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The Impact of Online Shopping Services And Satisfaction Levels To Customer's Loyalty

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ABSTRACT: Online Shopping is a process of purchasing goods or services from those who sell goods or services via internet where the seller and buyer have never met or made physical contact where the goods being traded are offered through displays with images on the internet or through a computer network. One of the largest franchise networks in Indonesia, PT. Indomarco Prismatama/Indomaret, has launched an online shopping service called KlikIndomaret. On the KlikIndomaret site, users can order and buy goods from KlikIndomaret retail stores. In this study the authors have examined the extent of customer satisfaction and loyalty to the purchase of goods offered by PT. Indomarco Prismatama (KlikIndomaret) through the use of internet shopping services, which aims to be known that by using this online shopping service, retail companies can continue to get their customers (still struggling) even in the current conditions. The research was conducted for a month in several Indomaret stores spread in East Bekasi Sub-District, by giving questionnaires to 52 respondents who were loyal to the retail market, especially Indomaret. The research methodology used is descriptive quantitative and multiple linear regression analysis. Data processing was carried out with SPSS version 22 which included tests of validity, reliability, normality, multicollinearity, heteroscedasticity, hypotheses (partial t and simultaneous F tests), anddetermination coefficient tests (r^2).

KEYWORDS: Customer loyalty, descriptive quantitative, level of satisfaction, multiple linear regression, online-shopping service

I.INTRODUCTION

Along with the development of the retail business, at this time the retail business is no longer managed traditionally, but in a modern way. Intense competition in the retail business cannot be separated from the proliferation of shopping centers both local, national and international with a variety of factors that are targeted. The competition has spurred business people in the retail sector to always be the consumer of choice retailers and keep their consumers.

Minimarket is a type of retail business that is growing rapidly today that sells daily necessities and offers convenience because of its location or location that is accessible and close to consumers and prioritizes practicality and speed that is supported from the area of stores or outlets that are not too large so that consumers shopping with not too long time. Another advantage of shopping at the convenience store is the safe and comfortable atmosphere of shopping, no difficulty choosing the items needed, the quality of goods is more guaranteed when compared to shopping at traditional markets, the price of goods is certain so that it does not need to be negotiable and can shop for various purposes in one place thus saving time and effort.

In Indonesia, online shopping or so-called online stores continues to experience a significant increase, there are many types of businesses that start marketing their products / goods online. Because with the shopping system in online stores, consumers can shop directly without having to meet with merchants or go to the store. So that it can save time and make shopping easier. Because on that basis, online shopping / online stores in this country is growing.

A. Formulation of the problem

The formulations of the problems in this study are:
1. Does Customer Satisfaction affect Customer Loyalty to Indomaret/KlikIndomaret?
2. Does online-shopping service affect customer loyalty toIndomaret/KlikIndomaret?

B. Research purposes

Based on the above problem formulation, the objectives in the study are:

1. To analyze the effect of Customer Satisfaction on Customer Loyalty to Indomaret/KlikIndomaret.
2. To analyze the effect of Online-shopping Services on Customer Loyalty to Indomaret/KlikIndomaret.

C. Benefits of Research

The expected benefits of conducting this research are:

1. Theoretical Benefits
    a. Contribute to the development of customer satisfaction models, especially research in the retail business through online-shopping services.
    b. Providing benefits and contributions in the form of knowledge and understanding of marketing management knowledge about minimarket management through online-shopping services.
2. Benefits of Practice
    a. For Indomaret, this research is expected to be useful for them to contribute thoughts for the management of PT. Indomarco Prismatama (Indomaret/KlikIndomaret), to improve the performance of its development going forward, so that Customer Loyalty increases through online-shopping services.
    b. For customers, this research can be used as one source of information to determine the quality of service provided to customers of PT. Indomarco Prismatama (Indomaret/KlikIndomaret).

