# Effect of E-Satisfaction toward E-Repurchase Intention on E-Commerce Platform

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Keywords: E-commerce, customization, awareness, interactive contact, e-satisfaction, Brand preference e-repurchase intention.

Abstracts: The aims of this research was to examine the effects of customization, awareness, interactive contacts on e-commerce customer satisfaction, then identify the effect of e-commerce customer satisfaction toward e-repurchase intentions. Respondent in this research amount 209 respondent and analysis Structural Equation Model (SEM) software AMOS 22.0. The results showed that customization, awareness and interactive contacts have a significant influence on e-commerce customer satisfaction, e-commerce customer satisfaction has a significant effect on brand preference and finally, brand preference has a significant intention of repurchasing e-commerce customers.

## **1** INTRODUCTION

Advances in technology and telecommunications support the development of internet technology. The company's ability to adapt changes in economic globalization has a positive correlation between company's competitive ability with its competitors. Companies that are able to compete in the competition is a company that is able to implement the technology into the company. One type of technology implementation in terms of increasing business competition and product sales is by using electronic commerce (e-commerce) to market various goods or services, both in physical and digital (Almilia, 2005). Mastel reported internet users in Indonesia on 2017 keep increasing until 143.26 million around 54.68% Indonesia population (262 million).

This phenomenon affects the trend of online shopping in Indonesia, which tend to increase. Penetration of Internet users that continue to expand, it can provide many opportunities for e-commerce business in Indonesia; E-commerce is growing very rapidly. Visa credit card companies report that their client's internet payments totaled \$ 13 billion / year and keep growing every year(Gefen, 2000).

Business is inseparable from a risk, as well as ecommerce business. Consumers often face the risk of dissatisfaction while shopping online. The results of research conducted by Rakuten Smart Shopping Survey in 2013 showed that consumers in Indonesia as much as 84% feel dissatisfied with his online shopping experience. As many as 49% of the respondents feel dissatisfied because the products they get differ from what they expect. The phenomenon of the gap is causing interest to do research, in order to know more deeply the factors that affect the satisfaction and intention of repurchasing e-commerce customers. Knowledge of the factors that affect the satisfaction and the intention of repurchasing e-commerce customers is expected to minimize the risk of e-commerce customer dissatisfaction that can negatively affect the company.

Haverila shows that customer satisfaction and repurchase intention variables have a significant influence (Haverila, 2011). Further Shin et.al foundthat customer satisfaction had no significant effect on repurchase intention, as well as site quality variables, but customer trust and customer commitment variables significantly affected repurchase intention (Shin et.al. 2014). Chang and Chen has the opposite proof that customization, interactivity, convenience, character has no effect on

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customer satisfaction, and e-loyalty is not influenced by customer satisfaction (Chang and Chen, 2008, p. 2927). Lee et.al. found evidence that e-satisfaction had significant effect on repurchase intention, overall e-service quality variable, website information satisfaction, and system satisfaction had significant effect on e-satisfaction (Lee et.al. 2009), then Noyan and Simsek and customer satisfaction has a strong correlation to repurchase intentions, but stronger customer satisfaction affects the intention of customer buybacks (Noyan and Simsek, 2012). Based on previous research, aware that the need for information interest factors trigger e-repurchase intention is relevant and reliable is needed. The need for this information makes this research interesting to do.

E-commerce customer satisfaction and repurchase research will be more focused on fashion business, because there is a tendency in the use of ecommerce facilities used for fashion shopping. Based on research conducted by Nielsen Global Online Survey in 2010, obtained the results of all who intend to spend 38 percent online shopping fashion. The test model of this research is to examine the relationship between the factors that affect e-commerce customer satisfaction. Next, examine the effect of satisfaction on the intention of repurchase through brand preferences of ecommerce customers in Indonesia.

This research was conducted using online shopper in fashion field in Semarang city as respondent. Nevertheless, e-repurchase intention on fashion products in Semarang city tends to be low when compared with the growth of internet users is quite high. Knowledge of the factors that trigger ecommerce customer satisfaction, and brand preference is expected to trigger increased customer satisfaction, thus affecting the increase of erepurchase intention.

