

## **The Influence of Brand Trust and Brand Image on Mobile Banking Users' Loyalty**

DadiKuswandi, SE., MM<sup>1</sup> (NIP 950604, NIDN 0309067303)

WiarsihFebriani, SE., MM<sup>2</sup>(NIP 160272)

*Gunadarma of University, Jakarta, Indonesia*

**Abstract:** *The banking industry uses information technology to meet customer needs and create customer satisfaction through providing the best and most effective and efficient services. One way to actualize the effective and efficient services is through the banking industry creating a mobile banking service. The purpose of this study is to determine the effect of brand trust and brand image on the customers' loyalty. The data obtained in this study is through primary data while the data collection technique is by distributing questionnaires. Questionnaires collected were from 100 respondents. The technique of determining respondents is by using purposive random sampling technique. In this study the authors used the Multiple Regression Analysis method, processed statistically using SPSS 21.0 software. The result showed that the brand trust and brand image variables significantly influence the loyalty variable.*

**Keywords:** *Brand Trust, Brand Image and Loyalty.*

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### **I. Introduction**

The development of information technology is currently growing rapidly with many of facilities and conveniences caused by it. Utilization of technology can be used as a support or encouragement tool for companies to achieve their goals. The banking industry uses information technology to meet customers' needs and create customers' satisfaction through providing the best services which are effective and efficient. One way to actualize the effective and efficient service is through the banking industry creating a mobile banking service. Mobile banking service provides convenience for customers to conduct banking transactions via smartphones. By using mobile banking, the bank will be easier to provide their services and reduce transaction costs (Krishnan, 2014). With many banks use mobile banking, the authors want to evaluate mobile banking by using the brand trust and brand image strategy.

Brand is the symbol identity of a company according to Chatterjee and Chaudhuri (2005), brand trust is a customer trust built from reliability and integrity of a brand. This means that to obtain a brand trust, it is necessary to have an integrity or position of the brand in society so that people are able to trust and in the end they decide to use that brand. Brand image is a representation of the overall perception of the brand and is formed from information and past experience of that brand. The image of a brand is related to attitudes in the form of beliefs and preferences toward that brand. Customers who have a positive image of a brand will be more likely to make purchases (Setiadi, 2003).

Seeing a brand is one of the most important thing to consider for prospective mobile banking users to determine which mobile banking they will choose (Wiarsih, 2019). Mobile banking service applications are almost all owned by banks in Indonesia as shown in table 1.

**Table 1: Top Brand Index Mobile Banking**

BRAND	2014	2015	2016	2017	2018	TOP
M-BCA	49,40%	54,20%	48,40%	48,10%	49,50%	TOP
M-Banking Mobile	21,20%	16,60%	22,70%	22,10%	17,80%	TOP
BNI Mobile	11,50%	12,30%	10,20%	12,20%	14,60%	TOP
BRI Mobile	9,80%	11,00%	10,10%	10,10%	11,40%	
CIMB Niaga Mobile	3,30%	3,20%			3,30%	

Source : <http://www.topbrand-award.com>

Table 1 shows that the highest percentage of the Top Brand Index *mobile banking* is M-BCA with the percentage at the end of 2018 by 49,50%. With many banks use mobile banking, the authors want to know whether brand trust and brand image given by mobile banking service can provide satisfaction to customers.

## II. Literature Review

Mobile Banking is interpreted by Nurastuti (2011) as a type of banking service that facilitates customers' needs through an application installed on a smartphone. The types of services provided by mobile banking are similar to ATM services, but without the cash withdrawal facility. Almost all banks in Indonesia have provided mobile banking facilities, whether it's a SIM toolkit (data service menu) or a plain SMS (manual SMS) or known as SMS Banking. With the presence of mobile banking, the bank is trying to facilitate customers' access in conducting a transaction (Nurastuti, 2011).

