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The Role of Satisfaction in Mediating the Effect of e-Service Convenience, Security, and Trust on Repurchase Intention in the Marketplace Case study: Shopee Marketplace

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ABSTRACT

Objective – The development of information technology that encourages the rise of online buying and selling has opened opportunities for market participants. This requires satisfying services for customers by every market participant. Shopee is one of the biggest marketplace actors in Indonesia. The purpose of the study is to estimate the factors that influence consumers' intention to buy back at Shopee's marketplace.

Methodology/Technique – The mediation variable used is satisfaction. The research sample consists of 200 respondents, who are Shopee consumers in Pontianak, Indonesia.

Findings – The findings of this study are there is a positive and significant effect between E-Service convenience and Satisfaction variables ($\beta = 0.390$) and Repurchase Interest ($\beta = 0.355$), E-Trust variables also have a positive and significant effect on Satisfaction ($\beta = 0.437$) and Interest Repurchase ($\beta = 0.386$). Satisfaction has a positive and significant effect on Repurchase Intention with ($\beta = 0.483$).

Type of Paper: Empirical

Keywords: Satisfaction; e-Service Convenience; Security; Trust; Repurchase Intention.

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JEL Classification: M31; M13; M39.

1. Introduction

Nowadays worldwide trading activities are increasingly being conducted online. The number of online shoppers jumped by 12% and the total buyers reached 1.3 billion people, or a quarter of the world's population, with total sales reaching \$29 trillion. This number is predicted to increase continuously (https://Unctad.org/en/pages/Press Release). The marketplace has acted as a third party that bridges sellers and buyers, provides a place for sellers to promote and sell their products and provides online payment facilities. Online trading activities are built to create convenience, in line with their main goal to satisfy consumers in their purchases (Kotler & Armstrong, 2001: 132).

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In offering goods and services online, sellers need to pay attention to what things are able to satisfy the needs and desires of consumers and expect them to buy back (Zhang et. al., 2010). Online buying and selling can cause doubts to consumers, because they do not physically face the seller and only see the product from the display on the internet. In addition, the duration of delivery of goods from goods ordered until goods received by consumers is also a variable that consumers usually consider in re-selecting a marketplace. All of these variables will affect customer satisfaction which in turn will affect repurchase interest in the same marketplace (Juniwati, 2015; Bulut, 2015; Kinasih & Albari, 2012; Chen et. al., 2011: 392; Sehgal, 2016). This research aims to estimate the effect of e-Service Convenience, Security, Trust, on Repurchase Interest in the marketplace through satisfaction as a mediating variable.

The marketplace that is used as the object of research is Shopee. Shopee is a marketplace that has developed quite rapidly compared to other marketplaces. Shopee has more than 43 million active users in Indonesia (https://Selular.id).

2. Literature Review

Consumer satisfaction has a positive effect on Repurchase Intention. Satisfaction of a consumer when shopping at a marketplace or shopping online will encourage consumers to return to the same marketplace (Wen et. al., 2011). Post-shopping consumer satisfaction can be seen from a customer's reaction after making a purchase or post-purchase where the reaction can be anger, dissatisfaction, aggravation, neutrality, excitement, or pleasure (Lovelock & Wright, 2007: 102). The e-satisfaction indicators is when consumers feel: 1) satisfied with the decision to buy on the site, 2) the decision to buy from the site is a wise decision. 3) happy to make purchases on the site (Anderson & Srinivasan, 2003).

There are many factors that affect the level of customer satisfaction with a marketplace. Tat et. al., (2018) states that online shopping convenience or e-service convenience consisting of access convenience, search convenience, evaluation convenience, and transaction convenience, are indicators of this study. E-Service convenience can affect customer behavior in the shopping evaluation process both during consumption and after consumption. Customers will feel satisfied if they feel comfortable with the services provided. Security when transactions in online shopping at a marketplace will affect the level of customer satisfaction. Security guarantees form trust by reducing consumer perceptions about misuse of personal data and perishable data transactions (Park & Kim, 2006: 78, Arasu & Viswanathan, 2011, Kinasih & Albari, 2012; Hardiyanti, 2012; Kanthawongs et. al., 2015). When this security guarantee is able to achieve consumer expectations, it allows consumers to be willing to disclose their personal information and create a feeling of security when buying.

