

American Journal of Humanities and Social Sciences Research (AJHSSR)

e-ISSN :2378-703X

Volume-5, Issue-1, pp-80-85

www.ajhssr.com

Research Paper

Open Access

The Role of Trust Mediates Effect of Customer Experience on Repurchase Intention

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ABSTRACT: This study aims to explain the role of trust in mediating customer experience on repurchase intention. This research was conducted in Denpasar with a total sample of 90 respondents using purposive sampling technique. Data was collected by distributing questionnaire and analyzed using path analysis and sobel test. The research result show that all hypotheses are accepted. Customer experience has a positive and significant effect on trust, customer experience has a positive and significant effect on repurchase intention, trust has a positive and significant effect on repurchase intention, and trust is able to mediate the effect of customer experience on repurchase intention.

Keywords: *Customer experience, Trust, Repurchase intention.*

I. INTRODUCTION

Globalization has a huge influence on changing people's lifestyles. The rapid advancement of technology is one of the impacts of globalization, which causes changes in people's behavior. Internet is the result of technological advances. Internet technology that has been present in the midst of people's lives indirectly facilitates and helps all activities carried out by the community. The results of a survey conducted by the Indonesian Internet Service Providers Association (APJII) regarding internet usage behavior in Indonesia, found that there was an increase in internet users in Indonesia from 2015 as much as 43.1% of the total population, in 2018 it increased to 64.8% of the total population. The influence of the internet, which is gradually growing in people's daily lives, can actually influence people's behavior and lifestyle (Dwipayana & Sulistyawati, 2017). One of these changes has led to a new trend in people's purchasing behavior from offline purchasing to online purchasing (Santoso & Aprianingsih, 2017)

The lifestyle of the Indonesian people has developed to be more practical and want convenience in all their activities. This change in people's lifestyle is seen by the industry to take advantage of digital purchasing services through mutually beneficial apps, both for businesses and online consumers. By using online apps, it is easier for consumers to choose and order products or services. In addition, consumers also obtain more complete information regarding products or services before deciding to make a purchase. By utilizing the internet, the scope of sales becomes wider. This phenomenon is used by technology developers to create online apps that can make it easier for people to access daily transportation vehicles. In Indonesia, there are several online transportation service providers such as Gojek, Uber, and Grab. In 2018, Uber stopped operating in Indonesia because Grab had acquired Uber in the Southeast Asian Market, which includes eight countries, namely Singapore, Malaysia, Philippines, Thailand, Vietnam, Cambodia, Myanmar, and Indonesia. This is what causes the remaining 2 companies to dominate online transportation services in Indonesia, Gojek and Grab. Gojek was founded in 2010, while Grab was founded in 2012. Even though Gojek operated first, Grab can compete with it by becoming the first decacorn in Southeast Asia (Husainah & Munawaroh, 2019)

Grab is an international online transportation service company. Grab brings the International Brand Image and will compete with local transportation services to attract consumers (Kurniawan et al., 2018). Grab provides an alternative transportation for consumers that emphasizes speed, safety and certainty. Online transportation services provided by Grab use online apps to make orders and pay cash or non-cash, and directions for users and drivers. The Grab online app makes it easy for consumers to carry out their daily activities by not having to come directly to the motorcycle taxi stand, taxi stand, shop, or restaurant. The Grab has been downloaded by ± 100 million users on the Playstore and ± 150 thousand users on the AppleStore, while for Gojek has been downloaded by ± 80 million users on Playstore and ± 80 thousand downloads on the AppleStore.

Business must really have a very good strategy to attract consumers to want to use and be loyal to the services or products offered. Repurchasing activities occur because of an intention to buy or use products that

have been consumed, consumers are satisfied with the services or products (Megantara & Suryani, 2016). High repurchase intentions reflect a high level of satisfaction from consumers (Astarina et al., 2017). Repurchase activities are very important for businesses because they can retain customers and profits. Therefore, businesses need to pay attention to things such as product quality, service quality, the right promotional strategy, and also maintain the trust given to consumers in order to survive in the competition.

