

The Influence of Consumer Complaints, Handling Satisfaction, and Service Quality on Customer Loyalty with Repurchase Interest as Moderating Variables at Fygalery Jakarta Online Store

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Abstract. Knowing the variables of consumer complaints, handling satisfaction, and service quality that determines whether they affect customer loyalty with repurchase interest as a moderating variable at the Fygalery Jakarta online store is the purpose of this study. The method in this study uses quantitative methods with primary data obtained from questionnaires that have been filled out by 100 respondents. Purposive Sampling is a sampling technique that is used with criteria for buyers at the Fygalery Jakarta online store who have made complaints. Descriptive statistical analysis, classical assumption test, multiple linear regression analysis, and interaction test/MRA are analytical techniques of the study. The results of the study prove that consumer complaints, handling satisfaction, and service quality have a significant effect on customer loyalty, and the variable of repurchase interest moderates and strengthens the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty.

Keywords: Consumer Complaints, Handling Satisfaction, Service Quality, Customer Loyalty, Repurchase Interest.

1 Introduction

The e-commerce business in Indonesia is growing and increasing rapidly in accordance with the development of internet use in Indonesia. According to the survey results (APJI, 2020) the number of internet users in Indonesia is increasing, from the survey data in 2020 shows internet users in Indonesia reached 196.71 million people from the total population of Indonesia, which is 266.91 million people [1]. The large potential for internet use in Indonesia makes an online business a driving force for business activities and online transactions and can stimulate and encourage online producers to offer a variety of diverse products and services.

Based on data (APJI, 2020) 1.3 Indonesians have a reason for using the internet, namely doing online shopping [1]. This shows that the Indonesian population is interested in conducting online transactions.

When consumers buy a product online, they will compare the product as expected or not. If it is suitable then they will feel satisfied. And said to be dissatisfied when they get a discrepancy with the product received. Consumers who are dissatisfied with a service will submit complaints or complaints and are reluctant to use the goods or services offered next. Conversely, if the consumer is satisfied with the purchase made, the consumer will use the service or product offered again. Complaints from dissatisfied consumers will affect consumer confidence and consumer loyalty to repeat purchases from these consumers.

Consumer loyalty is a consumer who has loyalty to an item or service through his way of making repeat purchases continuously. Consumer satisfaction and service quality are also objects that need to be focused on and paid attention to by sellers with the aim of gaining loyalty from consumers.

Fygalery Jakarta is an import home living distributor from China. Various kinds of consumer complaints from Fygalery Jakarta's online store have an impact on customer satisfaction and loyal attitudes, to solve problems from various complaints Fygalery Jakarta has a service recovery strategy which is an important company commitment to satisfaction and quality can be improved, shown by providing a fast and responsive response when an obstacle occurs to consumers (Lovelock and Wirtz 2011) [6].

Based on the description of the problem stated above, the authors are interested in conducting research under the title "The Influence of Consumer Complaints, Handling Satisfaction, and Service Quality on Customer Loyalty with Repurchase Interest as Moderating Variables at Fygalery Jakarta Online Store".

2 Theory Review

2.1 Consumer Complaints

According to Daryanto and Setyabudi (2014), a complaint is a submission or complaint regarding dissatisfaction, annoyance, anger, and discomfort, with a product or service [3]. The same thing was conveyed by Simon J Bell and James A Luddington (2016: 78), where customer complaints are customer responses that are directed at the company and are negative [2].

Customer complaints are something that must be found in the business world and in fact, there will always be shortages in serving consumers because the needs of each customer of course change from time to time.

2.2 Handling Satisfaction

According to [5] quoted by [4] where customer satisfaction can be used as a measurement of individual feelings of performance and perceived results compared to what is expected [5].

Handling satisfaction is likened to the value, result, or feeling of satisfaction received by consumers after making complaints and receiving suggestions, agreements, and actions that are fair and do not harm consumers.

2.3 Service Quality

According to Lupiyoadi (2013: 2016), service quality is the assessment that consumers give to the level of acceptance of the services provided with the level of service that consumers expect [7].

In this case, the service can be described as a service or service provided by the service owner such as speed, convenience, correlation, capability, and friendly attitude shown from the behavior and nature provided aimed at providing satisfaction to consumers. (Harahap, et al. 2014: 861).