Brand trust is defined by Chatterjee and Chaudhuri (2005) as a customer trust built from the reliability and integrity of a brand. This means that to obtain trust, it is necessary to have integrity or position of a brand in society so that people are able to trust and in the end they decided to use that brand. The instrument used to measure brand trust is based on an instrument developed by Chaudhuri & Holbrook (2001). Measurement of brand trust with indicators includes trust, rely, honest, and safe.

According to Kotler and Keller (2012), brand image is a set of perceptions and trust held by customers towards a brand that is reflected through the associations exist in customers' memory. The meaning of loyalty is a commitment held deeply to buy or re-support a product or service preferred in the future even though the influence of situation and marketing effort potentially cause customers to switch (Kotler and Keller 2009).

## III. Research Method

The subjects in this study were employees and students who used mobile banking in the respondents' phone. The objects of this study are brand trust and brand image as the independent variable and loyalty as the dependent variable. The sampling technique used in this study was a purposive random sampling. The researchers used random consideration in selecting members of population, considered to be able to provide necessary information or sample units that fit certain criteria desired by the researchers. There are 100 respondents in this study. Data collection techniques used observation, questionnaires, and interviews in its acquisition.

Validity test is used to measure whether a questionnaire is valid or not. A questionnaire is said to be valid if the question and questionnaire are able to reveal something that will be measured by the questionnaire (Danang, 2011). If an indicator has a correlation between the scores of each indicator and their total score (the construct variable score), the indicator is said to be valid.

Reliability test is a tool to measure a questionnaire which is an indicator of a variable or construct. Question items are said to be reliable if one's answer to the question is consistent. Measurement of reliability in this study was done by one shot or measurement once. The measurement here was only once, then the results were compared with other questions or measured the reliability using the Cronbach Alpha ( $\alpha$ ) statistical test. A variable is said to be reliable if the value of Cronbach Alpha ( $\alpha$ )  $> 0,6$  (Danang, 2011). In the data analysis, the authors use the Multiple Regression Analysis Method processed statistically using SPSS 21.0 software.

## IV. Result

Based on the primary data collected through questionnaires, the profile of respondents obtained by service is shown in table 2.

**Table 2 : Respondents According to Mobile Banking Services**

Mobile Banking Service	Quantity	Percentage (%)
BCA	33	33
Bank Mandiri	26	26
BNI	20	20
Bank DKI	17	17
Others	4	4
<b>Total</b>	<b>100</b>	<b>100</b>

Based on table 2, it appears that the largest number of respondents using mobile banking services is 33% of the total 100 respondents who participated in this study. This indicates that respondents used mostly banking services in transactions of their daily lives. Mostly mobile banking users use M-BCA service from Bank BCA because it is easier in using the application and there are many attractive promos.

### Validity Test Results

The following are the results of the Validity test. Based on the calculations have been done, the results can be obtained as follows :

**Table3 :Validity Test Results**

QUESTIONS	R TABLE	R CALCULATE	RESULT
X1.1	0,278	0,624	VALID
X1.2	0,278	0,705	VALID
X1.3	0,278	0,702	VALID
X1.4	0,278	0,557	VALID
X1.5	0,278	0,407	VALID
X2.1	0,278	0,627	VALID
X2.2	0,278	0,685	VALID
X2.3	0,278	0,632	VALID
X2.4	0,278	0,473	VALID
X2.5	0,278	0,455	VALID
X2.6	0,278	0,543	VALID
Y.1	0,278	0,305	VALID
Y.2	0,278	0,468	VALID
Y.3	0,278	0,283	VALID
Y.4	0,278	0,295	VALID
Y.5	0,278	0,473	VALID
Y.6	0,278	0,514	VALID
Y.7	0,278	0,509	VALID
Y.8	0,278	0,308	VALID
Y.9	0,278	0,537	VALID
Y.10	0,278	0,599	VALID

Source : Data processed using SPSS 21

Based on the table 3 above, it can be seen that the data is valid, that is because the value of r table is smaller than r calculate, which is why the data is stated as valid.

