

EFFECT OF PRODUCT, DISTRIBUTION AND SERVICE QUALITY ON CUSTOMER LOYALTY THROUGH CUSTOMER SATISFACTION AT INDONESIAN MARKETPLACE

Primadi Andri¹, Farida Jasfar², Robert Kristaung³

Faculty of Economics and Business, Trisakti University, Indonesia ^{1 2 3}

¹ Andriprimadi@gmail.com, ² psmjasa@gmail.com, ³ robert_kristaung@trisakti.ac.id

ABSTRACT

KEYWORDS

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Since in online business must involve a reliable marketing strategy to be able to compete in cyberspace to satisfy and growing customers' loyalty when the transaction is done without meeting face to face with prospective customers or see the product in person. The objectives of this research are (1) to analyze the relationship of positive product quality, distribution, service quality, on customer loyalty. And the relationship of positive product quality, distribution and service quality on customer loyalty through customer satisfaction simultaneously; (2) to identify the factors that influence customers to choose a marketplace in Indonesia; (3) to analyze the needs and expectations of early consumers. This research was conducted using a survey method. Data were collected using a questionnaire tool with Structural Equation Modeling (SEM) analysis. The sampling technique used the purposive sampling method by taking 400 respondents from the top five marketplace customers in Indonesia. The results indicate that the number of visits and online transactions in the top five marketplaces in Indonesia has changed from previous research data. There is no significant effect of product quality on customer loyalty. However, after re-testing by removing outlier data, there is a significant positive effect of product quality on loyal customers. There is a significant effect of product quality and service quality on customer satisfaction. There is no significant effect of distribution on customer loyalty and customer satisfaction. In addition, there is a significant effect of service quality and customer satisfaction on customer loyalty.

INTRODUCTION

Along with the times and the rapid advancement of information technology, economic growth in a country will be reflected by the number of retail businesses that are opened, of course Indonesia's economic growth is also driven by the development of the retail sector. In doing business online and offline both require careful planning and marketing management, it is an important thing needed in online business. Since it must involve a reliable marketing strategy to be able to compete in cyberspace to satisfy and growing customers' loyalty when the transaction is done without meeting face to face with prospective customers or see the product in person.

Customer satisfaction and loyalty are influenced by many factors, among the important factors are product quality and service quality and one of the strengths of this online business is a reliable distribution strategy. Therefore, the novelty of this research is on the distribution discussion. In this digital era, online trading transactions (e-commerce) in Indonesia has a bright future, the value of transactions continues to increase, based on the results of a survey from APJII (Association of Indonesian Internet Service Providers) in 2017, that the number of internet users in Indonesia rose to 73.7% of the population or equivalent 196.7 million users, almost surpassing 200 million users of the Indonesian population of 266.9 million.

Online trading (e-commerce) in Indonesia, the most widely used social media platform for online trading in Indonesia is through the available marketplace (intermediary between sellers and buyers in cyberspace or can be said department store online), marketplace competition is getting tougher, new players and have long been competing for Indonesian consumers. The top five marketplaces below are all included in the pure marketplace type because their market reach is more numerous and varied as follows:

Table 1. Marketplace in Indonesia in 2019

No.	Marketplace	Number of visits per month
1	Tokopedia	137,200,900
2	Bukalapak	115,256,600

3	Shopee	74,995,300
4	Lazada	52,044,500
5	Blibli	32,597,200

According to Kolter & Keller (2016), a company must work hard to make new strategic policies in selling their products and services in relation to facing intense competition with competitors who can provide greater value to customers. Today's customers perceive that the difference between one product and another is only slight, so they are less loyal to a brand. They also become more sensitive to price and quality to their search for the value of an item. Customer satisfaction is the main thing that is maintained in the marketing strategy, in order to maintain customer trust and retain new and old customers. Therefore, marketers must be smart face competition, business development and to gain company profits by developing its products, setting prices, stage promotion and distribute product by effective. Company oriented to provide the highest satisfaction for consumers, will try to establish strategy marketing which in accordance with needs and desire consumers, in order to create customer loyalty.

