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# The Role of Trust Mediates the Effect of Customer satisfaction on Repurchase Intention (Study on Consumer Chatime) in Denpasar City

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ABSTRACT: Thepurpose of this study is to explain the role of trust in mediating the effect of customer satisfaction on repurchase intentions. The study was conducted in Denpasar with a total sample of 60 respondents who had made purchases on Chatime products. The sample is determined using the non-probability sampling method with a purposive sampling technique. Data collection method is to conduct a survey using a questionnaire as a research instrument. Data analysis techniques used are path analysis (path analysis) and multiple tests. The results showed that all hypotheses were accepted. Customer satisfaction has a positive and significant effect on repurchase intentions, customer satisfaction has a direct effect on trust, trust has a direct influence on repurchase intentions and trust mediates the effect of customer satisfaction on repurchase intentions.

Keywords: customer satisfaction, trust, repurchase intention

#### I. INTRODUCTION

The food and beverage industry sector in Indonesia is one sector that has considerable growth potential. This is in line with the growth of Indonesia's population, which has approached 270 million. The food and beverage industry is also one of the biggest contributors to national GDP (Kompas.com, 2019). As one sector that has fast market growth, businesses in the beverage sector continue to grow and compete with one another to attract consumers. Good beverage business from inside to outside the country continues to emerge in the Indonesian market, one type of beverage that attracting attention today isboba drink.

The existence of boba drinks spreads to various corners of the world, including Indonesia, which is suspected to have emerged since two decades ago. Public interest in the country for boba drinks is also very high, even in some places people are willing to queue to buy it (Kompas.com, 2019). According to INDEF economics and business observers, Ahmad Heri said the increasing public demand for practical drinks and containing less preservatives is one reason why boba drinks exist. The challenge faced by each business actor is to always provide the best to seize and maintain market share, therefore every business actor must be able to develop a strategy that will be able to support their business and provide the best service for consumers.

Repurchase intentions occur when a company is able to make customers satisfied with the product services provided. The intention to buy and the loyal attitude of consumers is the most important thing for a company to maintain its existence in competition by maintaining existing customers and attracting new customers. A consumer who receives a positive response from the actions he receives allows individuals to make repeated purchases (Pujiati, et al 2016). The high level of consumer satisfaction can shows high repurchase intention when consumers deciding to buy a product in the future (Dewi and Kusuma, 2019). Factors that can predict repurchase intentions include customer satisfaction and customer trust.

Satisfaction according to Oliver in Martina and Muhammad (2017) is the fulfillment of pleasure, which means that consumption meets some needs, desires, customer goals or so on and this fulfillment is pleasant. Customer trust can be explain as customer thoughts, emotions, feelings or behaviors that are manifested when customers feel that providers can be relied upon to act in their best interests when they give up direct control (Leninkumar, 2017).

Based on data from the Top Brand Awards in the range of 2015 to 2019, Chatime came in second with a percentage of 19.6 percent and later ranked first from 2016 to 2019 as the most popular beverage brand seen from the index percentage which is 56 percent which continues to increase from the previous year very far compared to other brands. Chatime is a tea-based beverage originating from Taiwan. Chatime has a quality that is recognized in the international market so that it attracts the attention of the people of Indonesia. From various previous studies, research conducted by Setyorini and Nugraha (2016), trust has a positive effect on repurchase

intentions. Yolandari and Kusumadewi (2018) who stated that trust had a positive and significantly affect repurchase intentions. But the research result by Juniwati (2015), stated that consumer satisfaction has no positive and significant effects on repurchase intention.

# II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Repurchase is defined as the actual behavior of consumers which results in the purchase of the same product or service more than once. Repurchase intentions occur when a consumer has made a purchase of a product or service before. Kimppa (2014) defines repurchase intention as the intention to repurchase a product brand. According to Fullerton in Ibzan et al (2016) retention is another general term for repurchase, which is considered as one of the most important variables in relationship marketing. According to the results of research conducted by Awi and Chaipoopirutana (2014) there are seven factors that influence interest in repurchase, there are the physical environment, customer satisfaction, service quality, brand preference, product quality, perceived value, and price.

Trust is very important in business. Budi (2014) stated that trust is the belief that the product or service provider can establish long-term relationships with customers and the willingness or confidence of exchange partners to establish long-term relationships to produce positive work. Kotler and Keller (2012) stated that trust can be explain as the willingness of companies to depend on business partners. There are many indicators that can be used to measure the level of customer trust. Indicators of trust quoted fromPemayun and atmosphere (2015), are: (1) product reputation, (2) product competence, (3) product preference, (4) product consistency, (5) fulfillment of promises, and (6) fulfill needs.