**Reliability Test Results**

The following are the results of the reliability test. Based on the calculation have been done, the results can be obtained as follows :

**Table4:Reliability Test Results**

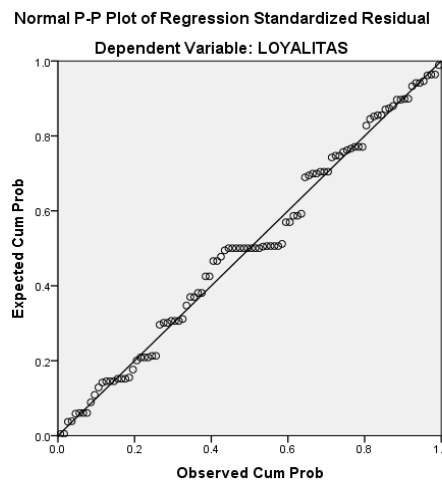
QUESTIONS	R TABLE	Cronbach's Alpha	RESULT
X1	0,6	0,735	RELIABLE
X2	0,6	0,727	RELIABLE
Y	0,6	0,671	RELIABLE

Source : Data processed using SPSS 21

Based on the table above, it can be seen that the result of Cronbach's Alpha is bigger than 0,6, so that can be concluded the results of this study are reliable, meaning that those items are fit to be used as a measurement tool.

**Normality Test Results**

To test whether the data are normally distributed or not, the researchers use *Normal P-P Plotas* follows:



**Image1 :Normality Test Results**

Image 1 shows the points around the line where the data state we are testing. If most of the points are very close to the line or even stick to the line, then it can be concluded that the data follows the normal distribution.

**Multicollinearity Test Results**

The following are the result of the multicollinearity test. Based on the calculation have been done, the results can be obtained as follows :

**Table5 :Multicollinearity Test Results**  
Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	45.926	3.758		12.219	.000		
BRAND TRUST	.418	.196	.269	2.134	.035	.610	1.640
BRAND IMAGE	-.390	.161	-.306	-2.429	.017	.610	1.640

a. Dependent Variable: LOYALTY  
Source : Data proceed using SPSS 21

In accordance with the provisions of the multicollinearity test, that all variables used as predictors of the regression model show a VIF value below 10. This means that the independent variables used in the study didn't show any multicollinearity symptoms, which means that the independent variables can be used as it is.

**Heteroscedaticity Test Results**

The following are the results of the heteroscedaticity test. Based on the calculation have been done using Spearman's, the results are obtained as follows :

**Table 6 : Heteroscedaticity Test Results**

			BRAND TRUST	BRAND IMAGE	Unstandardized Residual
Spearman's rho	BRAND TRUST	Correlation Coefficient	1.000	.666**	-.006
		Sig. (2-tailed)	.	.000	.950
		N	100	100	100
BRAND IMAGE	BRAND IMAGE	Correlation Coefficient	.666**	1.000	.043
		Sig. (2-tailed)	.000	.	.674
		N	100	100	100
Unstandardized Residual	Unstandardized Residual	Correlation Coefficient	-.006	.043	1.000
		Sig. (2-tailed)	.950	.674	.
		N	100	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source : Data proceed using SPSS 21

From the table 6 above it is known that the significant value or Sig. (2-failed) brand trust variable (X1) is 0.950 and brand image variable (X2) is 0.674, which higher than 0.05, so it can be concluded that there are no problems or heteroscedacity symptoms. This means that the regression model is feasible.