D. Thinking Framework

If the products / services received by consumers are in line with their expectations, the quality of the service will be satisfactory(Kotler & Keller, 2008). The perception of the quality of a service depends on how a provider can understand the expectations of its consumers towards the products / services provided. With the association of factors on customer satisfaction, online shopping services and customer loyalty, the thinking framework in this study is described as follows:
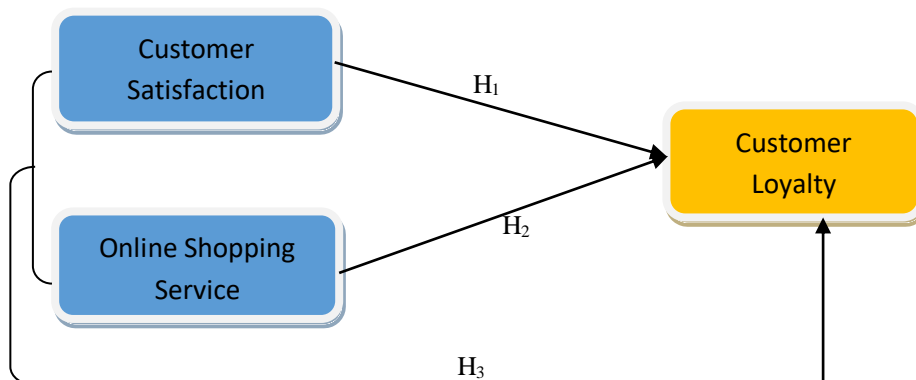
E. Hypothesis

The hypothesis proposed in this study is:

1. H1: There is a significant effect of customer satisfaction on customer loyalty to PT. Indomarco Prismatama (Indomaret/KlikIndomaret)
2. H2: There is a significant influence of online-shopping services on customer loyalty to PT. Indomarco Prismatama (Indomaret/KlikIndomaret)
3. H3: There is a significant effect of customer satisfaction and online-shopping services on customer loyalty to PT. Indomarco Prismatama (Indomaret/KlikIndomaret)

II.   THEORETICAL BASIS

A. Definition of Customer Satisfaction

Customer Satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. (Andrian, 2018). Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.(Reibstein, 2012)

B. Definition of Online Shopping Service

According to Kotler and Keller (2010) Digital marketing is a form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etcetera (SE,MM, 2019)

Beside that, Bain et al (SE,MM, 2019) stated that digital marketing facilitates many-to-many communications due to its high level of connectivity and is usually executed to promote products or services in a timely, relevant, personal and costeffective manner.

C. Definition of Customer Loyalty

Literally loyal means to be loyal and loyalty is interpreted as loyalty. This loyalty is something that arises without coercion but arises from one's own consciousness.

Keeping loyal customers makes economic sense (Kotler & Keller, 2015). Loyal customers use more company products and in a longer time. Losing loyal customers can mean losing revenue streams for these customers in the future. Loyalty is a process, at the end of the process, satisfaction has an effect on perceived quality, which can have an impact on loyalty and intention for certain behaviors of a customer (Ishaq, Bhutta, Hamayun, Danish, & Hussain, 2014).

D. Measurement of Loyalty

According to Hasan, there is no agreement on the measurements that should be used to measure loyalty (Hasan, 2013),but the various ways to do are as follows:

1. Customer loyalty can be traced through measures such as defection rate, number and continuity of core customers, longevity of core customers, and value for core customers.
2. Loyalty data is obtained from customer feedback which can be collected through various means such as by using active and passive observation, cards and suggestion boxes, toll-free telephone lines, surveys.
3. Lost customer analysis, non-customer analysis, input from front-line employees, input from distributors or retailers, in-depth individual interviews.
4. Analyze feedback from customers, former customers, non-customers, and competitors.

