




# Examining Customer Loyalty in the Courier Service Industry: An Analysis of Service Quality and Customer Trust Factors

Lisnawati Lisnawati<sup>1</sup>, Devi Setiawati<sup>2</sup>,  
Ratih Hurriyati<sup>3</sup> 

<sup>1,2,3</sup> Universitas Pendidikan Indonesia, Bandung, Indonesia  
lisnawati@upi.edu

**Abstract.** Alongside the exponential development of e-commerce or the number of online store startups in Indonesia, courier service represents an essential company prospect. a combination of factors including the rising number of emerging companies stepping foot in this sector, proactively keeping customers, particularly end consumers and businesses consumers, is becoming ever more challenging. This study attempts to understand how service quality and client trust affect customer loyalty to courier services. The data is processed statistically with the Path Analysis method. The findings in this study found that the description of service quality and customer trust and customer loyalty was in the fairly good category. service quality and customer trust in customer loyalty simultaneously and partially. The results of this study indicate that the application of service quality and customer trust courier service is able to create loyalty for its customers.

**Keywords:** *Customer Quality, Customer Trust, Customer Loyalty.*

## 1 INTRODUCTION

The level of customer loyalty can be seen from the company's success [1,2]. One of these conditions can be seen in the shipping services industry in Indonesia. Problems experienced by the delivery service industry in Indonesia. is the large number of complaints from industrial users regarding the quality of the service they provide, which has an impact on decreasing levels of customer loyalty. Until now, the delivery service industry in Indonesia has a fairly significant operational network with growing market competition.

This condition is thought to be due to the increasing number of new delivery services that continue to emerge which are growing rapidly during the pandemic, this is causing many consumers using delivery services to switch to other delivery services which they think have better service and cheaper prices.

For business continuity, a company must be able to provide satisfaction, value and a good response to its consumers/customers. Companies need to know what things customers consider important, so that they can increase customers' desire to continue using the services provided by the company.

Customer loyalty is found in Marketing Management theory which helps managers in digging up information about customer needs and expectations [1,3-6]. Several other factors based on research that can influence customer loyalty include service quality and service satisfaction [7-9], economic factors and psychological factors [10-12] price factors, brand image and brand trust [9,13].

The solution to overcome the problem of customer loyalty in this research is service quality which is used to overcome the problem of customer loyalty in this research, because service quality is one part of Marketing Management [14, 15] and trust in a brand can be seen from a person's willingness to depend on a brand and its risks and provide positive results [9,13]. Delivery Service Company, delivery service industry in Indonesia. utilizing technology to attract customer attention digitally, namely in the form of the Smart Control Tower application as an integrated innovation with the use of the Internet of Things (IoT), Big Data and Data Analytics to support operational strategies through more structured data management, the benefits of this application are: 1) Online delivery platform that is integrated into real-time online platforms and applications. 2) Better tracking, Customers and courier companies can track packages in realtime on the system. 3) Data analysis that allows courier companies to make decisions that suit customer needs.

## **2 METHODS**

This research examines the influence of service quality and customer trust on customer loyalty among users of the delivery service industry in Indonesia. The unit of analysis used as respondents is users of the shipping service industry in Indonesia. The research data collection period was 6 months.

The population in this study was taken from customers of the shipping service industry in Indonesia. By taking a sample of 100 respondents. The sampling technique used in this research is nonprobability sampling. This research uses an explanatory survey using Path analysis technical analysis

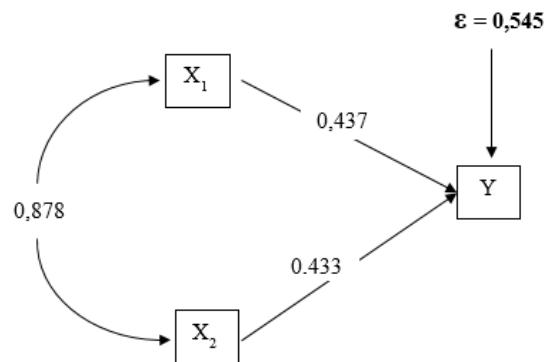
## **3 RESULTS AND DISCUSSION**

This research uses verification analysis assisted by using IBM Statistical Product for Service Solutions (SPSS) version 26.0 for Windows. The results show the value of the influence of service quality and customer trust on customer loyalty. Before carrying out path analysis, it is necessary to test classical assumptions so that the research model provides the best estimation results or BLUE (Best Linear Unbiased Estimator). Correlation matrix between service quality and customer trust towards customer loyalty as shown in Table 1.