Consumers who experience satisfaction after making a purchase are likely not to change their choice by not looking for or using another brand for their next purchase (Ardhanari, 2016). The intention to repurchase continuously means that consumers are loyal and happy when they get the shopping experience for the products or services offered. Past purchasing decisions that are felt by consumers will have an impact on future purchasing decisions. If the experience that consumers get is in accordance with their expectations and is able to provide good service, then this trust will present itself and become a great opportunity for businesses to dominate the market (Wiguna et al., 2018). The experience that is felt when consuming a product or service is also a consideration for today's consumers in choosing the product or service that they want to consume next

The consumer's consideration in assessing brand image can be measured by the consumer's own experience when using these online apps. Customer experience is the most important source of creating trust in a brand because through experience there is a learning process that allows building associations, thoughts, and making conclusions that are more relevant to the consumer or individual. The experience of consuming a certain product will have an impact on a customer's decision making whether they will continue to carry out their shopping activities in this way or switch to another shopping method. Consumers must feel satisfied with the buying experience if consumers are not satisfied, then they will not shop or reuse the same products or services (Otiya & Sukaatmadja, 2020). Grab consumers give high ratings on several factors, including increased access, safety, comfort and safety to the experience they are experiencing. Grab consumers respond to GrabCar and GrabBike where Grab has experienced the most important performance improvement compared to existing transportation services, Grab has provided more precise time and fare estimates, enabling passengers to avoid paying too expensive fares, providing faster and better customer service and safe to use. Grab also provides many promotional offers and discounts on its services that make the experience that consumers feel better. Consumers try to engage and interact directly with the brand and service organization itself, thus enabling customers to have a better experience (Lemon & Verhoef, 2016)

Experience provides distinct memories for consumers. Positive memories will provide benefits for the company, besides that consumers will tell the experience to others so as to attract other consumers to use or consume these products or services. The good experience that consumers feel when buying or using goods and services facilitated by online applications will trigger consumers to repurchase (repurchase intention) of the goods or services. Customer experience is one of the determinants of consumers making repurchase intention. Pratiwi (2019) stated that consumer experiences in previous consumption have a positive and significant effect on online repurchase intentions. However, Saputra & Ekawati (2020) indicated that the effect of consumer experience on repurchase intention was not significant. Based on the existing gap research, it is necessary to add a mediating variable. The relevant mediation variable used is the trust variable because if consumers get a positive experience, then the consumer is able to build trust in the product (Suandana et al., 2016). The trust variable is also able to influence repurchase intention (Astarina et al., 2017). Trust plays an important role in an era of increasingly fierce business competition. Consumer trust in a brand, company, or service provider platform is something that is needed in a business. This statement is supported by Irawan & Suprati (2020) which states that the direct effect of trust on consumer purchase intentions is positive and significant.

II. HYPOTHESIS DEVELOPMENT

Customer experience plays an important role in consumer repurchase decisions (repurchase intention). Customer experience in online shopping is positively correlated with trust (Putri & Sukawati, 2020). According to Lestari & Ellyawati (2019), those who have a customer experience will have a higher feeling of trust and a higher intention to buy in the future compared to those who have no previous customer experience. According to Saputra & Wardana (2020), online customer experience has a positive and significant effect on trust. The same thing was also obtained from the results of research conducted by Suandana et al. (2016) show that experience has a positive and significant influence on trust, which means that a good experience in consuming a product or service will have an effect on the higher level of consumer trust.

H1: Customer experience has a positive and significant effect on trust

A pleasant and satisfying experience when making a purchase transaction has a positive effect on future repurchase intention (Otiya & Sukaatmadja, 2020). According to Lestari & Ellyawati (2019), Purchasing experience or past purchases has a positive impact on future repurchase intention. People who have previous experience with shopping using the internet will have a higher repurchase intention than those who have no prior experience. The better the customer experience, the better it will have a very good impact on repurchase intention, this in turn will have an impact on customer re-purchase of a product (Foster, 2017). Heriyana et al.

(2019) stated that the benefits and pleasures felt by consumers have an effect on consumer intentions to repurchase. Previous online buying experiences related to repurchase intention have a positive and significant effect, not only influenced by beliefs and social behavior (Lestari & Ellyawati, 2019). Cahyati & Seminari (2020) show customer experience has a positive and significant effect on repurchase intention. Adytia & Yuniawati (2015), Suandana et al. (2016), and Astarina et al. (2017) show that the better the customer experience is, the more likely it is to repurchase intention.

H2: Customer experience has a positive and significant effect on repurchase intention

Consumer trust plays an important role in maintaining long-term relationships with product / brand. Liu & Tang (2018) state that trust is the belief that service providers can forge long-term relationships with customers as well as the willingness or confidence of partners to establish long-term relationships to produce positive work. If consumers have high trust in a particular brand or service, then the consumer feels safe and comfortable in using that brand or service. Sawitri & Giantari (2020) stated that trust has a significant influence on online purchase intentions where consumers trust the assurance of personal data security, online payment processing, and vendor honesty of a website or application, so consumers' intention to repurchase online is also the higher because it is based on this belief. Nangi & Sukaatmadja (2015) states that trust has a positive and significant effect on repurchase intentions using e-commerce. Suandana et al. (2016) also show that trust has a positive and significant effect on repurchase intention.