III. RESEARCH METHODOLOGY

A. Research Types and Data Sources

1.) Research Type

This type of research is quantitative descriptive. This type of quantitative descriptive research is a type of research in which the data that has been collected is analyzed quantitatively using descriptive or inferential statistics so it can be concluded that the hypotheses that are formulated are proven or not (Sugiyono, 2017). Quantitative research is generally carried out on samples taken at random so that the conclusions of research results can be generalized to the population where the samples were taken.

2.) Data Sources

Researchers conduct research in order to obtain data and information used as material for analysis. In this case the type of data needed is:

a. Primary data sourced from consumers in several Indomaret stores in East Bekasi sub-district by distributing questionnaires and respondents' answers were measured using a measurement scale that is Likert scale.
b. Secondary data sourced from companies in the form of data both in the form of sales data and a general description of the company and the organizational structure of the company.

3.) Population and Samples

Population is a generalization area that consists of objects / subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2017). The population in this study were all consumers in several KlikIndomaret stores in East Bekasi sub-district during November 2019 as many as 100 customers. In determining the number of samples the researcher used the Slovin formula, the number of samples was 52 customers.

4.) Validity and Reliability Test

4.1. Validity Test

To get more accurate data, a validity test is first performed, which is to test the validity of each item in question (content validity). A questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that will be measured by the questionnaire. Validity test is done with the help of SPSS software program version 22.00. Validity values can be seen in the Corrected Item - Total Correction column. If the correlation number obtained is greater than the critical number (r count> r table), then the instrument is valid.

4.2. Reliability Test

Reliability test is a tool to measure a questionnaire which is an indicator of a variable. Question items are said to be reliable or reliable if one's answer to the question is consistent. If a measuring instrument or research instrument can be used twice to measure the same symptoms with the measurement results obtained relatively consistent, then the measuring instrument or instrument is reliable. To test the reliability or reliability of measuring instruments or instruments in this study the Alpha Cronbach coefficient was used. To find out the consistency or confidence of the measurement results that contain the accuracy of the measurement, then the reliability or construct test of a construct is said to be reliable if it gives a Cronbach Alpha > 0.60.

5.   Classical Assumption Test

5.1. Normality Test

Normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution or not. For normality use, it can be done by graphical analysis, namely the Normal P-P Plot of Regression Standarizied Residual and histogram graphs.

5.2. Multicolinearity Test

Multicollinearity Test aims to test whether the regression model found a correlation between independent variables (Independent). A good regression model should not occur correlation between independent variables. Multicollinearity can be seen from the value of Variance Inflation Factor (VIF). If the VIF<10, it can be concluded that there is no multicollinearity between the independent variables in the regression model.

5.3. Heteroscedasticity Test

Heteroscedasticity test can be done with scatterplot charts. Through graph analysis, a regression model is considered to not occur heteroscedasticity if the points spread randomly and do not form a certain pattern that is clear and spread above or below zero on the Y axis between the predicted value of the dependent variable and the independent variable.

6.   Multiple Linear Regression Test

The data analysis model used in this study is Multiple Linear Regression test with the following models:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Where :
Y   = Customer Loyality
X_1 = Customer Satisfaction
X_2 = Online-shopping Service
a   = Constant
b_1-b_2 = Variable Coefficient
e   = Error value

7.   Hypothesis Test

7.1. Simultaneous Hypothesis Test (F test)

The hypothesis F test simultaneously shows that whether all independent or independent variables entered in the model have a joint influence on the dependent variable. To test the significance of the

influence of the dimensions of the independent variables together on the dependent variable is done by the F test.

The form of testing is as follows:
- a. H_0: b_1, $b_2 = 0$ (Customer Satisfaction and Online-shopping Services simultaneously have no effect on customer loyalty of Indomaret/KlikIndomaret, East Bekasi District).
- b. H_1: b_1, $b_2 \neq 0$ (Customer Satisfaction and Online-shopping Services simultaneously affect customer loyalty ofIndomaret/KlikIndomaret, East Bekasi District).

