

BRAND CREDIBILITY MEDIATED DECISION CONVENIENCE TO PURCHASE INTENTION ON GARUDA INDONESIA PASSENGERS DURING THE COVID-19 PANDEMIC

Octaviani Nur Khoriah Putri¹, Nailfarida Salsabila Putri², Edhie Budi Setiawan³, Yoanita Octora⁴

^{1,2,3,4} Institut Transportasi dan Logistik Trisakti, Jakarta, Indonesia

*Corresponding author: nailfaridasalsabila20@gmail.com

Abstract. The purpose of this research is to investigate passengers' trust on Garuda Indonesia Airlines during the COVID-19 pandemic. It is caused by passengers' hesitance to travel using air transport mode so that the Brand Credibility variable affects Purchase Intention mediated by the Decision Convenience. The research data were gathered by distributing a questionnaire to 100 Garuda Indonesia passengers. The hypotheses were tested using SPSS technique which then continued with path analysis. The results of this research show that there is a positive and significant relationship between the brand credibility and the decision convenience, the decision convenience of the purchase intention and the brand credibility of the purchase intention that is mediated by the decision convenience. The brand credibility owned by Garuda Indonesia can provide a strong signal to the comfort and passengers' trust against the quality owned by Garuda Indonesia to produce a purchase intention in the COVID-19 pandemic.

Keywords: brand credibility, decision convenience, purchase intention

1. Introduction

The COVID-19 pandemic certainly harmed the industrial sector, especially the aviation industry. This has become a terror for people in Indonesia and the world because of the increasing number of deaths. The existence of restrictions on flight schedules and the application of social distance resulted in a dramatical drop in the sale of airplane tickets, many passengers filed for refunds because many flights were canceled.

In Indonesia, there are several airlines, one of which is Garuda Indonesia. Having an excellent brand credibility and has often received awards such as *the BUMN Branding and Marketing Award 2018*, the airline won the award for "The Best Branding Sector Service, Transportation, Logistics & Energy", and the best international sales and marketing.

In this study, the author will examine the focus on the largest airline in Indonesia, Garuda Indonesia on how to re-create purchase intention from customers and how Garuda Indonesia can maintain brand credibility over purchase intention mediated by decision convenience during the COVID-19 pandemic. This is caused by passengers who are still hesitant to travel using air transportation modes.

2. Literature Review

2.1 Brand Credibility

Brand credibility is a marketing strategy that is supported by the quality of information and relationships with brands (Erdem & Swait, 1998). Brand credibility is important in influencing the choices of consumers involved with the brand (Spry et al., 2011). Brand credibility communicates part between the brand to consumers and consumers to the

brand at a certain time, brand credibility increases desirable utility by improving quality and increasing utilization and information (Erdem et al., 2002)

2.2 Decision Convenience

According to Seiders et al., (2007) decision convenience is a service and comfort that has an essential role in the perception of time and effort to be invested by customers in the purchase of services. It refers to time when customers take time and exert effort in deciding what services to use or buy. Decision convenience refers to the opportunity and attempt of the customer regarding to purchase or use the service and make a choice between competing services (Berry et al., 2002). A decision to buy requires supplier decisions and what special services to buy (Berry et al., 2002).

2.3 Purchase Intention

According to Jeng (2016) purchase intention is an interest in buying which is generally based on conformity to a brand characteristic that can be considered. Purchase intention is described as a mix of consumer interest and will cause the intention to buy a product (Kim & Ko, 2012). When a result of information reaches a certain level, consumers will begin to evaluate and make purchase decisions after comparison and valuation. Purchase intention is often seen in the form of how likely the buyer will buy a product, because the stronger the purchase intention, the more likely the possibility of a purchase intention (Raza et al., 2014). Meanwhile, according to Vahdati & Nejad (2016), purchase intention focuses on the possibility of purchasing a favorite brand or a product option during the purchase.