H3: Trust has a positive and significant effect on repurchase intention

Customer experience and trust is an important foundation in every line of business. Because with trust and good experience in using services or products, consumers are expected to reuse these services. Satisfied consumers tend to show more loyalty or loyalty than dissatisfied customers, one of which is through repurchase intention. Samuel et al. (2015) stated that trust positively mediates the relationship between online experience and purchase intention in online retail. Lestari & Ellyawati (2019) found that trust is a variable that can mediate the relationship between customer experience and online repurchase intention. Suandana et al. (2016) and Astarina et al. (2017) suggest that trust is a perfect mediation in online customer experience and repurchase intention. This means that the better the experience, the higher the level of trust, which can increase repurchase intention.

H4: Trust is able to mediate the effect of customer experience on repurchase intention

III. METHODS

This research is associative-causal which was conducted in Denpasar. Denpasar is the capital city of Bali, so the population in Denpasar is quite dense and its economic growth is fast. This has led to a consumptive lifestyle in society. So it can be said that the mobility of transactions here is higher than in other regions. In addition, according to a survey conducted by the Sloka Institute, the largest internet usage in Bali is Denpasar, which is 54.2 percent. The subjects in this study were Grab users who had purchased or used goods and services on the Grab application in Denpasar. The object of this research is consumer behavior towards repurchase intention which is determined by customer experience and trust. The population in this study are users of the Grab application who live in Denpasar. The sampling technique used in this research was purposive sampling technique. The number of respondents involved was 90 respondents. In this study, data collection was carried out using a questionnaire to the respondent and the data were analyzed using path analysis techniques.

IV. RESULTS AND DISCUSSION

The number of Grab users in Denpasar who were sampled was 90 people. Female respondents dominated in this study (56.67%). Respondents aged 22-26 years dominate with a percentage of 44.44%. Respondents who have an undergraduate degree dominate with a percentage of 44.44% and respondents who work as entrepreneurs dominate with a percentage of 38.89%.

The customer experience statement that has the lowest score is "I get useful information related to the services offered by Grab", obtained a score of 3.26, this means that in general the respondents have not received useful information related to the services offered by Grab. The customer statement that has the highest score is "Grab has an easy transaction procedure", a score of 3.60, this means that in general respondents think that Grab has an easy transaction procedure.

The statement from the trust variable which has the lowest score "Grab has a good work ethic", obtained a score of 3.26 means that in general the respondents think Grab does not have a good work ethic. The statement of the trust variable that has the highest score is "I believe Grab has high integrity", the score was 3.48, this means that in general respondents believe Grab has high integrity.

The statement of the repurchase Intention variable which has the lowest score is "I am interested in seeking back information about services on Grab", a score of 3.19 was obtained, meaning that in general, respondents were not interested in seeking back information about services on Grab. The highest score is the

statement "I have the opportunity to reuse Grab services", obtained a score of 3.33, this means that in general respondents feel they have the opportunity to reuse Grab services

Table 1. The Result of Path Analysis in Structure 1

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.026	0.220		4.674	0.000
Customer Experience	0.675	0.061	0.764	11.116	0.000
R ² : 0,584					

Source: Primary data processed, 2020

Based on the results of the path analysis in Table 1, the structural equation that is formed can be formulated as follows.

$$M = \beta_1 X + e_1$$

$$M = 0,764 X + e_1$$

The customer experience variable has a coefficient of 0.764, which means that customer experience has a positive influence on trust.

Table 2. The Result of Path Analysis in Structure 2

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.564	0.311		1.813	0.073
Customer Experience	0.335	0.119	0.335	2.806	0.006
Trust	0.457	0.135	0.404	3.384	0.001
R ² : 0.483					

Source: Primary data processed, 2020

Based on the results of the path analysis in Table 2, the structural equation that is formed can be formulated as follows.

$$Y = \beta_2 X + \beta_3 M + e_2$$

$$Y = 0,335X + 0,404M + e_2$$

The customer experience variable has a coefficient of 0.335, which means that customer experience has a positive effect on repurchase intention. The trust variable has a coefficient of 0.404 which means that trust has a positive effect on repurchase intention

Table 3. Direct Influence, Indirect Influence of Customer Experience (X), on Trust (M) and Repurchase Intention (Y).

