# ANALYSIS OF THE INFLUENCE OF SERVICE QUALITY, PRODUCT FEATURES, AND PROMOTION ON CUSTOMER SATISFACTION

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**Abstract** : The development of an online business is getting faster, making the Shopee Marketplace the most in visitor sales centers in August 2022 according to Similarweb. Consumer Satisfaction on the Shopee marketplace can be affected by the Service Quality, Product Features, and good Promotion. The purpose of this study is to determine the Service Influence Analysis, Product Features, and Promotional against Consumer Satisfaction on the Shopee Marketplace. The population in this study were all users of the Shopee marketplace, as well as Sample in this study were 100 respondents. The techniques used in sampling are total sampling technique. Data collection uses instruments that form a questionnaire through google form to get results from the research variable. In this study, the data analysis technique used by using SmartPLS software (Least Square partial) which is an analysis of the structural equation which is based on variant can simultaneously test the structural model. The test results in this research hypothesis prove that the Quality Service Variables, Product Features, and Promotion has a significant effect on Consumer Satisfaction.

Keywords: Service Quality, Product Features, Promotion, Consumer Satisfaction

#### **INTRODUCTION**

In the era of technology and the internet, which is currently increasing rapidly, society is closely related to all-digital information. With the current development of digitalization, people often look for things that are practical and instant in meeting their daily needs, such as shopping on online sites. It can be seen from the data on online buying and selling visits on one of the marketplace sites, namely Shopee, which has a direct impact on the high level of buying and selling in Indonesia, this is related to Similarweb's online data in August 2022, the Shopee Marketplace site received 190.7 million visits from Indonesia.

This data increased by 11.37% compared to the month of 171.2 million visits in July 2022. This achievement also made the Shopee Marketplace the first ranked Marketplace site in Indonesia as of August 2022 compared to the marketplaces Tokopedia, Lazada, Bibli and Bukalapak (Cindy Mutia Annur, 2022).

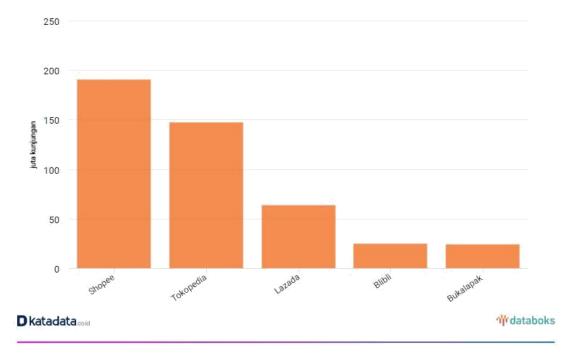


Figure 1 Marketplace visit data for August 2022 according to Similarweb

Shopee is an online shopping platform that is made for every consumer and creates a practical, fast and reliable online buying and selling experience for consumers supported by guaranteed payment and logistics facilities. (Shopee, 2023). In the business world, service quality is one of the factors that can have a direct impact on customer satisfaction. The best service quality is able to attract consumers, if the Shopee marketplace is able to compete with other competitors with fast, responsive and accurate service according to consumer expectations and makes consumers feel satisfied with what they get, then consumers will not switch to other marketplaces. And vice versa, when consumers experience poor service, it is likely that consumers will switch to a competitor's marketplace and the Shopee marketplace will receive a bad rating from consumers.

According to Arianto Nurmin (2003) Service quality has a meaning as a focus on fulfilling needs and requirements, as well as on timeliness to meet consumer expectations. According to Purba (2020), stated that there are five indicators of Service Quality, namely Reliability (Reliability) is the company's ability to provide services as promised, reliable and accurate and consistent. Responsiveness, namely an ability to provide services to consumers quickly and serve and resolve consumer complaints, Assurance is a measure of the ability and courtesy of employees as well as a trustworthy attitude that employees have in providing services to consumers, Empathy (Empathy) is to provide effective and individual communication aimed at consumers with an effort to understand consumer needs, Tangibles are evidence of good physical facilities, equipment and facilities used in providing services to consumers.

Product Features By Setijadi & Wijaya (2021) Features are things in the product that are considered important by consumers and used as the basis for making purchasing decisions. There are four indicators of Product Features according to Alamsyah & Saino (2021) namely Diversity of Features is a variety of features that have functions and uses

contained therein, Feature Quality is a characteristic that has advantages or advantages in its ability to satisfy consumer needs, Feature Importance is the priority possessed by product features in distinguishing it from competing products that have more useful functions attract the attention of consumers, Completeness of Features is the availability of all types of product features needed to make it easier for consumers to find a product.