Kotler and Keller (2009: 164) stated that satisfaction is the feeling of pleasure or disappointment someone is the result of comparing the performance (results) of a product that is perceived with their expectations. When the product brand performance received by consumers exceeds consumer expectations, at that time consumers will be satisfied. Satisfaction is an emotional state, their post-purchase reaction, can be in the form of anger, dissatisfaction, irritation, neutrality, joy and pleasure (Lovelock and Wright, 2007: 102). Consumers who are satisfied with the value provided by the product or service they consume will very likely become customers for a long time (Dewi, 2016). According to Kotler (2009) indicators used in assessing customer satisfaction are: (1) satisfaction with the product, (2) satisfactory overall service,

Research conducted by Martina and Muhammad (2017) found that customer satisfaction had a positive and significant effect on repurchase intentions. According to Suandana et al. (2016) customer satisfaction positively and significantly affect on repurchase intentions. It means that the higher the level of customer satisfaction in buying the product will be correlated with the higher intention to repurchase. Chamchuntra and Fongsuwan (2014) also found that the level of consumer satisfaction will have an impact on the interest to repurchase a product in the future. Based on the description, the hypothesis can be formulated as follows:  $H_1$ : there is a positive influence of customer satisfaction on repurchase intentions.

Research conducted by Richard and Dorah (2014) found that customer satisfaction has a positive effect and significantly affect customer trust. The results of research by Rosannah (2014) states satisfaction has a positive effect on trust. Thus the second hypothesis of this study is:

H<sub>2</sub>:there is a positive influence of consumer satisfaction on consumer trust.

The results of research conducted by Pareatama in Prasetyo (2015) prove that trust has a positive and significant effect on repurchase interest. The results of research conducted by Masitoh and Widikusyanto (2017) that trust has a positive and significant effect on repurchase intentions. Thus the third hypothesis of this study is:

H<sub>3</sub>:trust has a positive and significant effect on repurchase intentions.

The results of research conducted by Masitoh and Widikusyanto (2017) that trust can be a mediator of the customer satisfaction effect on repurchase intentions. Repurchase intentions will be even greater if satisfaction increasing or strengthens customer trust.

H<sub>4</sub>:trust can mediates the effect of customer satisfaction with repurchase intentions.

#### III. METHODS

This research is an associative research that is to find out the relationship between two or more variables. This study discusses the effect of satisfaction on repurchase intention, the effect of satisfaction on trust, the effect of trust on repurchase intention, and the role of trust in mediating the effect of satisfaction on repurchase intention. The location of this research is in the city of Denpasar. The object of this research is repurchase intention that arises because of the influence of customer satisfaction and trust after making a

purchase of Chatime products. The independent variable in this study is satisfaction, the dependent variable used in this study is repurchase intention, and the intervening variable in this study is trust. Types of data based on their nature used in this study are: 1) Quantitative data in this study are respondents' opinions on statements that include variables of satisfaction, trustworthiness, and repurchase intention 2) Qualitative data in this study are qualitative data that is framed by the scoring method. Data sources of this study are: 1) Primary sources in this study are respondents who provide an assessment of the statements contained in the questionnaire regarding the variables in the study, 2) Secondary sources in this study are institutions or related parties that publish data cited related research topic. In this study, researchers used a questionnaire as a data collection technique with a Likert scale including questionnaire answer score data based on indicators of each variable with five (5) points "Strongly Disagree", "Disagree", "Doubtful", "Agree ", And" Strongly Agree "to the respondent. The population used is consumers who have made purchases on chatime products with a minimum of high school / vocational education equivalent and domiciled in the city of Denpasar. The number of samples used in this study were 65 respondents. The method of sample collection in this study is to use non-probability sampling, namely by purposive sampling technique. Research data were collected using an instrument in the form of an online questionnaire. The data analysis technique used in this study uses descriptive statistical analysis, the classic assumption test to test the equation model that includes the normality test, multicolliniarity test, and heteroscedasticity test. Inferential statistical analysis in the form of path analysis and single test to test the significance of the indirect effect of mediation variables are preceded by testing of research instruments namely; validity test and reliability test.

#### IV. RESULT AND DISCUSSION

#### 4.1 Characteristics of respondents

Based on gender in this study showed the results of the majority of respondents were women as many as 60 percent and men as many as 40 percent. Based on the age classification in this study shows the result that respondents was dominated by aged 17 to 21 years with a percentage of 53.33 percent and the lowest percentage of respondents aged over 37 years by 1.67 percent. The last education of respondents in this study was dominated by high school/vocational equivalent with a large percentage of 65 percent while the lowest percentage of the last diploma education with a percentage of 11.67 percent. The highest percentage based on work is students/students as much as 61.67 percent and then the lowest percentage with the work as housewives is 1.67 percent.

