

The Influence of Customer Experience, Customer Service and Company Image on Customer Loyalty through Consumer Satisfaction as Intervening Variables

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Keywords : customer experience, service convenience, company image, customer satisfaction and customer loyalty

Abstract : *This study aims to analyze the effect of consumer experience, service convenience and corporate image on customer loyalty through consumer satisfaction as an intervening variable performed on members Cooperative xxxmart Cibubur. This research is a survey research using a questionnaire as instrument and taken as many as 88 respondents who are members The XXX Martr Cooperative uses a simple random sampling method. Data collection is done by providing a list of questions to respondents use google form. This study uses analytical tools SmartPLS ver 3.0. The hypothesis is tested with path coefficients and indirect effects. The results of the study obtained the following conclusions; (1) Consumer experience (X1) has a significant effect on consumer satisfaction (Y1). (2) Convenience service (X2) has a significant effect on customer satisfaction (Y1). (3) Image company (X3) has no significant effect on customer satisfaction (Y1). (4) Consumer satisfaction (Y1) has a significant effect on customer loyalty (Y2). (5) Consumer experience (X1) has a significant effect on loyalty customers (Y2) either directly or through customer satisfaction (Y1). (6) Service convenience (X2) has a significant effect on customer loyalty (Y2) either directly or through consumer satisfaction (Y1). (7) Image company (X3) has no significant effect on customer loyalty (Y2) either directly or through consumer satisfaction (Y1). Satisfaction variable consumers (Y1) are able to mediate from the influence of experience variables consumer (X1) and service convenience (X2) on customer loyalty (Y2). However, the consumer satisfaction variable (Y1) failed to mediate the effect of corporate image variable (X3) on customer loyalty (Y2)*

1 INTRODUCTION

a retail organization needs to upgrade their service and Facilities to create a great experience for the customers. According to Hayes (2008, p. 22), customer loyalty can lead to the company in getting profit. Loyal consumers according to (2000, p. 65) contribute to building a business to continue to grow and develop because they buy more products or services. grow and develop because they buy more products or services, pay premium prices, and buy more more, pay a premium price, and provide recommendations to others through word of mouth. to others through positive word of mouth over time. According to Işoraité (2016, p. 292) customer loyalty is defined as voluntary behavior of consumers over a long period of time to build a relationship with the company, where consumers who are relationship with the company, where loyal consumers are those who buy the company's goods or services from time to time. Loyalty is not just about keeping consumers or members happy, but loyalty is the key to achieving the profitability of a business. Loyalty does not appear suddenly but is built and influenced by the company. from various aspects and factors to create and grow loyalty. Customer loyalty can be formed and influenced by customer satisfaction or dissatisfaction. consumer dissatisfaction. Kotler and Keller (2016, p. 153) define consumer satisfaction as a person's feelings of pleasure or disappointment that resulting from comparing a product or perceived service performance (or results) against expectations. results) of service against expectations. If the performance or experience obtained does not meet expectations, then the customer is not satisfied. Conversely if the performance is in accordance with

expectations then the customer will be satisfied, if it exceeds expectations then the customer is very satisfied or happy. exceeds expectations then the customer is very satisfied or happy. Kotler and Keller (2009, p. 140) say that customers who are very satisfied will usually remain loyal for a long period of time, and buy again when the company introduces new products and updates old products. company introduces new products and updates old products. In addition, he will talk about good things about the company and its products to others, they are not satisfied with the company's products. products to others, they don't pay too much attention to competing brands and are not too concerned about price. competitors and are not too concerned about price. Research related to the effect of customer satisfaction on loyalty conducted by (Ariff et al., 2013; Arokiasamy, 2013; Bricci et al., 2016; Khan, 2012). al., 2016; Khan, 2012; Mohsan et al., 2011; Shin, 2015; Subroto and Rahayu, 2014) successfully proved that the customer satisfaction variable variable has a positive and significant effect on customer loyalty. This means that customer satisfaction has a very positive impact on forming customer loyalty. Furthermore, research by Kaura et al. (2015) 12 stated that in addition to satisfaction having a direct influence on customer loyalty, in this study customer satisfaction is also able to be a variable that mediates the influence of other variables. also able to be a variable that mediates the influence of other variables on customer loyalty. on customer loyalty. However, different research results (Tanisah and Maftuhah, 2015; Trini, 2018; Yuliyasti et al, 2018; Sondoh et al, 2019) stated that customer satisfaction has a significant has an insignificant effect on customer loyalty. Then the results of research conducted (Chandra, 2014) provides that customer satisfaction fails to mediate other variables. satisfaction fails to mediate other variables on customer loyalty.

