### CUSTOMER SATISFACTION THROUGH CUSTOMER LOYALTY AND CUSTOMER EXPERIENCE: SURVEY OF GO-RIDE MULAWARMAN CUSTOMERS

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Abstract: Customer loyalty as intervening variable between customer experience and customer satisfaction on survey of Go-Ride on Mulawarman customers. With Purposive sampling, the total sample is 123 respondents. The data analysis used path analysis. The result showed: (1) there was a direct effect of customer experience on customer satisfaction. (2) there was a direct of customer satisfaction on customer loyalty. (3) there was an indirect effect of customer experience on customer loyalty. an indirect effect of customer experience on customer loyalty as intervening. This research is expected to be able to create new marketing strategies for e-commerce business in Indonesia.

Keywords: Customer experience; Customer loyalty; Customer satisfaction

#### 1. Introduction

The Internet is a global network that unites all computer networks, thus enabling communication and interaction with each other throughout the world. A company that uses the internet network can establish relationships with business partners or consumers more efficiently. Until now, the internet is the ideal infrastructure for running an e-commerce based business one of the e-commerce in Indonesia which is known to grow rapidly in the field of online transportation is Go-Jek as a means of providing transportation that provides solutions to the public, because Go-Jek has an application system that is easy to use because in one application various services are available in it. Go-Jek's main services include Go-Ride, Go-Car, Go-Food, Go-Mart, Go-Send, Go-Clean, Go-Massage, and Go-Tix. The development of information technology has become a driving factor for e-commerce-based business (Khan, 2016).

In this case Go-Jek, through one of the Go-Ride services, tries to increase customer loyalty, so that customers regularly use Go-Ride services instead of choosing services from other competitors. Competition between online transportation service actors should remain good and healthy, by providing the best service and following existing regulations. However, in reality there are drawbacks that arise regarding an online-based transportation system. On the other hand, in a competitive market environment, attracting new customers has become more difficult and the profits that can be made from loyal customers have grown. Therefore, companies have shifted their attention from pure customer satisfaction to strengthening customer loyalty (Khodadadi et al., 2016). Magatef & Tomalieh (2015) explain that customer loyalty is the attitude and behavior of customers to choose one brand over all competing brands due to

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satisfaction with the product or service. Which will encourage consumers to shop more consistently.

According to Li (2013), the benefits felt by customers help generate customer satisfaction and maintain customer loyalty. Customer satisfaction can generate positive comments and feedback that influence repeat purchases from consumers. Customer loyalty is very dependent on service adjustments and making customers enjoy the services they get. That is why customer satisfaction and loyalty are so important to the future of the company. Customer satisfaction is the overall evaluation of customers on the performance of the offer to date and is recognized as having a positive effect on customer repurchases in the special service classification (Ferman & Yilmaz, 2017).

Customers in using services not only see the price and quality of service, but customers also buy experience. Nowadays many customers not only need high quality service, but also experience or positive experiences, so they will feel satisfied and share their experiences with others. Customer experience is a multidimensional construct that focuses on the customer's cognitive, emotional, behavioral, sensory, and social responses to offers during the customer's purchase journey (Lemon & Verhoef, 2016).

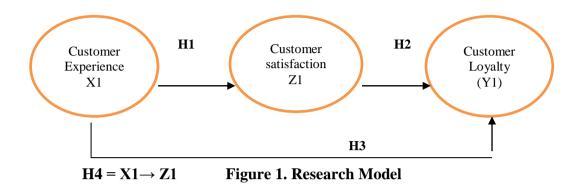
The variable in this research is Customer Loyalty, namely a deep commitment to reuse Go-Ride services in the future even if the influence of any situation has the potential to cause it to switch to another with indicators (Odunlami, 2014) : Repeat purchase, Self-stated retention, Pre insensitivity, Resistance to counter persuasion, Recommendation to others. The Customer Satisfaction variable is feelings of satisfaction or dissatisfaction that arise from the superior services of the Go-Ride service with indicators (Angelova & Zekiri, 2011) : Service quality, perceived value, customer perception, Competitive price, Accuracy of billing. Variable Customer Experience is interaction between Students and Go-Ride Partners (drivers) which elicited reactions with indicators (Lee & Lee, 2018) : Sense, Feel, Think, Act. The Customer Value variable is the difference between the value obtained and the costs incurred for Social Value, Price fairness.

The purpose of this study is to build a conceptual model to describe and prove empirically the effect of customer experience and customer value on customer loyalty with customer satisfaction as an intervening variable.

Based on the description above, the following hypotheses and research models can be formulated:

- H1 = There is an influence of Customer Experience on Customer Satisfaction
- H2 = There is an influence of Customer Satisfaction on Customer Loyalty.
- H3 = There is an influence of Customer Experience on Customer Loyalty.
- H4 = There is an influence of Customer Experience on Customer Loyalty through Customer Satisfaction as an intervening variable.

