

Chapter 8

The Importance of Electronics News Brand Trust: The Case of Online Newspapers in Indonesia

Elia Ardyan
STIE Surakarta, Indonesia

Vincent Didiek Wiet Aryanto
Universitas Dian Nuswantoro, Indonesia

ABSTRACT

The purpose of this book chapter is to test the importance of trust to increase the loyalty of e-news brand readers in Indonesia and to test its antecedents. Trust becomes a central factor in the electronics news brand to increase the loyalty of its readers. Within this chapter, trust in news electronics brand influenced by the reader's experience and customer confusion. Exciting experience and unforgettable experiences influenced by the attributes of the news brand electronics. The readers' experiences will be able to reduce customer confusion and will increase confidence in the electronics news brand significantly. Basically, consumers are not confused in the electronics news brand. Other results showed that the attached attributes to electronics news brand will be able to significantly increase readers' loyalty.

INTRODUCTION

Newspaper is considered as the world's information resources (Strebler, Robinson, & Heron, 1997) that has developed over the years. Originally, newspaper is produced in a print version, but the Internet is revolutionizing it (Nilssen, Bertheussen, & Dreyer, 2015) and the development of online newspapers increases so rapidly (Arikunto, 2010). The development of the Internet forced many companies to redefine how to reach and remain relevant to its target audience (Harden & Heyman, 2009). Some well-known brands such as Tribune Co. newspaper, New York Times, the Tucson Citizen, Boston and many popular newspaper brands in USA should close his business. Ranaweera and Prabhu (2003) found out that a

DOI: 10.4018/978-1-5225-1779-5.ch008

decrease in audience is caused by several things, such as the change towards free news, failed model of alternative income, advertisers for online media is reinforced by the current economic crisis, changes in the production process of news and changes in the usage patterns of news. Besides, the Internet also plays a role in the decline of the traditional newspaper circulation. The Internet has changed the access, production and circulation of information (Shen, Wu, Chen, & Fang, 2016). Internet provides access speed that is not owned by traditional media. Internet makes everything easier. The development of the Internet is also supported by the development of a variety of media that can access the Internet directly, such as mobile phone, smartphone, and a variety of other media. The emergence of “net native” or “digital net” generation (Carrol, 1991) or the generation that grew and comfortable with the Internet environment makes an online newspaper preferred over the traditional one. Developments that trigger various online brands began to appear, either because of the development of communication, technology, or information (Morgan-Thomas & Veloutsou, 2013).

Online newspaper provides a variety of important benefits to readers. Some of the benefits of online newspaper is helping the increase in frequencies and create a platform for sharing information quickly across countries (Nilssen et al., 2015), supporting environmental perspective (Attaran, Divandari, & Adinov, 2012), and it is more interactive than the print media (Capaldo, Iandoli, & Ponsiglione, 2004; Cheng & Dainty, 2003). Chaston, Badger, and Sadler-Smith (1999), Explain that online use in the newspaper industry gives a speed for news to reach readers. A low cost of distributing information, a possibility for news updates constantly, and an opportunity to build a more direct contact and interaction with the users. Development of the Internet, like Web 2.0, allows people to instantly produce and disseminate news items online (Atakan-Duman & Ozdora-Aksak, 2014). Although online newspaper has many benefits, but the emergence of online newspaper will be cannibals for the print newspaper (Shen et al., 2016; Shnayder, van Rijnsoeve, & Hekkert, 2016).

Trust becomes an important part in the online environment. Trust is one of the success factors that can enhance the competitive advantage in electronic commerce environment. The increase of confidence by 75% occurs in the use of social media (Eldeman Trust, 2012). Managers should be able to increase customer confidence in the brand. Some literature explain that consumers’ trust in the brand is caused by several things, 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, 2002b; Sahin, Zehir, & Kitapci, 2011; Singh & Sirdeshmukh, 2000; Tanrikulu & Celilbatur, 2013). The increase of trust will be able to influence the behavior of customer loyalty (Gommans, Krishnan, & Scheffold, 2001; Harris & Goode, 2004; Sahin et al., 2011).

The increase in electronic news brand (e-news brand) does not only give positive effect on journalistic industry, the easiness in making news-themed website also give effect to the increase in the interest to make e-news brand. The phenomenon in Indonesia is that there are various e-news brands emerge but the news provided is not the real fact. For instance, e-news brand is used for black campaign in political world. There is a lot of hoax news given to assassin someone’s character. There are many e-news brands copying news from other e-news brand. Those are some causes of the decrease in the trust of newspaper readers.

The aim of this research is to test the importance of trust to increase the loyalty of e-news brand readers in Indonesia and to test its antecedent.

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