2 LITERATURE REVIEW

Customer Loyalty

Customer loyalty according to Griffin (2005, p. 5) is defined as non-random purchasing behavior that is carried out from time to time by some decision-making units. So that the concept of customer loyalty is more associated with behavior (behavior) than a person's attitude. Loyal customers have specific prejudices about what to buy and from whom. purchased and from whom. Purchases made are non-random and not a random event. In addition, loyalty also shows condition of a certain duration of time and requires that the act of purchase occurs no less than twice. purchases occur no less than twice. Then the decision-making unit decision-making unit indicates that the decision to buy may be made by more than one person. Then Išoraitė (2016, p. 292) defines customer loyalty as the voluntary behavior of consumers over a long time to build a relationship with the company, where consumers build a relationship with the company, where loyal consumers are those who buy the company's goods or services. are those who buy the company's goods or services over time. time. Furthermore, Kotler and Keller (2012, p. 127) explain that customer loyalty is a firmly held commitment to repurchase or re-patent a product or service. or re-patent a preferred product or service in the future regardless of situational influences and customer loyalty. future regardless of situational influences and marketing efforts that have the have the potential to cause behavioral switching

Customer Satisfaction

Schiffman et al., (2012, p. 8) define consumer satisfaction as an individual's perception of the performance of a product or service in relation to his expectations. with his expectations. Furthermore, Kotler and Keller (2016, p. 153) convey that consumer satisfaction is a feeling of pleasure or disappointment of a person resulting from comparing a product or perception of service performance (or results) against expectations. If the performance or experience does not meet expectations, then the customer is not satisfied. Conversely, if the performance is in accordance with expectations, the customer will be satisfied, if it exceeds expectations then the customer is very satisfied or happy. Oliver (2015, p. 8) defines satisfaction as a response to the fulfillment of consumer expectations. Consumers provide an assessment of a product or service or service, whether it is at a level that is pleasant for consumption-related fulfillment, or at a level of fulfillment that is not consumption-related fulfillment, or whether it falls into a level of fulfillment that is too low or even exceeds expectations. too low or even exceed expectations. According to Peter and Olson (2010, p. 523) consumer satisfaction is defined as the extent to which consumers' pre-purchase expectations are able to be met or exceeded by a product or service. exceeded by a product or service. Peter and Olson (2010, p. 387) is an important concept in marketing thinking and consumer research. consumer research..