**Table 1.** Correlation matrix of service quality and customer trust on customer loyalty

Variable	Service Quality	Customer Trust	Loyalty
Service Quality	1	.878	.817
Customer Trust	.878	1	.817
Loyalty	.817	.817	1

Based on the matrix results, the correlation between X1 and X2 is 0.878, X1 and Y is 0.817, and the inverse correlation matrix is associated with the correlation between the independent variables and the dependent variable. Figure 1 shows a chart of the path coefficient and correlation coefficient.

**Figure 1.** Path Diagram of Variables service quality and customer trust on customer loyalty (Correlation Coefficient and Path Coefficient)

After the path coefficient is obtained, the magnitude of the influence of service quality and customer trust on customer loyalty can be determined from the results of multiplying the path coefficient on the correlation matrix between the independent variable and the dependent variable.

Determinant coefficient analysis is used to determine the percentage of influence that occurs from the independent variable on the dependent variable. So in this research the determinant coefficient is used to determine the percentage of influence on loyalty

**Table 2.** Coefficient of Determination

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.843a	.711	.704	4.719

The results of calculating the coefficient of determination for service quality and customer trust in customer loyalty are 70.4% when seen from the table. Gullford is in

a good qualification. Meanwhile, 29.6% was influenced by other factors not studied. To find out the results of testing the direct and indirect influence of service quality variables and customer trust on customer loyalty can be seen in Table 3 as follows.

**Table 3.** Direct and Indirect Effects

Variable	Path Coefficient	Direct Influence	Indirect Influence		Total Effect
			SQ	CT	
Service Quality	0,437	0,190	-	0,167	0,357
Customer Trust	0,433	0,187	0,167	-	0,354
Total Effect					0,711

Based on Table 3, it can be seen that the variable that has a dominant partial influence is the service quality variable, which is 0.357. Meanwhile, the customer trust variable has a direct influence of 0.354.

F test taken from Anova with a probability level ( $\text{sig}$ ) = 0.000. obtained  $97.180 > 3.11$  then  $H_0$  is rejected. Thus, it can be concluded that the hypothesis in this research, namely  $H_0$ , is rejected, so that there is an influence of service quality and customer trust on customer loyalty in the delivery service industry in Indonesia. .

Determining the results of the t test for the service quality variable obtained a t value of 3,451 with a significance of 0.001. The results of calculating the statistical value of the t test show that tcount is greater than ttable ( $3,451 > 2.374$ ), so the  $H_0$  test results are accepted. Apart from that, the significance level is less than 5% ( $0.001 < 0.05$ ). So it can be concluded that there is an influence of service quality on customer loyalty.

Meanwhile, for the customer trust variable ( $X_2$ ), the t-count value was 3.425 with a significance of 0.001. Based on this, it can be concluded that there is an influence of customer trust on customer loyalty with a t-count value greater than t table ( $3.425 > 2.374$ ). This result is also shown by a significance value that is smaller than 0.05 ( $0.001 < 0.05$ ).

Based on the research results, it shows that service quality and customer trust have a direct and indirect influence on customer loyalty. The indirect effect is because service quality and customer trust have a strong relationship with customer loyalty. Thus creating a high interest in customer loyalty. Apart from that, the service quality variable has the highest influence on customer loyalty, while customer trust has a weak influence on customer loyalty. As an implication of this, educational institutions, organizations and companies can pay more attention to service quality and customer trust in customer loyalty. This is in accordance with previous research discussing the analysis of the influence of service quality and customer trust which has a big effect on customer loyalty [6,16]. Good service quality and customer trust can be factors in customer satisfaction, after feeling satisfied customers will be loyal and make a commitment to the product or service so that it has a significant influence on customer loyalty.

## 4 CONCLUSION

Service quality and customer trust have been shown to have a significant influence on customer loyalty in the Indonesian delivery service industry. This explains that delivery service companies in Indonesia can increase customer loyalty in the repeat purchase aspect. Research recommends that delivery service companies in Indonesia can continue to improve the quality of products/services and the level of conformity of products/services. So that the quality of delivery services can be widely known by customers, consumers and potential consumers. By developing service quality in the Assurance aspect, it is hoped that delivery services can provide new innovations to customers to suit the tastes of the majority of users and provide reliable service. And finally, increasing customer trust in the integrity aspect, it is recommended that delivery services need to increase company honesty, improve good relations with customers by creating satisfaction for delivery service users so that it will increase customer loyalty.