According to Handoko (2017) Consumer satisfaction is a person's feeling of joy or disappointment that occurs after differentiating between his impression perceptions of the performance and results of a product or service as well as his various desires. Consumer Satisfaction has five indicators, namely the quality of the products produced, is the ability to create products that can provide all the needs and desires of consumers according to expectations, the quality of services provided, is the stage of service related to fulfilling the desires and needs of quality consumers to meet consumer expectations, Product price conformity, is the price given in accordance with the quality of the product obtained and the price of the product gives satisfaction to consumers, Ease of product access, is a stage when someone believes in using a system can run it easily without requiring various efforts, Product diversity, is completeness of products related to the quality, breadth, depth of products and the availability of these products aimed at consumers (Suhardi et al., 2020).

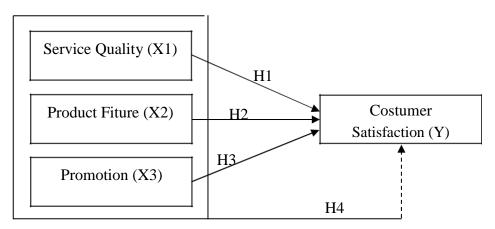
When shopping online, there are several things that can influence this activity, one of which is product features. With product features on the shopee marketplace, consumers can choose the diversity, quality, importance, and completeness of product features. So that it can make it easier for consumers to recognize and differentiate between a product and other products. The last factor that influences consumer satisfaction is promotion. With promotions, it is easier for sales to channel the right product information to consumers so that they can increase offers, sales, and company profits on the Shopee marketplace. Promotions on the Shopee marketplace aim to increase new consumers and encourage consumers to repurchase attractive offers for the promotions given.

According to Prasetio & Laturette (2017) Promotion is the component of the marketing mix that focuses on informing, influencing, and reminding consumers about the company's brand and products. Promotion has five indicators including Advertising (advertising), which is a presentation and promotion aimed at potential consumers who are paid by sponsors to present an idea or ideas, goods and services, Sales promotion (sales promotion), namely incentives with a short period of time to encourage buying and selling of a product or service, Personal selling (personal sales), is a personal presentation by the sales force that aims to increase sales and create bonds with consumers, Public relations (public relations), is to create good relations with the company's various publics in order to achieve favorable publicity, builds a good corporate image, corrects and corrects unfavorable rumours, news and activities. Direct marketing is a direct relationship with consumers that aims to get an immediate response and form a lasting relationship with consumers.

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### conceptual framework



**Figure 2 Conceptual Framework** 

# **Research Hypothesis**

The hypothesis in this study is:

H1: Service quality partially affects consumer satisfaction in the Shopee marketplace.

H2: Product features partially affect consumer satisfaction in the Shopee marketplace.

H3: Promotion partially affects consumer satisfaction in the Shopee marketplace.

H4: Quality of service, product features, and promotions simultaneously affect consumer satisfaction in the Shopee marketplace.

# **METHOD**

The type of research used in this research is quantitative. According to Sumarsan (2021) Quantitative approach is research based on the philosophy of positivism to examine certain populations or samples as well as random sampling with the aim of collecting data using instruments, statistical data analysis. The technique in this study was taken using a total sampling technique, the data taken was data collected through respondents using a questionnaire which was distributed online via Google Form to Shopee Marketplace consumers.

# **Population And Sample**

The population used in this research is all Shopee Marketplace consumers. The population is a generalized location consisting of objects or subjects that have certain qualities and characteristics that are determined by the researcher to be studied and then drawn conclusions (Liwe, 2013). In this study, 100 respondents were taken from Shopee Marketplace consumers. The sample is a component of the number of characteristics obtained in that population (Liwe, 2013).

#### **RESULTS AND DISCUSSION**

### **Convergent Validity**

The validity test in this study uses the Average Varience Exracted (AVE) value for each latent variable, while the reliability test uses composite reliability. Composite reliability can be used to test the Structual Equation Model (SEM). Testing the validity and reliability using the same data as the data to be analyzed next. It is known from the model test that the Composite Reliability and AVE values have met the minimum threshold, so that all constructs are feasible to use as measuring instruments

