Why do Customers Intend to Repurchase Transportation Online in Indonesia?

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Abstract. The rapid population growth of Jakarta to further improve urban mobility problems. The imbalance between public infrastructures provided by the number of people who need it led to a lack of municipal services. Transportation Online has become one transportation solutions, present in transportation needs cheap, efficient, and fast. Even amid the busy road, using motor transportation would be faster. This study aims to develop a model that connects between the independent variables namely; Online Marketing (X1), Brand Awareness (X2) with the dependent variable is the Decision of Repurchase (Y2) and Customer Satisfaction (Y1). This research was conducted in East Jakarta. The research method used was surveyed. The population in this study is the user Transportation Online East Jakarta area. The sampling technique used in this study is incidental sampling. These results indicate that the two independent variables, namely Marketing Online (X1) and Brand Awareness (X2) effect on Repurchase Decision variable (Y2) and Customer Satisfaction (Y1). From the test results simultaneously obtained that Online Marketing and Brand Awareness jointly influence decisions repurchase mediated by customer satisfaction Transportation Online service users, means the better online marketing and brand awareness of the company, the higher the repurchase decisions and customer satisfaction.

Keywords: Online; Marketing; Brand Awareness; Customer Satisfaction; Repurchase.

1 Introduction

Jakarta is the capital of the Republic of Indonesia and is the largest city in Southeast Asia. Jakarta consists of various ethnic groups, cultures, languages and religions. They came to Jakarta to find work in Jakarta. The area of Jakarta has grown from around 180 km² in 1960 and 661.52 km² in 2000. Now Jakarta with other cities around Jakarta-Tangerang, Bekasi, Depok, and Bogor is a megapolitan city known as Jabodetabek. Jabodetabek is a vast metropolitan region that has a population of 10,187,595 people in 2011 [1].

The rapid increase in the population of DKI Jakarta is increasing the problem of urban mobility. One of the most densely populated areas in DKI Jakarta is the East Jakarta area, following table 1 Population of DKI Jakarta.

East Jakarta is an area that cannot be separated from congestion. Its location on the outskirts of the city and adjacent to the Bogor and Bekasi regions, makes this area often hit by long traffic jams. Several congestion points often occur in East Jakarta, because this area is a vehicle crossing to get to downtown Jakarta. Also, now, the area hit by traffic has begun to expand.

The imbalance between public infrastructure available and the number of people who need it causes a lack of city services, including in the transportation sector. This condition causes a high number of private vehicles that are not balanced with the availability of roads, so the problem of traffic congestion is getting worse.

Seeing the rapid development of social media, many companies see this as an opportunity to show their products to the community. So the company must have a superior marketing strategy to attract the attention of the users of social media. Like the Go-jek companies, they are very utilizing social media as their promotional tool.

Transportation Online has become one of the transportation solutions, present amid cheap, efficient, and fast transportation needs. Even during congested road conditions, using motorized transportation will undoubtedly be faster. Today more and more Transportation Online users are in the Jakarta and surrounding areas.

Table 1. Distribution of Population in Jakarta (September 2014).

| Region          | Total Amount | Male | Female | Total Amount | Male | Female | Male |
|-----------------|-------------|-----|--------|-------------|-----|--------|-----|
| Central Jakarta | 1,123,670   | 342 | 354    | 1,122,974   | 575,220 | 547,754 |     |
| North Jakarta   | 1,716,345   | 433 | 374    | 1,715,538   | 887,059 | 828,479 |     |

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As a business that is increasingly rising, of course, Transportation Online management sees opportunities to diversify its business. With increasingly known and more and more who use Transportation Online as the right means of transportation.

Business people realize that brands are the most valuable assets of the company. This is what underlies the businessmen to dominate the market by having a dominant brand. On the other hand, for consumers, the brand is essential as well as the product itself. Brands can facilitate consumers to buy products, provide quality assurance, and show their characteristics to consumers [2]. Consumers can get to know a product depending on the existence of the brand on the market. The brand of a product must be communicated appropriately so that it can enter into the minds of consumers so that brand awareness can be formed. Proper marketing can help grow brand awareness optimally. Many channels can be used to communicate a brand. However, smart business people are business people who are keen in choosing the media that will be used to communicate their products.

After consumer brand awareness is formed, then the company must focus on customer satisfaction. Satisfying consumer needs is the desire of every company. In addition to important factors for the survival of the company, satisfying consumer needs can enhance excellence in competition. Consumers who are satisfied with products and services tend to repurchase products and repurchase services when the same needs arise again in the future.

After buying or using these product services, consumers will evaluate whether the product is in line with their expectations. In this case, satisfied and unsatisfied consumers will happen. Consumers will be satisfied if the product is in line with their expectations and will further increase the demand for the product brand in the future. This means that satisfaction is a crucial factor for consumers in repurchasing, which is the most significant portion of the company's sales volume.

Thus the author intends to know the effect of online marketing and brand awareness on the decision to use Transportation Online services that are mediated by customer satisfaction.

Based on the background of the problem described above, the author tries to analyze the problem by examining the influence of online marketing and brand awareness on the decision to use Go-jek services which are mediated by customer satisfaction.

