

Shopee (ShopeeFood) Application Quality Factors and Their Impact on Loyalty through Consumer Satisfaction

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Abstract

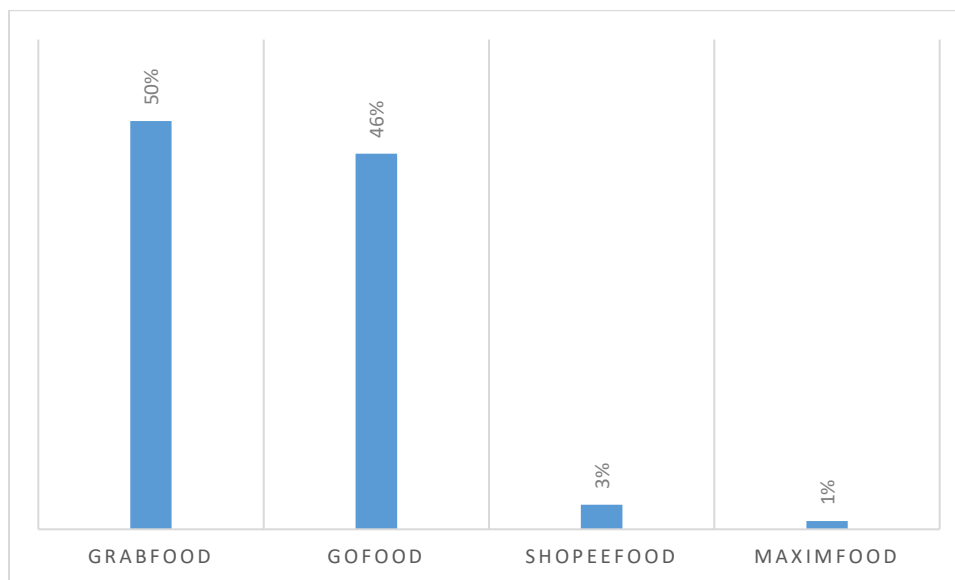
Shopee is one of the marketplaces in Indonesia whose existence continues to increase along with the ShopeeFood feature. ShopeeFood comes with an online-based food and beverage order service with a wide range of voucher claims so that there is consumer satisfaction and loyalty in the use of Shopee application. This study is a quantitative study, and it aims to find out how respondents respond to the dominant factors of Shopee applications and their impact on loyalty through consumer satisfaction. This study uses a simple factor analysis and regression analysis tool the sampling technique used is random sampling. Respondents of this study are Shopee application consumers who we will invite to take a survey through a questionnaire that we will create (is we avoid Shopee application consumers). The results showed the dominant factor was the convenience factor and had a positive and significant impact on loyalty through satisfaction. Therefore, it is recommended that Shopee Company (ShopeeFood) still have to maintain and develop

a promotional marketing strategy to stay in the market segment with similar competitors and ShopeeFood must further improve in its service.

Keywords: ShopeeFood App, Satisfaction and Loyalty

Introduction

In this day and age, the development of technology is increasingly rapid. It's all made easier by the various applications. Applications that simplify and provide all human needs every day, which range from selling or shopping, money transfers, to food messages are only in one application when logging into the application. For example Grab, Gojek, Shopee, and Maxim. This can be seen in the table below. Ratings on the use of food delivery service apps online [1-5].



Ratings on the use of food delivery service apps online.

The survey in the 3 months in food delivery service providers revealed (50%) Generation Z chose GrabFood followed by GoFood (46%), ShopeeFood (3%), and Maximfood (less than 1%). Source: According to the census of the Central Statistics Agency (BPS) Katadata Insight Center (KIC). The newcomer to the food delivery service app is Shopee. This shows only 3% of ShopeeFood app usage. (<https://www.cnbcindonesia.com/tech/20210614102310-37-252849/50-generasi-z-indonesia-pilih-layanan-pesan-makanan-grabfood>). ShopeeFood only appeared last year. But ShopeeFood has not stopped to rival competitors in the same segment and has long existed and dominated. In order to compete the old players ShopeeFood increases the price war strategy (discount) and seizes the competitor market. Tight competition makes application companies have to make strategies in the advantage of efforts to increase the volume of the use of an application so as to increase loyalty and customer satisfaction are important role holders.

Table 1

Competitive Superiority application of each service

Application	Grab	Gojek	Shopee
Food delivery service features	Grabfood	Gofood	ShopeeFood
E-Money	Ovo	Gopay	Shopeepay
Year of standing	2016	April 2015	April 2020

This prompted the author to conduct a study with the title "Shopee (ShopeeFood) Application Quality Factors and Their Impact on Loyalty through Consumer Satisfaction". The purpose of the study was to find out how respondents to what dominant actors affected consumers using the ShopeeFood app, and how the dominant factor impacts loyalty through consumer satisfaction.