2.4 Customer Loyalty

According to (Lovelock and Wright, 2011), loyalty is a customer with his loyalty to always subscribe to a company for a long period of time, use, buy and use its products and services continuously and repeatedly, and recommend the company's products to their relatives [6].

A customer is said to be loyal to a company if a customer makes purchases continuously or regularly at the company.

2.5 Repurchase Interest

Repurchase interest which is interpreted by Nurhayati and Wahyu (2015) is the action and desire of buyers to make repeated purchases of a product or service due to receiving satisfaction as expected from a product or service [8].

Buying interest is a consumer attitude that shows and proves how far consumers are committed to buying.

2.6 Hypothesis

H1: Consumer complaints have a significant effect on customer loyalty at the Fygalery Jakarta online store.

H2: Handling satisfaction has a significant effect on customer loyalty at the Fygalery Jakarta online store

H3: Service quality has a significant effect on customer loyalty at the Fygalery Jakarta online store.

H4: Repurchase intention moderates the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty at the Fygalery Jakarta online store.

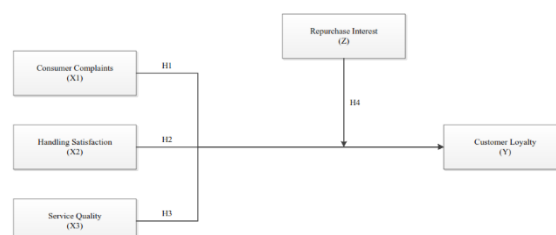


Fig 1. Hypothesis Development Model

3. Research Methods

The method used in this research is the quantitative method with descriptive statistics. The type of data used is primary data and secondary data. Primary data is obtained and received from the distribution of questionnaires addressed to the Customer. The secondary data used is consumer complaint data in the form of documents or reports that can support this research.

The research population is customers at the online store Fygalery Jakarta. Purposive Sampling is a sampling technique that is used with criteria for buyers at the Fygalery Jakarta online store who have made complaints. The number of samples taken from this study was 100 people. Descriptive statistical analysis, classical assumption test, multiple linear regression analysis, and interaction test/MRA are data analysis tools that are applied in the following research.

The validity and reliability of the research tools were tested as part of the data processing of this study. The results of data processing show that the variables of consumer complaints (X1), handling satisfaction (X2), service quality (X3), customer loyalty (Y), and repurchase interest (Z) on the questionnaire show valid because each question the result is greater than the r table which has been determined that is equal to 0.1666 and positive. It can be concluded that all questions and statements are valid and can be used as a condition for measuring research tools. Meanwhile, The results of the reliability test show that all indicators give Cronbach's Alpha value greater than 0.60, so it can be concluded that all statement items/indicators are reliable.

Researchers in this study have used the normality test as well as multicollinearity and heteroscedasticity tests in testing traditional assumptions. As seen from the Normal P-P Plot of Regression diagram, it can be seen that the points spread out and follow the line indicating that the data is normally distributed. It can be seen that the VIF value of the independent variable has a value below 10 and the Tolerance value is above 0.10, so it can be concluded that there is no multicollinearity. Meanwhile, Heteroscedasticity test using the Scatterplot graph test it can be seen that the spread of dots randomly or does not produce specific patterns and spreads either above or below the number 0 on the Y axis (Ghozali, 2012). This means that there are no signs of heteroscedasticity.

4. Results and Discussion

There is a finding contained in this study, a questionnaire distributed to 100 respondents was used to process data, the following are the characteristics of the respondents in a finding found in this study.

4.1 Hypothesis testing

4.1.1 T Test

The t-test was conducted to measure the extent to which the influence of the independent variables was related to the dependent variable by comparing the value of t-count with t-table

using a significant level of 5%. Based on the value of the calculation the value of the criteria for the value of t-table obtained is 1.985.