2.4 Hypotheses

2.4.1 The effect of Brand Credibility on Decision Convenience

In the study of Baek & King (2011) brand credibility is a signaling theory to increase the decision convenience for consumers. This defines that a brand can serve as a credible signal as it can realize the cumulative effort of a previous marketing communication strategy (Baek & King, 2011). Brand credibility consists of primary components; they are trustworthiness and expertise (Erdem & Swait, 1998).

H1: Brand credibility affects decision convenience

2.4.2 The Effect of Decision Convenience on Purchase Intention

Decision convenience is an essential aspect of customer satisfaction with service providers and offerings (Colwell et al., 2008). Decision convenience will increase the value of time services and effort of consumers (Farquhar & Rowley, 2009). According to Seiders et al., (2007), decision convenience is positively related to purchase intention.

H2: Decision Convenience affects purchase intention

2.4.3 The Effect of Brand Credibility on Purchase Intention

In the study of Başgöze & Özer(2012) it was found that brand credibility significantly affects purchase intention of a product, because intention to buy the product will increase during a credibility brand they have invented in their minds concerning a product. According to Lafferty & Goldsmith (1999), who studied the relationship between this hypotheses found that credibility of the corporate has significantly influenced the purchase intention.

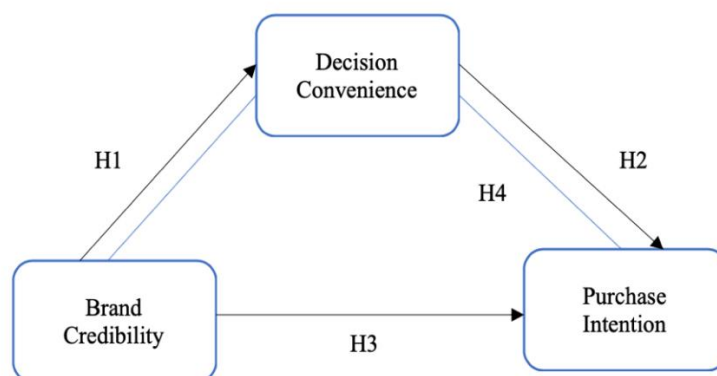
H3: Brand credibility affects purchase intention

2.4.4 The effect of Brand Credibility mediated Decision Convenience on Purchase Intention

Brand credibility will increase the purchase intention, because it will upgrade the confidence of consumers, the brand credibility is positive towards the purchase intention (Schiffman & Kanuk, 2007). Decision convenience will create a comfortable feeling by the consumer directly and will create a consumer perception directly of the product or service. Brand credibility also reflects the brand's honesty towards intention, which is related to the decision convenience that is perceived by consumers.

H4: Brand credibility, mediated by decision convenience positively affects influences of purchase intention

2.5 Conceptual Framework



3. Research Methods

To see and measure how purchase intentions are affected by brand credibility and decision convenience, this research applied quantitative methods and distributed questionnaires to Garuda Indonesia users during the COVID-19 pandemic period from June to July 2020. Garuda Indonesia passenger population period in June -July 2020 was about 615 passengers, the sampling technique used was non-probability with purposive sampling. Hair, Black, Babin, (2010) state the minimum number of samples is

5 times each parameter, but 10 times each parameter is better. Questionnaires were distributed to Garuda Indonesia passengers in the June-July 2020 period of the COVID-19 pandemic. It used Likert scale instruments 1 to 5. After the data were obtained, data analysis was done using SPSS and using path analysis.

Table 1. Indicator

Variable		Indicator	Coefficient Validity	Composite reliability
Brand Credibility (Jeng, 2016)	X1	Garuda Indonesia provides the service as promised.	Valid	Reliable
	X2	Garuda Indonesia's services are trustworthy.	Valid	
	X3	Garuda Indonesia provides good service.	Valid	
	X4	Garuda Indonesia can be a trusted airline.	Valid	
Decision Convenience Jeng (2016)	Y1	I easily remember Garuda Indonesia Airlines.	Valid	Reliable
	Y2	I decided to buy Garuda Indonesia airline tickets quickly	Valid	
	Y3	I easily get a Garuda Indonesia airline ticket	Valid	
Purchase Intention (Maxham, 2001)	Z1	I will continue using Garuda Indonesia for my flight service	Valid	Reliable
	Z2	I chose Garuda Indonesia because of its excellent service	Valid	

