Corporate Image Antecedent Customer Repurchase Intention

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Abstract: The increasingly competitive business atmosphere leads the company to provide the best service. This study used 184 respondents by using SEM analysis. Aims to explore constructions that play a role in repurchase intention from BRT Trans Semarang passengers. Prove that the quality of service affects their trust as service users. Furthermore, these beliefs will have implications on the influence of corporate image. Consumer repurchases is not the ultimate goal of performance improvement but maintaining the quality of service to conform to standards is a major factor.

INTRODUCTION

The competitive atmosphere of the business world focuses on consumers, especially on the intention to reuse services. This is very sensitive and a concern for company management to retain customers, need extra efforts to increase to repeat purchase when compared to finding new customers. Bao *et al*.[1] reveals that satisfaction and trust are behind the intention of repurchasing. The key factor consumers feel satisfied when the service before, during and after purchase offered[2]. Therefore, the quality of customer service and convenience is very important in order to retain the old customers and to attract new customers to be embedded a good corporate image and trust in the minds of consumers in the hope of repurchase.

We found empirical research results that service quality to repurchase intention had a positive and significant effect[2-5]. It is apparent that these empirical results are indisputable with the results of research showing service quality to purchase intention is not significant[6, 7].

Continue papers that we present to International Conference on Accounting Management, Economic and Social Sciences (ICAMESS) 2017 by doing observations in the field, especially in Semarang city, Central Java province, Indonesia. Traffic congestion becomes a crucial issue that the government must immediately address with to the community. Being one of the big cities, the phenomenon of congestion has a negative impact that results in many elements such as fuel waste, loss of time and cost, disruption of the economy, etc. Various efforts have been made by the city government of Semarang to overcome the congestion by developing Trans Semarang Bus Rapid Transit (BRT) network but the fact in the field of BRT Trans Semarang has not been able to overcome

the problems, besides consumer's complaint to the service shows the bias level of hope with fact increasingly become higher.

Many factors play a role in improving service or performance[8]. Probalistics of various empirical variables and facts in the field become interesting for further investigation, considering that consumer choice is influenced by various factors[9] using the customer trusts theory approaches. Corporate Image Constructs are offered as mediation to solve empirical cases and phenomena scientifically.

Literature review and hypothesis
Repurchase intention: Service inconsistency affects repurchase intentions, this also applies to product purchases[10, 11]. Repurchase represents the customer's intention, so that, many factors affect the customer's intention and purchase decision[12, 13, 9]. Customer trusts often to create an exchange relationship, meaning that when trust is standard, transactions will occur[14] when customers have a high brand trust, their willingness to buy back products or services with the same brand and loyal to the brand is increasing. This belief is formed into the experience of satisfaction which is the main determinant of repurchase intention.

Repurchase intention is also defined as an individual's valuation of purchasing services again, the decision to engage in future activities with the service provider and what forms of activity will be undertaken[15, 16]. The reinforcement of the indicators on the repurchase intention proposed by Ryu *et al.*[17] is to want to return in the future, consider visiting again to recommend to others, say positive things about the company and encourage others to use the services of the company.

Service quality: Quality of service is a subjective acknowledgment of the customer whether the service provided by the company is good or bad through the interaction between the customer and the service provider in the service process[2]. Service quality can also be referred to as the breadth of the difference between the customer's expectation of the service obtained now and after being served. Service quality can be measured by the following objective factors: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, tangibles and understanding to customers. Service quality is also conceptualized as the overall inferiority of relative consumer impression or service superiority with five dimensions: tangibility, reliability, responsiveness, assurance and empathy[18].