The objectives of this research are (1) to analyze the relationship of positive product quality, distribution, service quality, on customer loyalty. And the relationship of positive product quality, distribution and service quality on customer loyalty through customer satisfaction simultaneously; (2) to identify the factors that influence customers to choose a marketplace in Indonesia; (3) to analyze the needs and expectations of early consumers

A. Literature Review and Formulation of Hypotheses Product Quality (PQ)

Product quality is a characteristic of a product or service that supports its ability to satisfy customer needs (Armstrong et al., 2014). That product quality is a direct description of a productsuch as Performance , Reliability, ease of use, Aesthetics and so on (Tjiptono, 2019). Product Quality Dimensions has a strong relevance to the competitive advantage of a company. Product quality which is reflected through product Performance shows the extent to which the product provides optimal functions for consumers. Meanwhile, the dimensions of product quality according to David Garvin (in Tjiptono 2019), suggests that product quality has several dimensions, including:

1. Performance, is the operating characteristics and the core product purchased. For example speed, ease and convenience in use.
2. Durability, which means Durability shows the age of the product, namely the amount of use of a product before the product is replaced or damaged. The longer the Durability is of course the more durable, durable products will be perceived as having higher quality than products that run out quickly or are quickly replaced, Durability , is related to how long the product can be used continuously. This dimension includes the technical life and economic life of the product.
3. Conformance to specifications, namely conformity, namely the extent to which the design and operating characteristics meet predetermined standards. For example, quality control and design, operational characteristics standard is the conformity of product Performance with stated standards of a product. This is a kind of "promise" that the product must fulfill. Products that have the quality of these dimensions are in accordance with the standards,
4. Features are additional characteristics or characteristics that complement the basic benefits of a product. Features are optional or optional for consumers. Features can improve product quality if competitors do not have these Features, additional characteristics or Features, are secondary or complementary characteristics.
5. Reliability which is less likely to be damaged or fail to use. For example, quality control and design, standard operating characteristics conformance to specifications,
6. Aesthetics is the attraction of products to the five senses, for example physical form, artistic models or designs, colors and so on.

7. Perceived quality is the consumer's perception of the overall quality or superiority of a product. Usually due to a lack of knowledge of the buyer about the attributes or characteristics of the product to be purchased, the buyer perceives the quality from the aspect of price, brand name, advertising, company reputation, and the country of manufacture. corporate responsibility towards it.
8. Serviceability, namely product quality is determined on the basis of Serviceability, including speed, competence, convenience, easy repair and satisfactory handling of complaints. Products that can be repaired are of course higher quality than products that are not or difficult to repair.

Product quality is closely related to customer satisfaction. Products in a broader sense can be in the form of goods or services. Quality gives a special impetus to both parties to forge a bond mutually beneficial relationship between customers and providers of products or services in the long term. The better product quality will further increase satisfaction customer. The product quality perspective is a consumer's perception of the overall quality or superiority of a product or service with the intention expected or desired by consumers stated by Tjiptono & Chandra (2011).

Product quality is a hallmark of the company where customers will feel loyal to buy again, when satisfied when making a purchase or consuming it. When a customer is satisfied with the product he bought, the customer will loyal and will make repeat purchases. According to Sangadji (2013), there are six indicators that can be used to measure loyalty, namely: Purchase repeat, Consumption habits brand, Great love for brand, Decree on brand, The belief that a particular brand is a brand that best, Recommend brands to people other. According to Bastos & Gallego (2008), it shows that product quality and service quality are important things that can encourage customer satisfaction and loyalty. And in the research of Lestari & Yulianto (2018), it shows that the product quality variable has a significant effect on customer satisfaction and customer loyalty.

H1: Significant positive effect of Product Quality on Customer Loyalty.

H2: Significant positive effect of Product Quality on Customer Satisfaction.

B. Distribution (DS)

Distribution is the division or delivery to several people or to several places. Distribution can also be interpreted as the distribution of goods for daily needs (especially in times of emergency) by the government to civil servants, residents, and so on. Based on the above reference, distribution can be understood as the process of distributing goods or services to other parties (Language Development and Fostering Agency, 2016). In distribution activities, it is necessary to have facilities and objectives so that distribution activities can run and be carried out properly. Distribution can also be interpreted as a way of determining the methods and paths that will be used in distributing products to the market or to consumers (Kasmir, 2006). Distribution activities are one of the most important marketing functions carried out in marketing, namely to develop and expand the flow of goods or services from producers to consumers' hands in a predetermined amount and time.