4. Results and Discussion

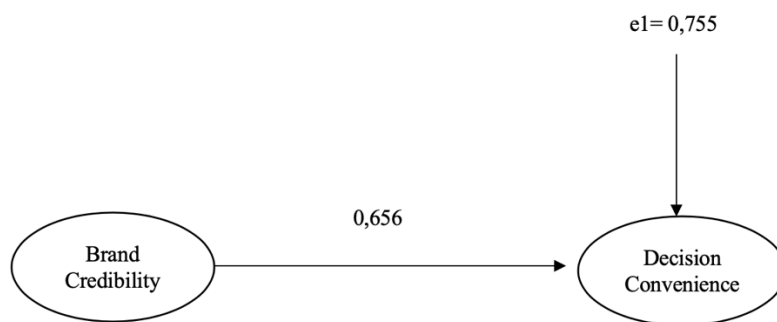
Based on the validity testing results, it can be said that the three variables; Brand Credibility, Decision Convenience, and Purchase Intention used in the instrument were valid as the r_{count} values were greater than the r_{table} value ($r_{count} > r_{table}$). As for the reliability testing, the value of Brand Credibility is 0,941, Decision Convenience 0,609, and Purchase Intention 0,841. Based on these values, it can be said that the instruments used in this research are reliable as the value was greater than 0.6 (Cronbach's $\alpha > 0.6$). According to Sekaran (2003), the research instrument is said to be reliable if the Cronbach Alpha value $>$ of 0.6.

4.1 Substructure I

Coefficients					
Model	Unstandardized Coefficients		Standards Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constants)	4.760	1.862		3.712	.001
SKOR_X	.445	.074	.656	6.023	.000

a. Dependent Variable: Decision Convenience

In the coefficients table section, the results of the significant value obtained from the two variables, namely brand credibility = 0,000 is smaller than 0.05. These results conclude that the regression of the brand credibility variable significantly influences the decision convenience. After the data obtained above, the path analysis is calculated, namely the value of $e1$ calculated by the formula $e1 = \sqrt{1-R^2}$, the known R^2 value that is 0.430, an $e1$ value of 0.755 is obtained. Model 1 path analysis diagram is as follows:



Therefore, it can be concluded that brand credibility influences decision convenience.

4.2 Substructure II

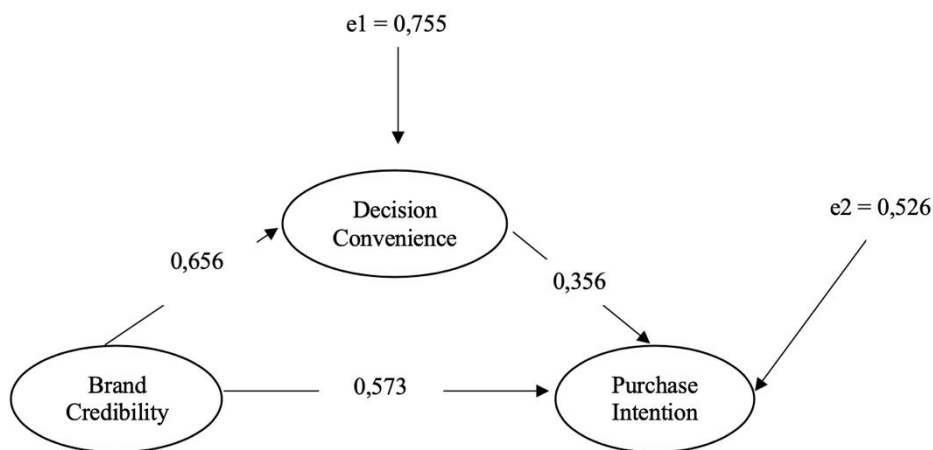
Coefficients					
Model	Unstandardized Coefficients		Standards Coefficients	t	Sig.
	B	St. Error	Beta		
(Constants)	.224	.773		.290	.773
SKOR_X	.293	.052	.573	5.634	.001
SKOR_Y	.268	.077	.356	3.500	.000