The service quality dimensions proposed by Chimedtseren and Safari[6] including tangibility, reliability, responsiveness, empathy, assurance, helpfulness and problem solving. Quality good service

will enhance corporate image and customer trust. Ibanez *et al.*[19] use three different dimensions of perceived service quality: core technical service quality, technical quality of peripheral services and functional service quality. The study by Makanyeza and Chikazhe[20] found that service quality, satisfaction and corporate image have a direct and positive effect on loyalty[18]. Satisfaction and corporate image mediate the effect of service quality on customer loyalty. A high level of service quality will lead to loyal customers as the results of the study[18] found a positive relationship between perceptions of service quality and customer willingness to recommend the company. High service quality leads to customer retention rates which in turn will increase profitability[2, 3].

Corporate image: An image is a particular view of a problem with description, memory or otherwise related to it. This is the result of the interaction between the impression society, beliefs possessed, thoughts and feelings. Giovanis *et al.*[13] mentions that corporate image has been identified as an important factor of the overall assessment of service providers. It is defined as a mental picture that arises when the name of the company is called which is a composite psychological impression that constantly changes in the state of the company, media coverage, performance and others. Just like the reputation or reputation for a company, this is a public perception of the company, not a reflection of the actual state or position. Kadampully and Suhartanto[21] stated that in the tourism industry, image is the main determinant behind the customer's decision to buy back and recommend to others. And according to research[10] corporate image has a positive impact on customer satisfaction and trust. While research[22] suggests that corporate image mediates the relationship between three types of CSR (ethical, economic, philanthropic) and purchasing behavior intentions, the company image improves customer retention.

Customer trust: Trust is defined as the level of trust in partner exchanges, reliability and integrity, trust as a consumer's expectation that service providers can reliably and fulfill their promises to customers, take initiative, identify solutions and improvisation[23]. Customer trusts to reflect that the company's products or services are reliable and will behave, so long-term customer interests will be served[24]. Research shows that any improvement in corporate image will increase customer confidence, any improvement in the quality of relationships will increase customer confidence and any improvement in corporate image will increase customer loyalty.

Trust is the belief that individuals, groups or organizations can be counted on to fulfill their promises[25, 15, 16]. According to Wang[26] there are two
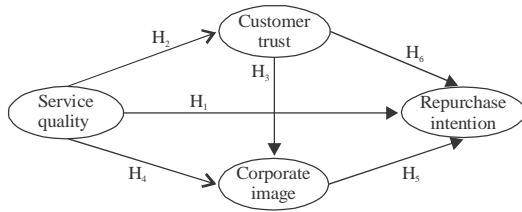
Fig. 1: Research model

types of trust in business to business partners, interpersonal trust and company-specific trust. Interpersonal trust is developed through interaction with representatives and their respective companies, the company's specific trust is between the company and their customer service and is intertwined through various experiences. Trust between the parties plays a key role in developing passenger loyalty and influencing business relationships[27].

Hypothesis: Based on the literature review of the hypothesis proposed to this study are as follows:

- H_1: the higher the quality of service, the higher the repurchase intention
- H_2: the higher the quality of service, the higher the customer trust
- H_3: the higher the customer trust, the higher the corporate image
- H_4: the higher the quality of service, the higher the corporate image
- H_5: the higher the corporate image, the higher the repurchase intention
- H_6: the higher the customer trust, the higher the repurchase intention

Theoretical framework: According to Sekaran and Bougie, the theoretical framework is the foundation on which it is an association network developed logically, described and elaborated on variables deemed relevant to the problem situation and identified with processes such as interviews, observations and literature review. The model of this research is shown in Fig. 1.

MATERIALS AND METHODS

This study uses two types of data namely primary data and secondary data. Primary data was collected using questionnaires with answer scale ranges of 1-10 if the respondent's answer is closer to number one, it means that the more disagreeing and closer to the number ten, the more agreed. While the secondary data collection is obtained from journals, articles, internet, mass media publications, textbooks, etc. The total respondents in this study were 184 passengers of Bus Rapit Transit Trans Semarang which spread in four corridors and selected

respondents had been riding BRT Trans Semarang more than twice. Processing and data analysis in this study using Structural Equation Modeling (SEM) Amos 22.