Customer Experience

Meyer and Schwager (2017, p. 2) define consumer experience as an internal and subjective customer response as a customer's as an internal and subjective customer response as a result of direct or indirect interactions with the customer.as a result of direct or indirect interactions with the company.company. This direct relationship is usually due to initiative from consumers. According to Berman et al., (2018, p. 35) consumer experience is interpreted as a total retail experience that includes all retail experiences. experience is defined as the total retail experience that includes all elements in the retail offering that encourage or discourage consumers. elements in the retail offering that encourage or discourage consumers during their contact or journey with the retailer. during their contact or journey with the retailer. Furthermore, Thuan et al., (2018, p. 14) defines consumer experience as the sum of all experiences that customers have with suppliers or service providers. service. Then Gentile et al., (2007, p. 397) explain that the concept of consumer experience as an evolution of the concept of the relationship between the relationship between suppliers and service providers. consumer experience as an evolution of the concept of the relationship between defined as being derived from a set of interactions between the customer and a product, company, or part of the organization, which elicits a reaction. This experience is truly personal and implies involvement of the customer on different levels (both rational, emotional, sensory, physical and spiritual). Verhoef, et al., (2009, p. 32) 32 said that consumer experience encompasses the total experience, including the search, purchase, consumption, and after-sales phases of the experience, and may involve multiple retail channels. experience, and may involve multiple retail channels. While Frow and Payne (2007, p. 90) define consumer experience as a consumer's interpretation of the consumer's total interaction with a brand. Then the ultimate goal of applying the concept of customer experience concept is to be able to create a good relationship with consumers which in turn will be able to build consumer loyalty. consumers. Based on the theories and definitions above, in this study what is meant by customer experience is the result of interactions with consumers. consumer experience is the result of interaction consumers with the company both physically and emotionally. The results of this interaction This interaction result can make an impression on the minds of consumers and affect consumers' assessment of the company. consumers' assessment of the company..

Compensation

Hasibuan (2013) compensation is all income in the form of money, goods directly or indirectly received by employees in return for those given to the company. According to Sastrohadiwiryo in Yuniarsih (2011), compensation is a service fee or remuneration provided by the company to workers, because these workers have contributed energy and thoughts for the progress of the company in order to achieve the goals set. The objectives of compensation according to Hasibuan (2013 are as follows: Cooperation Bonds, with the provision of compensation a formal cooperative bond is established between the employer and the employee. Employees must carry out their duties properly, while employers or employers must pay compensation in accordance with the agreed agreement. Job satisfaction, with remuneration employees will be able to meet their physical needs, social status, and egotism so as to obtain job satisfaction from their position. Effective procurement, if the compensation program is set large enough, the procurement of qualified employees for the company will be easier. Motivation, if the remuneration provided is large enough, managers will find it easier to motivate their subordinates. Employee stability, with a compensation program based on fair and proper principles and externally competitive consistency, employee stability will be more guaranteed due to relative turnover small. Discipline, with the provision of a sufficiently large remuneration, the discipline of employees will be better, they will be aware of and obey the applicable regulations. The influence of labor unions, with a good compensation program the influence of trade unions can be avoided and employees will concentrate on their work. Government influence, if the compensation program complies with applicable labor laws (such as minimum wage limits) then government intervention can be avoided

According to Hasibuan (2013), compensation systems that are commonly applied include: Time system, in the time system the amount of compensation (salary, wages) is determined based on time standards such as hours, weeks, months. System results (output), in the system results (output) the amount of compensation paid is always based on the number of results that are done not on the length of time working on them. The wholesale system, in the wholesale system, is a method of payroll that determines the amount of service based on the volume of work and the length of time working on it.

The principles of compensation according to Hasibuan (2013), include: The principle of fairness, the amount of compensation paid to each employee must be balanced/adjusted with how much work performance,

type of work, job risks, responsibilities, job titles, and meet the internal consistency requirements. The principle of proper and fair, compensation received by employees can meet their needs at an ideal normative level. The standard of eligibility is relative, the determination of the amount of compensation is based on the government's minimum wage limit and the applicable external consistency. According to Hasibuan (2013) that the factors that influence the provision of compensation include: Company Ability and Willingness, Trade unions and employee organizations, Employee work productivity, Government with Laws and Presidential Decrees, Cost of living, Employee position, Education and work experience, National Economic Condition.

