

Chapter 24

Antecedents and Consequences of E–News Brand Trust: An Empirical Study of E–News Brand in Indonesia

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ABSTRACT

The purpose of this paper is to determine the effect of the antecedents of e-news brand trust and want to determine the consequences of e-news brand trust. The model used in this study were tested into two news brands online, which is Detik.com and Kompas.com. Sample of this study composed of 418 respondents, of which 239 respondents are Kompas.com readers and readers of Detik.com comprised of 179 respondents. The analysis used in this study is the Structural Equation Model. Results of this study indicate that both Detik.com and Kompas.com have the same result for the research model used. The result of this research are e-news brand attributes have positive and significant impact on e-news brand experience, e-news brand attributes have a positive and significant impact on e-news brand loyalty, e-news brand experience has negative effect but not significant at the customer confusion, customer confusion, has a negative but not significant effect on e-news trust brand, e -news brand experience has the effect of e-news brand trust and a significant positive effect on brand loyalty e-news.

INTRODUCTION

Various challenges faced by many companies, television company, radio company, newspapers company, magazines company, advertising agencies and others advertisers involved in stiff competition are now forced to redefine how they reach consumers and still relevant (Harden & Heyman, 2009). Some well-known brands, such as Tribune Co., New York Times, Tucson Citizen, Boston and many brands of

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newspaper in USA was closed because they have no ability to fund their operations. This was because of the decline in sales circulation. Even some leading brands of daily newspapers gave paper for free. To overcome this problem, some companies switch to digital or we call it as “e-news brands”.

At the level of competition and the sluggish industrial growth, it is necessary effort to increase consumer’s loyalty. To keep customers loyal, some print media brands create online versions of print media. In Indonesia, some newspaper companies are competing to switch from print to digital. For example, *kompas.com*, *detik.com*, *koran.tempo.co*, *republika.co.id*, and many more. Consumers are given the ease in accessing digital newspapers, because we can access this digital newspaper through a computer, laptop, and mobile phone. So consumers have more flexibility in accessing it.

Trust is important in the online environment. Tanrikulu and Celilbatur (2013) explain that trust is the most important key factor for success and as a competitive advantage against competitors in the e-commerce environment. In a study done by Eldeman Trust Barometer (2012), trust on social media increase about 75% from 2011 to 2012. There are several variables affect trust in the brand, such as: satisfaction, experience, perceived value, perceived risk, service quality and reputation (Benedicktus, 2011; Delgado-Ballester & Munuera-Aleman, 2001; Eastlick, Lotz, & Warrington, 2006; Ha & Perks, 2005; Harris & Goode, 2004; McKnight, Choundhury, & Kacmar, 2002; Sahin, Zehir, & Kitapci, 2011; Singh & Sirdeshmukh, 2000; Tanrikulu & Celilbatur, 2013). Having someone who believe in a brand will affect the loyalty (Chaudhuri & Holbrook, 2001; Gommans, Krishnan, & Scheffold, 2001; Harris & Goode, 2004; Sahin et al., 2011; Singh & Sirdeshmukh, 2000).

Our research objective is to know the influence of antecedent and consequence of an e-News Brand Trust.

LITERATURE REVIEW

E-News Brand

Brand is the heart of the marketing and business strategy (Mascarenhas, Kesavan, & Bernacchi, 2006). Kotler (2006) defines a brand is a name, shape, signal, symbol, or design or a combination of them that identify and differentiate our products with competitors. Brand is a name that has the power to influence the market (Kapferer, 2008). In their study, de Chernatony and Riley (1998) concluded that there are 12 categories to define the brand. The brand as: (1) a legal instrument, (2) logo, (3) company, (4) shorthand, (5) risk reducer; (6) identity system; (7) image in consumers’ minds, (8) value system; (9) personality; (10) relationship; (11) adding value, and (12) evolving entity.

E-brand or brand online is often referred to arise from the development of communications and information technology (Morgan-Thomas & Veloutsou, 2013). Many companies try to follow the digital age, so they do branding via online media. We call online newspaper as e-news brand. We define e-news brand as a name in the form of an online newspaper that provides a variety of information and news openly.

E-News Brand Attribute

Attribute is defined as a description of the inherent characteristics of the product or service (Keller, 1993) or what consumers think about products or services. Attributes are divided into two types: intrinsic and extrinsic attributes. Intrinsic attributes are attributes associated with the product or brand. Extrinsic at-

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