty through E-Commrece based Customer Satisfaction in transportation.

## 1.3. Research purposes

Creating a conceptual model of Customer Loyalty construction through Customer Satisfaction in the E-Commerce-Based Transportation industry, so that old customers remain loyal and loyal. In line with the research plan for 2 years, the research objectives can be formulated as follows:

1. First, 1). The construction of the Customer Loyalty formation model through Customer Satisfaction which is examined in Brand Image and Service Quality factor analysis in individual markets for the engineering of overall loyalty loyalty in the culture environment of product consumption. 2). Construction of Customer Loyalty market behavior models in engineering product consumption sustainability. 3). Construction of policy models in maximizing the sustainability of product

- consumption. 4). Model construction guidelines in shaping Customer Loyalty and consumption behavior.
- 2. Second, 1). Model construction of the stages of the process of the formation of Customer Loyalty through Customer Satisfaction which is examined in the analysis of Brand Image and Service Quality factors, so that it can be used in developing appropriate strategic applications to encourage customers to be loyal. 2). Policy model construction in maximizing Customer Loyalty through Customer Satisfaction in the company's overall sustainability engineering in the product consumption culture environment. 3). Construction of guideline models in the formation of Customer Loyalty through Customer Satisfaction in product consumption

## 1.4 . Research urgency.

The establishment of Customer Loyalty is a strategic step in retaining old customers rather than finding new customers in the E-Commerce-based Transportation industry. First, this research will look at how the tendency of market behavior in the formation of Customer Loyalty is influenced by Service Quality and Brand Image through Customr Satisfaction. *The basic philosophy of finding new customers is five times more expensive than keeping existing customers loyal*. Second, the contribution of this research is the effect of the development of a very dynamic market competition with a very expensive cost base, especially to obtain new customers rather than keeping old customers loyal in meeting the needs of smooth and inexpensive transportation. Third, market behavior preferences formed from Customer Loyalty through Customer Satisfaction become a reference for the formulation of effective and efficient competitive strategies.

#### **1.5** Research Contribution

This research contributes to the improvement and improvement of the strength of the nation's character through marketing management of a company's business activities by emphasizing aspects of consumer behavior in the formation of customer loyalty through customer satisfaction based on brand image and service quality in the e-commerce-based transportation service industry, so as to strengthen competition faced in increasing consumer loyalty. This process is a strategic step that must be formulated and implemented by companies as part of a country to ensure maximum profit achievement, so that the country has strong and strong capital as a competitiveness to compete with others.

#### 1.6 Research Findings and Outputs

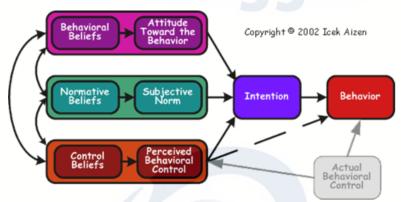
The research findings are a model of the formation of customer loyalty through customer satisfaction that examines in the analysis of service quality factors and brand image as a control of individual market behavior in the engineering of sustainable utility and increasing resources under overall control and own desires in a cultural environment determining safe transportation, comfortable, punctual and low cost. The findings and research outcomes include;

- 1. First, produce a Customer Loyalty model through Customer Satisfaction which is examined in the Brand Image and Service Quality factor analysis in individual markets for the engineering of overall loyalty sustainability in the culture environment of product consumption.
- 2. Construction of the Customer Loyalty market behavior model in the engineering of product consumption sustainability.
- 3. Construction of policy models in maximizing the sustainability of product consumption.
- 4. Construction of guideline models in shaping Customer Loyalty and consumption behavior in the E-Commerce-Based Transportation industry.

#### LITERATUE REVIEW

3.1 Consumer Behavior

Consumer behavior is the process of how individuals, groups, and organizations choose, buy, use, and how goods, services, ideas or experiences to satisfy their needs and desires (Kotler P. and Keller KV., 2013). Then Ajzen and Martin Fishbein (in Jogiyanto, 2007) in the theory of reasoned action (Theory of Reasoned Anction / TRA) in determining an action or will involves beliefs (bilief), attitudes (attitudes), intentions (intentions) and the next is behavior (behavior). Jogiyanto (2007), emphasizes that behavioral theory focuses on attention, that is, considering something that is considered important, and intention (intention) is determined by subjective attitudes and norms. Ajzen states the factor perceived behavior control (PBC), this toeri is called Theory of Planned Behavior (TPB) like this picture:



Source : Ajzen, I. (1991).