Service Quality

Berry et al., (2002, p. 1) define service convenience as consumers' perceptions of the time and effort associated with purchase or use of a service. Different types of service convenience and considers how time and effort costs affect consumer convenience perceptions. This conceptualization uses the dimension of time and effort as convenience benefits (savings in time and/or effort) or inconvenience costs or burdens (waste of time and/or effort). effort) or the cost or burden of inconvenience (waste of time and/or effort). effort). Furthermore, according to Morganosky (1986, p. 37), service convenience is defined as people who strive to complete tasks in the shortest time with the least expenditure of human energy. Then Collier and Sherrell (2010, p. 492) define convenience of service in a self-service perspective as the perception of the time and effort required in finding and facilitating the use of self-service. Mai and Olsen (2016, p. 213) define service convenience as the perceived time required to find and facilitate the use of self-service technology. 37 as a domain-specific value, which influences self-production behavior indirectly through more specific constructs in the hierarchy. indirectly through more specific constructs in the cognitive hierarchy, such as attitudes or behavioral intentions (motivation). hierarchy, such as attitude or behavioral intention (motivation). service. Then Gentile et al., (2007, p. 397) explain that the concept of consumer experience as an evolution of the concept of the relationship between the relationship between suppliers and service providers. consumer experience as an evolution of the concept of the relationship between defined as being derived from a set of interactions between the customer and a product, company, or part of the organization, which elicits a reaction. This experience is truly personal and implies involvement of the customer on different levels (both rational, emotional, sensory, physical and spiritual). Verhoef, et al., (2009, p. 32) 32 said that consumer experience encompasses the total experience, including the search, purchase, consumption, and after-sales phases of the experience, and may involve multiple retail channels. experience, and may involve multiple retail channels. While Frow and Payne (2007, p. 90) define consumer experience as a consumer's interpretation of the consumer's total interaction with a brand. Then the ultimate goal of applying the concept of customer experience concept is to be able to create a good relationship with consumers which in turn will be able to build consumer loyalty. consumers. Based on the theories and definitions above, in this study what is meant by customer experience is the result of interactions with consumers. consumer experience is the result of interaction consumers with the company both physically and emotionally. The results of this interaction This interaction result can make an impression on the minds of consumers and affect consumers' assessment of the company. consumers' assessment of the company.

Brand Image

The concept of image is often used in marketing as well as in various disciplines. various disciplines. Image can be applied to organizations, brands, products, geographic locations, events, and also individuals (Yen, 2014, p. 97). Furthermore Dichter (1985, p. 75) explains that image is the total impression that an entity makes on people's minds. made by entities on people's minds. So that the image gives a strong influence influence people on how to perceive and react to something. something. The company image according to Worcester (1997, p. 147) is the the whole of interactions derived from experiences, impressions, beliefs, 39 feelings and knowledge held about a company. According to Esmaeilpour and Barjoei (2016, p. 196) the company's image can be considered as a picture of the company from the point of view and thoughts of the company. as a picture of the company from the point of view and thoughts of consumers. Furthermore, according to Souiden et al., (2006, p. 830) the company's image is what is in the minds of consumers.