**Multiple Linear Regression Test Results**

Before conducting a multiple linear regression test, it is a must to calculate the classic assumption test first. After the calculation, the results showed that the data used have passed the classic assumption test, which is why the multiple linear regression test could be done and the results had obtained as follows :

**Table7: Multiple Linear Regression Test Results**  
Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	45.926	3.758		12.219	.000		
BRAND TRUST	.418	.196	.269	2.134	.035	.610	1.640
BRAND IMAGE	-.390	.161	-.306	-2.429	.017	.610	1.640

a. Dependent Variable: LOYALTY  
Source : SPSS 21

From the equation of multiple linear regression, it can be informed that :

1. The value of the constant (a) is positive at 49.926. This shows that if the independent variable, which is brand trust (X1) and brand image (X2), is considered as constant or equal to 0 (zero) than loyalty (Y) increases by 45,926.
2. The independent variable, brand trust (X1), has a positive effect on loyalty (Y) with a coefficient value of 0,418. This means that every escalation by 1% of the brand trust variable, it will affect an increase in loyalty of 0,418%.
3. The independent variable, brand image (X2), has a negative effect on loyalty (Y) with a coefficient value of -0,390. This means that every escalation by 1% of the brand image variable, it will affect a decrease in loyalty of 0,064%.

**Hypothesis Tests**

**Determination Coefficient Test**

The following are the results of the determination coefficient test. Based on the calculation have been done, the results are obtained as follows :

**Table8:**Determination Coefficient Test Results

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.567 <sup>a</sup>	.283	.264	1.975

Source

: Data proceed using SPSS 21

According to the calculation results in the table above, it shows that the determination result of this study could be obtained in the value of 0,283. So it can be concluded that the dependent variable, loyalty, is influenced by brand trust and brand image variable by 28,3% while the remaining 71,7% is influenced by other variables not included in this study.

**T Test Results**

The following are the results of T (Partial) test. Based on the calculation have been done, the results are obtained as follows :

**Table9 :**T Test Results

Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	45.926	3.758		12.219	.000
	BRAND TRUST	.418	.196	.269	2.134	.035
	BRAND IMAGE	-.390	.161	-.306	-2.429	.017

a. brand trust Dependent Variable: LOYALTY  
Source : SPSS 21

Based on the calculation results in the table above, it can be interpreted as follows :

1. Brand trust has a significant value of less than 0,05, it can be concluded that brand trust has an effect in customers' loyalty, which means that Ha is accepted.
2. Brand image has a significant value of less than 0,05, it can be concluded that brand image has an effect in customers' loyalty, which means that Ha is accepted.

**F Test Results**

The following are the results of T (Simultaneous) test. Based on the calculation have been done, the results are obtained as follows :

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	23.939	2	11.970	3.261	.043 <sup>b</sup>
	Residual	356.021	97	3.670		
	Total	379.960	99			

a. Dependent Variable: LOYALTY

b. Predictors: (Constant), BRAND IMAGE, BRAND TRUST

Source : Data proceed using SPSS 21

**Table10** :F Test Results

Based on the calculation results in the table above, it shows that the significant value of F is ( $0,000 < 0,05$ ), which can be concluded that brand trust and brand image variable significantly influence the loyalty of mobile banking users.

## V. Discussion

### a. The Influence of Brand Trust on Mobile Banking User Loyalty

From the results of statistical tests presented in table 9, data analysis using T (partial) test, it is known that the significant value for the influence of brand trust on customers' loyalty is  $0,035 < 0,05$  and the t calculate  $2,134 > t$  table 1,984. So it can be concluded that there is an influence on brand trust variable to the customers' loyalty. This study proves that brand trust can provide trust to the mobile banking users by measurement. The instrument used to measure brand trust is based on an instrument developed by Chaudhuri & Holbrook (2001). The measurement of brand trust using indicators includes; trust, meaning that mobile banking gives trust to customers in transaction with a good reputation from each mobile banking; rely, meaning that mobile banking can meet customers' needs in online transaction and quality of mobile banking; honest, meaning that mobile banking makes easier in transaction and good experience in using mobile banking which is why mobile banking is much preferred by customers; and safe, meaning that mobile banking provides security for customers' data while using it for online transaction. The trust given by mobile banking to customers will make them feel loyal so that they will always use mobile banking in their activities and also recommend others to use mobile banking as well.