Table 1. T Test Result

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-----------------------|-----------------------------|------------|---------------------------|--------|-------------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.835 | 1.070 | | 1.714 | .090 |
| Consumer Complaints | -.115 | .052 | -.258 | -2.114 | .022 |
| Handling Satisfaction | .127 | .057 | .275 | 2.234 | .028 |
| Service Quality | .323 | .086 | .463 | 3.756 | .000 |

Source: Processed primary data (2022)

Based on table 1 the results of the t test for consumer complaints, a significance value of 0.022 was obtained. From these results, it can be seen that the significance result is less than 0.05, so it can be concluded that consumer complaints has significant effect on customer loyalty, so that the first hypothesis in this study can be accepted.

For handling satisfaction obtained give a significance value of 0.028. From these results, it can be shown that the significance result is less than 0.05, so is clearly visible that handling satisfaction has a positive and significant effect on customer loyalty, so the second hypothesis in this study can be accepted.

Based on results of the t-test for the service quality, a significance value of 0.000 was obtained. From these results it is clearly visible that the significance result is smaller than 0.05 so it can be concluded that the service quality has a positive and significant effect on customer loyalty, so the third hypothesis in this study can be accepted.

4.1.2 F Test

Table 2. F Test Result

| ANOVA ^a | | | | | |
|--------------------|----------------|----|-------------|---------------|-------------------------|
| Model | Sum of Squares | df | Mean Square | F | Sig. |
| Regression | 113.781 | 3 | 37.927 | 32.001 | .000^b |
| Residual | 113.779 | 96 | 1.185 | | |
| Total | 227.560 | 99 | | | |

Source: Processed primary data (2022)

From Table 2, it can be seen that the significance result is 0.000, which means that the significant value is less than 0.05. From these results it is clearly visible that consumer complaints, handling satisfaction and service quality have a simultaneous effect on customer loyalty.

4.1.3 Multiple Linear Regression Analysis

Table 3. Multiple Linear Regression Analysis Test Results

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-----------------------|-----------------------------|------------|---------------------------|--------|-------------|
| | B | Std. Error | Beta | | |
| (Constant) | 1.835 | 1.070 | | 1.714 | .090 |
| Consumer Complaints | -.115 | .052 | -.258 | -2.114 | .022 |
| Handling Satisfaction | .127 | .057 | .275 | 2.234 | .028 |
| Service Quality | .323 | .086 | .463 | 3.756 | .000 |

Source: Processed primary data (2022)

The form of the regression equation in this study was obtained, namely:

$$Y = \alpha + b_1X_1 + b_2X_2 + b_3X_3 + e \quad (1)$$

Some descriptions of the above equations, among others:

1. Constant = 1.835 means that if the independent variable is fixed, the dependent variable is customer loyalty (Y) which is 1.835.
2. The coefficient 1 = -0.115 means that customer loyalty (Y) will decrease by 0.115 if consumer complaints (X1) increase by 1 unit.
3. The coefficient 2 = 0.127 means that customer loyalty (Y) will increase if handling satisfaction (X2) has increased by 1 unit.
4. The coefficient 3 = 0.323 means that customer loyalty (Y) will increase if the quality of service (X3) has increased by 1 unit.

4.1.4 Coefficient of Determination (R²)

Table 4. Coefficient of Determination Test Results

| Model | R | Model Summary | | |
|-------|-------------------|---------------|-------------------|----------------------------|
| | | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .707 ^a | .500 | .484 | 1.089 |

a. Predictors: (Constant), Service Quality, Consumer Complaints, Handling Satisfaction.

Source: Processed primary data (2022)

The results of the Summary Model show that the variables of consumer complaints, handling satisfaction, and service quality contribute 50% to the dependent variable of customer loyalty. The rest is explained by other variables not included in this study.

4.1.5 Interaction Test/MRA

Regression analysis testing of moderating variables with the interaction method was carried out by simple regression, namely regressing X1, X2, and X3 to Y and regressing X1, X2, X3, X1Z, X2Z, X3Z, and Z to Y. If the regression results in R2 there is an increase from regression 1 to regression 2, indicating that variable Z moderates the relationship between variables X1, X2, and X3 to Y.

