

## The Influence of Brand Trust and Service Quality on Customer Preferences of Online Transportation Services Users

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**Abstract:** The innovation in emerging digital market presents new challenges for some business in Indonesia. Business in online transportation is one of such innovation that brings solutions in transportation problems. Citizen prefers the transportation that brings good service, therefore many online transportation arise in Indonesia such as Uber, Gojek, and Grab. The purpose of this study is to analyze the influence of brand trust, service quality on customer preference. Data processing was performed using Analisis of Moment Structures (AMOS). The study was conducted in Yogyakarta area which only Gojek transportation online dominated in online transportation. The analysis data used Structural Equation Modelling (SEM) analysis. The results showed only service quality significantly influence the customer preference of Gojek.

**Keywords:** Brand trust, service quality, customer preference, online transportation

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### I. Introduction

#### 1.1 Background of Problems

Transportation is a need for every layer in society. The existence of transportation has facilitated the process of running business, social activity and education. However, in Indonesia the importance of transportation is not accompanied by improvement in transportation itself. There are at least three problems engaging transportation in Indonesia, the first one is the minimum infrastructure and means of public transportation, second is the non-existed system which reduce the overuse of personal vehicle, and the third is the service and facilitation which spoil the personal vehicle users (Republika, 2015)

With the development of technology, there be made new innovations to solve the problem of transportation, and thus is online *Ojek*. In the last two years, Onlineojek has become a new trend for people who live in Jakarta (Harish and Wardhana, 2016). Online ojek not only centered in Jakarta, Bogor, Depok, Tangerang, Bekasi (Jabodetabek), but also in some other places, like *Go-Jek* which has been operated in 25 big cities in Indonesia, including Yogyakarta. ([www.go-jek.com](http://www.go-jek.com))

*Go-Jek* has come to Yogyakarta since November 16<sup>th</sup>, 2015 as Yogyakarta is the second tourist destination after Bali ([www.jogja.tribunnews.com](http://www.jogja.tribunnews.com)). *Go-Jek* has slogan "An Ojek for Every Need." *Go-Jek* itself is a transportation company from Indonesia which operating in transporting human and goods through *ojek* service which application, where the application is using location-based technology to look for the nearest driver with the ordered location. Up till June 2016 the *Go-Jek* application has been downloaded by almost ten million users via *Google Play* and *IOS at App Store*. Up till June 2016 *Go-Jek* driver in and around Yogyakarta has reached the number of 1800 people, and will keep on increasing every year. This shows a quite big interest and potential for Yogyakarta. The significant increasing number of *Go-Jek* in Yogyakarta has given a strong reason or motivation for researchers to conduct a deeper study about consumers' reason for choosing *Go-Jek* as their means of transportation when *Go-Jek* itself is still new as a means of transportation compared to other public transportation in Yogyakarta.

Consumers' choice or preference for *Go-Jek* regardless the factors which effect the consumers to choose one of the online transportation services. The decision of using one particular service occur because there is a consumers' preference which formed at alternative evaluation stage in the decision making process (Putri dan Iskandar, 2014). Consumers' preference is how a consumer evaluate one particular *Ojek* service based on their liking (Erinda *et.al* 2016). According to Tjiptono (2008), in order to evaluate the quality of a service there are 5 (five) dimensions which construct it, they are, skill, responsiveness, insurance, empathy, and form. Other than those, consumers' trust is also one of important reasons for them to use online transportation service as online transportation service not only being done by *Go-Jek* but also but some other competitors such as *uber* and *grab*, and furthermore some other non-online competitors. Brand trust also becomes one deciding point for consumers to use the online transportation service that they will use. Consumers trust in one of the brands is based on the compatibility between quality and reality, disappointment degree toward the products, compatibility between expectation and the product (Degado-Ballester *et al.* (2003).

### **1.2 Research Questions**

The significant development of online services in Yogyakarta has given a push to conduct a deeper study about factors which effecting consumers' preference in choosing online transportation services. *Go-Jek* is one of the many online transportation services that can be said new as preference, the multi dimensions variable of services in this research is evaluated based on Parasurama's theory (1988) which stated there are five constructive dimensions, they are, skill, responsiveness, insurance, empathy, and direct proof or form. Other than these five dimensions, consumers' trust to the service can be one of the factors for consumers to chose one particular product. From this explanation, the research questions for this research are:

- 1) Is the quality of the service effecting customers' preference?
- 2) Is brand trust effecting customers' preference?