Picture 3.1 : Theory of Planned Behavior

# 3.2 Customer Loyalty

Loyalty according to Kalalo (2013)<sup>2</sup> loyalty is a commitment of the customer to stay in depth to re-purchase good products or services consistently. While Kotler P., et.al., (2013)<sup>3</sup> said customer loyalty is a commitment to buy back a product. According to Shoemaker and Lewis in Wijaya & Thio (2008)<sup>1</sup>, the cost of acquiring new buyers is five times more expensive than the cost of keeping old customers loyal. If the level of loyalty is high, customers will be happy to recommend products or services to others (Febrianingtyas et, al., 2014)<sup>4</sup>. According to Griffin in Sanjaya et.al., (2016)<sup>5</sup> customer loyalty is more associated with behavior than attitude. According to Setyaleksana et. al., (2017)<sup>6</sup> customer loyalty is very important and must be considered by the company. Oliver in Chaudhuri et. al., (2012)<sup>7</sup> states customer loyalty as a strong commitment to buy products consistently, if there are complaints the handling is right and satisfying the customer becomes laoyal (Kuswardani et. al., 2018)<sup>8</sup>. Empirically loyalty can be created if consumers are satisfied (Yudistira Budsi SP et al., (2016)<sup>9</sup>; Subagio H. et. Al., (2012)<sup>10</sup>; Karyose H. et al., (2017)<sup>11</sup>; Adinda Putri Y. et al., (2018)<sup>12</sup>, and Haryani Hatta et al., (2018)<sup>13</sup>.

## 3.3 Customer Satisfaction.

Customer Satisfaction is the main goal of every marketing activity. Customer satisfaction can be one of the best indicators for future earnings (Kotler in Febrianingtyas et al., 2014)<sup>4</sup>. According to Kotler P., et.al., (2013)<sup>3</sup>, satisfaction is someone's feeling of pleasure or disappointment arising from comparing the perceived performance of the product to their expectations. According to Tjiptono in Tambunan, et.al., (2015)<sup>14</sup> customer satisfaction is the level of one's feelings after comparing the performance he feels compared to his expectations. According to Indrawati in Nugroho (2015)<sup>15</sup>, satisfied customers will repeat product purchases. Meanwhile according to Fornell in Lupiyoadi (2014)<sup>16</sup> there will be many benefits received by the company with the achievement of a high level of satisfaction can increase loyalty. Saleem, Raja (2014)<sup>17</sup> shows that customer satisfaction affects

customer loyalty, and Liat C.B. et al. (2017)<sup>18</sup> states there needs to be an appropriate service education system so that customers are satisfied. Adreani F. et. al. (2012)<sup>19</sup>, adding loyalty can be achieved through brand power. According to Tjiptono, F., et.al., (2012)<sup>20</sup> in general, customer satisfaction provides two main benefits for the company, namely in the form of customer loyalty and the spread of advertising by word of mouth (gethok tular positivity).

# 3.4 Brand Image.

Image is a set of beliefs, ideas, and impressions that a person has of an object that is formed by processing information every time from various trusted sources (Kotler P., et.al., (2013)<sup>3</sup>. Brand influences consumers' perceptions of products to be purchased, then competition between companies competes perceptions rather than products (Tjiptono, F., 2011)<sup>21</sup>. Partially brands have the ability to provide value in accordance with price, reasons for buying, personality, attractiveness, difference, and comfort (Nyadzayo et. al., 2016)<sup>22</sup>. Brand image according to Keller in Malik et al (2012)<sup>23</sup>, as an assumption or opinion about a brand in the customer's mind that must be maintained According to Kotler, P., et.al., (2013)<sup>3</sup> that creates a brand image the positive one requires a marketing program that is strong and unique to the brand's memory, while according to Setiadi in Sondakh (2014)<sup>24</sup>, consumers who have a positive image of a brand are more likely to make a purchase. brand image as a brand mirror stored in consumer memory (Saleem and Raja, 2014)<sup>17</sup>. Neupane R. (2015)<sup>25</sup> and Hasby R. et. al. (2018)<sup>26</sup>, said that the company's overall brand image can increase loyalty.