According to the journal Situmeang & Yeohan (2020), "The influence of product quality, distribution channels and customer satisfaction on customer loyalty". In this study concluded that partially and simultaneously product quality, distribution channels and customer satisfaction have a positive and significant effect on customer loyalty. According to Iriani & Yulianto (2010), in understanding customer perception, it can be classified according to the dimensions of the Physical Distribution Service Quality (PDSQ). The dimensions include: Timeliness, Availability, Condition.

H3 : Significant positive effect Distribution to Customer Satisfaction. **H4 :** Significant positive effect Distribution to Customer Loyalty.

C. Service Quality (SQ)

Quality is one of the keys in winning the competition with the market. Meanwhile, service quality is a measure of the level of service quality that is assumed to be related to price developments (Roederick & Gregory, 2009) According to Lewis & Booms, as quoted by Tjiptono & Chandra (2011) service quality as a measure of how good the level of service is provided as well as according to customer expectations. Service quality can be realized through fulfilling customer needs and desires as well as the accuracy of delivery to balance customer expectations. There are two main factors that affect service quality according to Parasuraman quoted by Tjiptono & Chandra (2011), namely the expected service and the perceived service. Based on the

opinions of the experts above, it can be concluded that service quality is a level of measurement of the expected superiority of service quality associated with price developments or the level of comparison of consumer service quality expectations with company Performance perceived by consumers to be the controller of price developments. Dimensions of Service Quality According to Kotler & Keller (2016), there are five main indicators of service quality, namely: Tangibility; Appearance of physical facilities, equipment, employees and communication materials. Reliability; Is the ability to carry out the promised service convincingly and accurately. Responsiveness; Willingness to help customers and provide services quickly. Assurance; Knowledge and courtesy of employees and their ability to foster trust and confidence. Empathy; Willingness to give deep and special attention to each customer.

The statement from Kotler & Keller (2009), also confirms that customers will be very satisfied, if they get service that exceeds their expectations. If what is obtained exceeds what was previously expected, then the customer will feel very satisfied, but on the contrary, if what is obtained is less than previous expectations, the customer will be disappointed as a form of dissatisfaction. According to the journal of Razavi & Safari (2012) entitled "Relationships among Service Quality, Customer Satisfaction and Customer Perceived Value: Evidence from Iran's Software Industry", shows that customer satisfaction should be the ultimate goal of all companies. Given the empirical evidence supporting this view, arguing that customer satisfaction reduces a positive process, it is added that the relationship between customer satisfaction and service attributes has proven difficult to apply but it can be emphasized to companies that the benefits of service quality are highly dependent on customer satisfaction. consumer

H5: Significant positive effect Service Quality towards Customer Satisfaction. **H6:** Significant positive effect Service Quality towards Customer Loyalty.

D. Customer Loyalty (CL)

The definition of customer loyalty literally means loyal and Bose and Rao (2011) as quote by Khan (2013) discovered that in the business world, loyalty is defined as a customer's commitment to conduct business with a specific organization, which influences recurring purchases of that organization's goods and services. It also leads to friends and associates endorsing the goods and services. In general, loyalty can be interpreted as a person's loyalty to a particular product or service. Loyalty is something that arises without coercion but arises from self-awareness. Loyalty, namely the degree to which a consumer shows repeat purchase behavior from a service provider, has a positive disposition or tendency towards service providers, and only considers using this service provider when the need arises to use this service (Gramer & Brown, 2006). From the definition presented by Gramer and Brown, a loyal customer is not only a buyer who makes repeat purchases, but also maintains a positive attitude towards service providers. Based on the definition presented by Gramer and Brown, a loyal customer is not only a buyer who makes repeat purchases, but also maintains a positive attitude towards service providers. Customer loyalty is a reliable measure to predict sales growth and consistent buying behavior (Griffin, 2005) .