### 4.2 Instrument Testing Results

Validity test is done with the help of SPSS program by calculating the correlation. The results of the validity test show that the instruments that are used to measure the research variables have a Pearson Correlation above the value of 0.3 so that the overall indicators used are valid. The reliability test results show that the value of Cronbach Alpha coefficient of each variable are more than 0.6. It means that all variables in this study are reliable.

# 4.3 Classic assumption test

The classic assumption test conducted in this study is the normality, multicollinearity, and heterokedsticity test.

The normality test use to test the residuals of the regression model that are made are normally distributed or not uses the Kolmogorov-Smirnov non-parametric statistical test.

**Table 1: Normality Test Result Regression Model 1** 

	Unstandardized Residual
N	65
Kolmogorov-Smirnov Z	0701
Asymp. Sig. (2-tailed)	0709

Source: (Primary Data Processed), 2020

Equation 1 is a test on the regression model of customer satisfaction with confidence variables. Based on the analysis results, the 2-tailed significant value of 0.709 is greater than 0.05. This shows that the data used in this study are normally distributed.

Table 2: Normality Test Result Regression Model 2

= 0.00 = 0 = 1 = 1 = 0.00 = 0.		
	Unstandardized Residual	
N	65	
Kolmogorov-Smirnov Z	1,218	
Asymp, Sig. (2-tailed)	0.103	

Source: (Primary Data Processed), 2020

Equation 2 is a test on the regression model of customer satisfaction and confidence variables in repurchase intention. Based on the analysis results, the value of 2-tailed significant value is 0.103 which is greater than 0.05. The result means that the data used in this study are normally distributed.

Secondly, the multicollinearity test use to test if the regression model has anauto correlation between independent variables. If there is no an auto correlation between the independent variables, therefore the regression model can be stated as a good regression model.

**Table 3: Test Result Multicollinearity** 

Variable	Tolerance	VIF
Customer satisfaction(X)	0.226	4,435
Trust(M)	0.226	4,435

Source: (Primary Data Processed), 2020

Based on the analysis results, it can be explain that the tolerance value of the independent variable is greater than 0.1, which is 0.226 and the VIF value is 4.435 which is less than 10. This shows that the three variables do not contain symptoms of multicollinearity.

The last of classical assumption test is the heteroscedasticity test that use to test the regression model whether there is an unequal variance of the residuals from one observation to another observation. A good regression model is a regression model without heteroscedasticity.

Table 4: Test Result of Heteroskidastity Regression Model 1

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	В	Std. Error	Beta		
1 (Constant)	3,233	0880		3,675	0,000
CS	-0,135	0.072	-0.2321	-1855	0.064

Source: (Primary Data Processed), 2020

The analysis results in Table 4 shows that the significance value of the variable of customer satisfaction is 0.064 greater than 0.05. This shows that there is no heteroscedasticity in the regression model.

Table 5: Test Result of Heteroskidastity Regression Model 2

Model	Unstandardized		Standardized	T	Sig.
	Coefficients		Coefficients		
	В	Std. Error	Beta		
1 (Constant)	2,658	0820		3,241	0.002
CS	0.116	0.135	0.220	0.854	0.397
Trust	-0,120	0.070	-0,444	-1.752	0.090

Source: (Primary Data Processed), 2020

Table 5 shows that the significance value of each variable, namely customer satisfaction has a significance value of 0.397 and trust has a significance of 0.090 which is greater than 0.05 so that the regression model is declared free from heteroscedasticity symptoms.

#### 4.4 Test Path Analysis

Models that have passed the classical assumption test are then analyzed the magnitude of influence between variables using path analysis techniques. Testing equation 1 is to determine the effect of customer satisfaction on trust. The results of the data analysis are as follows:

Table 6: Path Analysis Regression Model 1

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	В	Std. Error	Beta		
1 (Constant)	3,261	1,422		2,294	0.025
Customer satisfaction	1,706	0.116	0880	14,710	0,000
Q12: 0.774	F statistic: 216,374		Sig. F: 0,000		

Source: (Primary Data Processed), 2020

Based on the analysis results, the following equation is:

$$M = \beta 1X + e1$$

$$M = 0.880X + e1$$
 (1)

 $M = 0.880X + e1 \end{tabular}$  Based on the equation path analysis the results of the analysis, the value of the coefficients beta is 0.880 with a significance value of 0.000 less than 0.05, it can be stated that customer satisfaction affects trust positively and significantly.

