

# The Construction of Public Transport Service Model to Influence the Loyalty of Customer

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**Abstract-** This study aims to test and analyze perceived ease of use, customer perceived value, perceived usefulness, image, customer satisfaction and customer loyalty. This research was conducted in AK Rent a Car Badung Bali, with the research population is the customer who car rental, the samples used are 90 units with purposive sampling method. All data obtained from questionnaires are suitable for use, then analyzed using structural equation model based on variance analysis known as Partial Least Square (PLS). The results showed that Perceived ease of use has a positive and significant impact on customer satisfaction, Perceived Value Customer has a positive and significant impact on customer satisfaction, Perceived usefulness has a positive and significant impact on customer satisfaction. Image (Image) has positive and significant impact on customer satisfaction, Perceived ease of use has a positive and significant impact on customer loyalty, Customer Perceived Value does not significantly influence customer loyalty, Perceived usefulness has a positive and significant impact on customer loyalty, Image (Image) has no significant effect on customer loyalty and Customer Satisfaction positively and significant to customer loyalty. The implication of this research is that Perceived ease of use can be improved by paying attention to the ease of getting transportation service, Customer perceived value can be improved by paying attention to Quality, Perceived usefulness can be improved by paying attention more quickly using service and service is very useful, Image can be enhanced by having good image. Customer satisfaction can be improved by paying attention to the pleasure of public vehicle ride and customer loyalty can be improved by paying attention to being a customer in a time.

**Key Words:** transportation, service, customer loyalty, customer satisfaction, perceived value, perceived usefulness, perceived ease of use, image, culture, Bali

## I. Introduction

### *Research background*

One of the interesting phenomena that is happening in Bali-Indonesia is the low intention of the public to use public transportation service. In Bali, public transportation such as private rental car (Rent a Car) is more widely used by tourists. Public transportation like this has the privilege of having a transportation structure for tourists namely; unlimited number of luggage, flexibility on schedule, can stop in multiple places or can do multiple stops, freedom of choice route, flexibility, low cost when used for a certain capacity; e.g. 4 people (Georgescu, 2015).

Most of Rent a Car public transport customers consist of migrants or tourists who are visiting Bali. The Balinese prefer to use private vehicles because it gives more prestige of image. The results of pre-research interviews on October 2017 to November 2017 obtained a key information, "only people who cannot afford to buy a car will choose to use a rental vehicle". This statement illustrates a bad image for personal existence, if

it does not have a private car. This is allegedly related to the condition of Balinese society which is formed by the feudalist culture that express the vehicle can become a symbol of identity.

This phenomenon allegedly provides facilities that facilitate some four-wheeled public transport online companies like *Go Car*, *Grab* and *Uber* accepted by the community, especially the millenia generation who like something practical. *Go Car*, *Grab*, and *Uber* offer the latest personal cars for at least 3 years. The driver without the uniform is like a private driver, friend, or relative so passengers can disguise hiring, hiding the erosion of existence. Other companies such as AK Rent a Car set the newest operating car from 2016 to 2017, but not online-based.

This study used fixed customer sample of AK Rent Car. As a company engaged in services, AK Rent Car is not spared from customer complaints. The average member of the sample is also known to use *Go Car*, *Uber* and *Grab*. The number of data of the customer complaints against AK Rent a Car in 2013 to 2017 shows an increase. In 2013 there were 22 complaints, rising to 43 complaints in 2014. It then increases to 95 in 2015. The 2016, the data increases to 105. The year 2017 also increases to 164 complaints.

The results of interviews to members as regular customers, and customer service sections that often receive complaints, obtained information, AK Rent a Car has car that is still relatively new, and car brand that is prestige (*image*). The information of complaint such as; ease of ordering, and speed of getting answers about rental orders like online transportation. Rental rates should be affordable and service feasible. All types of complaints and passenger statements pertained to image (*image*), perceived value, perceived usefulness, and perceived ease of use.

The previous research on the context of public transport services was conducted in Jakarta by Sumaedi et al. (2016a) showing a significant relationship between image (*image*), perceived value, perceived usefulness, and perceived ease of use on passenger satisfaction. The model of Sumaedi et al. (2016a) was adopted in this study, subsequently used to detect the loyalty of passengers on Rents a Car service. The model of Sumaedi et al. (2016a) is considered to be characteristic of the object of research, since the behavior of the people in Bali tends to preserve the image (*image*) or the benefit of prestige when using transportation services.