### **1.3 Objectives of the Study**

According to the research questions of this study, the main objectives of the study are:

- 1) To analyze the effect of the service to customers' preference
- 2) To analyze the effect of brand trust to customers' preference

### **1.4 Significance of the Study**

The significance of this study are:

- 1) This study can be used as reference by other researcher or reader.
- 2) This study can be used as source of information for other companies as alternative for strategies in taking decision in marketing.

## **II. Headings**

This part will describe the theory which being used in constructing the research's hypothesis. There are many important components in this chapter involving the concept of brand trust, service quality, and consumers' preference. The discussion is arranged according to framework which shows relation between the constructions.

### **2.1 Brand Trust**

Kotler and Keller (2009: 276) identified that brand is a name, term, sign, symbol, design, or combination of brands, that is used as identity for product or service from a seller or a group of sellers and used to differentiate themselves from the competitor. Based on the previous study which was done by Gefen *et al.* (2003) who stated that trust has an important meaning in business relation and this trust can be seen as: (a) trusting beliefs, and (b) trusting intentions. In this condition, trusting beliefs called as "characteristic that can be trusted (trustworthiness)," is a perspective of consumers toward a particular attribute of the product, they are, abilities, integrity, and kindness which showed by vendors when they are handling the transaction with consumer. Trust is identified as a specific faith related to integrity (*trustee honesty and promise keeping*), concern from people who are trusted to do something which is needed by the person who is trusting (*benevolence*) and the consistence from people who are trusted in providing a particular product (Gefen *et al.*, 2003).

Brand trust is a part from personal trust. Personal trust is dividend into 3 (three) kinds (Lewicki dan Bucker seperti dikutip oleh Ekelund dan Sharma, 2001) they are:

- 1) Cultural-based trust  
This kind of trust is the most fragile one because it is related to profit and the analysis of consumers' expense. If there is a mistake done by miter whether it intentional or not, then there will cause the other miter to complaint and lose faith.
- 2) Knowledge-based trust  
This kind of trust is based on miter's predictability. Communication is the key to success in a continues trust which will form a shared knowledge between partners. The way to build this kind of trust usually through collecting data, understanding the reaction of the each other and understanding the current situation.
- 3) Understanding-based trust  
This kind of trust is related to the ability of knowing and predicting the miter.

Moorman *et. al.* (1993) has identified trust as willingness to rely on miter in which one of them has trust. Lau and Lee (1999) stated that brand is functioned as proxy for manufacture organization, where they make contact with consumers. It means, when the consumer buy the product from reseller and do not have a personal contact with the representative of the producer, they will have to develop the trust toward the product itself. Brand trust is consumers' feeling of secure when they are interacting with a particular brand just like in the

perspective of the brand that can be trusted in drawing consumer attention and consumers' prosperous (Delgado-Ballester dan Munuera-Aleman, 2001).

Delgado-Ballester *et. al* (2003) have stated that brand trust is conceptualized as faith of hope toward a brand and intention in a risky situation for consumers. This definition is in accordance to literature concept of trust expectation, because there are many researchers who are agree that risk is a critical condition for a trust which later then can influence choices and attitudes. Furthermore, Delgado-Ballester *et al* (2003) have stated that trust to a brand can be seen from the compatibility of quality and products' reality, consumers' degree of disappointment toward the product, the compatibility of the product and consumers' expectation. There are four research's instruments for brand trust variable from Chaudhuri dan Holbrook (2001).

## **2.2 Service Quality**

According to Parasuraman, *et. al*(1988) the quality of service can be seen as an attitude which related but not the same to satisfaction, as result of comparing between expectation and reality (performance). Furthermore, they have identified perceived service quality as an overall opinion, or attitude related to the superiority of the service.