In this study the F count will be compared with the F table at a significant level (α) = 5%. The research criteria for the hypothesis in this F test are:
1. The hypothesis is rejected if $F_{count} < F_{table.}$
2. Hypotheses are accepted if $F_{count} > F_{table}$.

7.2. Partial Hypothesis Test (t test)

The t-test statistic basically shows that how far the influence of one explanatory / independent variable individually in explaining the variation of the dependent variable. T-test was conducted to determine the significant effect of each independent variable on the dependent variable. The form of testing is as follows:
- a. H_0: $b_1, b_2 = 0$ (Customer Satisfaction and Online-shopping Services have no partial effect on customer loyalty ofIndomaret/KlikIndomaret).
- b. H_1: b_1, $b_2 \neq 0$ (Customer Satisfaction and Online-shopping Services have a partial effect on customer loyalty of Indomaret/KlikIndomaret).

By knowing whether the proposed hypothesis is accepted or rejected is done by comparing the value of tcount with ttable at a 90% confidence level (Criteria for hypothesis research in the t-test) are:
1. If $t_{count} < t_{table}$ then H_0 is rejected.
2. If $t_{count} > t_{table}$ then H_1 is accepted.

8. Determination Coefficient Test (r^2)

The coefficient of determination essentially measures how far the model's ability to explain the variation of the dependent variable. The coefficient of determination is between zero and one. The small coefficient of determination means that the ability of independent variables in explaining the variation of the dependent variable is very limited. A value close to one means that the independent variables provide almost all of the information needed to predict variations in the dependent variable.

IV. RESULTS AND DISCUSSION

1.) Validity and Reliability Test

1.1. Validity Test

Validity test is used to measure the validity of a questionnaire. Validity testing is done using the correlation analysis method.

Table 1.1. Validity Test
Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Cust_Satisfaction	23.94	8.173	0.439	0.264	0.660
Online-Shopping_ Service	24.04	7.371	0.649	0.431	0.333
Customer_Loyalty	23.79	11.582	0.411	0.266	0.674

Source: Data processed with SPSS

Table 1.2. Validity Test Results Customer Satisfaction, Online-shopping Services and Customer Loyalty variables

With n = 52,df = 52 – 2 = 50, so r table is equal to 0.2732

VARIABLE	R COUNT	R TABLE	RESULT
Customer Satisfaction	0.439	0.2732	Valid
Online-Shopping_Service	0.649	0.2732	Valid
Customer Loyalty	0.411	0.2732	Valid

Source: Data processed with SPSS

Table 1.3. Correlations

		Cust_Satisfaction	Online-shopping_Service	Customer_Loyalty
Cust_Satisfaction	Pearson Correlation	1	0.510[**]	0.214
	Sig. (2-tailed)		0.000	0.128
	N	52	52	52
Online-Shopping_ Service	Pearson Correlation	0.510[**]	1	0.513[**]
	Sig. (2-tailed)	0.000		0.000
	N	52	52	52
Customer_Loyalty	Pearson Correlation	0.214	0.513[**]	1
	Sig. (2-tailed)	0.128	0.000	
	N	52	52	52

Source: Data processed with SPSS

Judging from the outputs, the significance results for all indicators showed significant results (0.000 < 0.05) so that it is concluded that each question indicator is**Valid**.

1.2. Reliability Test

This test is carried out to find out the consistent results of an answer about the respondent's response. The table below presents the results of reliability testing for the Customer Satisfaction variable. Online-shopping Services and Customer Loyalty.

Table 1.4.
Reliability Test of Customer Satisfaction, Online-Shopping Service and Customer Loyality

Item	Cronbach's Alpha	Standard	Result
Customer Satisfaction	0.606	0.60	Reliable
Online-Shopping Service	0.739	0.60	Reliable
Customer Loyality	0.639	0.60	Reliable

Source: Data processed with SPSS

Based on Table 1.4. above shows the results of the reliability test. The table above can be explained because the Cronbach's Alpha value for each variable is greater than 0.60, then it can be concluded that the measuring instrument is **Reliable**.