### *Research gap*

The study that links the image (*image*) with the intention or loyalty of passengers in the context of public transportation service conducted by Sumaedi et al. (2016b; 2014), but similar research is still classified as limited to the specific transport areas such as Rent a Car. The previous research has been conducted, but on rail transportation service (Brunner et al., 2008), and air transportation (Singh, 2015; Hussain, 2016).

### *Purpose and structure of the paper*

To fill the gap of empirical study and literature, this study aimed to examine the effect of image (image), perceived value, perceived usefulness, and perceived ease of use on passenger satisfaction and its impact on passenger loyalty. This study specifically wanted to answer, does perceived ease of use affect the passenger satisfaction? Does customer perceived value affect the passenger satisfaction? Does perceived usefulness have an effect on the passenger satisfaction? Does the image affect the passenger satisfaction? Does perceived ease of use affect the passenger loyalty? Does customer perceived value affect the passenger loyalty? Does perceived usefulness affect the passenger loyalty? Does the image affect the passenger loyalty? Does customer satisfaction affect the passenger loyalty?

## **II. Literature Review and Hypotheses**

### *Customer loyalty*

Oliver (1999: 34) defines customer loyalty (CL) as "a very strong commitment to return to product / service that has been consistently chosen in the future, resulting in repeated purchases of product brands, situational and marketing of competitor.

Three loyalty perspectives, namely; attitudes of loyalty, behavior and composite that combine behavior of loyalty and attitude. Loyalty from a behavioral perspective explains loyalty as a consistently repetitive buying behavior, while loyalty from an attitude perspective is related to customer loyalty (Bowen & Chen 2001), or the intention to prioritize to buy a particular product or brand compared to a competitor's brand.

The various limitations that have been expressed about loyalty (Oliver, 1999: 34, Bowen & Chen 2001) then can be drawn understanding of customer loyalty from the context of transportation service in termed loyalty passengers namely; loyalty as a behavior to reuse consistently over and over which involves an attitude of loyalty or an intention to further use the relevant transportation service rather than the competitor. The factors that are important considerations on customer evaluation to build customer loyalty behavior can be caused by positive benefits by; customer perceived value (Jiang et al., 2016), perceived usefulness (Low et al., 2017), perceived ease of use, image (Hussain, 2016), and customer satisfaction (Sandada, & Matibiri, 2015).

### *Customer perceived value*

Customer perceived value (CPV) is the perceived value of the customer's perception or thoughts about the perceived value of a customer's evaluation of the difference between the benefit derived from the service and the product by the sacrifice they make to obtain the service or product (Sumaedi et al., 2014a), most of the previous research is based on this definition (Petrick and Bergman, 2002).

The meaning of CPV in the context of public transport services is; the perceived value of public transport can be defined as the passenger's judgment on the comparison between the benefit (public transport services they get) and the sacrifice (they have done) (Lai and Chen, 2011; Wen et al., 2005; Jen and Hu, 2003; Sumaedi et al., 2014b: 21; Sumaedi et al., 2016). The passenger will be satisfied if the value or

benefit received far greater than the sacrifice incurred when using public transportation service.

The perceived value can lead directly to the overall formation of satisfaction in service (Churchill & Surprenant, 1982). The empirical study in the context of public transport service found perceived value relationship with the customer's satisfaction significantly positive (Sahin Dölarslan, 2014; Shank, 2002; Gallarza & Irene, 2013; Yu & Choi, 2013; Demirgünescedil, 2015; Sumaedi et al, 2016; Wen et al., 2005). Another study of the perceived value relationship with satisfaction performed by Duman, (2002) is specifically found, the monetary price that is the dimension of perceived value is able to build overall satisfaction about the product or service.

