International Journal of Engineering & Technology, 7 (4.34) (2018) 299-301

International Journal of Engineering & Technology

Website: www.sciencepubco.com/index.php/IJET

Research pa



The Quality of Service Affect Loyalty Through Customer Satisfaction as Intervening Variables in Indonesian Zalora

Sri Wiludjeng Sunu Purwaningdyah, Mohd Haizam Mohd Saudi*, Yenny Maya Dora, Dwinto Martri Aji

Widyatama University, Indonesia
**Corresponding author E-mail: haizam@widyatama.ac.id*

Abstract

Zalora Indonesia is one of the biggest fashion online shopping centers in Indonesia that provides men's and women's fashion needs. The company strives to satisfy its customers by improving service quality, but there are still complaints experienced by Zalora Indonesia customers. This makes the authors interested in examining the ability of service quality to influence consumer loyalty through satisfaction as an intervening variable in Zalora Indonesia consumers (Online Business Studies in Zalora Indonesia). The purpose of the study was to determine the influence of service quality on customer satisfaction and consumer loyalty. The samples taken were Zalora consumers using accidental sampling techniques. The tools used are simple regression and hierarchical regression. The results showed that service quality influences customer satisfaction positively and significantly, satisfaction was also influences loyalty significantly, and service quality was able to influence loyalty, but was not mediated by satisfaction (Z) as an intervening variable in Zalora Indonesia.

Keywords: *Service Quality; Customer Satisfaction; Customer Loyalty.*

1. Introduction

The e-commerce business is currently mushrooming. This business is utilized by middle and lower entrepreneurs in marketing their products. This is marked by the growing popularity of online business or in other words on line shopping or on line store. One of the biggest online stores for fashion is Zalora Indonesia. Zalora offers a variety of fashion products such as clothing, shoes, bags, watches, and much more. According to Anthony as CEO of Zalora Indonesia, there are two things that must be considered to maintain customer loyalty namely products and customer experience. Zalora strives to be better by providing the right products to consumers and Zalora Indonesia is committed to continuously improving the best shopping experience for customers by enhancing interfaces and customer engagement, especially through customer service, mobile applications [9-10].

There are many factors that influence customer satisfaction, one of them is service quality. Previous researches prove that the better the quality of services provided to their products, the higher the customer satisfaction with the quality of the service [7-8]. Service quality focuses on efforts to meet customer needs and desires and the accuracy of delivery to offset customer expectations. If the service is perceived or perceived as expected, the quality of the service provided is perceived well and satisfactorily. If the service received exceeds customer expectations, then service quality is perceived as ideal quality. Conversely, if service is received lower than expected, service quality is perceived as poor [7].

The author conducted a pre-survey to find out how far the response from customers regarding service quality, satisfaction and customer loyalty to Zalora. It is found that there was problem with the quality of service with percentages of disagreeing at 55% while the percentage who said agreed was only 31%. On customer satisfaction that is quite good with a balanced percentage that is agree and disagree at 42%. But, for customer loyalty, there are still problems, based on the pre-survey table there is a problem with the percentage who say agree at 36% and who say disagree that is 44% and strongly disagree at 9%. So that, it can be explained that there are still problems with customer loyalty because the quality of services provided is not categorized as good.

Based on the description above, the researcher intends to conduct this research. It aims to find out how the ability of service quality affects consumer loyalty, through customer satisfaction as an intervening variable.

2. Literature Review

2.1. Service Quality

According to [4], service (service) is all actions or performance that can be offered by one party to another party which is essentially intangible and does not produce any ownership. In [6] established a very popular instrument for measuring service quality called "SERVQUAL" [11]. The measurement evaluates the differences between customers' expectation on service and the performance of the service. There are five components in the measurement: tangibility, reliability, responsiveness, assurance, and empathy. Through this component, companies evaluate the service they offered to the customer. Companies should make their best effort to get excellent service quality because it can make the customers' satisfaction higher and this will make repeat purchase [1].

2.2. Customer Satisfaction

Customer satisfaction according to [4] is a feeling of pleasure or disappointment that appears after comparing the perception or impression of the performance or results of a product and its expectations. Various researches have acknowledged that customer's satisfaction is very crucial for the company and it correlate to the

Copyright © 2018 Authors. This is an open access article distributed under the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

companies' profits [2-3, 9]. Satisfied customers will buy the product or services offered by the company continuously, tell positive recommendation to others.

2.3. Understanding Customer Loyalty

Consumer loyalty is a deep consumer commitment to re-subscribing or re-buying selected products or services consistent in the future. Even though, the influence of the situation and marketing efforts has the potential to cause changes in behavior. In [2] argues that there are for indicator of customer loyalty:

- Repeat Purchase: Loyal customer will re-buy the product or service of the company constantly.
- Purchase across Product Lines: Loyal customers will buy other product line of the company.
- Refer Others: Loyal customers will recommend or refer others.
- Immunity: Loyal consumers will refuse to buy competitor product.

There are four types of important marketing activities that companies use to increase loyalty and retention:
1. Interact with consumers
2. Develop loyalty programs
3. Personalize marketing
4. Create institutional bonds [5]

2.4. Hypothesis

Based on the results of previous studies and theories that have been explained in the previous description, the hypotheses in this study are as follows:
H1: Service quality is able to significantly influence Zalora Indonesia's customer satisfaction.
H2: Consumer satisfaction can significantly influence the loyalty of Zalora Indonesia customers.
H3: Service quality can significantly influence the loyalty of Zalora Indonesia customers.
H4: Service quality can significantly influence loyalty through Zalora Indonesia's customer satisfaction.