Service quality according to Parasuraman, Zeithaml, and Berry is identified into 5 (five) specific identification that can be applied to all of the variations of service context. Those five dimensions are reliability, responsiveness, assurance, empathy, and tangibles (Zeithaml, Bitner, dan Gremler, 2009: 111). The definition of service quality according to Parasuraman (1988:23) is the reflection of consumer evaluative perception to the received service in a particular time. Service quality can be determined based on its level of importance in service dimensions.

Parasuraman, *et al.*, (1988:118) arranged the main dimensions which is the deciding factor of the quality of service, they are:

- 1) *Reliability.* Zeithaml, *et al.*, (2009: 113-114) have identified reliability as an ability to give the promised service (delivering, service providing, problem solving, and cost determining)
- 2) *Responsiveness.* Zeithaml, *et al.*, (2009: 114) has identified responsiveness as willingness to help consumer and providing a fast service. This dimension is emphasizing in attention and precise service in dealing with consumers' demand, question, complaint, and other problems as well.
- 3) *Assurance.* Zeithaml, *et al.*, (2009: 114) have identified assurance as knowledge and politeness of the employees and also the ability of the company and its employees to inspire trust and faith from consumers.
- 4) *Empathy.* Zeithaml, *et al.*, (2009: 114-115) have identify empathy as individual care and attention given by the company to its consumers.
- 5) *Tangibles.* Zeithaml, *et al.*, (2009: 115) have identified tangibles as performance or the form of physical facilitation, tools, personnel, and other communication material.

According to Tjiptono (2008: 22) the characteristic of service quality can be divided into 4 (four) groups, those are:

- 1) *Intangibility*  
Service cannot be seen, felt, touched, and smelled before it is bought. Service contains a high experience quality and credence quality element. Experience quality is characteristics which can only be evaluated after the transaction, for example quality, efficiency, and politeness. Meanwhile, credence quality is aspects which hard to be evaluated, even after the transaction has been done. For instance, most of the people face hardship in evaluating their development in learning English even after part taking English course in a particular period of time.
- 2) *Inseparability*  
Goods usually produced, and then sold, then consumed, on the other hand service is sold first, then produced and consumed in the same time. So, the effectiveness of individual in delivering the service is a very important element in marketing service.
- 3) *Variability*  
Service is very variable (*non-standardized output*), it means there are many variation of form, quality, and kind, depend on who, when, and where the service is produced. This happens because service is involving human element in the process of its production and consumption. It is different with machine, people cannot be predicted and tend to be inconsistent in behaving.
- 4) *Perishability*  
Service is a commodity which not long-lasting and cannot be saved, so if there is a service that cannot be used, it will perish just like that.

Different with Parasuraman's previous research, according to Gronroos (2001) who is a compliance of Brady and Cronin (2001) has stated that a process is one of characteristics of different service which thought to be important and might be the most unique of all. A characteristic like inseparability (cannot be separated between the production and consumption) is a part of process. This shows that a service company do not have product but it has interactive process. Service is a process of production and consumption which happening simultaneously. In the process of service there is a need of support from the employees, physical source, technology, customer, and the system which uniting all those sources in order to fulfill customers' demand. As the context of this online service, this research's instrument is adopting Parasuraman, et al.'s (1988) variable for service quality.

### **2.3 Consumers' Preference**

According to Kotler and Armstrong (2010) consumers' preference has showed consumers' fondness from various choices of products, from those various alternative consumers choose the product that will satisfy their demand the most. Consumer preference can be measured by measuring the level of usefulness and an important relative motivation in every attribute in a particular product. Consumers' preference can be identified as a matter of like and dislike of someone toward the consumed product, whether it is goods or service. Consumers' preference is formed through alternative evaluation stage in the process of purchasing or using, when consumers are faced with multiple choices of product and service. In the process of forming preference, there is a process of comparing between the provided alternative choices which done based on a particular attribute or feature in a product or service (Kotler and Keller, 2009).

The level of consumers' preferences toward online transportation service are different depend on the consumers' perception toward online transportation service the fondness of society to online transportation service is influenced by some different attributes. Attributes itself are factors which taken in consideration by consumer in taking decision of purchasing a brand or product category which stick to the product or become a part of the product itself (Simamora, 2004).

