

The Influence of Local Startup Companies' Brand Equity on the Consumer Trust in Digital-Based Umrah Travel

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This study is aimed at knowing the influence of local digital startups' brand equity on the consumer trust in Umrah travel through Umrah digital enterprise. The method used here is distributing questionnaires to 50 respondents domiciled in Jakarta who have ever performed Umrah, to see whether behaviour shifting from offline transaction to online transaction occurs. The result of this study shows that there is an influence of brand equity on consumer trust in the digital-based Umrah travel organised by local startups. Future research can be conducted to study the influence of the trust of Umrah travel service users on the purchase decision toward digital-based Umrah organised by local startup companies.

Key words: *Brand Awareness, Brand Association, Perceived Quality, Brand Loyalty, Trust.*

Introduction

The business of organising Umrah travel in Indonesia is growing in line with the increasing number of people who go on a pilgrimage for Umrah to Mecca every year. Indonesia is the second biggest country in the world in the number of pilgrims for Umrah. Umrah is travelling to visit, in this case visiting Ka'bah, for worship that requires spiritual preparedness and strong physical condition (Between et al., 2017).

Umrah is a religious travel. It is different from the Western perspective stating that religious travel in which the practices are recreation and entertainment (Fahmiansyah, Rizki Azhar, Setiawan, Margono and Indrawati, 2018). Umrah pilgrims from Indonesia usually use the services provided by Umrah travel companies for comfort. Based on this, Umrah travel companies have opportunities to offer their services to the prospective Umrah pilgrims. They

provide Umrah facilities in various packages that can be chosen in accordance with the pilgrim's need and purchase power.

Today the use of Internet is increasing among people; children, adolescents as well as adults. Online sales have grown very rapidly in the virtual world (San et al., 2014). The increase of online sales has created new business opportunities for virtual sellers and has significantly increased the number of online shopping companies (Lee, Cyril Eze, & Ndubisi, 2011; San et al., 2014). This is also an opportunity for business players who manage travel agencies, where there has been a paradigm shift from using offline travel agents to online travel agents. People are offered ease, comfort and security in selecting the service from travel agents. Such a condition gives opportunities for Umrah travel agents to follow in the footsteps of ordinary travel agents. Today Umrah travel agents have started through startup companies. Such startup companies also give choices to the prospective pilgrims or consumers to choose the Umrah travel service according to their needs and wants. They also provide Umrah travel package in various brands of Umrah travel. Apart from the increasing number of online transactions, many users in Indonesia are questioning the reliability and security of virtual business and therefore postponing the online purchases for this reason.

Literature Review

Brand is no longer just a "component" of a product. However, it can be separated from the product. Brand equity with strong ownership frequently generates price advantages (Wiryanto, 1995). Brand equity is a set of assets and liabilities related to brand, trade name, and symbol that increases or decreases the value given by a product or service to the company and/or customers (Aaker, 1991).

Equity is an added value generated by market name, the best margin or market share to a product. Customers can see the added value as a financial asset and a number of correlations and actions (Ilmiah et al., 2019). Brand equity can be seen from the perspective of the brand itself and from the perspective of consumers (Duriyanto, et.al, 2004 ; Ilmiah et al., 2019), as well as from the perspective of equity reflected by the company. Aaker says that brand equity can be classified into dimension and five categories: brand awareness, brand association, perceived quality, brand loyalty, and other brand assets.

Brand awareness continues the way to be aware of current and potential customers for your product and service (Muhammad Ehsan Malik, 2013). Brand awareness represents the customers and the product and also their potential customers Brand recognition is the ability of potential buyers to identify or remember that a brand is the part of certain product category (Aaker, 1991). Brand awareness is a main subject of debate as it is one of the main determining factors that attract much attention.

Brand association is an acceptable aspect of a brand. Brand association includes all ideas, feelings, thought, images, belief, and opinions of consumers about the brand (Bolovan & Dumănescu, 2017). Brand association is the most acceptable element of brand capital. Brand association refers to idea, feeling, perception, image, experience, belief and attitude toward a brand (Kotler & Keller, 2012).

Perception on brand quality is the consumer's perception on the quality of a product or service based on the intended purpose (Wiryanto, 1995). Understanding the concept of quality is a very important factor in the consumer's decision making. By this way, users compare the quality of the pricing option with one category (Jin & Yong, 2005 ; Ilmiah et al., 2019). Since consumers believe in the brand, they prefer the brand to have different products from its competitors, although the price may be higher. Consumer awareness is a test which does not always happen to the customers. Thoughts on positive behaviour can be created by trying to identify the type of product (that is market segment) considered important by the consumers and from the progress of a mental condition in the suitable proportion of species (Astuti Cahyadi, 2007; Subianto, n.d.)