Table 7. Path	Analycic	Dograccion	Model 2

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	В	Std. Error	Beta		
1 (Constant)	-2,280	1,203		-1.895	0.063
Customer satisfaction	0.668	0.199	0.420	3,366	.001
Trust	0.405	0.102	0.493	3,953	0,000
R22: 0.783	F statistic: 111,699		Sig. F: 0,000		

Source: (Primary Data Processed), 2020

From the analysis results above, the following equation is:

 $Y = \beta 2X + \beta 3M + e2$ 

Y = 0.420X + 0.493M + e2 (2)

Testing equation 2 is to see the effect of customer satisfaction and trust variables on repurchase intention. The results of Table 8 show that the beta coefficient value of customer satisfaction and trust is 0.420 and 0.493 with a significance value of 0.000 which is less than 0.05 so that customer satisfaction and trust are stated to influence repurchase intention positively and significantly.

There is an indirect effect of the variable trust through customer satisfaction on repurchase intention with an effect of 0.433 so that the total effect of customer satisfaction on repurchase intention through trust is 0.853. The level of significance of the mediating variables was tested using the sobel test. Mediation variables are stated to be able to mediate the effect of independent variables on the dependent when the calculated Z value is greater than 1.96. Based on the sobel test the Z value of 3.8444 is obtained so that the trust is stated to be able to mediate the effect of customer satisfaction on repurchase intention.

The role of trust as a mediating variable seen from the effect of customer satisfaction has a significant effect on repurchase intention, customer satisfaction has a significant effect on trust and trust has a significant effect on repurchase intention. This means that trust has a role as partial mediation.

To find out the number of variable variants that are not explained by customer satisfaction in the model can be seen through the value of the error variable with the value of the regression equation 1 of 0.475 so that trust is influenced by the customer satisfaction variable variance of 47.5 percent. The remaining 52.5 is influenced by other factors that not included in the model. The value of the error variable in the regression equation 2 is 0.465 so that the number of variants of the variable customer satisfaction and trust towards repurchase intention as much as 46.5 percent and the remaining 53.5 percent are influenced by other factors not included in the model. To find out the variation of dependent variable that will be able to explained by the variation of the independent variable in this study used the coefficient of total determinantion. The value of total determination is 0.952 means 95.2 percent of the repurchase intention variable is influenced by customer satisfaction and trust variables, while the remaining 4.8 percent is explained by other factors not included in the model.

## V. HYPOTHESIS AND RESULT

#### The effect of customer satisfaction on repurchase intention

Based on the results of data analysis, it was found that customer satisfaction affected the intention to repurchase. This is indicated by the coefficient of satisfaction variable of 0.420 with a significance of 0.001. This means that the direct effect of satisfaction on repurchase intentions is 42 percent. This means that the higher the satisfaction, the intention to repurchase increases. The results of this study prove that there is a positive influence of customer satisfaction on repurchase intentions. These results are in accordance with research conducted by Martina and Muhammad (2017), Suandana et al. (2016) and Chamchuntra and Fongsuwan (2014).

# The effect of customer satisfaction on trust

Based on the results of data analysis, it is found that satisfaction influences trust. This is indicated by the coefficient of satisfaction variable of 0.880 with significance of 0,000. This means that the direct effect of satisfaction on repurchase intentions is 87.6 percent. This means that the higher the satisfaction, the more trust increases. The results of this study prove that there is a positive influence of customer satisfaction on trust. These results are consistent with research conducted by Richard and Dorah (2014) and Rosannah (2014).

# The influence of trust on repurchase intention

Based on the results of data analysis, it is found that trust affects the intention to repurchase. This is indicated by the coefficient of the trust variableamounted to 0.493with a significant value of 0,000. This means that the direct effect of trust on repurchase intentions is 49.3 percent. This means that the better the trust, the intention to repurchase increases. The results of this study prove that there is a positive influence of trust on the repurchase intention of Chatime products. These results are consistent with research conducted by Richard and Dorah (2014), Pareatama in Prasetyo (2015), Masitoh and Widikusyanto (2017).

#### The role of trust in mediating the effect of customer satisfaction on repurchase intention

Based on the results of data analysis, it is found that trust can mediate the effect of customer satisfaction on repurchase intentions. This is indicated by the value of Z is 3.8444. The value of 3,8444 is greater than the critical value of 1.96. This means that trust plays a role as a variable mediating the relationship between customer satisfaction and repurchase intention. This is also consistent with research conducted by Ha et al. (2010) and Masitoh and Widikusyanto (2017).

#### VI. CONCLUSION

According to the results of data analysis and discussion, the conclusions of this study are as follows: 1) customer satisfaction has a positive and significant effect on repurchase intention of chatime product, 2) chatime customer satisfaction has a positive and significant effect on chatime consumer trust, 3) consumer trust has a positive and significant effect on repurchase intention of chatime product, and 4) consumer trust is able to mediate the effect of customer satisfaction on repurchase intention of chatime product.

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