Based on the explanation of various empirical studies the relationship between customer perceived value and customer satisfaction hence can be formulated hypothesis sebagai following;

H1: Customer perceived value has an effect on customer satisfaction

The customer's perception of the value received may result in a degree of customer loyalty. This positive relationship has been proven significantly (Javed and Cheema, 2017; Rahi, 2016; Yang, & Peterson, 2004). The study in the field of transportation services, in the relationship between the two variables is proved to be positively significant (Wang et al., 2014). Such empirical evidence may draw the following hypothesis;

H2: Customer perceived value has an influence on customer loyalty

### *Perceived usefulness*

Perceived usefulness (PU), mostly appears in the IT context, are defined as the level, where one understands that using a particular system will improve its performance, or how much people understand consuming a particular product will solve the problem (AlShibly, 2014). This definition refers to the degree to which a person believes that using a particular system will be out from problems. In summary, perceived usefulness is the customer's understanding of the product's power level to match what it expects.

Perceived usefulness in the context of transport service is defined as how far passenger feel confident that using certain public transport service which can be useful to support their activities (Sumaedi et al., 2016).

Perceived usefulness is perceived as important for understanding customer behavior, and therefore empirical studies have proven to have a significant positive relationship between perceived usefulness and customer satisfaction (Joo et al., 2016; Kim & Lee, 2013; Amin et al., 2014; Mohamed et al., 2014). In the context of perceived usefulness transportation services are able to build passenger satisfaction significantly (Sumaedi et al., 2016). All of these empiricals influence relationship proofs give rise to the following hypotheses;

H3: Perceived usefulness has an effect on passenger satisfaction

The characteristic of perceived usefulness relates to the customer's belief about the usefulness of a service can function positively hence, perceptions about value obtained positively can give birth to customer loyalty. This has been shown to be empirically positive (Ruiz-Mafe et al., 2014; Wong et al., 2014; Hsu et al., 2014; Kim et al., 2009; Mai et al., 2013) Based on this then the hypothesis is formulated as follows;

H4: Perceived usefulness has an influence on passenger loyalty

### *Perceived ease of use*

Perceived ease of use (PEOU), can be defined as the degree to which a person believes that using a system can be done easily and does not cause problems (AlShibly, 2014). Perceived ease of use, represents the customer's perception of how far a customer feels it will be easy to use the product, or the rate at which someone believes that a system provides an easy and trouble-free way (Davis et al., 1989).

In the context of public transport service, perceived ease of use can be defined as how far a passenger feels easily or lightened using public transport services (Sumaedi et al., 2016). Based on these limitations, passengers' satisfaction with general transportation service is largely determined by the convenience provided or perceived by passengers.

Most scientists have discussed the importance of perceived ease of use (PEOU) in relation to customer satisfaction to build overall loyalty (Amin et al., 2014), evidenced by a significant positive empirical study of perceived ease of use influences on satisfaction (Amin et al., 2014; Amin, 2013; Kim & Lee, 2013) as well as its ability to build loyalty (Chau & Ngai, 2010; Chen et al., 2014). The results of some of these studies give rise to two hypotheses as follows;

H5: Perceived ease of use has an influence on passenger satisfaction

H6: Perceived ease of use has an influence on passenger loyalty

### *Image*

Image or image (IMG) is a form of mental image of the consumer (Dobni & Zinkhan, 1990) of an offer that embraces the symbolic meaning given by the consumer about a particular product or service (Padgett & Allen, 1997). Image boundaries in the general transportation service is; "the mental picture of passengers on offer that includes the symbolic meaning associated with a particular transportation (public) service" Sumaedi et al. (2014b: 24).

Image (image) an object in this case, the product or brand really determines people to want to consume the product or brand in question. It also occurs in the transportation sector. Image that has conformity with expectation can give birth satisfaction therefore, image (image) of product have contribution in satisfying customer.

The image (image) of health services in Indonesia can determine patient satisfaction (Sumaedi et al., 2016). In the tourism context, the image of a tourism destination contributes to the satisfaction of its tourists (Correia, 2013), as well as the image of the personality and mental servants of the restaurant can affect customer satisfaction (Koshki, 2014). In the context of public transport has also been demonstrated, the image significantly affects passenger satisfaction (Sumaedi et al., 2016) in airline industry services (Singh, 2015; Nadiri et al., 2008).

In addition to satisfying the customer image can also give birth to the intention to rent back, or the occurrence of loyalty. In the context of tourism, the image of the destination greatly affects the choice of tourists to visit (Akroush, 2016).