## 3.5 Service Quality.

According to Lupiyoadi in Al Rasyid, H. (2017)<sup>27</sup> defines Service Quality as the extent of the difference between the expectations and reality of customers for services received or obtained. Parasurahman et. al. in Saidani B., et.al., (2012)<sup>8</sup>, where service quality includes dimensions of tangibles, reliability, respect, assurance, and empathy. Service quality is the main driver of consumer loyalty related to his behavior, by Fullerton in Utami (2012)<sup>29</sup>. Meanwhile, according to Kotler P., et.al., (2013)<sup>3</sup>, Service is an activity, benefit, or satisfaction offered for sale that is intangible and does not result in ownership. Ali F. et al. (2015)<sup>30</sup>, states that service quality is the main predictor in building satisfaction. According to Shanka et. al. (2012)<sup>31</sup>, John et. al. (2014)<sup>32</sup>, Ronald Jacob, S.S., (2017)<sup>33</sup>, service quality greatly influences satisfaction.

Study Results Achieved previous research produced with Customer Satisfaction with Customer Loyalty include:

- 1. Al Rasyid H., (2017)<sup>27</sup>, customer satisfaction is formed in loyalty to the consumption of Go-jek products.
- 2. Febrianingtyas et, al., 2014)<sup>4</sup>. Customer attitude is a good indication for measuring customer loyalty.
- 3. Reza Andrianto, R., (2014)<sup>34</sup>, customer satisfaction forms customer loyalty based on the quality of service to consumers PT. JNE Surabaya.
- 4. Utami (2012)<sup>29</sup> service quality is the main driver of consumer loyalty related to consumer behavior.
- 5. Rizan M., (2015)<sup>35</sup>, customer satisfaction is formed based on the influence of price factors, service quality, and brand image on Go-jek consumers.
- 6. Mohsan F., et.al., (2011)<sup>36</sup>, and Wahyu Endarto E., et.al. (2018)<sup>37</sup>, it is impossible for loyalty to be formed without satisfaction.
- 7. Rizan M. et.al. (2015)<sup>35</sup>, Chiguvi D. et.al. (2015)<sup>38</sup>, Cristian Palit H. et.al. (2016)<sup>39</sup>, Yudhistira Budhi SP. et. al. (2016)<sup>9</sup>, Karyose H. et.al. (2017)<sup>11</sup>, Kuswardani DC. et.al. (2018)<sup>8</sup>, Haryani Hatta I. et.al. (2018)<sup>13</sup>, customer satisfaction has a significant effect on customer loyalty.
- 8. Wahyu Indarto E. et.al., (2018)<sup>37</sup>, loyalty cannot be achieved without satisfaction.

- 9. Subagio H. et.al., (2012)<sup>10</sup>, Saleem H. et.al. (2014)<sup>17</sup>, Adinda Putri Y. et.al. (2108)<sup>12</sup>, Satisfaction will affect customer loyalty.
- 10. Chaudhuri et. al.,  $(2012)^7$ , stated customer loyalty as a strong commitment to buy products consistently.
- 11. Setyaleksana et. al., (2017)<sup>6</sup> if the customer is loyal to the company, the customer will help promote the company's services to those closest to him.
- 12. Sanjaya and Prasatyo (2016)<sup>5</sup> The concept of customer loyalty is more associated with behavior than behavior.
- 13. Neupane R. (2015)<sup>25</sup> and Hasby R. et. al. (2018)<sup>26</sup>, said that the company's overall brand image can increase loyalty.
- 14. Rizan M., et.al., (2015)<sup>40</sup>. Influence of Service Quality and Fare Toward Customer Satisfaction and Its Impact on Customer Loyalty of Express Taxi in Jakarta. Indonesian Science Management Research Journal (JRMSI), Volume 6 No2, 2015, E-SSN: 2031-8313.
- 15. Lupiyoadi R., Putra B., (2014)<sup>41</sup>. The Effects of Displaying Revenue Management on Customer Satisfaction in Airline Industry: An Experimental Study in Indonesia. Asean Marketing Journal, Volume VI, No.1, June 2014.

