

INCREASING REPURCHASE INTENTION AND TRUST THROUGH THE REPUTATION OF AIRLINE INDUSTRY

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Abstract: The aim of research is to increase the repurchase intention and passenger trust through the reputation of airline industry. By a good company reputation, passengers' repurchase intention and trust will increase. The population of this research was the passengers of airline industry, and the sample used was 202 respondents with purposive sampling. Data analysis used was Structural Equation Modeling-Partial Least Square (SEM-PLS). The results of this research show that reputation has a significant positive effect on repurchase intention. The company reputation has a positive and significant effect on passenger trust. Passenger trust has a significant positive effect on repurchase intention. If the airline's reputation is quite good, the airline can give passengers a sense of trust. In addition, a good company reputation and increased passenger trust can increase passengers' repurchase intention.

Keywords: *Repurchase Intention, Trust, Reputation, Company Reputation, Passenger Trust*

Introduction

At this era, air transportation services have been chosen by people to travel out of the city or abroad. Air transportation is one of the transportation methods with lower accident risk. Compared to other modes of transportation, the service provided by the airline, that is, the best service, can improve the airline's reputation and build trust in customers. PT Citilink Indonesia Airlines is one of Indonesia's airlines and operates as Citilink Indonesia Fakhruddin (2019). Citilink Indonesia has been Indonesia's fastest-growing airline since 2011, when it took over the first A320 and accelerated its expansion as part of the Garuda Group's efforts to compete more aggressively in the segment of budget travelers. By offering ticket in low fares but still promising in terms of its services, Citilink Indonesia is able to position itself as an airline that provides value-for-money concepts.

Although Citilink Indonesia strives to provide customers with the best service, the shortcomings of this airline's service performance still exist. For example, the low level service provided by the Citilink Indonesia Airlines. Customer's complaints will deteriorate the company's image, affect customer confidence and repurchase intention.

The company's reputation is not only strategically important factor, but also an advantage for success in the competitive market Park (2019). To provide a good reputation, the company must provide good services and facilities for its passengers. In addition, the company reputation can be seen from its flight history, whether accidents on planes occur quite often, both mild to fatal and causing fatalities. The lower the accident history, the higher the passenger trust.

Trust occurs because of the satisfaction provided by the airline company to the passengers. Without satisfaction, customers will not repeat purchases on an ongoing basis. According to Arimbi & Heryenzus (2019) customer trust is the knowledge and conclusions that customers have about an object, its attributes, and its benefits. Trust is an important unit for cultivating purchase intention. Customers who have confidence in the company feel confident that the company will provide all the best for customers. The trust given by customers makes the intention to repurchase. There is intention in repurchasing because of the creation of satisfaction received in accordance with the expected wishes.

Customer purchase intention is the desire of customers who decide to buy a product. Repurchase intention is the intention to repurchase the product in several purchases. Thus, repurchase intention is the desire of a customer to repurchase a product in the form of goods or services that have previously felt the benefits and quality (Ilyas et al., 2020).

Referring to the background that has been explained, the researcher considers it necessary to conduct research with the theme "Increasing Repurchase Intention and Trust through Company Reputation", so that the research results can increase passenger's purchase intention through a good reputation and passenger trust.

Literature review

Company Reputation

A company reputation is not only seen from a strategically important factor, but also an advantage for success in a competitive market (Park, 2019). According to Social et al (2018) reputation is a means of competitive advantage without heavy competition,

so that reputation will not be debated. Good reputation can also be seen from the awards that have been received by the airline. In addition, the company reputation can be seen from its flight history, whether accidents on planes occur quite often, both mild to fatal and causing fatalities. Regarding the credibility of organizational identity claims, company reputation is the type of feedback that organizations receive from their stakeholders (Alwi et al., 2017).

Trust

A strong relationship between airline companies and passengers will be established if there is trust (Anggrayni et al., n.d.). In the aviation industry, customer trust will be needed in increasing competition. Trust that is built gradually through continuous interaction, will ultimately affect customer trust in the company (Setiawan et al., 2020). If the passenger of Citilink airline is satisfied with what has been provided by the airline, then the trust of Citilink airline passengers will increase. In relationship marketing, trust is the customer's desire to engage in future transactions, trust reflects the reliability of the seller's transactional behavior, so that it can lead to the perception of reduced future risks and possible opportunities (Saleem et al., 2017).