The image of a transport service is also an important consideration of customers in the decision to choose public transport services (Nadiri et al., 2008; Park, 2007; Jalilvand & Samiei, 2012). The assessment report from 2008 to 2012 on

the bus system in five cities in Europe to increase its use found one important factor is improving its image (Cascajo & Monzon, 2014). Based on the exposure of the effect between image on satisfaction and loyalty then it can be formulated research hypothesis as following;

H7: Image affects passenger satisfaction

H8: Image affects passenger loyalty

### *Customer satisfaction*

Customer satisfaction (CS) is the level of fulfillment of perceived customer needs at the end of purchase (Oliver, 1999). The relationship of satisfaction with loyalty cannot be doubted. Most studies show significant significance (I Gede Mahatma Yuda Bakti, 2013; Kumar et al., 2013; S., Sreejesh et al., 2016; Omar et al., 2013). In the context of transport services shows passenger satisfaction positively affecting loyalty (Wen et al., 2005; Lai & Chen, 2011; Jen et al., 2011; Zins, 2001; Sandada, & Matibiri, 2015; Sahin Dölarıslan, 2014; Singh, 2015; andada, & Matibiri, 2015).

The quality of service to build customer satisfaction is the determinant of customer loyalty to transportation services (Zins, 2001). Satisfaction becomes an important factor to build loyalty because, passenger satisfaction on transportation services is a mandatory requirement (Sumaedi et al., 2012). Based on the description of various empirical studies of the relationship of customer satisfaction and loyalty, it can be withdrawn hypothesis as follows;

H9: Passenger satisfaction affects passenger loyalty

The position of customer or passenger satisfaction is mostly as mediation or intermediary between elements of the quality and customer loyalty. This indicates that there are predecessor variables. According to Fornell et al. (1996) customer satisfaction (CS) has three predecessors: consumer perceived quality, perceived value, and customer expectation. In the context of satisfaction transport services is influenced by image, customer perceived value, perceived usefulness and perception of perceived ease of use (Sumaedi et al., 2016).

## **III. Research methodology**

### *Variables and measures*

There were five latent variables involved in this study. All latent variables were used as a model to know the simultaneous influence those were; perceived value, image, perceived ease of use and perceived usefulness to passenger satisfaction and loyalty. Each latent variable was measured by several items that have been empirically tested and used in previous empirical studies. This study adopted these items. All items as research instruments use five (5) Likert scale points ranging from "strongly disagree (1)" to "strongly agree (5)."

Customer perceived value is reflected by 5 dimensions; behavioral price is measured by five indicators, the monetary price is measured by six indicators, the emotional response is measured by five indicators, the quality is measured by four indicators, and reputation is measured by four indicators, all of which are adopted from Petrick, (2002). The image (*image*) is measured by three adopted indicators from Park et al. (2005). Perceived ease of use is measured by three indicators adopted from Chen and Chao (2011). Measurement of perceived usefulness using three indicators was adopted from Chen and Chao (2011). Passengers' satisfaction was measured by four adopted indicators from Wen et al. (2005) and Passenger

Loyalty were measured by five indicators adopted from Griffin (2005: 31).

*Construct validity and reliability*

Validity and reliability test were conducted on 30 respondents. Test the validity and reliability of each construct and dimension indicator, done by finding significant correlation and Cronbach Alpha per dimension or construct. A construct is considered reliable if it has a Cronbach Alpha value exceeding 0.6 (Hair et al., 2006; Lai and Chen, 2011; Malhotra, 2007; Sekaran and Bougie, 2010). The indicator is valid if each indicator score has significant bivariate correlation with total indicator score.

The test result of the research instrument shows all the question items from all variables which were researched have been valid (coefficient is above 0.30), and also shows the good

level of reliability (coefficient correlation of *Alpha (α)* Cronbach is above 0,60).

*Sampling*

The population in this research was all of AK Rent Car customers. The period of 2013 the establishment of the company until the year 2016 is a number of 860 customers. To determine the size of the sample, then done by using the formula Slovin (Umar, 2000: 147) obtained 90 respondents.

Based on the age of most respondents is pertained to millenia generation that has the characteristics of rational and practical thinking. The level of education is mostly undergraduate (S1). More detailed data can be seen Table 2 on the characteristics of respondents.