Kotler and Keller (2009) suggested that there are five stages of decision making process of the use of services: 1) the introduction of needs: decision on the use of services begin when consumers begin to realize their needs. Needs arise because there is a difference between the actual conditions and the desired. Needs are caused by internal and external stimuli; 2) information search: this stage will be done when the interest of consumers arise to a product, in this case is the service. This information search is useful for get information about services that will be used. The basic information sought is usually a service marketing mix consisting of 4 P (Product, Price, Promotion, and Place) or 7 P (Product, Price, Promotion, Place, People, Process, and Physical Evidence). This activity generates a number of alternative options. Consumers can seek information through four main sources of personal resources, public resources, and experimental resources; 3) alternative evaluation: at this stage, consumers make an assessment of alternative options that exist based on rational considerations. Furthermore, consumers try to satisfy their needs by comparing alternative options that exist through attributes and service benefits; 4) decision of usage: in the evaluation stage, the consumer forms a preference for the brand within the set of choices. After determining the choice of some alternatives, the consumer decides to use a service according to his preferred choice; and 5) post-use behavior: this stage is related to the level of customer satisfaction that can be obtained through the evaluation of services that have been used by comparing expectations or expectations of consumers with what is obtained from these services. Consumers who are satisfied will reuse the service and invite others to come to use. While consumers who are not satisfied will do the opposite.

Ranaweera and Neely (2003) suggest that customer preferences are positively influenced by service quality. In addition to service quality, brand trust variables also positively influence customer preferences in decision making (Isik and Yasar, 2015). Based on the above, the researcher continues the deepening of these theories in the new phenomenon of consumer choice in using online transportation services which is still fairly recently booming or rife. The research instrument for consumer preference variables by adopting from his theory Kotler and Keller (2009) and his theory Ranaweera and Neely (2003).

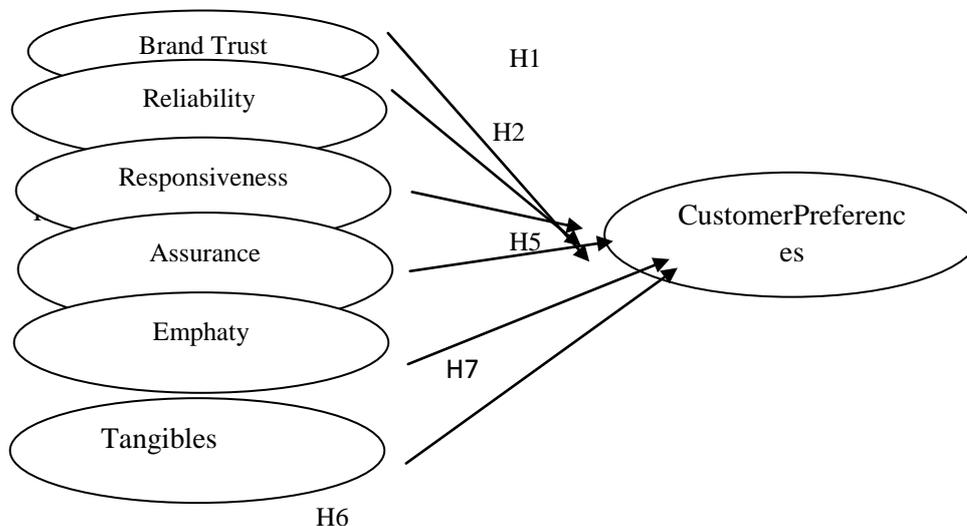
### **2.4 Research Hypothesis**

Based on the above explanation, then the hypothesis of this study is as follows.

- H1: Brand trust has a positive effect on customer preferences.
- H2: The dimension of service quality of reliability has a positive effect on customer preferences.
- H3: The dimension of service quality of responsiveness has a positive effect on the customer preferences.
- H4: The dimension of service quality of assurance has a positive effect on customer preferences.
- H5: The dimension of service quality of empathy has a positive effect on customer preferences.
- H6: The dimension of service quality of tangibles has a positive effect on the customer preferences.

### III. Indentations and Equations

This research model can be seen in Figure 1.



#### 3.1 Methodology

##### 3.1.2 Location and Time of Research

The study was conducted in the Special Region of Yogyakarta, the research time was for 6 (six) months.