According to Kotler & Keller (2016), customer loyalty is a Performance that can be offered by one person to another. This Performance can be an intangible action and does not result in the ownership of any goods and against anyone. The dimensions are as follows: Repeat Purchase, Become a Loyal Customer to buy back or more. Satisfied consumers tend to be loyal or loyal to the products they consume and will have a tendency to repurchase from the same manufacturer. Retention, Giving good comments. Referrals Referring to others is a factor that encourages positive word of mouth communication. This can be in the form of recommendations to other potential customers and saying good things about the product and the company that provides the product. Based on the above definition, it can be concluded that customer loyalty is the loyalty of parties who use products or services both for their own purposes and as intermediaries for the needs of other parties to continue to subscribe to a company in the long term, by buying and using service products repeatedly and voluntarily recommend the company's products and services to colleagues. The indicators are the existence of repeat purchases, competitor rejection, not being influenced by the attractiveness of other goods and recommending to others.

E. Customer Satisfaction (CS)

According to (Tjiptono & Chandra, 2011a) The word satisfaction comes from the Latin word "satis" which means enough or enough and "farece" which means to do or do. Satisfactory products or services are products or services that can provide something those consumers are looking for to a sufficient level.

Satisfaction is the result of the consumer's assessment that the product or service has provided a level of enjoyment where this level of fulfillment can be more or less.

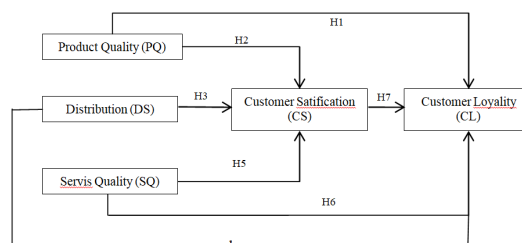
Definition of Satisfaction satisfaction is a person's feeling about pleasure or comparing product results related to customer expectations (Mardikawati & Farida, 2013). Still in Farida's opinion, the creation of customer satisfaction can provide several benefits, including the relationship between the company and its customers to be harmonious, providing a good basis for repeat purchases, creating loyalty, and forming a recommendation from word of mouth communication that is profitable for the company.

According to Kolter & Keller (2016) Satisfaction is a person's feelings of pleasure or disappointment resulting from comparing the product's perceived Performance (Or results) with the expected expectations. If Performance is far from expectations, then consumers are not satisfied. If Performance matches expectations, consumers will be satisfied. If Performance exceeds expectations, the customers will be very satisfied or happy. From this definition, it can be said that satisfaction is a feeling such as a person's pleasure or disappointment with a product offered with the expected expectations. Dimensions of Customer Satisfaction are things that can affect customer satisfaction, the size or dimensions of customer satisfaction those are: Product quality, Service quality, Product price, Product Access, Promotion, advertise or promote products.

F. Relationship between Customer Loyalty and Customer Satisfaction

Cronin and Taylor (in Tjiptono & Chandra, 2011a) one of the possible relationships that are widely agreed upon is that satisfaction helps consumers in revising their perceptions of service quality. Hoofman and Bateson (in Tjiptono & Chandra, 2011a) wrote the basic thinking about the relationship between service/product quality and customer satisfaction, including: If the consumer has no previous experience with a company, his perception of the service quality of the company will be based on his expectations. Subsequent service encounters with the company will cause consumers to enter the disconfirmation process and revise their perceptions of service quality. Each additional interaction with the company will strengthen or otherwise change the customer's perception of service quality. Perceptions of service quality that have been revised modify consumer buying interest to changes in the future.

H7: Significant positive effect Customer Satisfaction towards Customer Loyalty.



G. Research Hypothesis

The submission of hypotheses in this study is based on a conceptual framework that has been built previously. So from Figure 1 above, seven (7) hypotheses will be built. Following are the hypotheses proposed by this research:

H1: Significant positive effect of Product Quality on Customer Loyalty. H2: Significant positive effect of Product Quality on Customer Satisfaction. H3 : Significant positive effect Distribution to Customer Satisfaction.

H4 : Significant positive effect Distribution to Customer Loyalty.

H5: Significant positive effect Service Quality towards Customer Satisfaction. H6: Significant positive effect Service Quality towards Customer Loyalty.