Tabel 2

Characteristic of Respondent		
Characteristic	Total of Respondents	Percentage (%)
Gender :		
• Male	51	56.7
• Female	39	43.3
<b>Total</b>	<b>90</b>	<b>100</b>
Level of Age :		
• 17 - 15 years old	30	33.3
• 26 - 40 years old	48	53.3
• > 41 years old	12	13.3
<b>Total</b>	<b>90</b>	<b>100</b>
Level of Education :		
• High School	24	26.7
• Diploma	28	31.1
• Undergraduate	30	33.3
• Postgraduate	8	8.9
<b>Total</b>	<b>90</b>	<b>100</b>

*Data analysis*

Inferential analysis to test the hypothesis was formulated. To perform the hypothesis testing to produce a fit model, the data were analyzed using Structural Equation Modeling (SEM), with Partial Least Square (PLS) approach with the help of Smart PLS software application program.

The output of the analysis shows that all indicators have a faktor loading value <0.70, with p> 0.05 meeting the criteria of covergent validity (Hair et al, 2006). The average variance

extracted (AVE) value> 0.50 qualifies for covergent validity (Fornell & Larcker, 1981). The composite reliability results are said to be good if it has a value above 0.70. This value corresponds to Nunnally's criterion (1978). R Square of dependent variable that is customer satisfaction and customer loyalty above 0.75 is strong (Criteria: Chin, 1998; Hair, et al., 2011; Henseler et al., 2009).

Variabel	AVE	√AVE	Composite Reliability	R-square
<i>Perceived ease of use</i>	0.621	0.788	0.831	-
<i>Customer perceived value</i>	0.440	0.663	0.945	-
<i>Perceived usefulness</i>	0.612	0.782	0.825	-
<i>Image</i>	0.457	0.676	0,713	-
<i>Customer satisfaction</i>	0.514	0.716	0.806	0.902
<i>Customer loyalty</i>	0.488	0.698	0.825	0.890

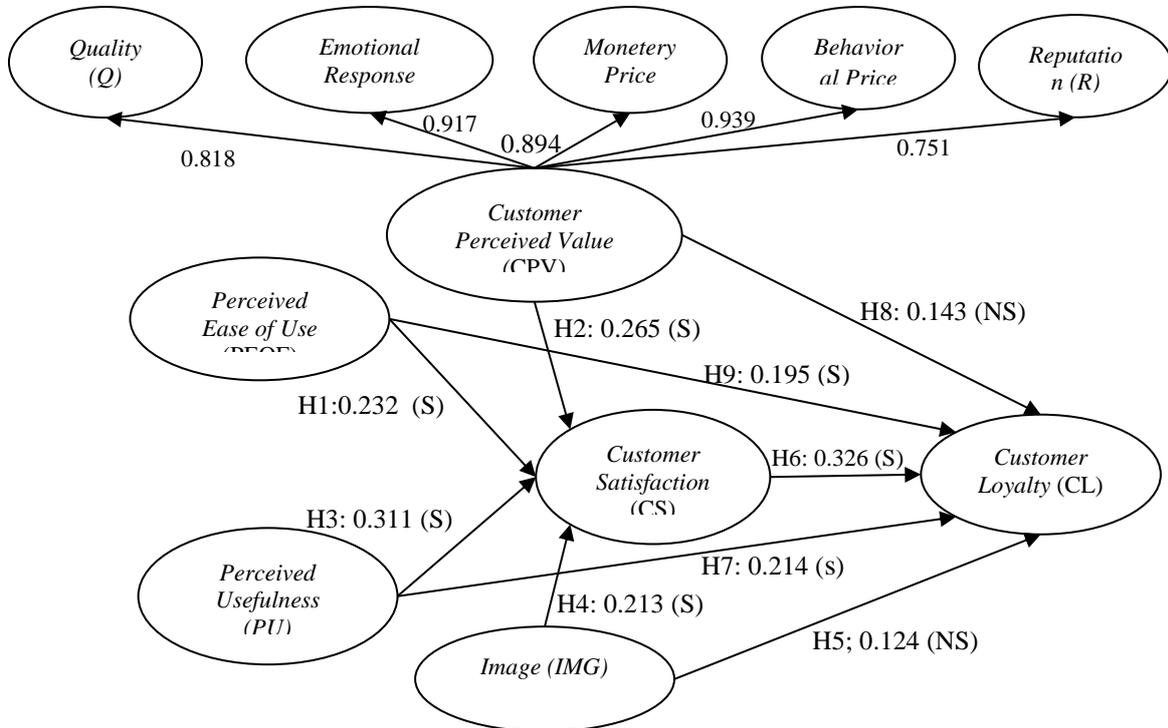
### IV. Result

The result of the structural model analysis shows the relationship between latent variables adopted as the concept of this research model as shown in Figure 1. and Table 1. Perceived Ease of Use (PEOF) was found to significantly affect customer loyalty (CL) with path value 0.195 and T-statistic 2,391 (T Statistics above 0.96), as well as customer perceived value (CPV); perceived usefulness (PU) to