RESULTS AND DISCUSSION

The demographic characteristics of respondents are illustrated with Table 1. Based on the background of 184 respondents, 104 respondents (53.5%) were male and 80(43.5%) were female. The majority of respondents aged between 16-25 years are 126 respondents or 68.5%, then ages 26-35 years are 23 respondents or (12.5%) and the rest spread over the age range 36-45 years as many as 19 respondents or (10, 3%), between the ages of 46-55 years as many as 9 people or (4.9%) and more than 56 years as many as 7 respondents (3.8%). The last education of the majority of senior high school graduates was 142 respondents (77.17%), second graduate of S1/S2 graduates 15 respondents (8.15%), third place was junior high school (14 respondents) (7.61%) and graduate of Diploma 12 people (6.52%) and 1 elementary school graduate (0.54%). The majority of respondent status as college student 102 respondent or 55,4%, private employee counted 38 respondents (20,7%), self employed 19 respondent or 10,3%, student 10 respondent (5,4%), civil servant/TNI/pensioner As many as 7 people (3.8%) respondents and others as many as 8 people (4.3%) of respondents.

From the data analysis using SEM Amos 22, the result showed that the confirmatory factor analysis of each variable qualifies the Goodness of fit index, so it can be concluded that there is no difference between the sample covariance matrix and the estimated population covariance matrix. Normality tests data is met from the results of data if 184 respondents did not find evidence that shows data is not abnormal distribution, i.e., critical ratio of data outside±2.58. The result of goodness of fit model tests shows the fulfilled cutt-off value. The model conformity indexes as follows, Chi-Square (124,906), prop (0,000), GFI (0.903), AGFI (0.848) marginal, CFI (0.957), RMSEA (0.079) are within the expected range of values, so that, this model acceptable. The results of the study are shown in Fig. 2.

Based on the results of causality test, regression test, can be seen in Table 2, the following: From Table 2 above, it shows that the paths analyzed do not all show significant relationship causality, service quality to repurchase intention CR value of 0.37 is far below 2.0 and probability 0.71 is >0.01, so, the hypothesis 1 rejected. While hypothesis 2-6 are accepted because CR is >2.0 and significant at 1% significance level, H_6 customer trust to repurchase intention is not significant at the level of significance of 1% but still significant 5% significance level this is indicated by the probability value of 0.04. So, H_1 is rejected while H_2, H_3, H_4, H_5 and H_6 are accepted and significant.
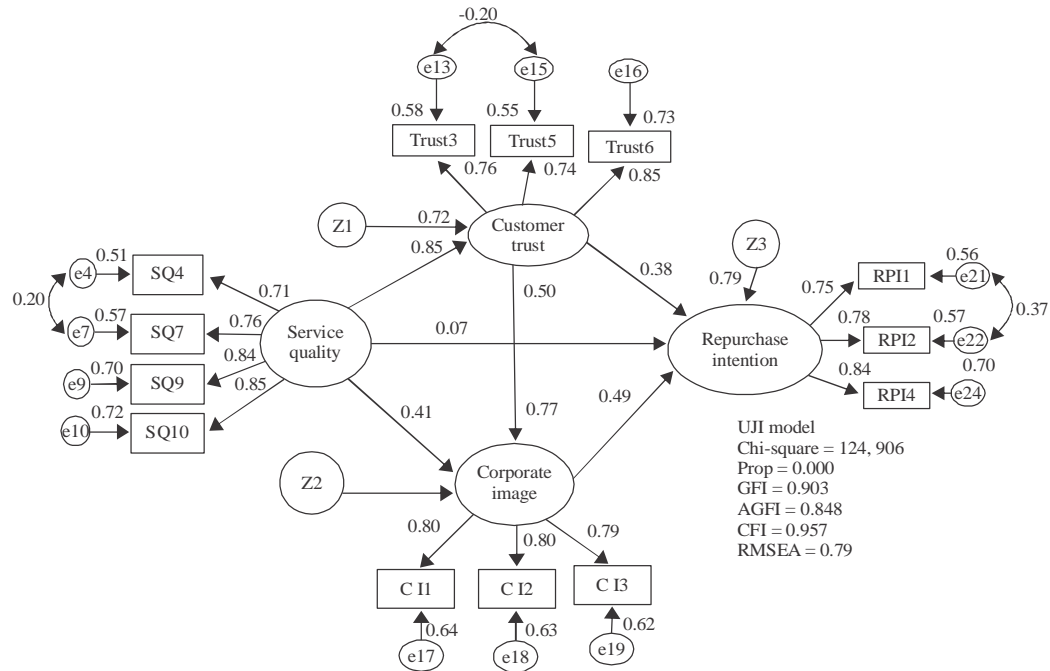
Fig. 2: Empirical research results