Repurchase Intention

According to Chrisnawan et al (2019), purchase intention is a process that occurs before a purchase decision occurs, an important process will occur at the initial stage of the meeting between the seller and the customer. Purchase intention is the purchase process that takes place before the actual purchase. Another definition put forward by (Sugiharto et al., n.d.) namely, purchase intention is a decision made by customers to learn the reasons for purchasing a certain brand. Repurchase is an important asset for a company, because it can be used as an indicator of a company's income in the future. Kusumaningrum et al (2000) stated that in order to be more precise in managing company assets and marketing plans, a company should consider making repurchase intentions. Repurchase intention is purchase intention based on past purchase experience. The high intention in repurchasing a product or service from an airline reflects the high level of customer trust in a product or service when deciding to use it.

Trust is very important in increasing repurchase intention in the aviation industry, due to the pre- and post-consumption evaluation of service characteristics, such as convenience, safety, assurance, and responsiveness (Saleem et al., 2017). In previous research, the definition and measurement of repurchase intention has been developed and used. One approach to making a purchase is through a process or a series of steps known as the “Hierarchy of Effects” (Setiawan et al., 2016)

The Effect of Reputation on Repurchase Intention.

The perceptions obtained from airline passengers will form a positive company reputation, so that passengers will contribute to increasing repurchase intention. Reputation also has a positive effect on performance in non-financial areas, such as satisfaction, and loyalty and repurchase intentions (Zhafira et al., 2019).

H₁: There is a significant effect of reputation on repurchase intention.

The Effect of Reputation on Passenger Trust

The company reputation is a very important factor in building relationships between companies and customers. When evaluating a company's performance and the quality of goods or services, a high reputation can earn customer trust and can reduce the perceived risk to the company. Therefore, customers think that companies with a good reputation can be trusted (Fatmawati & Fauzan, 2021).

H₂: There is a positive relationship between company reputation and passenger trust.

The Effect of Passenger Trust on Repurchase Intention.

The greater trust from the customer, the stronger the purchase intention. Febrin et al (2020) claimed that after a customer trusts a product or service provided by a company, he will entrust it to buy it. Trust is very important in increasing repurchase intentions within the airline industry, due to the pre- and post-consumption evaluation of service characteristics, such as comfort, safety, assurance, and responsiveness Saleem et al (2017). Based on the above statement, passenger trust is considered to have a significant positive effect on purchase intention.

H₃: There is a significant positive relationship between passenger trust and repurchase intention.

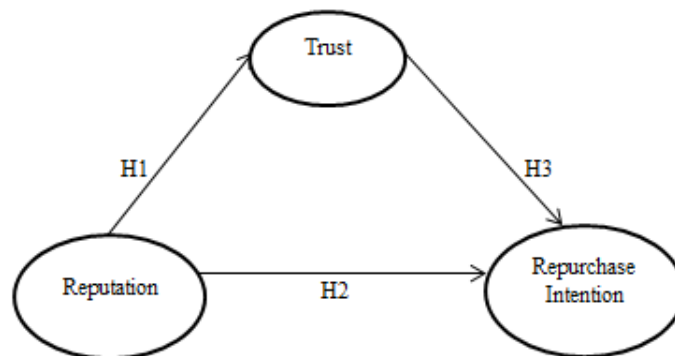


Figure 1. Conceptual Framework

Method

This type of research is quantitative research. According to Prathama & Sahetapy (2019), this type of quantitative research tries to measure something precisely. In business research, quantitative methodologies usually measure customer behavior, knowledge, opinions, or attitudes. The sample in this research was collected using a questionnaire and those who were used as sample members were Citilink airline customers, totaling 202 respondents with purposive sampling. Data were analyzed using Structural Equation Modeling-Partial Least Square (SEM-PLS). The research instrument used was a questionnaire, using a Likert scale of 1-5, a description of the value 1 = strongly disagree, 2 = disagree, 3 = quite agree, 4 = agree, 5 = strongly agree.

Tabel 1. Measurement Items

CONSTRUCT		ITEM
Reputation Zhafira et al (2019)	X1	The airline has a positive impression
	X2	I always get on this plane
	X3	The airline has security
	X4	This airline has a good reputation
Trust (Anggrayni et al., n.d.)	Y1	The airline is performing well
	Y2	Reliable airlines
	Y3	Airlines keep their promises
Repurchase Intention Zhafira et al (2019)	Z1	I will return to the airline because of my good integrity
	Z2	The airline promises to affect my travel behavior in the future

	Z3	Good relationships with the airline make me want to use them again
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Discussion and Result

Tabel 2. Square Root of AVE and Correlation Between Variables

Variable	AVE	Root of AVE
Reputation	0.610	0.781
Trust	0.757	0.870
Repurchase Intention	0.686	0.828

Based on table 2, the square root of each variable is higher than its correlation coefficient with other variables. From the discriminant validity test, the reputation variable, passenger trust and repurchase intention are declared valid if the AVE value of each variable is > 0.50 .