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#### 2. Research Method

The population of this study were all Mulawarman students. The minimum representative sample size is above 100, the guideline is 5-10 times the estimated number of parameters. If the variable indicators amount to 18, then the minimum sample size is:  $6 \times 18 = 108$ . This number is considered to be representative and able to represent the existing population. The approach to sampling carried out in the study used non-probability samples, namely population elements selected on the basis of their availability. Determination of the sample using purposive sampling technique, namely the technique of determining the sample meets the criteria that show customer loyalty in using Go-Ride repeatedly or continuously so that the information obtained is as desired. The selected population whose groups are those that meet certain requirements which then have the opportunity to become a sample. Then the sample to be taken is based on certain criteria and considerations, namely Mulawarman University students who have used the Go-Ride service more than 5 times.

This study uses a questionnaire or questionnaire data collection technique with the problems under study to obtain data in the form of respondents' statements. For alternative answers in this questionnaire, a score was assigned to each choice using an interval scale with the Agree-Disagree Scale technique to develop statements that produce agree-disagree answers in the 1-10 value range. The data analysis technique in this study used quantitative analysis. This analysis technique is carried out on the data obtained from the answers to the questionnaire and is used to analyze the data in the form of numbers and calculations using statistical methods. This research will use path analysis techniques (path analysis) with the help of the IBM SPSS Statistics 24 program. Path analysis is a statistical analysis technique which is the development of multiple regression analysis.

#### 3. Results and Discussion

#### Results

In this study, 123 students were obtained as respondents by filling out a questionnaire that was distributed using bitly from google form. The results of the validity test are used to measure whether a questionnaire is valid or not. The validity test was performed by comparing the correlated item-total correlations with the r-table value for degree of freedom (df) = N-2. If the

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value of r-count> r-table and is positive at 5% significance, then the data can be said to be valid. Conversely, if r-count <r-table, the data is invalid. The results of the research questionnaire validity test are described in Table 1.

## Table 1. Validity Test Results Customer experience (X1), Customer value (X2), Customer satisfaction (Z) and Customer loyalty (Y)

Variable	le Code Corrected item - Item Total Correlation		r table	Description
	X <sub>1.1</sub>	.779**	0.1771	Valid
Customer	X <sub>1.2</sub>	.708**	0.1771	Valid
experience	X <sub>1.3</sub>	.790**	0.1771	Valid
	X <sub>1.4</sub>	.661**	0.1771	Valid
Customer satisfaction	$Z_{1.1}$	.686**	0.1771	Valid
	$Z_{1.2}$	.774**	0.1771	Valid
	Z <sub>1.3</sub>	.722***	0.1771	Valid
	Z <sub>1.4</sub>	.678**	0.1771	Valid
	Z <sub>1.5</sub>	.649**	0.1771	Valid
	Y <sub>1.1</sub>	.734**	0.1771	Valid
Customer	Y <sub>1.2</sub>	.756**	0.1771	Valid
loyalty	Y <sub>1.3</sub>	.729**	0.1771	Valid
	Y <sub>1.4</sub>	.771**	0.1771	Valid
	Y <sub>1.5</sub>	.725**	0.1771	Valid

#### Source: Processed Data (2020)

Reliability test is an index that shows the extent to which a measuring device can be trusted or reliable. The instrument reliability test can be seen from the magnitude of the Cronbach alpha value in each variable. Cronbach Alpha ( $\alpha$ ) is used to determine the reliability of inter-item consistency or to test the consistency of respondents in responding to all items. The instrument to measure each variable is said to be reliable or reliable if it has a cronbach alpha greater than 0.60. Inconsistency can occur due to differences in respondents' perceptions or lack of understanding of respondents in answering question items. The results of the research questionnaire validity test are described in Table 2. International Journal of Economics, Business and Accounting Research (IJEBAR) Peer Reviewed – International Journal

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# Table 2. Reliability Test Results Customer experience (X1), Customer value (X2), Customer satisfaction (Z) and Customer loyalty (Y)

Variable	Required Cronbach's Alpha value	Cronbach's Alpha results calculation	Description
Customer experience $(X_1)$	>0,60	0.714	Reliable
Customer satisfaction (Z)	>0,60	0.729	Reliable
Customer loyalty (Y)	>0,60	0.795	Reliable

#### Source: Processed Data (2020)

Based on Table 3, the results of individual Customer Experience testing show the value of unstandardized coefficients beta of 0.385 and also significant <0.05. Then H1 is accepted, which means that Customer Experience has a significant positive effect on Customer Satisfaction. The results of this study are in accordance with the results of research conducted by Nobar & Rostamzadeh (2018) showed that the results of Customer Experience were found to have a significant positive impact directly on Customer Satisfaction.

Based on Table 3, the individual test results obtained from Customer Satisfaction show the unstandardized coefficients beta of 0.244 and also significant <0.05. Then H2 is accepted, which means that Customer Satisfaction has a significant positive effect on Customer Loyalty. The results of this study are in accordance with the results of research conducted by Tsai et al., (2010) and Nobar & Rostamzadeh (2018) both showed that the results of Customer Satisfaction were found to have a significant positive impact directly on Customer Loyalty.

Based on Table 3, the results of individual Customer Experience testing show the value of unstandardized coefficients beta of 0.348 and also significant <0.05. Then H3 is accepted, which means that Customer Experience has a significant positive effect on Customer Loyalty. The results of this study are in accordance with the results of research conducted by Imbug et al., (2018) both shows that the results of Customer Value were found to have a significant positive impact directly on Customer Loyalty.