### References

1. Wulur, L.M., Militina, T. and Achmad, G.N., 2020. Effect of service quality and brand trust on customer satisfaction and customer loyalty Pertamina Hospital Balikpapan. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, 4(01).
2. Azizan, N.S. and Yusr, M.M., 2019. The influence of customer satisfaction, brand trust, and brand image towards customer loyalty. *International Journal of Entrepreneurship*, 2(7), pp.93-108.
3. Jariyachamsit, S., 2021. Effect of Customer Loyalty, Innovative Management, Knowledge Management and Marketing Management on Business Performance of Three Stars Hotel in Eastern Region of Thailand. *Review of International Geographical Education Online*, 11(5).
4. Kiseleva, E.M., Nekrasova, M.L., Mayorova, M.A., Rudenko, M.N. and Kankhva, V.S., 2016. The theory and practice of customer loyalty management and customer focus in the enterprise activity. *International Review of Management and Marketing*, 6(6), pp.95-103
5. Khan, M.A., Yasir, M. and Khan, M.A., 2021. Factors affecting customer loyalty in the services sector. *Journal of Tourism and Services*, 12(22), pp.184-197
6. Ovita, A., Pradana, M. and Nugraha, D.W., 2021. The Effect of Service Quality and Brand Trust on Customer Loyalty during COVID-19 Pandemic: Moderating Effect of Customer Satisfaction. *International Journal of Mechanical Engineering*, pp.193-197
7. KT, J., Peterkumar, D.F. and Vakayil, S., 2020. The impact of service quality on customer satisfaction; an empirical study. *International Journal of Management (IJM)*, 11(3).
8. Karani, L.M., Syah, T.Y.R. and Anindita, R., 2019. Influence of service quality and customer satisfaction on customer loyalty in restaurants of the tangerang area. *Russian Journal of Agricultural and Socio-Economic Sciences*, 92(8), pp.142-147.

9. Prabjit, P., Salim, C.V., Kusumawardhani, A. and Gunadi, W., 2021. The Influence of Service Quality, Perceived Value, Customer Satisfaction and Brand Trust towards Customer Loyalty in Subscription Video on Demand. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, 4(4), pp.10868-10882.
10. Di Crosta, A., Ceccato, I., Marchetti, D., La Malva, P., Maiella, R., Cannito, L., Cipi, M., Mammarella, N., Palumbo, R., Verrocchio, M.C. and Palumbo, R., 2021. Psychological factors and consumer behavior during the COVID-19 pandemic. *PloS one*, 16(8), p.e0256095.
11. Le Tan, T., Hieu, P.T., Van, N.T.T. and Hung, N.N.P., 2021. Research on Factors Affecting Customers' Shopping Behavior on E-Commerce Exchanges during the Covid-19 Pandemic. *International Journal of Business, Management and Economics*, 2(4), pp.251-269.
12. Victor, V., Joy Thoppan, J., Jeyakumar Nathan, R. and Farkas Maria, F., 2018. Factors influencing consumer behavior and prospective purchase decisions in a dynamic pricing environment—an exploratory factor analysis approach. *Social Sciences*, 7(9), p.153
13. Martin, M. and Nasib, N., 2021. The Effort to Increase Loyalty through Brand Image, Brand Trust, and Satisfaction as Intervening Variables. *Society*, 9(1), pp.277-288.
14. Zia, A., 2020. Assessing the service quality of department store using RSQS An Empirical study of Albaha Region, Saudi Arabia. *Rajagiri Management Journal*, 14(1), pp.19-33.
15. Lau, G.T. and Lee, S.H., 1999. Consumers' trust in a brand and the link to brand loyalty. *Journal of Market-Focused Management*, 4, pp.341-370.
16. Hosseini, M. and Norouzi, H., 2017. Investigating the impact of consumer trust on loyalty and purchase intention of food store brands: Case study: Palladium shopping mall in Tehran. *International Review of Management and Marketing*, 7(4), p.138

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