2.) Classical Assumption Test
2.1. Normality Test (Kolmogorov-Smirnov Test)

Normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution or not.

Table2.1. Normality Test
One-Sample Kolmogorov-Smirnov Test

		Cust_Satisfaction	Online-shopping_Service	Customer_Loyalty
N		52	52	52
Normal Parameters[a,b]	Mean	11.94	11.85	12.10
	Std. Deviation	2.043	1.872	1.404
Most Extreme Differences	Absolute	0.223	0.133	0.239
	Positive	0.091	0.117	0.239
	Negative	-0.223	-0.133	-0.184
Test Statistic		0.223	0.133	0.239
Asymp. Sig. (2-tailed)		0.000[c]	0.022[c]	0.000[c]

Source: Data processed with SPSS

The table above shows that the Asymptot variable values, Sig (2-tailed) Customer Satisfaction (0.000). Online-Shopping Services (0.022) and Customer Loyalty (0.000) are less than $\alpha = 0.05$. so the variable is **Not Normal** and **Has a Significant Effect.**

2.2. Multicolinearity Test

Multicollinearity Test aims to test whether the regression model found a correlation between independent variables (Independent). A good regression model should not occur correlation between independent variables. Multicollinearity can be seen from the value of Variance Inflation Factor (VIF). If the VIF is< 10, then it can be concluded that there is **No Multicollinearity** between the independent variables in the regression model in this study.

Table 2.2.Multicolinieity Test

Coefficientsª

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	7.777	1.218		6.384	0.000		
Cust_Satisfaction	-0.044	0.098	-0.065	-0.455	0.651	0.740	1.352
Online-shopping_Service	0.409	0.107	0.546	3.838	0.000	0.740	1.352

Source: Data processed with SPSS

Looking at the analysis results in the table above shows there are no independent variables that have a Variance Inflation Factor (VIF) is<10. So it can be concluded that there is **No Multicollinearity** between the independent variables in the regression model.

2.3. HeteroscedasticityTest

Heteroscedasticity test can be done with scatterplot charts. Through graph analysis, a regression model is considered to not occur heteroscedasticity if the points spread randomly and do not form a certain pattern that is clear and spread above or below zero on the *Y* axis.

Scatterplot
Dependent Variable: Customer_Loyalty
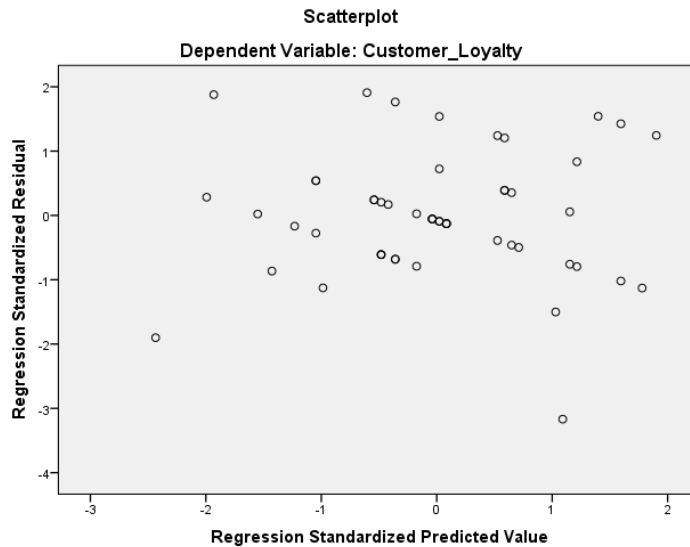
To find out the presence or absence of heteroscedasticity symptoms can be done using a heteroscedasticity graph between the predicted value of the dependent variable and the independent variable. From the scatterplot above seen points spread randomly and spread both above and below the number 0 and the *Y* axis. It can be concluded that there is **No Heteroscedasticity** in the regression model, so the regression model is feasible to be used in testing.