From the literature, brand equity can be analysed that the concept of brand loyalty is the core of brand equity (Ilmiah et al., 2019). Brand loyalty is the tendency of consumers to buy the standard brand of the same product for certain service or for the different one (Schiffman & Kanuk, 2004; Santoso, 2016). Brand loyalty sees the loyalty of customers to keep using that brand and does not change the customer's consistency to buy a brand as a form of customer's learning process on the ability of the brand to satisfy his need (Subianto, n.d.). Studies indicate that brand loyalty creates feeling and connection between customers and the producer (Pedelianto et. al, 2015 ; Ilmiah et al., 2019).

Trust emerges by following previous contacts or by increasing the duration of contact, based on the assumption that through continuous interaction the parties develop a mutual understanding of equality rules (Shapiro, Sheppard, and Cheraskin, 1992; Bolton 1998; Keith S. Coulter, 2008). Trust exists in the uncertain and risky world (Raut et al., 2019). The concept of trust involves two relations from trustable subject and trustable object. Consumer trust rises when one of business transactions trusts certain characteristics of the other. Consumer trust is a tool for service companies to get customer loyalty (Wang et al., 2014). There are two different perspectives, namely trust as a subjective belief or expectation concerning certain attributes of the exchange partner (Anderson & Weitz, 1989; Lee & Back, 2008; Wang et al., 2014) and the consumer trust that involves the partner's trusted activities which is weak to the situation (Coleman, 1990; Wang et al., 2014). Trust has a positive relationship with brand loyalty (Lynch et al., 2001; Harridge-March, 2006)). However, whether marketing experts want it or not, the dependence on customer companies does not mean a permanent connection. The literatures show that trust and satisfaction refer to

commitment (Kolsecker & Payne, 212; Selins, 1; Scarrer, 20; Srinivasan, 23; De Ruitrett et al., 2001; Harridge-March, 2006)), defining trust as a belief in human faith. Another web site involved in e-Commerce relationship may have different characteristics in terms of equity, power, strength, virtue and honesty (McKnight and Sherwani, 2001; Yoo & Gretzel, 2011)

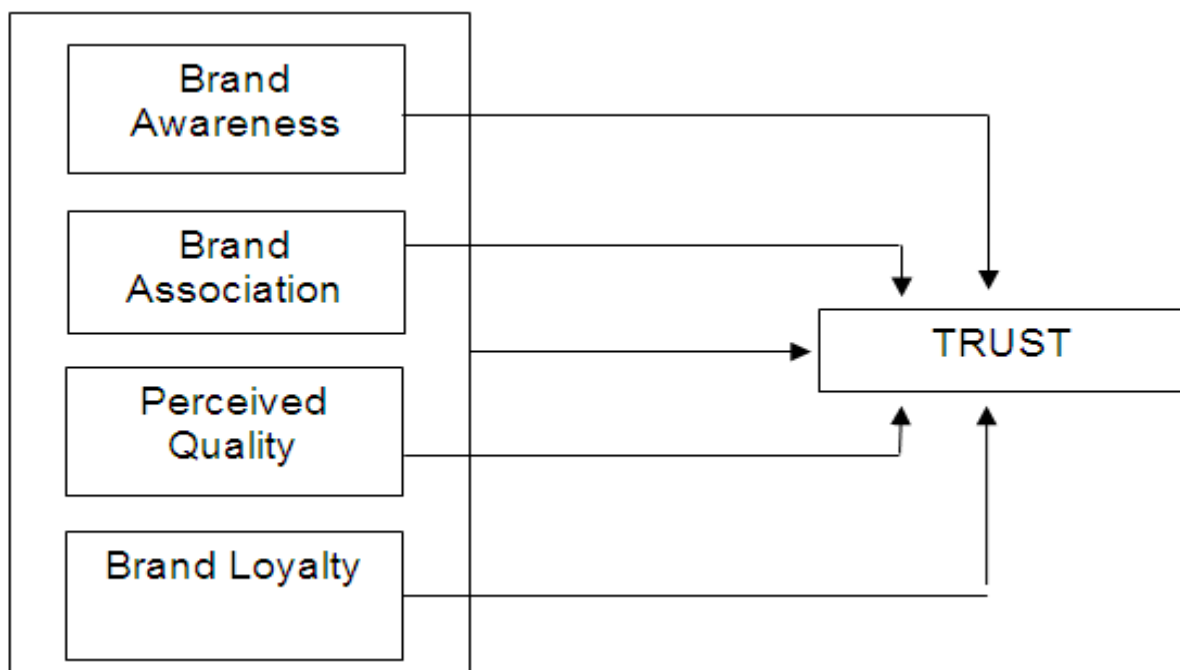
H1: Brand awareness is presumed to affect consumer's trust