Literature Review

Application

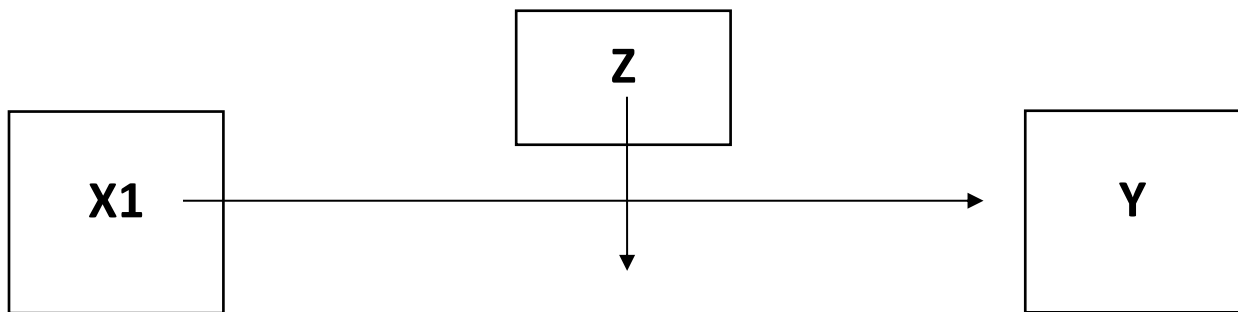
Business is currently very much developed. Today's business is supported by the internet (*online media*). Business systems like this have been widely used by multinational companies to small retail traders. Business buying and selling is the main commodity that uses this way, where with a sales system like this greatly facilitates the target market to buy the needed without having to visit the store or place of sale. To be able to conduct business transactions like this, it must be supported by using certain applications. According to [6] application is the application of storing things, data, problems, work into a means or medium that can be used to be applied into a new form. While [6-8] further explained that "application is a collection of program commands made to do certain (specialized) jobs". This is made clear by [9] that an application is a software that contains a coding or command that can be changed as desired. To evaluate the use of applications can be done through 4 dimensions namely Quality of information, Security in use, Ease in, Comfort in use [10]

Loyalty

Applications that are able to support in business, are expected to increase consumer loyalty. According to [11] defines customer loyalty as a long-term commitment of customers, which is implemented in the form of behavior and attitudes that are loyal to the company and its products, by consuming regularly and repeatedly, so that the company and its products become an important part of the consumption process carried out by customers where it is It will affect the existence of the company. While According to [8, 12] define customer loyalty as the strength of the relationship between an individual's relative attitude toward a unit (brand, service, store, or supplier) and repurchase. For this **reason**, defines consumer loyalty as the embodiment of the consumer's problem to repurchase a product without being affected by the environment. According to [10, 13-16] there are 4 factors to measure consumer or customer loyalty, namely a). Repurchase, b). Recommend to others, c). I don't want to move, d). Talk about positivethings. With these 4 factors it is expected to be known the level of loyalty of consumers or customers

Consumer Satisfaction

The manufacturer or seller in his transaction tries to satisfy the consumer. According to [7, 17-19] it is not possible that consumer satisfaction is the feeling of pleasure or disappointment of someone who arises after comparing the performance (results) of the product expected to the expected performance (or results). If performance meets expectations, consumers are satisfied, if performance exceeds expectations, consumers are very satisfied. While [6, 20, 21] Consumer satisfaction is one of the reasons that consumers decide to shop somewhere. When consumers are satisfied with a product, they are likely to continue to buy and use it and tell others about their pleasant experience with the product. This is made clear by [9, 13, 14, 18, 22] explaining that consumer satisfaction is one of the important elements in) improving marketing performance in a company. The satisfaction felt by the customer can increase the intensity of buying from that customer. So that consumers will continue, and repeatedly make product purchases and so that consumers will be loyal to the product. As for measuring the level of consumer satisfaction will be used 5 factors, namely, 1). Tangible, 2). Reliability, 3). Responsiveness ,4). Assurance 5). Empathy .



Picture: Framework

Hypothesis

H0 = The dominant factor of Shopeefood applications does not affect loyalty through satisfaction.

H1 = The dominant factor of Shopeefood applications has a positive and significant effect on loyalty through satisfaction.