### 2 Literature Review

#### 2.1. Online Marketing

Kotler & Keller [3] "Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers by managing customer relationships that benefit the organization and stakeholders.

Whereas according to Loudon [4] the definition of marketing is "the process of planning and executing conception, pricing, promotion, and distribution of ideas, goods, and services to exchange that satisfy individuals and organizational goals". The process of planning and implementing price conceptions, promotions, and distribution of ideas, products, and services to create satisfying exchanges for individuals and organizational goals.

Online marketing is a means of trading that is not only goods and services but also a means of exchanging information between organizations and consumers through computer networks, including the internet [5]. Exchange of information between traders and buyers of internet media facilitates the transaction process because of the speed of information transfer over the internet that can provide direct responses.

#### 2.2 Brand Awareness

Kartajaya [6] "brands are assets that create value for customers by increasing satisfaction and respecting quality". Brand awareness is the ability of a prospective buyer to recognize, recall a brand as part of a particular product category [7]. Brand awareness is an essential indicator of consumer knowledge about brands, and quickly this knowledge can be taken from consumer memory [8]. While according to Chandon [9], brand awareness is measuring the accessibility of brands in consumer memory. According to Aaker in Kartajaya [6] "Brand awareness is the ability to recognize or brand that is a member of a certain product category."

Brand awareness is influenced by the company's existing brand and external brand communication [10]. The primary forms of communication of external brands are word of mouth or word of mouse/keyboard communications and publicity. Presented brands are the company's controlled communication regarding identity and purpose through advertising, service facilities, and the appearance of service providers. This includes the company name, logo, and presentation of its purpose.
2.3 Repurchase Decision

According to Sutisna [11] "to understand consumer decision-making, it must first be understood the characteristics of consumer involvement with the product. Actually, in taking the decision process, consumers must do problem-solving [12]. The problem arises from the perceived needs and desires to meet those needs by consuming the appropriate product or service. Solving this problem, according to some authors, has three levels. a) Troubleshooting requires a routine response. Decisions taken are not accompanied by sufficient effort to find information and determine alternatives. b) They are solving problems with a limited (limited) process. Because there is already a problem-solving phase that has been mastered. The decision to solve the problem, in this case, is straightforward. Cognitive shortcuts that are characteristic of solving this problem cause a person not to care about the presence or absence of information. c) Problem-solving is carried out with more careful and considerate efforts (intensive problem solving). In this level, consumers need relatively complete information to form evaluation criteria, because they do not have standard criteria. The process of problem-solving becomes more complicated and lengthy, and usually follows a traditional process, starting from being aware of needs, motivating to meet those needs, seeking information, developing alternatives, choosing from one of these alternatives, and deciding to buy.

2.4 Research Framework

The relationship of the above variables is also consistent with the results of Susanti [13] entitled," Analysis of the implications of customer satisfaction on post-purchase behavior through testimony in internet marketing sites" with the object of research at the online shoe store Zappos.com, which states that customer satisfaction is very influential on repeat purchase decision.

From the description above, a picture of the framework is formed below:

![Fig 1. Research Framework](image)

2.5 Hypothesis

According to Ruslan [14] “the hypothesis comes from two words; hypo and thesis”. Namely the term hypo means ‘less than,’ and thesis (which means ‘opinion’. So the hypothesis (hypothesis) is an opinion or conclusion that is still temporary, and the real meaning has not been valued (reached) as a thesis that has not been tested for truth."

The author's understanding of the hypothesis is a temporary conclusion of the researcher about the relationship of variables with other variables. The hypothesis is a temporary answer to the problems faced where the truth must be proven through research. The hypothesis is accepted if it can be proven and rejected if it cannot be proven through the results of field research. Based on the above framework, the following can be proposed several research hypotheses, as a short answer to the research problems that have been previously designed, namely as follows:

a) \( H1 = \text{Online marketing has a positive effect on customer satisfaction Go-jeck services} \)
b) \( H2 = \text{Brand awareness has a positive effect on customer satisfaction Go-jeck} \)
c) \( H3 = \text{Online marketing has a positive effect on the repurchase decision} \)
d) \( H4 = \text{Brand awareness has a positive effect on the repurchase decision} \)
e) \( H5 = \text{There is a positive influence between customer satisfaction and the decision to repurchase Go-jeck service users} \)
f) \( H6 = \text{There is a positive influence between online marketing and repurchase decisions through customer satisfaction} \)
g) \( H7 = \text{Brand awareness has a positive effect on repurchase decisions through customer satisfaction} \)

3 Methodology

The Partial Least Square (PLS) calculates the convergent validity of the measurement model reflexively.