#### **RESEARCH METHODS**

# 4.1 Research Design.

The design of this study is descriptive, aimed at describing or describing something both characteristic and function (Malhotra, 2014), by linking ideas, attitudes, beliefs, perceptions, beliefs of people who will be examined on the behavior in the formation of customer loyalty. The benefits of this research are classified as applied research because they are oriented to the method and application of results in forming customer loyalty from market participants' behavior so that they can support development

The design of this study uses a cross-sectional study, which is a research design in the form of collecting data from a particular sample that is only done once (Malhotra, 2014), called a single cross sectional where data collection is done from respondents for one time only. The data analysis method used is qualitative, which summarizes a large amount of primary data into important information that can be used to interpret the trend of influence.

4.2 Research Objects, Samples and Analysis Tools.

The object of research is the E-Commerce based transportation industry in Indonesia. A sample of all users of E-commerce based transportation services in Indonesia that have been determined. The research design is expansive causality which aims to examine the influence of Brand Image and Service Quality factors in forming Customer Loyalty based on Customer Satisfaction as an intervening variable. Sampling in this study uses non-probability sampling method with purposive sampling technique. Determination of the number of samples using the method n x 5 observations (Hair et. All., 2010) To facilitate the calculation and hypothesis testing of the sample used in this study were 400 respondents. To measure indicators of the dependent and independent variables using a Likert scale (Schiffman, Leon and Leslie Lazar Kanuk, 2004). With a Likert scale research subjects give statements:

- 1. Strongly disagre (STS)
- 2. Disagree (TS)
- 3. Agree (S)
- 4. Strongly agree (SS)

To evaluate the correctness of data retrieval, a validity, reliability, normality, multicollinearity, and heteroscedastity test are required. Furthermore, the data obtained is processed to test the hypothesis or the problem being investigated, using Structural Equation Modeling (SEM) through AMOS.

# 4.3. Data Analysis Techniques:

Hypothesis Test, in this study using SEM (Structural Equation Model) through AMOS with the aim to determine the effect of customer satisfaction as a determinant in the stages of the process of forming customer loyalty in the e-commerce transportation service industry in Indonesia. The test model used is the SEM equation through AMOS so that the model fit indicator is obtained that meets the criteria of a good model, namely: a). Degree of Freedom (DF) the value must be positive; b). Non-significant Chi-Square must be above the required value (p = 0.05) and above the accepted conservative limit (p = 0.10); c). Incremental fit values above 0.90, namely for GFI, TLI, and NFI; d). The lowest RMR and RMSEA values.

## **4.4** Definition of Variable Operations.

Research variables consist of the independent, dependent and intervening variables as follows

- Brand Image (X1) includes aspects of the strength of uniqueness, and the excellence of brand association. Brand Image is the perception and belief carried out by consumers, as reflected in the associations that occur in consumer memory (Kotler and Keller (2013), as well as the E-Commerce-Based Transportation industry where consumers who have a positive image of a brand, will be more likely to make a purchase.
- 2. Service Quality (X2) includes tangible, empathy, responsiveness, reliability, assurance. Service quality can be interpreted as an effort to meet the needs and desires of consumers and the accuracy of its delivery in balancing consumer expectations (Tjiptono (2007), as well as E-Commerce-based transportation. The main driver of loyalty is the quality of good service.
- 3. Customer Loyalty (Y) includes making regular repeat purchases, purchasing acros products and services, referring others, demonstrating immunity to the competition. Customer loyalty is a commitment to repurchase a product or make use of the service again (Kotler and Keller 2013). Customer loyalty in transportation based on E-Commerce is very important and must be considered by, because if the customer is loyal then the customer will help promote it to those closest to him.
- 4. Customer Satisfaction (Z) as an intervening variable, including buying again, saying good things / recommending, not paying attention to other products, offering ideas to the company. Satisfaction is someone's feeling of pleasure or disappointment arising from comparing the perceived performance of the product (or outcome) against their expectations (Kotler and Keller, 2013) as well as on E-Commerce based transportation. Customer satisfaction is the main goal in every marketing activity carried out by Go-jek. Because with customer satisfaction can be achieved, it is expected that customers can make repeat purchases or buy other products offered by E-commerce companies.