H2: Brand association is presumed to affect consumer's trust

H3: Perceived quality is presumed to affect consumer's trust

H4: Brand loyalty is presumed to affect consumer's trust

H5: Simultaneously brand awareness, brand association, perceived quality and brand loyalty affect consumer's trust



Research Method

This research is conducted using a quantitative method. The population refers to the total number of people, events or interesting things the researchers seek (Uma Sekaran and Roger Bougie, 2016). The population in this research is the people domiciled in Jakarta aged above 21 years old who have ever travelled for Umrah. The number of population in this research is not known and the sampling used is purposive sampling which is a sampling technique with certain considerations using the type of judgment sampling, i.e. taking sample based on certain consideration if the number or category of people who have necessary information is limited (Sekaran Uma & Bougie Roger, 2017). In a multivariate research, including multiple regression analysis, the size of the sample is as many as ten times of the number of variables in the research conducted (Uma Sekaran & Roger Bougie, 2017). The number of samples in

this study is 50 respondents. The data collected includes primary data obtained through survey and secondary data obtained from websites and literature. The type and form of questions in the questionnaire are those in positive and negative arrangement. All the questions asked here give the tendency of respondents to fill in and choose the point in one end of the scale that can be minimised without thinking (Uma Sekaran & Roger Bougie, 2017). The questionnaire uses Likert scale with five alternative scored answers.

This study is intended to examine the model given and wants to know the impact of brand equity on consumer's trust toward the digital-based Umrah travel organised by local startup companies. The data analysis method is linear regression using SPSS.

Findings and Discussion

Data classification is also called personal information, or demographic statement that can result in information such as age, level of education, marital status, and income (Uma Sekaran & Roger Bougie, 2017). From the questionnaires distributed to 50 respondents, the characteristics of respondents are found as in the following table.

This research uses a validity test and reliability test. Validity test is used to measure the validity of a questionnaire (Sudaryono, 2019). The questionnaire which is measurable is considered as valid. All the questions asked are valid because r_{table} is bigger than $r_{statistic}$. The questionnaire is considered as reliable meaning that the questions in the questionnaire are consistent over the time (Sudaryono, 2019). The results show that every variable is considered as reliable if coefficient of Cronbach Alpha is > 0.60 . From normality test it is obtained Asymp. Sig. (2-tailed) 0.388 bigger than 0.05 so the data is normally distributed.

From the figure it can see that the dots are distributed above and under 0 on the axis of Y and X and do not make a certain pattern like zig-zag, piling up or any others. Thus, there is no assumption of heteroscedasticity and it can be concluded that the validity of this research can be proven scientifically.

Table 1: Characteristics of Respondents

Identity		Number	Percentage
Sex	Male	26	52%
	Female	24	48%
Age	21-30 years	2	4%
	31-40 years	6	12%
	41-50 years	34	68%
	>50 years	8	16%
Education	Senior High School	2	4%
	Diploma	0	0%
	Bachelor	25	50%
	Magister	19	38%
	Doctoral	4	8%
Job	CIVIL	11	22%
	SEVERVANT/ARMY/POLICE	27	54%
	Private employee	5	10%
	Entrepreneurs	6	12%
	Housewife	0	0%
	Students	1	2%
	Others		
Monthly income	< IDR 5,000,000	2	4%
	IDR 5,000,000-Rp10,000,000	24	48%
	> IDR 10,000,001	24	48%
Have gone travelling for Umrah	Once	36	72%
	Twice	9	18%
	Three times	2	4%
	> Three times	3	6%

Table 2: Result of Reliability Test

No	Variable	Cronbach's Alpha	Reliability
1	Brand Awareness	0.889	Reliable
2	Brand Association	0.859	Reliable
3	Perceived Quality	0.840	Reliable
4	Brand loyalty	0.802	Reliable
5	Trust	0.802	Reliable