Method / Research Methodology

The research used is quantitative research.. Quantitative research is a method based on the philosophy of positivism, used to examine a particular population or sample, which in its specifications is systematic, planned and clearly affected from the beginning to the end of the study. This study was conducted in Bandung, so that the population of this study is the people of Bandung aged 13 years to 35 years which amounted to 100 people. With respect to the large population, the study used a sample. Despite the determination of the number of samples used, researchers used the formula from Rao Purba in 1996 and illustrated the formula as follows:

$$n = \frac{Z^2}{4(MOE)^2} ,$$

n = Number of ampels

Z= Normal distribution rate at sinif level 5% = 1.96

Moe = Marginiof error at au maximum error that can be

cholera, here set 10% or 0.1 With a confidence level of 95% or Z = 1.96 and

moe 10% then the number of samples can be determined as follows:

$$n = \frac{Z^2}{4(MOE)^2}$$

$$n = \frac{1,96^2}{4(0,1)^2}$$

$$n = 96,4 \sim 100$$

So that the sample number of 100 respondents was obtained, as well as sampling techniques used by random sampling, the data collection technique using questionnaires available from *googledocs* provided to the community in Bandung through a short message from *whatsapp* application. The study used primary data and secondary data.

Method of Data Analysis.

Analysis of data that has been obtained using Factor Analysis, where this factor analysis is done to find out or find out what dominant factors can affect the use of Shopeefood. As for knowing how the impact of the dominant factor on loyalty will be used a simple regression model, with the following formula;

(1). $Y = a + bX_1$
 (2). $Y = a + bX_1 + bX_1. Z$

Information:

Y = Loyalty

X1 = Dominant factor of use of Shopeefood application

Z = Satisfaction

A = Constant

Results and Discussions

Factor Analysis

The results of processing data on the use of Shopeefood applications, which use a factor analysis model produces the dominant factor that confirms the use of Shopeefood applications is the convenience factor of the application because it has the highest loading of 0.861 which can be seen in table 2 below:

Table 2

Dominant Factors for the use of Shape food applications

	Component 1
Quality	.817
Security	.827
Ease	.785
Comfort	.861

Source: Data Processing

In table 2 above, it can be explained that the Matrix component has been formed components, meaning that it can be known the dominant factor of comfort from the Shopeefood application that affects consumers using prefer to use the Shopeefood application, because the Shopeefood application can be used easily and safely.

Simple Regression

The results of data processing using a simple regression model of structure (1) can be shown in table 3 below:

Table 3

Coefficients						
Type		Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	1.782	.367		4.852	.000
	Comfort	.427	.092	.425	4.645	.000

a. Dependent Variable: Loyalty

In table 3 above, it can be explained that the coefficient X1 (comfort) shows a number of 0.427 meaning that the dominant factor of comfort can have a positive and significant influence on loyalty. This is because Shopeefood provides maximum comfort to its consumers so that consumers feel comfortable when using the Shopeefood application.

While the results of simple regression processing structure (2) can be seen in table 4 below.

Table 4

Coefficients					
Type	Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1 (Constant)	2.311	.413		5.591	.000
Comfort	.021	.183	.021	.115	.909
Z	.067	0.26	.463	2.549	.012

a. Dependent Variable: Y

Tabel 4 above, indicates comfort (X1) can have an influence or contribution to loyalty of 0.021, while satisfaction can **strengthen** the comfort factor (X1) to loyalty (Y) positifly and significantly. This is because the customer feels comfortable with the quality of service provided so that it becomes a trigger for customer loyalty. The better the satisfaction of eating the higher the loyalty.

CONCLUSIONS AND SUGGESTIONS

Conclusions

Based on the results of research and discussion that has been outlined, it can be concluded as follows:

1. Convenience is the dominant factor in the use of Shopeefood application, because Shopeefood provides good service and in accordance with consumer expectations.

2. The dominant factor of convenience can affect loyalty by 0.021 positively and significantly, meaning that consumer loyalty is strongly influenced by the convenience provided by Shopeefood and this is reinforced by the consumer satisfaction variable (Z) of 0.067 which means that consumer satisfaction can affect the loyalty and comfort of Shopeefood consumers.

Suggestions

Based on the results of research, discussion and conclusions obtained, the advice that can be given is as follows.

1. In the matrix component table, the lowest indicator value is in the ease indicator. Shopeefood should improve features that can make it easier for consumers to access its applications.

2. Shopee Company (Shopeefood) must maintain and develop a promotional marketing strategy to stay in the same market segment as competitors such as Grabfood and Gofood

3. In an effort to increase the satisfaction of the use of Shopeefood consumers is a very influential thing in influencing the level of consumer loyalty so Shopeefood must further improve in service and others.

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