##### 3.1.3 Data Collection and Respondents Selection Method

Data to be used in research is primary data. Primary data collection is done by conducting a survey through the distribution of questionnaires to respondents who have already used the transportation services online.

The sampling method was conducted in nonprobability sampling because there was no data on the total population and sampling frame, so the probability of selecting elements of the population is unknown (Cooper and Schindler, 2011: 384). The nonprobability sampling method used is purposive sampling which is sampling based on considerations for adjust to some research criteria in order to improve sample accuracy (Cooper and Schindler, 2011: 385). Criteria of respondents in this research is already using Go-Jek online transportation either Go-Ride or Go-Car at least 2 (two) times. The number of respondents in this study is 200 respondents. The number of respondents, according to the sample size requirements for the use of structural equation model (SEM) method with the maximum likelihood estimation technique. The maximum likelihood estimation technique is used because under ideal conditions, the technique provides stable and valid results with a sample size as small as fifty samples, and also is not biased when the multivariate normality assumption is met (Hair et al., 2010: 635-637).

##### 3.1.4 Method of Processing and Data Analysis

##### 3.1.5 Validity Test

Validity is the level of a measure or set of measurements correctly demonstrates the concept learned - the degree of freedom from systematic error or non-random error. The purpose of the validity test is to measure the quality of the instrument in describing a concept or variable (Hair et al., 2010: 3). There are two validity test in this research that is face validity and construct validity. On the measurement tests in the main study were real experiments, researchers used face validity and convergent validity.

Face validity assesses the relationship between individual items and concepts by experts, pre-test in some subpopulations, or other ways (Hair et al., 2010: 125). Hereafter, the researchers tested convergence validity. Convergent validity assesses how big the correlation between two measures of the same concept (Hair et al., 2010: 126). Convergent validity indicates that the values obtained from instrument items measuring the same concept will have a high correlation (Sekaran and Bougie, 2010: 160). Convergent validity is assessed by the average variance extracted (AVE) value calculated from the sum of squares of standardized factor loading divided by the number of measurement items (Hair et al., 2010: 709).

$$AVE = \frac{\sum_{i=1}^n L_i^2}{n} \dots\dots\dots (1)$$

Information:

$L_i$  = standardized factor loading

$n$  = number of items

AVE values higher than 0.5 indicate sufficient convergence (Hair et al., 2010: 709). This calculation is performed for all latent constructs in the model.

Discriminant validity assesses how different constructs with other constructs (Hair et al., 2010: 710). Discriminant validity is assessed by comparing the average Average Variance Extracted (AVE) of two constructs with the correlation squared value between the two constructs tested. The average value of the Average Variance Extracted (AVE) higher than the correlation quadratic value of the antarkonstrukts tested, indicates discriminant validity is good (Hair et al., 2010: 710). The correlation values between constructs can be seen in the correlation matrix between constructs.

**3.1.6 Reliability Test**

Reliability is the level of a variable or set of consistent variables on something that will be measured by that variable (Hair et al., 2010: 2). The reliability of the construct (CR) in this study is done by looking at the calculated value of the quadratic sum of the standardized factor loading divided by the sum of squares the amount of standardized factor loading and the number of errors variance.

$$CR = \frac{(\sum_{i=1}^n L_i)^2}{(\sum_{i=1}^n L_i)^2 + (\sum_{i=1}^n e_i)} \dots\dots\dots (2)$$

Information:

$L_i$  = standardized factor loading

$e$  = error variance term

The results of construct reliability calculations (CR) of values above 0.7 indicate good reliability (Hair, et al., 2010: 710). Reliability test is also done by looking at the result of Cronbach's Alpha coefficient calculation from each research construct. The Cronbach's Alpha coefficient is above 0.7 which is a good measure of reliability testing (Hair et al., 2010: 125).

**3.1.7 Method of Analysis**

Hypothesis testing in this research was tested by Structural Equation Modeling (SEM) analysis with AMOS approach among independent and dependent variables. Independent variables are brand trust and 5 (five) service quality dimension, while the dependent variable is consumer preference.