customer satisfaction (CS); to customer satisfaction CS; Image (IMG) to customer satisfaction (CS); perceived ease of use to customer loyalty; customer satisfaction to Customer loyalty. This finding supports H1; H2, H3, H4, H6 and H7.

Image failed to be proved to have an effect on customer loyalty, as well as customer perceived value found to have no effect on customer loyalty. The value of T Statistics is below 1.96. These findings show H5 and H8 rejected.

Picture 1  
SEM Model Diagram



Note: S = Significant; NS = Not Significant

Tabel 1  
Structural Model Estimation

Path	Original Sample Estimate	Standard deviation	T-Statistic	Hipotesa
PEOF(X1) -> CS(Y1)	0.232	0.066	3.527	Supported
CPV(X2) -> CS(Y1)	0.265	0.078	3.412	Supported
PU(X3) -> CS(Y1)	0.311	0.080	3.891	Supported
IMG(X4) -> CS(Y1)	0.213	0.073	2.895	Supported
PEOF(X1) -> CL(Y2)	0.195	0.081	2.391	Supported
CPV(X2) -> CL(Y2)	0.143	0.078	1.820	Not Supported
PU(X3) -> CL(Y2)	0.214	0.101	2.129	Supported
IMG(X4) -> CL(Y2)	0.124	0.079	1.569	Not Supported
CS(Y1) -> CL(Y2)	0.326	0.147	2.212	Supported
CPV(X2) -> Q (X2.1)	0.818	0.070	11.718	-
CPV(X2) -> ER (X2.2)	0.917	0.016	58.824	-

CPV(X2) -> MP (X2.3)	0.894	0.025	35.764	-
CPV(X2) -> BP (X2.4)	0.939	0.009	99.780	-
CPV(X2) -> R (X2.5)	0.751	0.056	13.402	-

Note: NS = Not Significant

**Tabel 2**  
**The Calculation of Direct, Indirect And Total Effects**

Relationships among latent factors	Direct Effect	Indirect Effect	Total Effect
<i>Perceived ease of use (X1) → Customer Satisfaction (Y1)</i>	0.232 <sup>S</sup>	-	0.232
<i>Customer Perceived Value (X2) → Customer Satisfaction (Y1)</i>	0.265 <sup>S</sup>	-	0.265
<i>Perceived Usefulness (X3) → Customer Satisfaction (Y1)</i>	0.311 <sup>S</sup>	-	0.311
<i>Image (X4) → Customer Satisfaction (Y1)</i>	0.213 <sup>S</sup>	-	0.213
<i>Perceived ease of use (X1) → Customer Loyalty (Y2)</i>	0.195 <sup>S</sup>	<b>0.076<sup>S</sup></b> (0.232x0.326)	0.271
<i>Customer Perceived Value (X2) → Customer Loyalty (Y2)</i>	0.143 <sup>NS</sup>	<b>0.086<sup>S</sup></b> (0.265x0.326)	0.229
<i>Perceived Usefulness (X3) → Customer Loyalty (Y2)</i>	0.214 <sup>S</sup>	<b>0.101<sup>S</sup></b> (0.311x0.326)	0.315
<i>Image (X4) → Customer Loyalty (Y2)</i>	0.124 <sup>NS</sup>	<b>0.069<sup>S</sup></b> (0.213x0.326)	0.194
<i>Customer Satisfaction (Y1) → Customer Loyalty (Y2)</i>	0.326 <sup>S</sup>	-	0.326

Note: S = Significant; NS = Not Significant

## V. Discussion

Perceived Ease of Use significantly affects customer satisfaction. The findings of this study supported the results of previous studies (Sumaedi, et al., 2015; Amin et al., 2014; Liebana-Cabanillas et al., 2013; Mohamed et al., 2014; Hsu et al., 2014). The customer's perception of the ease of using the transport service will be able to satisfy the customer. Perceived Ease of Use also positively affects customer loyalty. This study supported the results of previous research (eg Maii, et al, 2013; Chau & Ngai et al., 2010; Chen et al., 2014; Mohamed et al., 2014; Hsu et al., 2014).