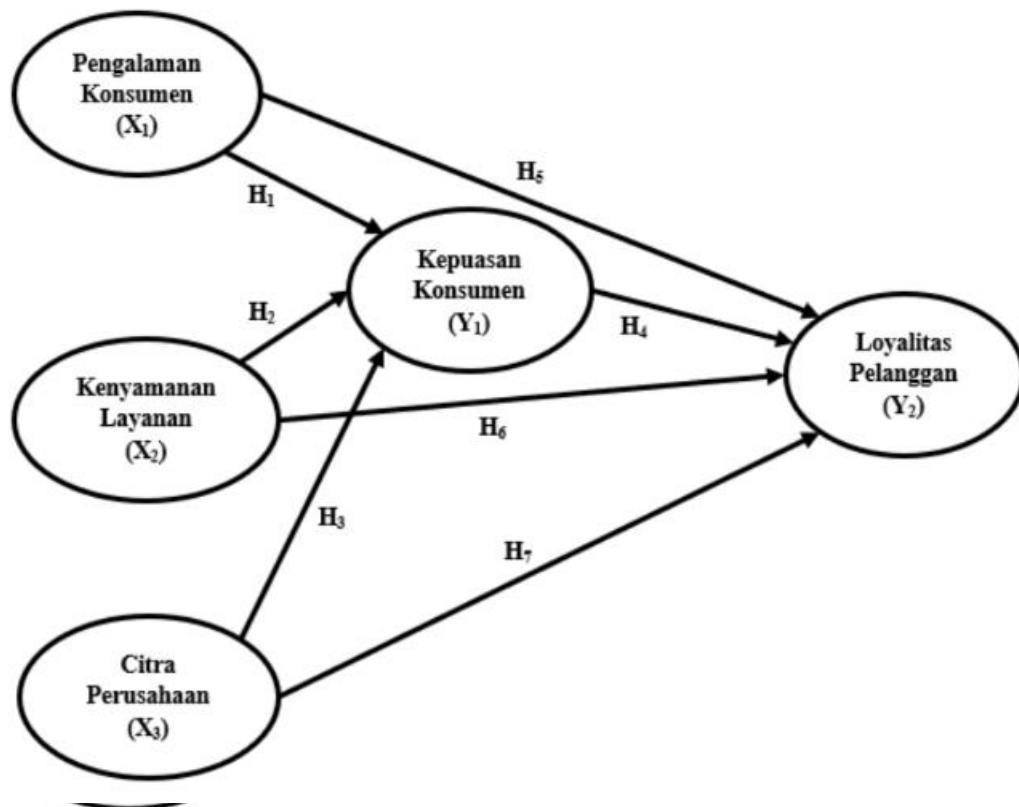


Figure 1. Research Framework

Based on the problem formulation and framework

Based on the problem formulation and framework, the hypotheses that will be raised in this study are as follows;

H1 : Consumer experience has a significant effect on customer satisfaction consumer satisfaction in xxxmart Cibubur cooperative members.

H2 : Service convenience has a significant effect on customer satisfaction consumer satisfaction in xxxmart Cibubur cooperative members.

H3 : Company image has a significant effect on customer satisfaction consumer satisfaction in xxxmart Cibubur cooperative members.

H4 : Customer satisfaction has a significant effect on customer loyalty customer loyalty to members of the xxxmart Cibubur cooperative

H5 : Consumer experience has a significant effect on customer loyalty customer loyalty, either directly or through customer satisfaction on members of the xxxmart Cibubur cooperative

H6 : Service convenience has a significant effect on customer loyalty customers, either directly or through customer satisfaction in xxxmart Cibubur cooperative members

H7 : Company image has a significant effect on customer loyalty

customer loyalty, either directly or through customer satisfaction in xxxmart Cibubur cooperative members

3 RESEARCH METHOD

This type of research is Quantitative descriptive research, namely to determine whether there is a relationship between the variables to be studied (Sugiyono, 2013). Population is a generalization area consisting of objects or subjects that have certain qualities and characteristics that are determined to be studied and then drawn conclusions (Sugiyono). The population in this study were XXXmart Customers. The sample is the determination of part of the population to be used as a source of information regarding the data needed, the use of the number of samples in the study. According to Sugiono (2013) the sample is part of the number and characteristics possessed by the population where if the sample is less than 100, it is better to take all of them. The method of data collection in this research is to use the primary data collection method, which is data obtained directly from the research site by providing a set or written statement to the respondent to be answered (Sugiyono, 2013). The data obtained in this study were obtained from the results of filling out questionnaires distributed to respondents. The statements on the questionnaire for each answer choice are given a score of 1-5, to measure attitudes, opinions and perceptions given by respondents using a Likert scale

4 FINDINGS AND DISCUSSION

Table 4.1.
Karakteristik Responden Berdasarkan Jenis Kelamin

		Jenis Kelamin			
		Frequency	Percent	Valid Percent	Cumulative Percent
	Laki-Laki	56	63.6	63.6	63.6
Valid	Perempuan	32	36.4	36.4	100.0
	Total	88	100.0	100.0	

Sumber: diolah dari data primer 2020

Based on the answers from 88 respondents based on gender of the respondent, there were 56 respondents (63.6%) are male and as many as 32 respondents (36.4%) are female. (36.4%) are female. From the data above, the majority respondents in this study were respondents with male with a percentage of 63.6% of the total respondents.