The multiple regression analysis on the variables of brand awareness, brand association, perceived quality and brand loyalty toward consumer's trust finds the following equation:

$$Y = 3.999 + 0.286X_1 + 1.197X_2 + 0.004X_3 + 0.577X_4$$

From the result of t Test in partial between independent variable and dependent variable that is the variable of brand awareness toward consumer's trust, it is found that the $t_{\text{statistic}}$ is bigger than t_{table} as big as 7.582. The variable of brand association the $t_{\text{statistic}}$ is found as big as 12.410. The variable of perceived quality is as big as 6.619. The variable of brand loyalty is as big as 9.150 which is smaller than t_{table} where each independent variable positively and significantly affects the dependent variable or consumer's trust.

Table 3: Result of Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.999	2.292		1.745	.088		
	X1	.286	.257	.128	1.113	.272	.345	2.896
	X2	1.197	.340	.532	3.524	.001	.198	5.165
	X3	.004	.244	.002	0.16	.987	.394	2.540
	X4	.577	.220	.304	2.627	.012	.329	3.041

a. Dependent Variable: Trust

In partial, the coefficients of determination of the independent variables toward dependent variable are as follows; brand awareness toward trust is 54.5%, brand association toward trust is 76.2%, perceived quality toward trust is 47.7% and brand loyalty toward trust is 63.6%. Simultaneously the coefficient of determination (R Square) is obtained 80.1% which means that it is the influence given by independent variable to dependent variable whereas the rest is affected by other factors not studied in this research.

F test is used to know whether the independent variables simultaneously affect the dependent variable. The test uses SPSS for the influence of Brand Awareness, Perceived Quality, Brand Association and Brand Loyalty toward consumer's trust obtaining $F_{\text{statistic}}$ as big as 45.391 and the probability value is 0.000 smaller than the significance of 5% or 0.05. This indicates that all the independent variables simultaneously affect the dependent variable, namely brand awareness, brand association, perceived quality and brand loyalty simultaneously give a positive and significant influence to consumer's trust, so that the model in this research can be said worthy or feasible.

Table 4: Result of F Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1556.218	4	389.055	45.391	.000 ^b
	Residual	385.702	45	8.571		
	Total	1941.920	49			

a. Dependent Variable : Trust

b. Predictor: (Constant), Brand Awareness, Brand Association, Perceived Quality, Brand Loyalty

Based on the characteristics of the respondents, there is a tendency that those who go travelling for Umrah are in the age of 41-50 years with a balanced ratio between male and female pilgrims. Data of respondents says that private employees with income > IDR 5,000,000 dominate the Umrah pilgrims. From all the independent variables in the questionnaire tabulation, it is found that Umrah travel through a startup company having a good image obtains the lowest score. This means that although simultaneously all independent variables positively and significantly affect the dependent variable it is still doubtful and people do not fully trust on Umrah travel through a startup company with a good image. Whereas from the dependent variable, the statement that they are not afraid and worried about fraud when doing a online transaction through startup companies for Umrah travel service gets the lowest score. This can mean that people still worry about the fraud in the transaction. From those statements it can be concluded that brand equity has influences on consumer's trust where consumers still hesitate to trust on Umrah travel through startup companies.

However, there are statements obtaining high score both from independent variables and dependent variable. One of the independent variables state that respondents think many people will recommend Umrah travel through online startup companies rather than through offline travel agents. There is a statement from the dependent variable that respondents believe that online startup companies can fulfill consumers' needs. It can be assumed that Umrah travel through startup companies has a great opportunity to grow and compete with offline Umrah travel.

Conclusion and Suggestions

Based on the result of this research and discussion above, it can be concluded that brand awareness in partial gives positive and significant influence to consumer's trust, meaning that the higher the brand awareness the higher the consumer's trust on Umrah travel through startup companies will be.



Brand association positively and significantly affects consumer's trust, meaning that the higher the brand association, the higher the consumer's trust on Umrah travel through startup companies will be.

Perceived quality positively and significantly affects consumer's trust, meaning that the better the perceived quality the higher the consumer's trust on Umrah travel through startup companies will be.

Brand loyalty positively and significantly affects consumer's trust, meaning that the higher the brand loyalty the higher the consumer's trust on Umrah travel through startup companies will be. Simultaneously all the independent variables positively and significantly affect consumer's trust.

Future research can be done to study further the influence of the trust of consumers who use Umrah travel services on the decision to purchase the services through digital-based Umrah travel organised by local startup companies.

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