Customer perceived value (CPV) significantly affects customer satisfaction (CS). These findings supported the study of Sumaedi, et al (2015), Mai et al (2013). Companies or service providers need to pay attention in allocating resources so that customer perceptions about the value received generate positive judgments so as to foster satisfaction perceived customers. Service providers cannot influence customer loyalty directly through CPV without growing customer satisfaction. This is indicated by the non-significant direct effect of CPV on CS. Companies must be able to create a more positive value through five programs; quality, emotional response, monetary price, behavioral price, and reputation building. These five dimensions of CPV have a strong contribution in building CPV.

Perceived usefulness significantly affects positively to customer satisfaction. The results of this study supported previous studies (eg Sumaedi, et al., 2015; Amin et al., 2014; Mai et al., 2013; Liebana-Cabanillas et al., 2013; Mohamed et al., 2014). Similarly, the impact of perceived usefulness has a significant effect on customer satisfaction. The results of this study supported the results of previous studies (eg Mai et al.,

2013; Chau & Ngai, 2010; Chen et al., 2014; Mohamed et al., 2014; Joshi & Achuthan, 2016). Transport service providers should be able to instill confidence that they are the solution to the problems faced by customers in the selection of transportation services. Perceived usefulness is able to directly influence the consideration of using services in the future.

Image (image) have a positive and significant impact on customer satisfaction. This finding was in line with Sumaedi's findings, et al. (2015), and Brunner et al. (2007). Transport service providers should be careful about policies to improve their image, customer evaluation does not simply adopt images to determine their choice of future transport services, without being able to satisfy them. Balinese who have a feudalistic sensitive culture will not simply consider a good image as an evaluation to determine the choice of public transport services without providing satisfaction. The image proved to have no significant effect on customer loyalty in this study, supporting the results of Mohamed, et al (2014), and Brunner et al (2007).

## VI. Conclusions And Suggestions

### *Managerial and research implication*

Management must be careful of customer perceived value programs that are driven by the quality of quality, emotional response, nominal price, price behavior, and reputation. The result of this study shows that CPV is not significant to customer loyalty, and based on mediation analysis, customer satisfaction is conditioned as a full mediation for CPV relationship with loyalty. This reason creates a thought as a recommendation to the decision maker to develop the CPV program in order to be able to stimulate the positive attitude of the customer, so that it can encourage repurchase behavior.

Policy on the image to be able to encourage the customer loyalty needs to be emphasized. The development of policy related to image enhancement so that it is useful to give birth to customer loyalty, it is very important to do the development by adopting the characteristics of local culture. The tendency of Balinese habits netted as sample, until now prefer to use private vehicles rather than rent. This is because of the growing custom, that using public transport or renting, has a negative connotation of self-existence. Management needs to consider this as an important part of strategic decisions. The image measurement used in this study is very general and less specific to local culture as an important sample characteristic.

Total influence analysis (Table 3) shows customer satisfaction showing the highest relevance in building customer loyalty. This information shows that customers experience satisfaction in relation to transportation services must be done by management by directing all available resources.

#### Limitations and future lines of research

This research has limitations that is; using a limited sample of a company's customers. Future research needs to consider a wider sample on the industrial scale or the scope of society.

Suggestions that can be delivered related to the significance of image and customer perceived value in customer loyalty are; exploration is needed to involve important elements of local culture as a measure of image (image) and customer perceived value specific to the context of transportation services. Allegedly the measurement of image and CPV has not represented local characteristics, causing no significant effect of CPV and image on customer loyalty.

Subsequent research on the contrary is also trying to adopt a consumer attitude (consumer attitude) as a mediation variable between all independent variables in this study on customer loyalty. Attitudes have been recognized as a strong factor against the intention to repurchase as one measure of customer loyalty. Detecting millennium-generational attitudes support that most of them netted in this sample is indispensable as a material to dissect the marketing policies of the business of land transportation services such as Rent a Car.

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