H7: Significant positive effect Customer Satisfaction towards Customer Loyalty.

METHOD RESEARCH

This study uses an economics approach, especially from management science with a focus on the field of management, especially those related to product quality, distribution, service quality to customer satisfaction and customer loyalty. The verification analysis method is used to test the effect of the independent variable on the dependent variable, namely: the effect of product quality, distribution and service quality on customer loyalty through customer satisfaction in the Indonesian marketplace.

Research Population

One of the most widely used platforms for online trading in Indonesia is the marketplace (intermediary between sellers and buyers in cyberspace or can be said to be an online department store). The object of research is the users of online sales pure, namely through the marketplace in Indonesia. While the time horizon of this research is cross sectional, namely the research method by studying objects in a certain period of time or not continuously in the long term according to Malhotra, Nunan, & Birks (2017).

Research Sample

This research will use a questionnaire instrument by means of filling out or distributing it using a google form. as a data collection tool for this research material. Sampling is the process of selecting a sufficient number of elements of the population so that research on the sample and understanding of its properties or characteristics will enable us to generalize these traits or characteristics to population elements. The sample is part of the population that has certain characteristics or conditions to be studied. The sample size was determined by taking into account the analytical technique used in hypothesis testing using the Structural Equation Model (SEM). Sampling in this study using the Slovin formula with a normal approach is 95% confidence level and 5% error tolerance. By applying a mathematical approach, the Slovin formula can be described as follows:

$$n = \frac{N}{(N \cdot e^2) + 1}$$

Where: n = sample; N = population;
 e = precision level

Operational Definition Variables and Measurement of Variables

This study involved five variables consisting of two dependent variables and three independent variables. The dependent variables are (1) customer satisfaction and (2) customer loyalty while the independent variables are: (1) product quality (2) distribution, and (3) service quality.

Table 2. Variables and Indicators

Variables and Definitions	Dimension	Indicator	Scale
Product Quality = X1 Is a condition of an item based on an assessment of its suitability with predetermined measuring standards, the more according to the standards set, the more quality the product will be judged. (David Garvin in Tjiptono's book, 2019)	1. Performance	Describe the actual situation. For example: Convenience, convenience, speed of use.	Likert scale: 1 to 5 1 = Strongly Disagree (STS) 2 = Disagree (TS) 3 = Neutral (N) 4 = Agree (S) 5 = Strongly Agree (SS)
	2. Durability	Durability that shows the age of the product. For example: the length of the product before it was damaged.	
	1. Conformance Features	Conformity with specifications with established designs and standards. For example: Conformity to the design and standards stated in the product. Additional characteristics that complement the basic benefits of a product. For example: Additional Features or privileges.	

5. Reliability	Reliability, which is a small possibility that it will be damaged or fail to use. For example: Quality control and standard operating characteristics according to specifications.	
6. Aesthetics	Aesthetics or product appeal to the five senses. For example: Physical form, model or design and color.	
7. Perceived quality	Consumer perceptions of the overall quality or superiority of a product. For example: the image and reputation of the product as well as the company's responsibility for the product.	
8. Serviceability	Product repairability. For example: The product can be repaired.	