The PLS program will convert images into equations and equations into estimates. The structural equation of the SEM model in this study are as follows:

\[ KP = \beta PO + \beta BA + \gamma e1 \] (1)
\[ KR = \gamma PO + \gamma BA + \gamma KP + \gamma POKP + \gamma BAKP + \gamma e2 \] (2)

Where:
- KP = Variable Customer Satisfaction
- KR = Variable Repurchase Decision
- PO = Online Marketing Variables
- BA = Brand Awareness Variable
- POKP = Variable online marketing and customer satisfaction (intervening)
- BAKP = Intervening Brand Awareness and Customer Satisfaction
- B, \( \gamma \) = Path coefficient
- \( e \) = Error

The decision to accept or reject the proposed hypothesis is made with the following conditions:

a) If it is statistical \( > \) t table or PV value <0.05, then the null hypothesis (H0) is rejected, or Ha is accepted, meaning that there are influences between two variables statistically.
b) If it is statistical < t-table or P-Value > 0.05, then the null hypothesis (H0) is accepted, or Ha is rejected,
meaning that there is no influence between the two variables statistically.

4 Result

To test the hypothesis in this study, the t-statistic values for each pathway are partially directly affected. The following is a picture that explains the path diagram for hypothesis testing.

**Fig 2. Output Hypothesis Testing**

Based on the path diagram testing the hypothesis above, all indicators on each variable have t-statistics values higher than 1.96, so that the indicators can measure each construct. Whereas to test the relationship between variables (hypothesis test), the t-statistic value of Smart PLS output is used compared with the t-table value. The following is a table that gives the results of the relationship between constructs (variables).

| Hypothesis |
| --- |
| H₁ |
| H₂ |
| H₃ |
| H₄ |
| H₅ |
| H₆ |
| H₇ |

**Table 2. Hypothesis Testing**

| Information | Sig P Values | t Statistics | Coefficient Parameter | Inter-Variable Influence | Hypothesis |
| --- | --- | --- | --- | --- | --- |
| Significant** | 0.001 | 3.296 | 0.206 | Online Marketing -> Customer Satisfaction | H₁ |
| Significant** | 0.000 | 8.342 | 0.519 | Brand Awareness -> Customer Satisfaction | H₂ |
| Significant** | 0.013 | 2.483 | 0.127 | Online Marketing -> Repurchase Decisions | H₃ |
| Significant** | 0.003 | 3.033 | 0.216 | Brand Awareness -> Repurchase Decisions | H₄ |
| Significant** | 0.000 | 8.640 | 0.516 | Satisfaction Customers _-> Repurchase Decisions | H₅ |
| Significant** | 0.002 | 3.073 | 0.107 | Online Marketing -> Customer Satisfaction -> Repurchase Decisions | H₆ |
| Significant** | 0.000 | 5.864 | 0.268 | _Awareness brand -> Customer satisfaction -> Decision_Repurchase | H₇ |
4.2 Discussion

If the research model in the table above is made in the form of structural equations, the research model is as follows:

\[
\begin{align*}
KP &= 0.206PO + 0.519 BA + \varepsilon \\
KR &= 0.127PO + 0.216BA + 0.516KP + 0.107POKP + 0.268BAKP + \varepsilon
\end{align*}
\]

In the first model, the effect of brand awareness on customer satisfaction has a greater coefficient value compared to the parameter coefficient of online marketing, meaning that brand awareness is the most influential variable on customer satisfaction compared to the online marketing variable.

While in the second model, the direct influence of customer satisfaction has the highest coefficient value of 0.516 compared to the direct or indirect influence of online marketing and brand awareness, so that customer satisfaction variables most influence repurchase decisions compared to other variables.

Judging from the parameter coefficient value in the second model, the direct effect of online marketing on repurchase decisions is higher than the indirect effect of online marketing on repurchase decisions through customer satisfaction. While the indirect influence of brand awareness on the repurchase decision through customer satisfaction has a more significant influence than the direct influence of brand awareness on the repurchase decision. This shows that the mediating variable of customer satisfaction can mediate in full the variable brand awareness of the repurchase decision.

5 Conclusion

From the results and discussion of the entire study, we concluded that there is a positive and significant influence between online marketing on customer satisfaction. This means that the better online marketing, the more satisfied customers with the information provided by Transportation Online through online marketing because online marketing includes ease of transactions, site design, promotion and interaction that can provide convenience for customers.

There is a positive and significant influence on brand awareness of customer satisfaction. This means that the better the brand awareness of the customer, the more satisfied the customer is because brand awareness is an essential indicator of consumer knowledge about the brand and easily the knowledge comes out of the consumer sensory if the consumer is satisfied.

There is a positive and significant influence between online marketing and the repurchase decision. Online marketing becomes essential when the information presented is easy to access and makes it easy for customers who have the effect of deciding to repurchase.

There is a positive and significant influence between brand awareness of the repurchase decision. This means that brand awareness is essential when it is able to generate memory for a product where consumers who feel satisfied use the product again (repurchase).

There is a positive and significant influence between customer satisfaction on the repurchase decision. Customer satisfaction is expressed satisfied when consumer expectations are met, if customer satisfaction is achieved automatically, the customer will make a repeat purchase.

There is a positive and significant influence between online marketing and repurchase decisions through customer satisfaction. Online marketing is a medium of information that can encourage consumers’ desires because various convenience alternatives are in it and have an impact on customer satisfaction so that repurchases occur.

There is a positive and significant influence between brand awareness of the repurchase decision through customer satisfaction. This means that customer satisfaction can strengthen consumer brand awareness of the product so that consumers will reuse the product.

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