# 4.5 Hypothesis.

The hypothesis that will be proposed in the research related to the problems that arise is as follows:

- H<sub>1</sub> : Allegedly Brand Image has an effect on Customer Satisfaction based on E-Commerce transportation.
- H<sub>2</sub> : Allegedly Service Quality has a direct effect on Customer Satisfaction based on E-Commerce transportation.
- H<sub>3</sub> : Allegedly Brand Image has a direct effect on Customer Loyalty based on E-Commerce transportation.
- H<sub>4</sub> : It is suspected that Service Quality has a direct effect on Customer Loyalty based on E-Commerce transportation.

6<sup>th</sup> International Conference on Business, Economics and Social Sciences (ICBESS) 2019 MERCURE Hotel Ancol – Jakarta 6-7 November

H<sub>5</sub> : It is suspected that Customer Satisfaction has an effect on Customer Loyalty based on E-Commerce transportation.

H<sub>6</sub> : Brand Image is suspec<mark>ted to influence Customer Loyalty through E-Commerce-based transportation customer satisfaction.</mark>

H<sub>7</sub> : It is suspected that Service Quality influences Customer Loyalty through Customer Satisfaction based on E-Commerce transport.

#### 4.6 Research Model.

Based on the formulation of the problem, hypothesis, and previous research, the model in this study is as follows:

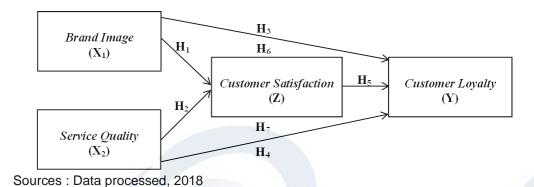


Figure : Research Model

## THE RESULTS ACHIEVED

#### 5.1 Field Data Tabulation.

Field data obtained through questionnaires by respondents as many as 380 people, then tabulated with the aim to facilitate the processing of data through statistical tools using SEM through AMOS. Furthermore, the data is processed in accordance with predetermined analysis tools to find out the results that have been described through a hypothesis. The research data tabulation consisted of 380 respondents who had passed an assessment or made a statement through a questionnaire given in revealing the problem that occurred in the research object.

## 5.2 Instrument Testing.

Testing instruments to uncover problems in the field through questionnaires in the form of statements by respondents were measured through validity and reliability. Validity is measured using product moment. The test results showed that all questionnaires used were valid as indicated by the pearsons correlation value of r count> 0.361 from the r table value. The reliability test results are done by looking at the value of Conbach alpha, the instrument used to pull data from respondents through a questionnaire in the form of a statement declared reliable because it has a Cronbach alpha value> 0.81 to be exact, 0.944. Thus all statements used to pull data from respondents are reliable, which means that the data obtained can reveal the real problems in the field.

#### 5.3 Data Processing.

From the results of testing of the model of customer loyalty based on customer satisfaction in the e-commerce-based transportation industry in Indonesia, the results are as follows:

 Effect of brand image on customer loyalty through customer satisfaction. According to the test results showed very significant results, that brand image has an effect on customer loyalty through customer satisfaction as indicated through p value 0.278. This shows

- that brand image can form customer loyalty based on e-commerce transportation if brand image is first able to provide customer satisfaction.
- 2. The effect of service quality on customer loyalty through customer satisfaction. The test results show that service quality has a significant effect on customer loyalty through customer satisfaction as indicated by the testing value of p value 0.262. This condition illustrates that service quality can drive customer loyalty if service quality can shape customer satisfaction for e-commerce-based transportation users.