ITEMS	Service quality	Product fiture	Promosion	Costumer satisfaction
Reliability	0.825			
Respinsiviness	0.819			
Ansurance	0.797			
Empathy	0.835			
Tangibles	0.860			
Diversity of features		0.307		
Feature quality		0.748		
Feature importance		0.813		
Completeness of features		0.838		
Advertising			0.489	
Sales promotion			0.792	
Personal selling			0.841	
Public relations			0.823	
Direct marketing			0.868	
The quality of the products				0.783
produced				0.022
Quality of Service provided				0.833
Product price conformity				0.864
Ease of access to products				0.866
Product diversity				0.863

Table 1.Convergent Validity

Source: Processed data SmartPLS, 2023

To find out the relationship between latent variables and indicators in the SmartPLS application, it can be seen from the outer/weightloading values. Outer loading is the value of the relationship between indicators and latent variables. Reflective indicators are seen as a function of latent constructs, and changes in latent constructs are reflected in change indicator variables (manifest).

# **Discriminant Validity**

Reliability Test						
Variable	Service Quality	Product Fiture	Promosion	Costumer satisfaction		
Service	0.710					
Product Fiture	0.822	0.843				
Promosion	0.736	0.807	0.828			
Costumer satisfaction	0.700	0.826	0.733	0.835		

Table 2.

Source: Processed data SmartPLS, 2023

Based on the table above, it can be concluded that all variables in this study meet the requirements of discriminant validity.

# **Reliability Test**

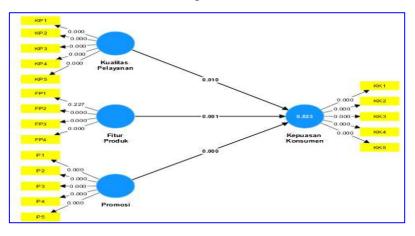
Table 3. **Output Contruct Reliability and Validity** 

Variab	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Service quality	0.885	0.916	0.685
Product Fiture	0.747	0.787	0.504
Promosion	0.891	0.920	0.697
Costumer satisfaction	0.898	0.924	0.710

Source: Processed data SmartPLS, 2023

The results of the reliability test showed that the variables used in this study have Cronbach's Alpha > 0.6, the value of composite reliability > 0.7, and the value of AVE > 0.5, it can be concluded that all research variables qualify for reliability.

Research Results Testing The results of bootstrapping calculations in the SmartPLS software can be seen in the image below:



# Figure 4. Hypothesis Testing

Source: Data processed by SmartPLS 2023

	(STDEV)	T Statistics	P Value	Informatio
				n
Service Quality -> costumer satisfaction	0.106	3.450	0.010	Accepted
Product Fiture -> costumer satisfaction	0.099	2.619	0.001	Accepted
Promosion -> costumer satisfaction	0.096	3.973	0.000	Accepted

Table 4 Summary of Hypothesis Testing Results

Source: Data processed by SmartPLS 2023

Based on Table 4. it is known that of all the hypotheses including three hypotheses that are accepted which will be further discussed below.

1. H1: The results of the first test prove that the Service Quality variable has a significant effect on Consumer Satisfaction in the Shopee Marketplace. This is clear from the acquisition of the t-statistic path coefficient value of 3,450 > 1,658 and has a significant value of 0,010 < 0.05. Thus the results of testing the first hypothesis in the study can be accepted.

2. H2: The results of the second test prove that the Product Features variable has a significant effect on Consumer Satisfaction in the Shopee Marketplace. This is clear from the acquisition of the t-statistic path coefficient value of 2,619 > 1,658 and has a significant value of 0,001 < 0.05. Thus the results of testing the first hypothesis in the study can be accepted.

3. H3: The results of the third test prove that the Promotion variable has a significant effect on Consumer Satisfaction in the Shopee Marketplace. This is clear from the acquisition of the t-statistic path coefficient value of 3,973 > 1,658 and has a significant value of 0,000 < 0.05. Thus the results of testing the first hypothesis in the study can be accepted.

# CONCLUSION

**Based on the description of the data and discussion of the results of the research** conducted, the conclusions are: The Effect of Service Quality on Consumer Satisfaction in the Shopee Marketplace, Service Quality has a significant effect on Customer Satisfaction. This is evidenced by the responsiveness and responsiveness of the services provided by the Shopee Marketplace, so that consumers choose Shopee over other marketplace, Effect of Product Features on Consumer Satisfaction in the Shopee Marketplace, Product features have a significant effect on consumer satisfaction. This is proven because the Shopee Marketplace is able to complete a variety of features according to consumer needs, The Effect of Promotion on Consumer Satisfaction in the Shopee Marketplace, Promotion has a significant effect on consumer satisfaction. This is proven because advertising or promotions provided by the Shopee Marketplace are able to attract consumers to shop.

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