Table 3. Variables and Indicators

Variables and Definitions	Dimension	Indicator	Scale
Shipping (Distribution) = X1 Is a process of distributing goods or services to other parties (Language Development and Development Agency, 2016) Is a marketing activity that seeks to facilitate and facilitate the delivery of goods or services from producers to customers or users (Fandi Tjiptono, 2008).	1. Timeliness	Related to aspects on time, starting from the procedure ordering to placing the ordered goods.	Likert Scale: 1 to 5 1 = Strongly Disagree (STS) 2 = Disagree (TS) 3 = Neutral (N) 4 = Agree (S) 5 = Strongly Agree (SS)
	2. Availability	Regarding the availability aspects, starting from the information needed by the customer before using the service to the submission of billing documents.	
	3. Condition	Which relates to aspects of the overall condition of the goods, including if there are services that follow it.	
Service Quality = X3 Is a customer's commitment to repurchase or make repeated purchases of products or services that are preferred over and over again or in the future to remain loyal for a long time (Kotler, and Keller, 2016)	1. Tangibility	Appearance of physical facilities, equipment, employees and communication materials.	Likert Scale: 1 to 5 1 = Strongly Disagree (STS) 2 = Disagree (TS) 3 = Neutral (N) 4 = Agree (S) 5 = Strongly Agree (SS)
	2. Reliability	The ability to carry out the promised service convincingly and accurately.	
	3. Responsiveness	Willingness to help customers and provide services quickly.	
	4. Assurance	Knowledge and courtesy of employees as well as their ability to foster trust and confidence.	
	5. Empathy	Willingness to give deep and special attention to each customer.	
Customer Loyalty = Y Is a customer's commitment to repurchase or make repeated purchases of products or services that are preferred over and over again or in the future and remain loyal for a long time (Kotler and Keller, 2016)	1. Repeat Purchase	Become a Loyal Customer Buy back or more	Likert Scale: 1 to 5 1 = Strongly Disagree (STS) 2 = Disagree (TS) 3 = Neutral (N) 4 = Agree (S) 5 = Strongly Agree (SS)
	2. Retention	Give good comments.	
	3. Referrals	Referring to others	

Table 4. Variables and Indicators

Variables and Definitions	Dimension	Indicator	Scale
Customer Satisfaction = Z Is a person's perception of pleasure or disappointment that comes from a comparison between his impression of the Performance or a product and his expectations (Kotler and Keller, 2016).	1. Product Quality	The quality of the product , whether the goods or services produced.	Likert scale: 1 to 5 1 = Strongly Disagree(STS) 2 = Disagree (TS) 3 = Neutral (N)4 = Agree (S) 5 = Strongly Agree (SS)
	2. Service Quality	Company service to customers.	
	3. Product Price	The price of the product ordered, affordable and appropriate.	
	4. Product Access	Products can be purchased and obtained in an easy way.	
	5. Promotion	Advertise or promote a product.	

RESULT AND DISCUSSION

After the stages of testing this research on the suitability of the model and the normality of the data, the next step is testing the proposed research hypothesis. The following is the result of the hypothesis using the Structural Equation Modeling method as follows:

Table 5. Hypothesis Testing Results Output From SEM AMOS

			Estimate	SE	Tstat	Prob	Decision
PQ	□	CL	-0.182	0.102	-1,789	0.074	H1 rejected
PQ	□	CS	0.481	0.075	6.448	0.000	H2 accepted
DS	□	CS	-0.099	0.094	-1.054	0.292	H3 rejected
DS	□	CL	-0.079	0.104	-0.755	0.450	H4 rejected
SQ	□	CS	0.849	0.121	6,992	0.000	H5 accepted
SQ	□	CL	0.408	0.192	2.127	0.033	H6 accepted
CS	□	CL	0.776	0.143	5.407	0.000	H7 accepted

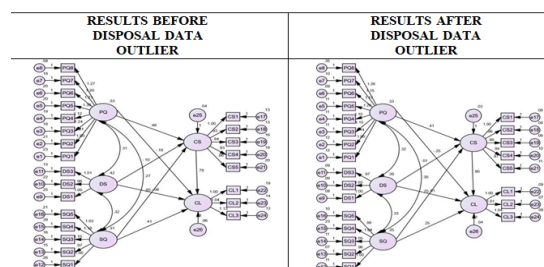
Source: Hypothesis Test Results with regression using SEM AMOSRemarks: Significance Level ***1%; **5% and *10%

Data Normality Test and Multivariate Outlier

Outlier problems, the data normality test is carried out to see whether the research model has outliers or not. Testing the normality and multicollinearity of data is important and is a requirement for managing data using the maximum likelihood estimation technique. The fulfillment of normality and multicollinearity of the data can avoid inefficiency of the results. Outliers are observations that appear with extreme values both univariate and multivariate. Outliers appear in the range of values that exist, but when combined with other variables, the combination becomes unusual. Testing the normality of the distribution and detecting the presence or absence of outliers can be done quickly via AMOS. Detecting outlier data in table numbers that show how far a data is from a certain center point with the mahalanobis method. The method used to determine whether the data is normally distributed or not is using the critical ratio test of skewness and kurtosis with the following conditions:

1. If the critical ratio value obtained exceeds the range of -2.58 to +2.58 then the data is not normally distributed.
2. If the critical ratio value obtained exceeds the range of -2.58 to +2.58 then the data is normally distributed.