**IV. Figures and Tables**

**4.1 Respondents Character**

Data were obtained from 200 respondents grouped by sex, education level, cost of living per month, frequency of use of Go-Jek and age. Characteristics of respondents include gender, age, recent education, and monthly expenses and frequency of use of Go-Jek. The following Table 1 describes these characteristics in details.

**Table 1: Demographic Character of the Respondents**

Status	No. Of Respondent	Percentage	
Sex	Male	76	38%
	Female	124	62%
Age	< 20 y.o	37	18,5%
	20-30 y.o	70	35%
	31-40 y.o	63	31,5%
	>40 y.o	30	15%
Recent Education	SMA	44	22%
	Diploma	52	26%
	Graduate	60	30%

	Postgraduate	44	22%
Job	Students	87	43,5%
	Employee/ entrepreneur	59	29,5%
	Civil Servant (PNS +BUMN)	32	16%
	House wife	22	11%
Monthly Expenses	1.000.0000 IDR - 2.000.000 IDR	81	40,5%
	> 2.000.000 IDR- 3.000.000 IDR	46	23%
	> 3.000.000 IDR- 4.000.000 IDR	22	11%
	> 4.000.000 IDR	51	25%
Frequency use of Go-Jek	Twice	26	13%
	3 times	14	7%
	4 times	12	6%
	≥ 5 times	148	74%

Based on Table 1, it can be seen that the most respondent characteristics are women (62%), age between 20-30 years (35%), and undergraduate education (30%). Most respondents were students (43.5%), monthly expenditures between 1-2 million (40.5%) and frequency use of Go-Jek is more than 5 (five) times (74%).

#### 4.2 Result of Validity and Reliability Test

Validity test of this research through convergent validity. Convergent validity is assessed by the average variance extracted (AVE) value calculated from the sum of squares of standardized regression weights divided by the number of measurement items. The result is an AVE value higher than 0.5, thus indicating considerable convergence (Hair et al., 2010: 709).

Reliability test in this study was done by looking at the value of the calculation of the quadratic sum of standardized regression weights divided by the sum of squares the amount of standardized regression weights and the number of errors variance. The result of construct reliability calculation is above 0.7, thus showing good reliability (Hair et al., 2010: 710). Reliability test was also done by looking at the result of Cronbach's Alpha coefficient calculation from each research construct. The result of Cronbach's Alpha coefficient value above 0.7, so it is a good measure on the reliability test (Hair et al., 2010: 125).

#### 4.3 Hypothesis Test Result and Structural Equation Modelling (SEM) Analysis

The measurement model analysis was done by Confirmatory Factor Analysis (CFA) on all research constructs and indicators. CFA was used to perform confirmatory tests on the measurement theory in the study. The measurement theory represents logically and systematically measured variables representing constructs used in theoretical models. This measurement theory is then combined with structural theory in the intact SEM model (Hair et al., 2010: 693). Full structural equation modeling analysis can be seen in Figure 1.