3. Methodology

The research method used in this research is descriptive and verification method with a quantitative approach. The sampling technique uses accidental sampling technique. The number of samples taken is 90 samples. Data collection techniques used are observation, questionnaires and interviews. While, the analysis method used uses Qualitative Analysis and Quantitative analysis.

4. Results and Discussion

4.1. Service Quality Ability to Consumer Satisfaction

The objective of the study is to explore the influence of service quality of Zalora Indonesia on satisfaction and loyalty. Table 1 can be explained that Service Quality Variables positively influences customer satisfaction by 0.978. It means that if service quality changes / decreases, it will change customer satisfaction at Zalora significantly because t count > t table is 14,862 > 1987. So, the quality of service is also able to significantly influence customer satisfaction.

Table 1: Hypothesis Test of Service Quality on Satisfaction

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.137	.236		.577	.565
	Service Quality (X1)	.978	.066	.848	14.862	.000

Dependent Variable: Consumer satisfaction

4.2. The Influence of Customer Satisfaction on Customer Loyalty

Table 2 can be explained that the satisfaction variable is able to influence consumer loyalty positively by 0.827 which means that if customer satisfaction changes / decreases, then consumer loyalty will change / decrease in Zalora Indonesia. This change can be expressed as significant because t count > t table that is amounting to 12,390 > 1,987, so that customer satisfaction is also able to significantly influence consumer loyalty.

Table 2: Test the Satisfaction to Loyalty Hypothesis

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	1.033	.245		4.245	.000
Satisfaction	.827	.067	.797	12.390	.000

4.3. The Influence of Service Quality on Customer Loyalty

Table 3: Hypothesis Test of Service Quality on Loyalty

Coefficient[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.545	.264		2.072	.040
	Service Quality	.982	.076	.819	13.330	.000

Dependent Variable: Loyalty

Table 3 can be explained that service quality variables can positively influence consumer loyalty by 0.982 which means that if service quality changes / decreases, then consumer loyalty will change / decrease in Zalora Indonesia. This change can be stated significant because t count > t table that is 13,330 > 1,987. So that, the quality of customer service is also able to significantly influence consumer loyalty in Indonesia Zalora shop.

4.4. The Influence of Service Quality to Loyalty through Customer Satisfaction

Table 4: Satisfaction Hypothesis Test Mediates the Relationship between Service Quality and Loyalty

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Zero-Order	Partial	Part	Tolerance	VIF
1	(Constant)	.137	.236		.577	.565					
	Quality service	.978	.066	.848	14.862	.000	.819	.819	.819	1.000	1.000
	Constant	.493	.249		1.980	0.052					
	Quality Service	.606	.131	.525	4.642	.000	.819	.447	.290	.286	3.510
	Satisfaction	.386	.113	.371	3.420	.001	.797	.345	.199	.285	3.510

a. Dependent Variable: Loyalty

Table 4 illustrates that Ha is accepted and H0 is rejected which means that there is a significant influence between each independent variable namely service quality and satisfaction on the dependent variable namely loyalty. However, the value of service significance does not change in model 1 with model 2. This proves that for consumer satisfaction as an intervening variable does not mediate the relationship between service quality and consumer loyalty because there is no change in the value of service significance.

5. Conclusion

Based on the results of research and discussion, the authors can conclude that Service Quality (X) can partially influence customer satisfaction (Z) on Zalora Indonesia; Customer satisfaction (Z) is able to influence customer loyalty (Y) Zalora Indonesia partially; Service quality (X) is able to influence customer loyalty (Y) Zalora Indonesia partially; Service quality (X) has an influence on loyalty (Y) but is not mediated by satisfaction (Z) as an intervening variable on Zalora Indonesia. For that, the authors suggest the following:

1. For the quality of service, the convenience of consumers in transacting must be maintained because it has the highest score and of course it must be improved again such as developing a flexible interface so that customers are more comfortable in their transactions.
2. Service is more friendly and friendly in serving its customers this is to encourage inviting more new customers.
3. More to work together with local logistics services and expand storage of goods in remote cities so as to make it easier to obtain goods by cash on delivery.
4. Paying attention to quality control in the distribution of goods must be improved.

References

[1] Cronin, J., and Taylor, S.A. 1992. Measuring service quality: A reexamination and extension. Journal of Marketing, 56, 55-67.
[2] Griffin, J. 2005. Customer Loyalty: Menumbuhkan dan Mempertahankan Kesetiaan Pelanggan. Erlangga.
[3] Kotler, P., and Keller, K.L. 2013. Manajemen Pemasaran. Erlangga.
[4] Kotler, P., and Kevin, L.K. 2012. Marketing Management. Erlangga.
[5] Kotler, P., and Kevin, L.K. 2009. Manajemen Pemasaran. Erlangga.
[6] Tjiptono, F. 2009. Strategi Pemasaran. Andi Offset.
[7] Diah, Y. 2014. The Relationship between Service Quality, Customer Satisfaction and Loyalty in Restaurant Business in East Java. International Journal of Business and Management Invention, 3(5), 1-10.
[8] Mardikawati, W., and Farida, N. 2013. Pengaruh Nilai pelanggan dan kualitas layanan terhadap loyalitas pelanggan, melalui kepuasan pada pelanggan Bus Efisiensi (Studi PO Efisiensi Jurusan Yogyakarta-Cilacap). Jurnal Administrasi Bisnis, 2(1), 64-75.
[9] http://www.bisnisupdate.com/headline/read/zalora-pimpin-retail-fashion-online-di-asia-tenggara.html.
[10] http://www.trustedcompany.com/id/reviews-zalora.co.id.
[11] Parasuraman, A., Zeithaml, V. A., Berry, L. L. (1988), SERVQUAL: A multiple item scale for measuring consumer perception of service quality. Journal of Retailing, 64(1), 12-37.