The results of this study are consistent with the results of study conducted by Oddy Adam Noegroho, Suharyono and SrikandiKumadji (2015) about "Pengaruhexperiential marketing, brand trust terhadapkepuasandanloyalitaspelangganstudikasus KFC cabang Kawi" which stated that brand trust variable has an influence on the loyalty variable. Another study by BobySetiawan Putra (2017) about "Pengaruhexperiential marketingdan brand trust terhadapkepuasandanloyalitaspelanggan hotel AryadutaPekanbaru" also stated that brand trust variable has an influence on the loyalty variable. Other study by SamanehKhalilia, Ahmad Rahchamania Masoumeh Sadat Abtahib (2013) about "Investigating the effects of brand experience, trust, perception image and satisfaction on creating customer loyalty; A case study of laptop market" stated that brand trust variable has an influence on the loyalty variable. But the results of this study are not in accordance with a study by WiarsihFebriani and Sri Murtiasih (2019) about "Effects of Experiential Marketing,Emotion Marketing andBrand Trust on Satisfaction and Loyalty of Mobile Banking Users" which stated that brand trust variable has no influence on the loyalty variable.

### b. The Influence of Brand Image on Mobile Banking User Loyalty

From the result of the statistical tests presented in the table 9, data analysis using T (partial) test, it is known that the significant value for the influence of brand image on customer loyalty is  $0,017 < 0,05$  and the t calculate  $2,429 > t$  table 1,984. So it can be concluded that there is an influence on the brand image to the customers' loyalty.This study is convenient with Kotler and Keller (2012) that brand image represents the extrinsic nature of a product or service, including the way a brand tries to meet psychological or social needs of customers and can provide confidence of a brand, that is brand image. The brand image indicator used in this study is based on indicators from Keller (2013); a brand identity, mobile banking has an identity in the form of an attractive logo or colour so that it can be recognized by customers; a brand personality, mobile banking provides convenience in online transaction without queuing; a brand association, mobile banking provides promotions and attractive promos for its users; a brand attitude, mobile banking customers can provide complaints or suggestions to the bank; a brand benefit and competence, mobile banking provides a variety of banking transactions needed by customers, and pay attention to the wishes of customers now and in the future.

The results of this study are consistent with the results of a study conducted by Danny Alexander Bastian (2014) about "AnalisaPengaruh Citra Merek (Brand Image) danKepercayaanMerek (Brand Trust) TerhadapLoyalitasMerek (Brand Loyalty) ADES PT. Ades Alfindo Putra Setia" which stated that brand image variable has an influence on the loyalty variable. Another study by Istikomah (2018) about "Pengaruhbrand image danKepercayaanTerhadapLoyalitasNasabah PT. BNI SyariahCabangFatmawati Jakarta" stated that an individual brand image has a significant influence on the customer loyalty. Whereas simultaneously, brand

image has a significant influence on customer loyalty. Another study by Sem Christina Hawila Sibagariang, Tinjung Desy Nursanti (2010) about "Pengaruh brand image dan brand trust terhadap brand loyalty pada Bank Sinarmas" stated that brand image has an influence on the loyalty variable.

## VI. Conclusion

Based on the study analysis results about the influence of brand trust and brand image on loyalty, it can be concluded partially and simultaneously that brand trust variable and brand image variable influence on loyalty. This proves that brand trust and brand image can provide trust to a mobile banking user and represent an extrinsic nature of a product or service offered by mobile banking.

## VII. Implication

Based on the results, discussion, and conclusion obtained, the theoretical implication for any further research from the research findings is to enhance brand trust and brand image strategies so that customers' trust can be maintained about how mobile banking remains the best service that can make customers satisfied in using it on their activities and also recommend others to use mobile banking as well.

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