a. Dependent Variable: Decision Convenience & Purchase

In the coefficients table section, the results of the significant value obtained from the two variables, namely brand credibility = 0,000 and decision convenience = 0,000 are

less than 0.05. These results provide the conclusion that the variable brand credibility regression and decision convenience have a significant effect on purchase intention.

After obtaining the above data, then the path analysis is calculated, namely the $e2$, value calculated by the formula $e2 = \sqrt{(1-R^2)}$, with the known R^2 value of 0.723, the $e2$ value of 0.526 is obtained. Model 2 path analysis diagram is as follows:



From the discussion of the results above, it can be concluded that there is an effect on brand credibility on purchase intention mediated by decision convenience.

4.3 Direct Effect

From the calculation of substructures, I and II, the direct relationship between variables is obtained as follows.

Table 3. Result of Path Analysis for The Direct Effect

Item		Direct Effect	Explanation
Brand Credibility	→ Decision Convenience	0,656	Significant
Decision Convenience	→ Purchase Intention	0,356	Significant
Brand Credibility	→ Purchase Intention	0,573	Significant

Based on the analysis results, it can be said that the direct effect of brand credibility on decision convenience is 0.656, decision convenience on purchase intention is 0.356, and brand credibility on purchase intention 0.573 has a significant effect

4.4 Indirect Effect

The indirect effect on brand credibility on purchase intention through decision convenience is as presented below.

Table 4. Result of Path Analysis for The Indirect Effect

Item	Indirect Effect	Explanation
Brand Credibility → Decision Convenience → Purchase Intention	0,656 x 0,356 = 0,234	Significant

Results of Sobel Test on path analysis for the indirect effect are 3.102 and the result of a two-tailed probability is 0.003 and it influences that significant brand credibility against purchase intention mediated decision convenience.

4.5 Total Effect

The total effect of the variables can be seen in Table 3.

Table 3. Result of Path Analysis for The Direct Effect

Item	Direct Effect	Indirect effect	Total
Brand Credibility → Decision Convenience	0,656		0,656
Decision Convenience → Purchase Intention	0,356		0,356
Brand Credibility → Purchase Intention	0,573	0,234	0,807

5. Conclusion

Based on the above research, it can be concluded that brand credibility mediated by the decision convenience has a significant effect on the purchase intention. According to a theory by Baek & King (2011), brand credibility is a signaling theory to increase the decision convenience for consumers. This research also shows that the brand credibility owned by Garuda Indonesia can provide a strong signal to the comfort and confidence of passengers to still choose Garuda Indonesia in the COVID-19 pandemic. According to Erdem & Swait (1998), brand credibility has the expectation of information embedded in a product in a brand, related to understanding whether a brand has the will and ability as promised. The study also shows that Garuda Indonesia passengers trust in

the top-owned Garuda Indonesia, resulting in a purchase intention. Jeng (2016) defines purchase intention as an interest in buying which is generally based on conformity to a brand characteristic that can be considered. Based on the results of the research, it can be concluded that the brand credibility of purchase intention mediated by the decision convenience is showing the significant influence of Garuda Indonesia passengers.

6. Managerial Implication

In this research, the results of respondents who are passengers from Garuda Indonesia feel the services are not as promised and have low credibility so that Garuda Indonesia should improve and pay attention to its services and the credibility of the brand owned. Consequently, it has a low credibility of passengers who will not necessarily buy back.

For further research, researchers suggest doing research not only done by one airline only, but it can also be done on LCC based airlines. The research object is not only done in Jakarta, but it can be all over Indonesia with more respondents. These variables are suggested to be researched in other service industries not only in airline industry services.

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