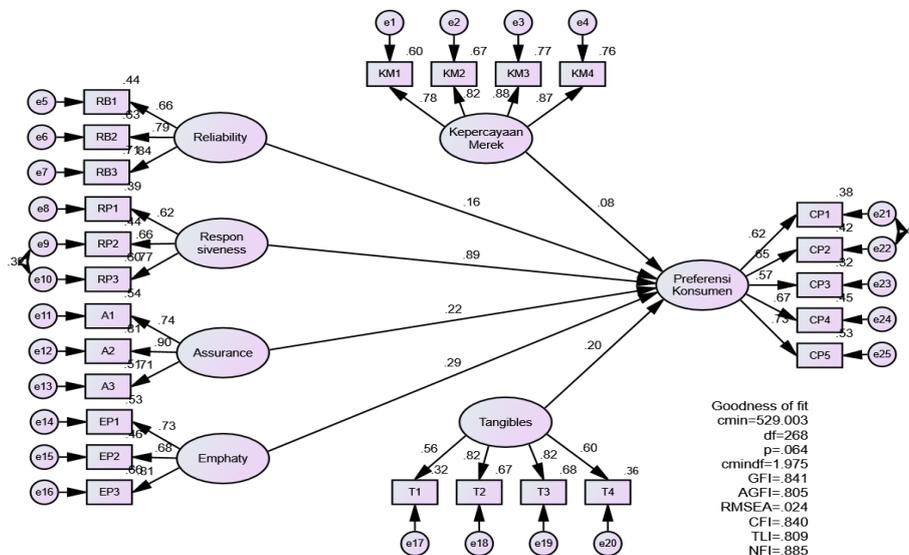


Figure 1. Full Structural Equation Modelling

**4.3.1 Goodness of Fit Model Test**

The goodness of fit test was performed to find out how far the hypothesized model matches the data sample. Computational results with the AMOS program for this SEM model are generated goodness of fit indexes as given in Table 5.

**Table 5 Goodness of Fit Testing Result**

<i>Goodness of Fit</i>	<b>Hasil Analisis</b>	<i>Cut-off Value</i>	<b>Keterangan</b>
$\chi^2$ ( <i>Chi-Square</i> )	529,003	Diharapkan kecil	Baik
Probability	0,064	$\geq 0,05$	Baik
CMIN	1,975	$\leq 2$	Baik
GFI	0,841	$\geq 0,90$	Marginal
AGFI	0,805	$\geq 0,90$	Marginal
NFI	0,885	$\geq 0,90$	Marginal
TLI	0,809	$\geq 0,90$	Marginal
CFI	0,840	$\geq 0,95$	Marginal
RMSEA	0,024	$\leq 0,08$	Baik

Based on Table 5 we get Chi-Square value 529,003 with probability value 0,064, CMIN equal to 1,975 and RMSEA 0,024 indicate model is good because its value as recommended. On the other criteria of CMIN, GFI, AGFI, NFI, TLI, CFI shows the goodness of fit overall model of GFI value of 0.841, AGFI of 0.805, NFI of 0.885, CFI of 0.840, and TLI of 0.809 these values indicate that the marginal model (pretty good). Test results of goodnees of fit as a whole can be concluded that the model matches the sample, or the model can be said fit (good).

**4.4 Estimation Result of Line Coefficient Weight**

To know whether there is influence of independent variable to dependent variable can be seen from value of C.R. The variable is said to have an effect or significant if  $-1.96 < C.R < 1.96$  or  $P > 0.05$ . The summary results of hypothesis testing of this study can be seen in Table 6.

**Table 6 Hypothesis Test Result**

	<b>Estimate</b>	<b>S.E.</b>	<b>C.R.</b>	<b>P</b>	<b>Label</b>
CP <--- RB	.142	.054	2.630	.009	par_19
CP <--- RP	.877	.127	6.916	.000	par_20
CP <--- KM	.059	.043	1.363	.173	par_21
CP <--- EP	.230	.054	4.269	.000	par_22
CP <--- T	.180	.058	3.117	.002	par_23
CP <--- A	.164	.047	3.462	.000	par_24

Based on Table 6 hypothesis test results influence between each of these variables are as follows:

- a. H1: Brand trust affects customer preferences  
The result of statistic test in Table 3 shows that CR value of 1,363  $< 1,96$  with significance value 0,173  $> 0,05$ , and coefficient have positive value 0,059 which mean not significant, in other words not proved that "brand trust have positive significant effect to customer preference."
- b. H2: The dimension of service quality reliability (reliability) effect on customer preferences  
The result of statistic test in Table 3 shows that the value of C.R 2,630  $> 1,96$  with significance value 0,009  $< 0,05$ , and coefficient have positive value 0,142 meaning significant, in other word proved that "reliability have positive significant effect to customer preference."
- c. H3: The dimension of the quality of responsiveness affects customer preferences  
The result of statistic test in Table 3 shows that the value of C.R 6,916  $> 1,96$  with significance value 0,000  $< 0,05$ , and coefficient have positive value 0,877 meaning significant, in other words proved that "responsiveness have positive significant effects to customer preference."
- d. H4: The dimension of the quality of assurance services affects customer preferences  
The result of statistic test in Table 3 shows that the value of C.R 3,426  $> 1,96$  with significance value 0,000  $< 0,05$ , and coefficient have positive value 0,164 meaning significant, in other words proved that "assurance have positive significant effect to customer preference."
- e. H5: The quality dimension of empathy services affects customer preferences

The result of statistic test in Table 3 shows that the value of C.R  $4,269 > 1,96$  with significance value  $0,000 < 0,05$ , and coefficient have positive value  $0,230$  meaning significant, in other word proved that "emphaty have positive significant effect to customer preference."