Table 5. First Regression Test

| Model Summary | | | | |
|---|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .707 ^a | .500 | .484 | 1.089 |
| a. Predictors: (Constant), Service Quality, Consumer Complaints, Handling Satisfaction. | | | | |

Source: Processed primary data (2022)

Table 6. Second Regression Test

| Model Summary | | | | |
|---|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .788 ^a | .620 | .596 | .964 |
| a. Predictors: (Constant), X3Z, X1, X2, X3, X1Z, X2Z, Z | | | | |

Source: Processed primary data (2022)

Based on the two tables above, the results of the first regression test the value of R2 (R square) shows 0.500 or 50% and the results of the second regression test, the value of R2 (R square) shows 0.620 or 62%. It can be concluded that H4 which states repurchase interest moderates the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty at the Fygalery Jakarta online store can be accepted.

4.2 Discussion

The influence of consumer complaints on customer loyalty

In testing hypothesis 1, it shows that there is a significant influence between the variables of consumer complaints on customer loyalty at the Fygalery Jakarta online store. The hypothesis is accepted because the results of the T-test prove that the t-count is 2.114 > t-table is 1.985

and Sig. 0.022 < 0.05. This means that the variable of consumer complaints has a significant effect on customer loyalty.

The results of this study are in line with research conducted by Berto Mulia Wibawa, Ribka Anintha Miyagi, Resi Octovianisa & Rachma Rizqina Mardhotillah (2019), consumer complaints variables have a significant effect on customer loyalty. These results are in accordance with current research which suggests that consumer complaints have a significant effect on customer loyalty.

The influence of handling satisfaction on customer loyalty

Testing hypothesis 2 shows that there is a significant influence between the variables of handling satisfaction on customer loyalty at the Fygalery Jakarta online store. The hypothesis is accepted because the results of the T-test prove that t-count 2,234 > t-table 1,985 and Sig. 0.028 < 0.05. This means that the variable of handling satisfaction has a significant effect on customer loyalty.

These results are in line with research conducted by Garima Gupta & Swati Aggarwal (2018), which proves that handling satisfaction has a significant and positive effect on customer loyalty. These results are in accordance with current research which states that handling satisfaction has a significant effect on customer loyalty.

The influence of service quality on customer loyalty

Testing hypothesis 3 shows that there is a significant influence between service quality variables on customer loyalty at the Fygalery Jakarta online store. The hypothesis is accepted because the results of the T-test prove that t-count 3.756 > t-table 1.985 and Sig. 0.000 < 0.05. This means that the service quality variable has a significant effect on customer loyalty.

These results are in line with research conducted by Erni Setyowati & Wiyadi (2017), which proves that service quality has a significant and positive effect on customer loyalty. These results are in accordance with current research which suggests that service quality has a significant effect on customer loyalty.

The influence of repurchase intention moderates the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty

The results of this study indicate that the contribution given by the independent variables in this study are consumer complaints, handling satisfaction, and service quality to the dependent variable, namely customer loyalty of 0.500 (50%). And from the results of the study after the interaction test showed that the contribution given by the moderating variable, namely the interest in repurchasing, could strengthen the influence between the independent variables of consumer complaints, handling satisfaction, and service quality on the dependent variable, namely customer loyalty by 0.620 (62%). This shows that repurchase interest moderates the relationship between consumer complaints, handling satisfaction, and service quality to customer loyalty.

The results of this study are in line with research conducted by Majid Mohammad Shafiee & Negin Ahghar Bazargan [10], which suggests that service quality and handling satisfaction have a direct effect on customer loyalty which is moderated by online purchase interest. These results are in line with current research which suggests that repurchase interest moderates the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty.

5. Conclusion and Suggestions

Based on the results of the analysis that has been done, it can be concluded that: consumer complaints have a significant influence on customer loyalty at the Fygalery Jakarta online store. Handling satisfaction has a significant influence on customer loyalty at the Fygalery Jakarta online store. Service quality has a significant influence on customer loyalty at the Fygalery Jakarta online store. The variable of repurchase intention moderated the relationship between consumer complaints, handling satisfaction, and service quality on customer loyalty at the Fygalery Jakarta online store.

From the research conducted, it is recommended that the Fygalery Jakarta store continues to pay attention, listen to, and provide solutions and handling of complaints submitted by buyers so that buyers are always loyal to the store and do not switch to other online stores.

Further research can also be done by examining other variables that may affect customer loyalty or repurchase interest. As examples of variables, namely according to (Erni Setyowati & Wiyadi, 2017) price, brand image, or variables that connect to other variables.

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