Berry et. al., (2002: 5) states that service convenience is consumers' perception of the ease of time and effort related to the purchase or use of a service. There are five types of service convenience, namely decision convenience, access convenience, transaction convenience, benefit convenience and post benefit convenience. Keaveney (in Chen et. al., 2011: 392) states that service convenience affects customer behavior, when service offers exceed expectations, customers will feel satisfied. Pruyn and Smidts (in Chen et. al., 2011: 392) state that the higher the service offering exceeds customer expectations, the more satisfied the customer will be.

Building trust can be difficult in online businesses, therefore, a marketplace must apply strict rules to online business partners compared to other partners. On the other hand, online consumers worry that they will not get products or services of the right quality and delivered to the right place at the right time, so that mutual trust between companies and consumers is required in online transactions. The dimension of trust in an online shop is closely related to consumer confidence in intermediaries and online vendors (Chen & Dhillon, 2003: 304). Lim et. al., (2001: 235) state that consumer confidence in shopping online as consumers' willingness to expose themselves to possible losses experienced during online shopping transactions, based on the expectation that the seller promises transactions that will satisfy consumers and be able to deliver the goods or services that have been promised. The trust indicators used are; honesty, opportunistic actions, fulfil promises, and trustworthiness (Kassim & Abdullah, 2010; Armesh et. al., 2010). Trust has a positive effect

on satisfaction, in the sense that more consumers trust a marketplace, consumers will feel satisfied to shop (Kaveh, 2011; Bulut, 2015; Hsu & Vui, 2019).

High repurchase intention describes a high level of satisfaction from consumers based on the perception that the desired product or service is of good quality. Repurchase intention is the stage of the tendency of consumers to act before actually implementing a purchase decision (Kotler & Keller, 2009: 235). Hellier et. al., (2003) suggests that repurchase intention is a person's planned decision to repurchase certain services, taking into account aspects of the situation and level of preference. Meanwhile according to Ferdinand (2002: 25-26), some indicators of repurchase intention are: transactional intention, reference intention, preferential intention, and explorative intention.

3. Materials and Methods

The data in this study was obtained from a survey questionnaire. The sample in this study were all consumers who had shopped at the Shopee Marketplace in Pontianak. As the population number is unknown, sampling is done by the non-probability sampling method, with a purposive sample withdrawal technique. The number of samples is 200 respondents. The test results show all items of the statement meet the validity requirements because it is greater than 0.30 with a p-value <0.001 and the Reliability test states all variables meet the reliability of the composite with an alpha Cronbach coefficient value greater than 0.60. Hence, all of the variables meet the internal consistency reliability (Ghozali, 2006).

Based on the background and literature review, the hypotheses to be tested in this study are as follows.

H1a & H1b : E-Service convenience (X1) has a positive and significant effect on Satisfaction (Y1) and Repurchase Intention (Y2).

H2a & H2b : E-Security (X2) has a positive and significant effect on Satisfaction (Y1) and Repurchase Intention (Y2).

H3a & H3b : Trust (X3) has a positive and significant effect on Satisfaction (Y1) and Repurchase Intention (Y2).

H4: Satisfaction (Y1) has a positive and significant effect on Repurchase Intention (Y2).