- f. H5: The quality dimension of empathy services affects custyomer preferences

The result of statistic test in Table 3 shows that the value of C.R  $4,269 > 1,96$  with significance value  $0,000 < 0,05$ , and coefficient have positive value  $0,230$  meaning significant, in other word proved that "emphaty have positive significant effect to customer preference."

- g. H6: The dimension of the quality of direct evidence or tangibles affects customer preferences

The result of statistic test in Table 3 shows that the value of C.R  $3,117 > 1,96$  with significance value  $0,002 < 0,05$ , and coefficient have positive value  $0,180$  meaning significant, in other word proved that "tangibles have positive significant effect to customer preference."

## V. Conclusion

The results of this study indicate that the influence of brand trust on customer preference is not significant. The existence of brand trust is no longer a decisive factor in the consumer in choosing a product. The level of online transport competition makes consumers no longer see the brand in making choices. In Yogyakarta there are 3 (three) online transportation namely GO-Jek, Grab, and Uber, each of which provide features that are not much different. In consumer smart-phones can contain two to three online transport applications, it shows that consumers are no longer dependent on the brand.

By age category, it can be seen that age is dominated by millennial cosmetics. Millennial generation is a generation that is no longer loyal to famous brands, because this generation is a generation that quickly capture information, so in choosing products more objective and more freely choose products according to their tastes (VOAIndonesia, 2016). Therefore, in managerial implications in order to increase brand trust, Go-Jek provides information that is different from other competitors, and provides more varied features according to the tastes and capabilities of consumers.

This is in accordance with the opinion of Kotler and Keller (2009) that in the preference formation stage, there is a process of comparing the alternatives of available options that are performed based on the attributes or certain features of a product or service. The results of this study are not in accordance with research Isik and Yasar (2015) that there is a significant influence between the brand with consumer preference.

The results of this study also shows that the five dimensions of service quality namely reliability, responsiveness, assurance, tangible, and empathy significantly affect the consumer preference. This preference is formed from the consumer's perception of a product. Assael (2004) limits the word perception to the attention of the message, leading to understanding and memory. Kotler and Keller (1995) argue that perceptions that have settled in mind will become preference, indicating that, perception is more important than reality, because that perception will affect the actual behavior of consumers. The influence of service quality dimension to consumer preference is supported by Harish and Wardana research (2015), which states that speed (responsiveness) as well as trust and sense of security affects consumer preferences. Consumers already have perceptions on Go-Jek that by using Go-Jek will be faster and also feel safe, so that the consumer's preference appears.

This research is also in line with Wambugu (2009) research which examines the effect of service quality on consumer preferences on petroleum retail in Kenya. In his research explained that the quality of service as one of the main attraction and the determinant of consumer choice, and the results of his research stated that 5 (five) service quality dimensions namely reliability, responsiveness, assurance, tangible and empathy affect consumer preference. His research also explains that in addition to service quality parameters there are other key factors that influence consumers in their choice, among them are friendly management, convenient location, product quality offered, good accessibility, gift giving, and discounts, considered by respondents influence their choice. The research of Ranaweera and Neely (2003); Widyasari (2005) also shows the influence of service quality on customer preference.

Kotler and Armstrong (2010) stated that consumer preferences indicate consumer preferences from a wide selection of existing products, from a number of consumer alternatives choosing existing products that maximize their satisfaction. With the quality of service with the five dimensions is expected to satisfy consumers, so it will appear consumer preference.

Based on the results of data analysis and discussion it can be concluded that brand trust is not proven to affect customer preferences. Only 5 (five) service quality dimensions are reliability, responsiveness, assurance, tangibles, and empathy that have been shown to affect customer preference. The insignificant of brand trust and the significant service quality on customer preference shows that this research requires further research for example manking comparison between brands.

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