#### **2** THEORETICAL REVIEW

Business relates the marketing aspect. The marketing base of the product develops with the times. Business trade is increasingly global with the technology in the application of product marketing that is by using internet. The form of marketing on the internet is known as e-commerce or electronic commerce.

The dynamism of consumer behavior raises interest in the development of consumer behavior studies as well as marketing strategies. An event will change the behavior, the development of the internet that impact e-commerce raises also affect consumer behavior. The importance of studying consumer behavior is a mechanism for achieving business success. The suitability between the products offered on the e-commerce site with the expected consumers will create satisfaction, so it can bring the intention to buy back in the minds of consumers. The creation of such cycles will positively correlate to the ecommerce business earnings, so profit can be increased.

The next theory that supports this research is the reasoned action theory that explains that humans make a rational decision based on the information available to them, and the best determinant of a person's behavior is the intention, which is the cognitive representation of the readiness to perform certain behaviors (Ajzen and Fishbein, 1980). Management of a good e-commerce system can lead to the intention of buying site visitors, so there is hope sustainability of the intention is the act of purchasing and get satisfaction thereafter. Satisfied customers will have a tendency to have an intention to repurchase.

One determinant of the success of companies that have e-commerce services in establishing relationships with customers is to meet the expectations or desires of e-commerce customers. The expectation confirmation theory indicates that if the company cannot meet customer expectations well, indirectly the customer will give a bad appraisal or impression too, the brand preference will not be formed, so the intention of repurchase is difficult to create because customer satisfaction is not fulfilled.

Customization: the suitability of products, services, and the transactional environment adds to the possibility that the customer will get something from the expected (Srinivasan, 2002).

Care: consideration that the e-retailer delivers everything to customers both before and after making a purchase, to assist in direct transactions and long-term relationships with customers (Poleretzky, 1999).

Contact interactively: availability and effectiveness of customer support tools on the website and facilitating two-way communication with customers (Alba etal. 1997).

E-satisfaction: the feeling of pleasure or disappointment of someone who comes from the comparison between the performance and the outcome of a product to his expectations (Kotler and Armstrong, 2007).

Brand preferences: is the level at which consumers want services provided by a company as

a comparison to services provided by other companies with a series of considerations (Hellier, 2003).

E-repurchase intention: A repurchase is a repurchase action of a product from the same supplier after the purchase, created by customer satisfaction with a product purchased or consumed beforehand.



Figure 1: Framework.

#### 2.1 Hypothesis

- H1: Customization has significant effect on esatisfaction.
- H2: Care has significant effect on e-satisfiction.
- H3: Contact interactively has significant effect on esatisfaction.
- H4: E-satisfaction has significant effect on brand preference.
- H5: Brand preference has significant effect on e-repurcase.

#### **3 METHOD**

This research includes explanatory research. This study was conducted to test the hypothesis by testing the relationship to all variables studied (causal research). The analysis tool used is structural equation model (SEM) software AMOS 22.0. Data collected by questionnaire amount 209 respondents who had purchased online. Sampling technique used by using purposive sampling with criteria as follows,

- 1. Consumers have visited and made purchase transactions of products on e-commerce sites in the last 3 months.
- 2. Consumers domiciled in Semarang.
- 3. Minimum age of 17 years.

#### 4 **RESULTS**

The modification model that was built consisted of 16 manifest variables, latent variables as much as 6, with exogenous as many as 5 variables, and endogenous as many as 3 variables. Based on the modification model obtained three equations:

ES = 0.61 CUSTOM + 0.82 CARE + 0.51 CI -	+ e(1)
BP = 0.58 ES + e	(2)
ERI = 0.85 BP + e	(3)

Based on the results of testing the goodness of fit of model obtained the results of all criteria of goodness of fit fulfilled, thus the model hypothesized fit with the data or in other words the goodness of fit of model.

Table 1: Result of Goodness of Fit.