Based on R<sup>2</sup> in Table 3, the value is obtained  $e1 = \sqrt{1 - R2} = \sqrt{1 - 0.496} = \sqrt{(0.504)} = 0.71$ . and  $e2 = \sqrt{1 - R2} = \sqrt{1 - 0.453} = \sqrt{(0.547)} = 0.739$ .

Model	Unstandardized coefficients beta	t	Sig	$\mathbb{R}^2$	
Structural equation 1 (X <sub>1</sub> and X <sub>2</sub> $\rightarrow$ Z <sub>1</sub> )					
$P1=X_1 \rightarrow Z_1$	0.406	4.840	0.000	0.496	
structural equation 1 (X <sub>1</sub> , X <sub>2</sub> , and $Z_1 \rightarrow Y_1$ )					
$P2=Z_1 \rightarrow Y_1$	0.316	2.557	0.012	0.453	
$P3=X_1 \rightarrow Y_1$	0.474	3.820	0.000		
Source: Processed Data (2020)					

#### Table 3. Summary of Parameter Model Estimation Results

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It is known that the direct effect of  $X1 \rightarrow Y1$  is 0.474. While the indirect effect of  $X1 \rightarrow Z1 \rightarrow Y1$  is the multiplication of the beta value  $X1 \rightarrow Z1$  and  $Z1 \rightarrow Y1$ , namely: 0.406 x 0.316 = 0.128. then the total effect between the direct effect and the direct effect is: 0.474 + 0.128 = 0.602. Based on the results of these calculations, it can be concluded that the value of the direct effect is 0.474 and the indirect effect is 0.128, which means that the value of the indirect effect is <a href="#direct"></a> direct effect. These results indicate that indirectly X1 through Z1 does not have a significant effect on Y1, which means that H6 is rejected. The results of this study are consistent with the results of research conducted by Chandra (2014) which does not prove that Customer Experience has a significant effect on Customer Loyalty, through Customer Satisfaction.

#### **Table 4. Results of Direct and Indirect Effect Analysis**

No	No. Variable Eff	Eff	fect	Total	Criitania	Conclusion
INO.		Indirect	Total	Criteria	Conclusion	
1	$X_1 \!\rightarrow\! Z_1 \!\rightarrow\! Y_1$	0.474	0.128	0.602	Direct> Indirect	The role of Customer Satisfaction as an intervening variable has no effect

Source: Processed Data (2020)

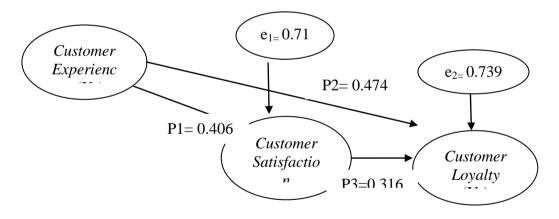


Figure 2. Path Analysis Model

#### 4. Conclusion

In this study, it is proven that customer experience has a direct positive effect on customer satisfaction among Go-Ride customers. This means that if the higher the customer experience is applied, the customer satisfaction will increase. Likewise, vice versa, if the customer experience that is implemented is getting lower, the customer satisfaction will also decrease. This means that with an optimal customer experience, customer satisfaction will be created by itself. Customer Satisfaction has a direct positive effect on customer loyalty among Go-Ride customers at Mulawarman University. This means that if the higher the customer satisfaction is applied, the customer loyalty will increase.

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Customer Experience has a direct positive effect on customer loyalty for Go-Ride customers at Mulawarman University. This means that if the higher the customer experience is applied, the customer loyalty will increase. Likewise, vice versa, if the customer experience that is applied is getting lower, the customer loyalty will also decrease. This means that with an optimal customer experience, customer loyalty will be created by itself.

Customer experience has no indirect effect on customer loyalty among Go-Ride customers at Mulawarman University through customer satisfaction as an intervening variable. This is because the value of the direct effect of customer experience on customer loyalty is greater than the value of the indirect effect between customer experience and customer loyalty through customer satisfaction. Basically, to make Go-Ride users loyal, you don't have to go through customer satisfaction.

Go-Jek companies should maintain and improve aspects of the experience, satisfaction that customers get for Go-Ride services. Which based on the research results found a positive and significant influence on customer loyalty of Go-Ride services. Further research needs to develop the variables in this study into more specific dimensions or can also add other variables that can affect customer loyalty, because further research is needed in examining the influence of customer experience and customer value on customer loyalty with customer satisfaction as an intervening variable for a larger scale both in terms of the sample studied and from the company.

#### 5. Limitation and Future Research

Customer satisfaction in this study does not act as an intervention in linking experience and value to customer loyalty. Therefore, to increase customer satisfaction, Gojek needs to pay attention and improve indicators of customer dissatisfaction.

The addition of other variables that can affect customer loyalty, further research is needed to examine the effect of customer experience and customer value to customer loyalty with customer satisfaction as an intervening variable for a different scale greater both from the side of the sample studied and from the company.

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