Table 4.14.
Composite Reliability

	<i>Composite Reliability</i>
(X ₁) Pengalaman Konsumen	0,853
(X ₂) Kenyamanan Layanan	0,907
(X ₃) Citra Perusahaan	0,893
(Y ₁) Kepuasan Konsumen	0,904
(Y ₂) Loyalitas Pelanggan	0,860

Sumber: diolah dari data primer 2020

Based on the data presentation in the table above, it can be seen that the composite reliability value of all research variables > 0.7. This result shows that each variable has met the 131 composite reliability so that it can be concluded that overall variable has a high level of reliability.

Table 4.16.
Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Value
(X ₁) Pengalaman Konsumen -> (Y ₁) Kepuasan Konsumen	0,412	0,408	0,087	4,745	0,000
(X ₁) Pengalaman Konsumen -> (Y ₂) Loyalitas Pelanggan	0,148	0,151	0,069	2,115	0,032
(X ₂) Kenyamanan Layanan -> (Y ₁) Kepuasan Konsumen	0,421	0,412	0,068	6,208	0,000

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Value
(X2) Kenyamanan Layanan -> (Y2) Loyalitas Pelanggan	0,170	0,172	0,077	2,207	0,028
(X3) Citra Perusahaan -> (Y1) Kepuasan Konsumen	-0,100	-0,103	0,106	0,944	0,345
(X3) Citra Perusahaan -> (Y2) Loyalitas Pelanggan	-0,116	-0,113	0,071	1,640	0,102
(Y1) Kepuasan Konsumen -> (Y2) Loyalitas Pelanggan	0,620	0,611	0,074	8,400	0,000

Sumber: diolah dari data primer 2020

Hypothesis testing

Customer Experience on customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 4.745 > 1.96 and P-value = 0.000 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has a positive relationship direction. positive. From these results it is concluded that consumer experience has a significant positive effect on customer satisfaction. Service quality on customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 6.208 > 1.96 and P-value = 0.000 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has no relationship direction. Corporate Image on customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 0.944 > 1.96 and P-value = 0.000 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.345 < 0.05 and has a positive relationship direction. Customer Satisfaction on customer Loyalty from the output of path coefficients, it is found that the value of T-statistics = 8.400 > 1.96 and P-value = 0.000 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has a positive relationship direction. Customer Experience on customer loyalty through customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 2.115 > 1.96 and P-value = 0.032 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has a positive relationship direction Customer Experience on customer loyalty through customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 2.207 > 1.96 and P-value = 0.028 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has a positive relationship direction. Corporate image on customer loyalty through customer satisfaction from the output of path coefficients, it is found that the value of T-statistics = 1.640 > 1.96 and P-value = 0.000 < 0.05 and has the direction of the relationship. 1.96 and P-Value = 0.000 < 0.05 and has no relationship direction.

Discussion

Based on the results of research that has been carried out. It shows that some of the hypotheses give a significant impact and some are not. They need to improve what can they do to make their corporate Image stands out so that the customer satisfied and become a loyalist to the company.

5 CONCLUSIONS

Consumer experience in this study has a significant positive effect on customer satisfaction and also customer loyalty. However, there are indicators that get answers that are not optimal from respondents namely on the indicator that the product being sought is easy to find and also on the indicators of product display on attractive shelves, obtained a small answer score. So that based on the results of this study, the cooperative management expected to make changes to the layout or arrangement of goods and categorization of goods needs to be reorganized. This needs to be done management considering that consumer experience has a significant influence on customer satisfaction and customer loyalty. So that by improving the display and sorting of products display and product sorting in a good and attractive way will be able to increase customer satisfaction and influence to create loyalty for customers

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