4. Results and Discussion

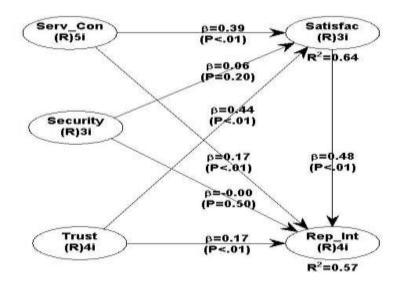
The data collected illustrates the following characteristics of the respondents: 82% of respondents are 17-22 years old, 74% were female, 74% of respondents with a high school education. There are 67% of respondents who shop online at several stores. Of all of the respondents, 45% of respondents shop fashion and 17% shop for beauty products. More than 90% of respondents are familiar with marketplace policies regarding purchasing and payment, shipping and product returns. The testing results for goodness of fit and quality of the model shows that the model is fit and the quality indices good, large and ideal, as can be seen in the following table:

No	Model fit and quality indices	Fit Criteria	Result Analysis	Criteria
1	Average path coefficient (APC)	p < 0,05	0,245 (p<0,001)	Good
2	Average R-squared (ARS)	p < 0,05	0, 607 (p<0,001)	Good
3	Average adjusted R-squared	p < 0,05	0, 600 (p<0,001)	Good
	(AARS)			
4	Average block VIF (AVIF)	Acceptable if <=5, ideally	2, 458	Ideal
		<=3,3		

Table 1. Model Fit and Quality Indices

5	5	Average full collinearity VIF	Acceptable if <=5, ideally	2, 650	Ideal
		(AFVIF)	<=3,3		

Source: Primary data, processed, 2019



The picture above explains the results of the hypothesis testing which shows that there is a positive and significant effect between the X1 variable on Y1 with a path coefficient (β) is 0.390 and p-value <0.001 and Y2 with (β) coefficient is of 0.355 and p-value <0.001. Variable X3 has a positive and significant effect on Y1 with (β) coefficient is 0.437 and p-value <0.001 and Y2 with path coefficients is 0.386 and p-value <0.001. Y1 has a positive and significant effect on Y2 with (β) coefficient is 0.483 and p-value <0.001.

Hypotheses (H1a & 1b) are accepted meaning an increase in E-Service Convenience in the marketplace will increase satisfaction and repurchase intentions. Easier access, search process, evaluation and transaction provided by the marketplace will increase satisfaction and make consumers interested in repurchasing products from that marketplace. This finding supports the research of Tat et. al., (2018). Hypotheses (2a and 2b) are rejected meaning that an increase in E-Security does not increase satisfaction and repurchase interest. This is because the object of research is the marketplace. As a company, a marketplace certainly maintains its image and survival by ensuring the confidentiality and security of data, both personal and financial data in transactions processes compared to individual online stores. More than 90% of the respondents in this study were very understanding of marketplace policies regarding product purchase, payment, delivery and return. Therefore, they are very confident in the security guarantees offered by the marketplace. This finding is inconsistent with the findings of Kathawongs et. al., (2015).

Hypotheses 3a and 3b are accepted meaning an increase in trust will increase satisfaction and repurchase intention. The more honest and trusted a marketplace is, the more satisfied consumers will be and are interested in repurchasing products from that marketplace. This finding supports the research of Hsu and Vui (2019). Hypothesis 4 is accepted meaning that when consumers are more satisfied with the decision to buy, believe that the decision to buy in a marketplace is a wise decision, and feel happy when making a purchase, this will increase repurchase intention. These results support the research of Wen et. al., (2011).

5. Conclusion

E-Service convenience and trust significantly influence satisfaction and repurchase intention. The better the service offered and the more trustworthy a marketplace will be, it will increase satisfaction and repurchase intention from customers to the marketplace. E-Security has no effect on satisfaction and repurchase intention. In general, it can be concluded that satisfaction influences repurchase intention. Higher customer satisfaction will increase repurchase intention. This study uses a sample that is mostly teenagers. Different results may be obtained with a sample with more mature age. In addition, the limitation of this study lies in the number of samples that may be less able to describe the behavior of consumers in the marketplace. For further research, a comparative test of consumer behavior can be conducted across several different marketplaces.

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