H result test quality data show whole indicator which measure variable in study this valid and reliable, the following results are obtained



Results Test Goodness of fit, Graduated on criteria RMR (0.026), NFI (0.912), TLI (0.927), CFI (0.936) and RMSEA (0.077)	Results Test Goodness of Fit, pass on criteria RMR (0.015), NFI (0.930), RFI (0.920), TLI (0.945), CFI (0.952) and RMSEA (0.079)
<p>results Test Hypothesis</p> <p>PQ→CL Negative Significant* (H1 rejected)</p> <p>PQ→CS Positive Significant*** (H2 received)</p> <p>DS→CS Negative Not significant (H3 rejected)</p> <p>DS→CL Negative Not Significant (H4 rejected)</p> <p>SQ → CS Significantly Positive*** (H5 accepted)</p> <p>SQ → CL Positive Significant** (H6 received)</p> <p>CS → CL Positive Significant*** (H7 accepted)</p>	<p>Results Test Hypothesis</p> <p>PQ→CL Negative Significant*** (H1 received)</p> <p>PQ→CS Significantly Positive*** (H2 accepted)</p> <p>DS→ CS Positive Not Significant (H3 rejected)</p> <p>DS → CL Positive Not Significant (H4 rejected)</p> <p>SQ → CS Significantly Positive*** (H5 accepted)</p> <p>SQ → CL Positive Significant** (H6 received)</p> <p>CS → CL Positive Significant*** (H7 accepted)</p>

Description: Level Significance ***1%; **5% and *10%

Figure 2. AMOS SEM Processing (After Outlier Data Removal)

Discussion

Product quality has a significant positive effect on customer satisfaction on in the Indonesian Marketplace the results of the AMOS SEM data processing output. Proven in theory Product quality has a significant positive influence on customer satisfaction on. Distribution t has no significant effect on customer satisfaction on and customer loyalty in the Indonesian Marketplace the results of the AMOS SEM data processing output and does not prove in accordance with the hypothesis proposed in the study of conformity with the theory behind this research. This shows that although the correlation test has been carried out, there is a strong relationship between the distribution variables to customer satisfaction on and customer loyalty, but after the SEM test there is not necessarily a significant effect between these variables.

Service quality has a significant positive effect on customer satisfaction and customer loyalty in the Indonesian Marketplace the results of the AMOS SEM data processing output and prove in accordance with the hypothesis proposed in this study. Customer satisfaction there is a significant positive effect on customer loyalty in the Indonesian Marketplace the results of the AMOS SEM data processing output and prove in accordance with the hypothesis proposed in this study.

There are facts found in this study, that the number of visits and online transactions in The top five marketplaces in Indonesia experienced changes in the number of visits and transactions from the data for the top five marketplaces in Indonesia released by www.niagahoster.co.id in 2019 in the order of Tokopedia, Bukalapak, Shopee, Lazada and finally Blibli but this study shows the results of the order that turned into the most visits: Shopee (38.5%), Tokopedia (33.3%), Lazada (13 0.0%), Blibli (7.8%) and Bukalapak (7.4%). This shows that promotions that are carried out on a large scale continuously will have an effect on increasing the level of sales.

CONCLUSION

Based on the results of research and research discussions in the previous chapter, it was found that online transactions are the top five marketplaces in Indonesia after processing the data, the following conclusions can be drawn Product quality has no significant effect on customer loyalty in the Indonesian Marketplace as a result of the AMOS SEM data processing output, but after re- testing by removing outlier data, there is a significant positive effect of product quality on loyal customers.

The results indicate that the number of visits and online transactions in the top five marketplaces in Indonesia has changed from previous research data. There is no significant effect of product quality on customer loyalty. However, after re-testing by removing outlier data, there is a significant positive effect of product quality on loyal customers. There is a significant effect of product quality and service quality on customer satisfaction. There is no significant effect of distribution on customer loyalty and customer satisfaction. In addition, there is a significant effect of service quality and customer satisfaction on customer loyalty.

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