Table 3. Reliability Indicator

Variable	Composite Reliability	Cronbach's Alpha
Reputation	0.859	0.781
Trust	0.903	0.840
Repurchase Intention	0.868	0.772

In table 3, if the value of composite reliability and Cronbach's alpha has a value of > 0.70 then it has a good reliability value. Based on table 3, all latent variables have Composite Reliability and Cronbach's Alpha values greater than the previous provisions. From the results in table 3, it can be said that all the latent variables are good and have consistency with the measurement of other variables.

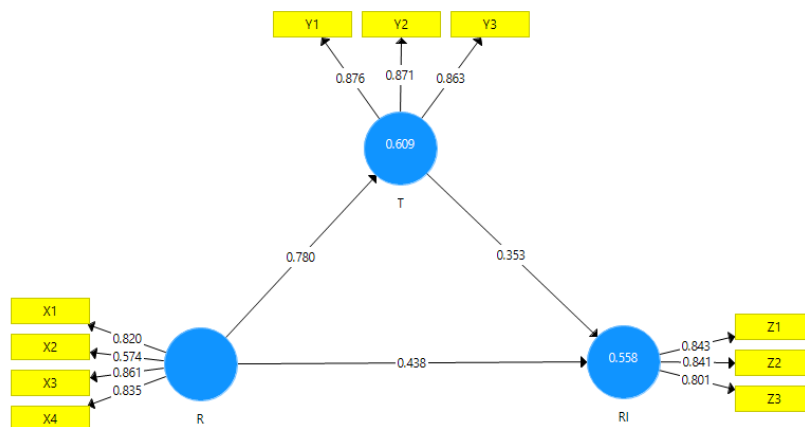


Figure 2. PLS Algorithm

Direct Effect

Table 4. Path Coefficients and T-Value

Path	Original Sample	T Statistic	P Value	Result
Reputation $\rightarrow$ Trust	0.780	26.632	0.000	Accepted
Reputation $\rightarrow$ Repurchase Intention	0.438	5.032	0.000	Accepted
Trust $\rightarrow$ Repurchase Intention	0.353	3.660	0.000	Accepted

Table 4 shows that the effect of reputation on trust has a T statistic value of 26,632 and a P value of 0.000, the effect of reputation on repurchase intention has a T statistic of

5.032 and a P value of 0.000, and the effect of trust on repurchase intention has a statistical T value of 3.660 and a P 0.000. Based on table 4, all values of the inter-effect variables are acceptable.

Indirect Effect

Table 5. Indirect Result

Path	Coefficients	Result
Reputation → Trust → Repurchase Intention	0.275	Significant

Table 5 shows that there is an indirect relationship between reputation and repurchase intention through trust as an intervening variable. Based on the table above, there is a coefficient value of 0.275. It can be concluded that reputation affects repurchase intention through trust.

Table 6. R Square

Variable	R2	Result
Trust	0.558	Moderate
Repurchase Intention	0.609	Moderate

Based on table 6 above, the value of r square to the trust variable is 0.558 and the value of r square to the variable of repurchasing intention is 0.609, it can be stated that the value of r square of the trust variable and repurchase intention is moderate.

Conclusion

The results of this research indicate that reputation has a positive and significant influence on passenger trust. This shows that reputation can increase the trust of Citilink airline passengers. Reputation has a positive and significant effect on the repurchase intention of Citilink airline passengers. If an airline has a good reputation, the reputation will increase the repurchase intention Citilink airline passengers. In order to provide a good reputation, the company must provide its passengers with good services and facilities. In addition, the company reputation can be seen from its flight history, whether accidents on the aircraft occur frequently, whether they are minor to fatal or cause death. In addition, trust also has a positive influence on repurchase intention. If the trust of Citilink airline passengers increases, the intention to repurchase Citilink

airlines can also increase. It can be concluded that passenger trust as an intervening variable which is able to significantly mediate the relationship between reputation and repurchase intention.

Managerial Implication

Improving the reputation of Citilink airlines will increase repurchase intention and passenger trust in Citilink. Based on this research, it is hoped that by reducing the risk of accidents and delays of Citilink airlines, it will improve the airline's reputation, so it will be beneficial for Citilink airlines. The lower the risk of accidents and delays, it can increase passenger trust and purchase intention, therefore passengers will use Citilink airlines again.

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