Tabel 1: Demographic characteristics

Items	n	Percentage
Gender		
Male	104	53.5
Female	80	43.5
Age (Years)		
16-25	126	68.5
26-35	23	12.5
36-45	19	10.3
46-55	9	4.9
>56	7	3.8
Graduate		
Elementary School	1	0.54
Junior High School	14	7.61
Senior High School	142	77.17
Diploma 3	12	6.52
S1/S2	15	8.15
Status		
College students	102	55.4
Private employees	38	20.7
Self employed	19	10.3
Students	10	5.4
Civil Servant/TNI/pensioner	7	3.8
Others	8	4.3

Table 2: Estimation of regression parameters

Parameters	Estimate	S.E.	C.R.	plabel
Customer_Trust<--Service_Quality	0.71	0.06	12.39	***
Corporate_Image<--Service_Quality	0.38	0.14	2.79	0.01
Corporate_Image<--Customer_Trust	0.55	0.16	3.44	***
Repurchase_Intention<--Customer_Trust	0.36	0.18	2.03	0.04
Repurchase_Intention<--Service_Quality	0.05	0.15	0.37	0.71
Repurchase_Intention<--Corporate_Image	0.43	0.16	2.72	0.01

Primary data that is processed (2017)

CONCLUSION

The purpose of this study is to explore the factors that affect the repurchase intention of BRT Trans Semarang passengers. This study examines the relationship between service quality, customer trust, corporate image and repurchase intention. Of the six hypothesis tested, hypothesis 1 was rejected (CR 0.37; p 0.71). While the hypothesis H_2 (CR 12,39; p 0,00), H_3 (CR 3,44; p 0,00), H_4 (CR 2,79; p 0,01), H_5 (CR 2,72; p 0 , 01) and H_6 (CR 2.03; p 0.04) are accepted. So it can be concluded that service quality can not affect repurchase intention directly but must through intervening variable that is customer trust and corporate image. Thus, BRT Trans Semarang should improve service quality which is expected to increase consumer/customer trusts and improve corporate image of the company which will ultimately increase the intention/behavior of a customer.

Quality of service is undeniable if it affects consumer trust. Although, many factors will affect consumer trust. Our empirical clearly proves that both have a positive relationship. Consumer trusts that has been formed will further to affect the corporate image. So, we think that starting from the quality of service will affect consumer trust which will eventually improve the corporate image[28].

More than that when the corporate image is embedded positively consumer minded, then the important role of the company becomes the key to maintain the image. The consumer's perspective is a hope that must be fulfilled even beyond their will. Repurchace is not the ultimate goal of improving service performance, but keeping the standard of the service takes precedence in order to keep the corporate image up. This can be seen from the characteristics of respondents that in the majority by respondents work as college students. We know that

college students are easy and fast customers to make decisions in other words fast to move on to other services such as online transportation.

RECOMMENDATIONS

Furthermore, researchers will develop a variety of constructs to better convince that repurchase intention is not only mediated by corporate image. Researchers will try to enter from the internal side of the company such as innovative and integrate service system.

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