3.) Multiple Linear Regression Analysis
The results of the multiple linear regression analysis equation are presented below:

Table3. Multiple Linear Regression Test

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.777	1.218		6.384	0.000
Cust_Satisfaction	-0.044	0.098	-0.065	-0.455	0.651
Online-Shopping_Service	0.409	0.107	0.546	3.838	0.000

Source: Data processed with SPSS

Customer Loyalty = 7.777 – 0.044 Customer Satisfaction + 0.409 Online-shopping Service + e

The regression equation model can be interpreted as follows:
   a. A constant of 7.777 states that customer loyalty is 7.777 if the variable Customer Satisfaction and Online-shopping Services are considered constant or equal to zero.
   b. The customer satisfaction regression coefficient is -0.044. that is if the value of Customer Satisfaction does not increase (0), then Customer Loyalty will decrease by 0.044.
   c. Online-shopping Services variable regression coefficient of 0.409, meaning that if the value of online shopping services increases by one unit, then Customer Loyalty will increase by 0.409.

4.) Hypothesis Test
4.1. Simultaneous Hypothesis Test (F test)
In this research, F test is used to determine the level of significance of the effect of the variable Customer Satisfaction and Online-shopping Services simultaneously on Customer Loyalty.

Table4.1. Simultaneous Hypothesis Test (F test)
ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.766	2	13.383	8.891	0.001[b]
	Residual	73.753	49	1.505		
	Total	100.519	51			

Source: Data processed with SPSS

The results of statistical calculations show the value of $F_{count} = 8.891 > F_{table} = 3.18$ and a significant value of 0.001 <0.05, this shows that jointly the Customer Satisfaction and Online-shopping Services variables **Significantly Influenced** Customer Loyalty.

4.2. Partial Hypothesis Test (t test)

To partially test the significance of the regression model for each variable can be obtained using the t-test which can be seen in the following table:

Table4.2. Partial Hypothesis Test (t test)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.777	1.218		6.384	0.000
	Cust_Satisfaction	-0.044	0.098	-0.065	-0.455	0.651
	Online-shopping_Service	0.409	0.107	0.546	3.838	0.000

Source: Data processed with SPSS

a. Hypothesis test results partially for the Customer Satisfaction variable shows the value $t_{count} = -0.455 < t_{table} = 2.01$ with a significance value of 0.651> 0.05, it can be concluded that the Customer Satisfaction variable has a **Negative** and **Not SignificantEffect** on Customer Loyalty.

b. Hypothesis test results partially for customer satisfaction variables indicate the value $t_{count} = 3.838 > t_{table} = 2.01$ with a significance value of 0.000 <0.05, it can be concluded that the Online-shopping Service variable has a **Positive** and **Significant Effect** on Customer Loyalty.

5.) Determination Coefficient Test (r²)

This coefficient of determination is used to find out how much influence the independent variables have on the dependent variable. The coefficient of determination is determined by the adjusted r square value.

Table 5. Determination Coefficient Test (r^2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.516[a]	0.266	0.236	1.227

Source: Data processed with SPSS

Based on the table above it can be seen that the coefficient of determination obtained by 0.236 or by 23.6% that the customer loyalty variable **can be affected** by the variable Customer Satisfaction and Online-shopping Services, and the remaining 76.4% can be explained by other factors not examined in this study.

V. CONCLUSION

A. Conclusions

Based on the results of the research the research conclusions are as follows:

1. Customer Satisfaction Variable has a **negative**and **no significant effect** on Customer Loyalty.
2. Online-shopping Service Variable has a **positive** and **significant effect** on Customer Loyalty.

B. Recommendations

Based on the results of the study showed that the variable Customer Satisfaction and Online-shopping Services were only able to affect on Customer Loyalty by 23.6%, the next researchers should add other factors not examined in this study such as price and product quality variables.

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