Variable	Direct Effect	Indirect Effect through M	Total
X→M	0,764		0,764
M→Y	0,404		0,404
X→Y	0,335	0,309	0,644

Source: Primary data processed, 2020

The effect of customer experience has a direct effect on trust of 0.764. The effect of trust has a direct effect on repurchase intention of 0.404. Customer experience has a direct effect on repurchase intention of 0.335. Customer experience has a direct effect on repurchase intention, amounting to 0.335 with a significant value smaller than 0.05, the direct effect of customer experience on repurchase intention without accompanying the trust variable is 0.644 with a significance smaller than 0.05. If b1 and b3 are significant and b2 is also significant, where the coefficient of path b2 is smaller (down) than b2', then trust is said to be a partial mediation variable, where the value of 0.335 is smaller than 0.644, it can be said that trust mediates partially.

Based on table 1, Customer experience has a beta value of 0.764 and a Sig. amounting to 0,000, it can be said that H1 is accepted because of the Sig. 0.000 < 0.05. The conclusion is that customer experience has a positive and significant effect on trust, the more customer experience increases in Grab users in Denpasar, the more trust in Grab users in Denpasar increases. This shows that the first hypothesis is accepted. Customer experience plays an important role in repurchase intention. A good experience in consuming a product or service will have an effect on the higher level of consumer trust.

Based on the results in Table 2, customer experience has a beta value of 0.335 and a Sig value. of 0.006, it can be said that H2 is accepted because the Sig. 0.006 < 0.05. The conclusion is that customer experience has a positive and significant effect on repurchase intention, the more customer experience increases, the more repurchase intention of Grab users in Denpasar will increase. A pleasant and satisfying experience when making

a purchase transaction has a positive effect on repurchase intention in the future. People who have previous experience with internet shopping will have a higher intention to repurchase than those without prior experience. The better the customer experience, the better the impact on repurchase intention, this in turn will have an impact on customer re-purchase of a product. The benefits and pleasures felt by consumers affect consumer intentions to make repurchases

Based on the results in Table 2, trust has a beta value of 0.404 and a Sig. of 0.001, it can be said that H3 is accepted because of the Sig. 0.001 <0.05. The conclusion is that trust has a positive and significant effect on repurchase intention, in other words if trust increases, repurchase intention for Grab users in Denpasar will increase. The relationship between trust and repurchase intention is very inherent in the minds of consumers. Consumer trust plays an important role in maintaining long-term relationships with sellers.

The Sobel test results show that the tabulation results are $Z = 2.893 > 1.96$, which means that the customer experience variable has a positive and significant effect on repurchase intention of Grab users in Denpasar with the mediation of trust. Based on this statement, trust is a mediating variable between customer experience and repurchase intention of Grab users in Denpasar, so the fourth hypothesis is accepted. The trust variable is a mediating variable partially, because the effect of customer experience on repurchase intention by including a trust variable of 0.335 is smaller than the large influence of customer experience on repurchase intention without including the trust variable, which is 0.644. It can be concluded that trust is a partially mediating variable between the effect of customer experience on repurchase intention. Customer experience and trust are important foundations in every line of business, because with trust and good experience in using services or products, consumers are expected to reuse these services. Satisfied consumers tend to show more loyalty or loyalty than dissatisfied customers, one of which is through repurchase intention.

V. CONCLUSION

Customer experience has a positive and significant effect on trust in Grab users in Denpasar. Customer experience has a positive and significant effect on repurchase intention of Grab users in Denpasar City. Trust has a positive and significant effect on repurchase intention of Grab users in Denpasar. Trust is able to mediate the effect of customer experience on repurchase intention of Grab users in Denpasar. Grab should publish more information related to the Grab service, so that consumers know what the benefits are when they use the Grab service. Grab can provide comfort and assurance to Grab consumers so that they believe that Grab has a good work ethic. Grab can also provide education to Grab partners in order to maintain work ethics so that consumers feel comfortable using Grab services. Grab can make more interesting information related to services on Grab, so that consumers are interested in finding more information related to these services. Grab must continue to improve customer experience so that consumers feel at home, so that it will increase repurchase intention for Grab users in Denpasar. For further research, it is expected to be able to add other variables that can affect repurchase intention, as well as to be able to expand the scope of research not only limited to Grab users in Denpasar.

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