Goodness of fit index	Cut off value	Result
Significance Probability	0,061 ≥ 0,05	Good
RMSEA	0,033 ≤ 0,08	Good
CMIN/DF	$1,232 \le 2,00$	Good
TLI	$0,963 \ge 0,90$	Good
CFI	$0,970 \ge 0,95$	Good

# **5 DISCUSSION**

Based on the AMOS output table, the estimate value for the Customization, Caring, and Interactive Relationship to the E-Satisfaction variable is 0.611; 0.819; 0.508 which means variability of variable E-Satisfaction which can be explained by variability of variable Customization, Caring, and Interactive Relations equal to 61,1%; 81.9%; 50.8%. The rest is explained by other variables outside the research model. Then, the value of estimate for the variable of E-Satisfaction to Brand Preference is 0.577 which means variability of Brand Preference variable which can be explained by variability of E-Satisfaction variable equal to 57,7%. Furthermore, the value of estimate for Brand Preference variables on E-Repurchase Intention of 0.852, which means variability of E-Repurchase Intention variables that can be explained by variability of Brand Preference variables of 85.2%. Then the results of the research hypothesis testing obtained results as follows.

Hipotesis	Probabilitas	Hasil
Customization $\rightarrow$ E-Satisfaction	***	Accepted
$Care \rightarrow E$ -Satisfaction	0,050	Accepted
Contact interactive $\rightarrow$ E-Satisfaction	0,011	Accepted
E-Satisfaction→ Brand Preference	***	Accepted
Brand Preference $\rightarrow$ E-Repurchase Intention	***	Accepted

Tabel 2: Hypothesis testing.

The customization variable affects e-satisfaction with a signification of 0,000 (\*\*\*). The results of this study corroborate the results of previous research (Srinivasan etal.2002, p. 41; Anwar and Gulzar,2011, p. 46; Alba etal.1997, p. 38-53) that the suitability provided by the fashion website page e-commerce, includes products, services and transactional environment positively correlated to ecommerce customer satisfaction. Then the awareness given by the website of e-commerce fashion website to its customers will be able to create customer satisfaction, as well as interactive relationship provided by the website of e-commerce fashion website to its.Customers will affect the customer satisfaction; this is indicated by the results of research that the variables of concern affect ecommerce customer satisfaction of 0.050, interactive relationship variables affect customer satisfaction of 0.011

Furthermore, e-commerce customer satisfaction is found to affect customer preferences for a brand, as indicated by a signification result of 0,000, this reinforces the findings of Hellier and Ngutji (Hellier, 2003, p. 1770and Ngutji, 2014, p. 160).

The result is also known that the e-commerce customer preference for a brand will affect the repurchase intention which it will do with the signification of 0.000. The results of this study reinforce previous findings, namely Hellier argues that there is a causal relationship between the disposition of services favored by customers from brand preference and customer willingness to buy back products from the same supplier (Hellier, 2003, p.1768). Then Princess states that the preference to a brand is very influential on the interest to buy back (Princess, 2014, p. 6).

## 6 CONCLUSIONS AND SUGGESTIONS

Based on the results of the analysis and discussion in the previous chapter can be taken several conclusions of research as follows;

- a. Customization has a significant positive effect on the e-satisfaction of the companycommerce. The better the customization performed by e-commerce companies, the higher the ¬customer satisfaction that makes purchases on web-commerce.
- b. Care has a significant positive effect on ecommerce companies. The better the awareness given by e-commerce companies to consumers, the higher the satisfaction of consumers who make purchases on webe-commerce.
- c. Contact interactively has a significant positive effect on the e-commerce of e-commerce companies. The better interactive relationships that e-commerce companies make to consumers, the higher the satisfaction of consumers who make purchases on webe-commerce.
- d. E-satisfaction has a significant positive effect on brand preference. The higher the consumer satisfaction of a product, the higher the brand preference will be the product.
- e. Brand Preference has a significant positive effect on e-repurchase intention. The higher the consumer brand preference for a product, the higher the intention of customer buys back to an e-commerce product.

There are several suggestions for further research:

- 1. Display website is expected to show more brand products, so that consumers can connect the perception of the brand with the product to be purchased, so that the preference of the brand more easily created.
- 2. Fashion website is expected to regularly conduct regular surveys to customers, in order to better know the suitability of products and services provided, with the required by the customers.

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