#### 5.4 Discussion

- 1. Brand Image has an effect on Customer Satisfaction based on E-Commerce transportation, shown through the test results measured through a well-known, trusted, easy-to-remember, innovative, and e-commerce-based transportation brand image that forms customer satisfaction. The statistical values from the test show that e-commerce-based transportation is well known by the market, has a good value or impression so that customers no longer hesitate to choose and use e-commerce-based transportation as their first choice. These results support the results of research from Erni Setiyowati, et.all., (2015), stating that brand image has a positive effect on customer satisfaction.
- 2. Service Quality does not directly affect E-Commerce-based transportation customer satisfaction, which is indicated by a significant value greater than 0.05. The results of this test ensure that no matter how good the service quality is if it cannot create customer satisfaction, then customer loyalty will not increase. The greatest service quality has a role in encouraging high levels of customer satisfaction is from the element of reliability, especially helping solve problems in terms of mobility and assurance through services that are able to maintain politeness.
- 3. Brand Image has an effect on Customer Loyalty based on E-Commerce transportation, is positive with a low level of influence. This shows that brand image of customer loyalty is an aspect that is considered by consumers because brand image will show trusted values, easy to remember, innovative, and well-known so that even without going through customer satisfaction and even though the value of its influence is small it will still be the basis that determines influence on the formation of customer loyalty for e-commerce-based transportation customers.
- 4. Service Quality does not affect Customer Loyalty based on E-Commerce transportation, this proves that in service products, especially transportation based on e-commerce service factors that can shape customer satisfaction into a model that cannot be ignored or even become an important factor in encouraging the formation of customer loyalty. Of course these results confirm that service quality cannot improve customer satisfaction, customer loyalty cannot be achieved. From the test results show that service quality that can increase customer loyalty through customer satisfaction, especially e-commerce based transportation must wear complete attributes to be easily recognized, and provide the equipment needed in driving that is safe, comfortable, up to the destination in a timely manner. If this condition is not fulfilled, consumers will immediately show attitudes / behavior refusing to use e-commerce based transportation.
- 5. Customer Satisfaction positively and significantly affects Customer Loyalty based on E-Commerce transportation with the most prominent level of influence when compared to the effect of other treatments on consumers. Customer satisfaction can sharpen the increase in customer loyalty, especially from the aspect of reliability that is able to resolve issues in transportation, and assurance, especially customer service that is friendly, courteous, and is protecting customers from the dangers of travel.
- 6. Brand Image influences Customer Loyalty through Customer Satisfaction based on E-Commerce transportation in Indonesia. Brand Image will be able to increase Customer Loyalty if the brand image of E-Commerce-based transportation can improve Customer Satisfaction. The elements of the brand image that have the highest role in increasing customer satisfaction in this test are brand associations, where when consumers actively think about and decipher the meaning of

- information on consumers' memories the object of stimuli works through sensation that flows through the five senses; eyes, ears, nose, skin, and taste interpreted according to each method. This perception depends not only on physical stimuli but also on stimuli that are related to the surrounding environment and individual circumstances. The higher the value of the influence the more Brand Image gives higher Customer Satisfaction.
- 7. Service Quality influences Customer Loyalty through Customer Satisfaction based on E-Commerce transportation in Indonesia. The test results show that if Service Quality is improved primarily from the aspect of responsiveness that provides certainty that the driver knows the route that has a fast travel time, and the assurance aspect that is always displayed by the driver through polite greeting and communication, consumers feel comfortable and safe, so they are very satisfied using the service E-Commrece based transportation. Conditions like this that make consumers become loyal, and ultimately become the main choice for consumers in overcoming the transportation problems faced. Modesty and mastery of the route that has a short travel time is the most important part that must be prioritized by an E-Commuter-based transportation driver, so this requires companies to create / develop a map system / map as an online direction for operators / drivers.

#### **5.5** Research Model Findings.

The model of the formation of Customer Loyalty is based on Customer Satisfaction in the E-Commerce-based Transportation Industry in Indonesia, by involving the Brand Image and Service Quality factors. Customer Loyalty in E-Commerce-based transportation will be formed if the Brand Image and Service Quality conducted by the company must be able to improve Customer Satisfaction.

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