Exploring E-Repurchase Intention of Online SMEs in Tangerang: How The Role E-Satisfaction and E-service Quality?

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ABSTRACT

The purpose of this study was to analyze the effect of E-satisfaction on E-repurchase intention of Online SMEs users, to determine the positive effect of E-service quality on E-repurchase intention of online SMEs and to determine the positive effect of E-service quality on e-satisfaction of Online SMEs. This research is focused on SMEs Online consumers in Tangerang, this type of research is quantitative with a sample of 566 respondents with the data collection method using a questionnaire via google form, using a non-probability sample. Data analysis using SmartPLS version 3.0 software. And based on the results of the analysis it was concluded that E-satisfaction had a positive and significant effect on E-repurchase intention, E-service quality had a positive and significant effect on E-repurchase intention of online SMEs and E-service quality had a positive and significant effect on e-satisfaction of Online SMEs.

Keywords: E-service quality, E-satisfaction, E-Repurchase Intention, Online SMEs.

INTRODUCTION

The development of the culinary industry as a competitive business competition. Many new competitors have emerged so that they can become a threat for the company. Micro, Small and Medium Enterprises are a small part of a national scale business. This business is dominantly occupied by people in Indonesia. Small Micro Business One of the secondary sectors is culinary. The culinary sector is a daily consumption need for all levels of society. This sector business has a guaranteed profit high, of course with different achievements from culinary - culinary in general. Armed with expertise and passion, people choose their own business instead of applying work in the agency. Starting from micro-businesses in the culinary and non-culinary fields, many have developed and become an alternative to balance the economy.

Indonesia (BPS, 2018). The high level of consumption has made the culinary sector SMEs an alternative consumption. Various brand names compete and survive to increase turnover each. According to intense competition can increase the selective value for consumers. This selective value aims to choose a culinary brand from SMEs. According to Haudi et al. (2022); Khan et al. (2019); Magdalena et al. (2018); Mayasari et al. (2020) The existence of small businesses in the culinary sector is expected to make a significant contribution. This role is an effort to overcome the problems of the free trade era. The main value in a marketed product is service. Service is a dynamic value that affect products, people, processes and the environment to meet or exceed expectations. Intense competition and obstacles must be faced by MSMEs by maximum readiness to compete for loyalty. According to Haudi et al. (2022); Khan et al. (2019) MSMEs achieve success with high customer loyalty indelivery of service quality Customer loyalty can be regarded
as a reference in the business world. Consumer loyalty means buying goods repeatedly, whether in the form of products or services, including buying more of the same product and recommending it to people.

In this digital era, technological developments in the current digital era are growing very rapidly in various aspects of human life, this technological change is being adopted thus creating a new lifestyle by implementing technology in it, especially in economics and business in the E-commerce industry. According to Ariff et al. (2014); Behjati et al. (2012); Bressolles et al. (2014) The covid-19 pandemic that also occurred throughout 2020 pushed internet use to also increase not in all fields such as education which was also carried out online, the number of internet users in Indonesia with the latest data until 2022 got a figure of 205 million people. Based on the increase in the number of users, the internet in Indonesia is one of the biggest factors for the increase in the number of internet users is caused by the current condition where the covid-19 pandemic is happening, where the pandemic that occurs requires the use of the internet and other online-based things is growing in all business activities. According to Al-Bourini et al. (2021); Al-dweeri et al. (2018); Al-Khayyal et al. (2020) SMEs Online shop, which is one of the leading E-commerce in Indonesia, with a pandemic and accelerating digitization, SMEs online shop can take advantage of the situation and make innovations that can increase the number of visitors and also their transaction activities.

Based on research by According to Al-Bourini et al. (2021); Al-dweeri et al. (2018) which says that E-service quality in Online SMEs has a positive effect on E-satisfaction, also in research by Ariff et al. (2014); Behjati et al. (2012); Bressolles et al. (2014) said that E-service quality and E-satisfaction have a positive and significant effect on E-repurchase intention, when repurchase intention by online SMEs consumers has increased which creates an intention or desire and interest to access online SMEs to then make transactions. When the transaction was carried out successfully, making the sales volume increase, with the increase in quantity that occurred causing an increase in the level of revenue that can be received by online SMEs, with this increase the impact in terms of profit that will be received by online SMEs becomes greater. In accordance with the problem formulation described above, the objectives to be achieved in conducting this research are to determine the effect of E-service quality on online SMEs' E-satisfaction, to determine the effect of E-satisfaction to online SMEs' E-repurchase intention and to determine the effect of between E-service quality and E-repurchase intention online SMEs.

METHOD

In this study used the individual analysis unit with a sample of 321 respondents, who filled out their opinions through a questionnaire with a Likert scale of seven. point one means strongly disagree and up to the seventh point means strongly agree. Respondents of this study are SMEs online consumers who have made sales transactions or buying goods or services online, the individual unit of analysis in this study has one criterion, which is everyone who has made buying and selling transactions with online SMEs. The reason for the criteria for individuals is that the data obtained are accurate to measure the research model. Research subjects who used in this study is everyone In this study using the non-probability type, while the type of sample in this study is convenience sampling. The technique of collecting data in this study uses a questionnaire
instrument, where the questionnaire is filled in according to the opinions of the respondents. This data is in the form of primary data taken directly from the results of the questionnaire, individuals are given questions related to it with the variables in the electronic questionnaire distributed via Google forms. The advantage of using electronic questionnaires is that researchers can collect respondent data with the desired number of researchers in a short time, reach a wide area and not spend a lot of research costs, the data analysis tool in this research is using the SmartPLS software hen later it will be measured by appropriate statistical analysis. For this reason, the authors build a research model as shown in Figure 1 below:

Thus, this study establishes the following hypotheses:

H1: E-service quality berpengaruh positif terhadap E-satisfaction
H2: E-satisfaction berpengaruh positif terhadap E-repurchase intention
H3: E-service quality berpengaruh positif terhadap E-repurchase intention

RESULT AND DISCUSSION

A total of 566 respondents participated, consisting of man (60%) and girls (40%). The measurement model testing phase includes testing of convergent validity, discriminant validity. Meanwhile, to test construct reliability, Cronbach's alpha and composite reliability values were used. The results of the PLS analysis can be used to test research hypotheses if all indicators in the PLS model have met the requirements of convergent validity, discriminant validity, and reliability testing. Convergent validity test is done by looking at the loading factor value of each indicator to the construct. In most references, a factor weight of 0.7 or more is considered to have strong enough validation to explain the latent
construct (Purwanto et al., 2021). In this study, the minimum accepted loading factor is 0.7 and provided that the AVE value of each construct is > 0.5 (Purwanto et al., 2020). After going through SmartPLS 3.0 processing, all indicators have a loading factor value above 0.7 and an AVE value above 0.5. The fit or valid model of this study can be seen in Figure 2. Thus, the convergent validity of this research model has met the requirements (Purwanto et al., 2019) The value of loadings, Cronbach’s alpha, composite reliability, and AVE for each construct can be seen in Table 2.

Construct reliability can be assessed from the value of Cronbach's alpha and composite reliability of each construct. The recommended value of composite reliability and Cronbach's alpha is more than 0.7 (Ghozali, 2014). The results of the reliability test in Table 2 show that all constructs have composite reliability and Cronbach's alpha values greater than 0.7 (> 0.7). In conclusion, all constructs have met the required reliability.

![Figure 2. Valid Research Model](image_url)

### Table 1

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items</th>
<th>Loadings</th>
<th>Cronbach’s Alpha</th>
<th>Rho_A</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-service quality (ESQ)</td>
<td>ESQ1</td>
<td>0.866</td>
<td>0.840</td>
<td>0.840</td>
<td>0.904</td>
<td>0.758</td>
</tr>
<tr>
<td></td>
<td>ESQ2</td>
<td>0.899</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ESQ3</td>
<td>0.845</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-satisfaction (ESA)</td>
<td>ESA1</td>
<td>0.858</td>
<td>0.805</td>
<td>0.808</td>
<td>0.885</td>
<td>0.720</td>
</tr>
<tr>
<td></td>
<td>ESA2</td>
<td>0.872</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ESA3</td>
<td>0.814</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-repurchase intention (ERI)</td>
<td>ERI1</td>
<td>0.851</td>
<td>0.866</td>
<td>0.866</td>
<td>0.918</td>
<td>0.789</td>
</tr>
<tr>
<td></td>
<td>ERI2</td>
<td>0.911</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ERI3</td>
<td>0.903</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The model has good discriminant validity if the AVE squared value of each exogenous construct (the value on the diagonal) exceeds the correlation between the construct and other constructs
(the value below the diagonal). Furthermore, collinearity evaluation is carried out to determine whether there is a collinearity problem in the model. To find the collinearity, we need the VIF collinearity statistics of each construct. If the VIF is more than 5, then the model has collinearity (Hair et al., 2014).

**Table 2**

<table>
<thead>
<tr>
<th>Variables</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESA</td>
<td>0.570</td>
<td>0.569</td>
</tr>
<tr>
<td>ERI</td>
<td>0.794</td>
<td>0.793</td>
</tr>
</tbody>
</table>

The value of R square E-satisfaction is 0.570, this means that the E-service quality variable contributes to the E-satisfaction variable by 57% while the remaining 43% is influenced by other variables not discussed in this study. The R square value of E-repurchase intention is 0.794, this means that the E-service quality and E-satisfaction variables contribute to the E-repurchase intention variable by 79.4% while the remaining 20.6% is influenced by other variables not discussed in this study.

![Figure 3. Hypotheses Testing](image)

**Table 3**

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Relationship</th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation (STDEV)</th>
<th>T Statistics</th>
<th>P Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>ESQ -&gt; ESA</td>
<td>0.404</td>
<td>0.403</td>
<td>0.025</td>
<td>16.152</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>ESQ -&gt; ERI</td>
<td>0.229</td>
<td>0.228</td>
<td>0.035</td>
<td>6.592</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>ESA -&gt; ERI</td>
<td>0.213</td>
<td>0.215</td>
<td>0.039</td>
<td>5.486</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

**Discussion**
H1: E-service quality has a positive effect on E-satisfaction

Based on the results of data analysis, it was found that the p value was 0.000 < 0.50 meaning that E-service quality had a positive effect on E-satisfaction. Thus, the higher the E-service quality, the higher the E-satisfaction felt by consumers. This statement is supported by Al-Bourini et al. (2021); Al-dweeri et al. (2018); Al-Khayyal et al. (2020) which says that the services provided by a company are the basis and perceptions generated by consumers, services such as ease of finding goods, ease of payment, promos provided, and also the process of delivering goods, are all seen and assessed by consumers. According to Ariff et al. (2014); Behjati et al. (2012); Bressolles et al. (2014) when SMEs Online can improve their level of service to consumers in the form of experience using applications, ease of product search processes, transaction processing, payment processing, and up to the delivery of goods, consumer satisfaction will emerge, this satisfaction is what is desired to be created and maintained.

H2: E-satisfaction has a positive effect on E-repurchase intention

Based on the results of data analysis, it was obtained that the p value was 0.000 < 0.50 meaning that E-satisfaction had a positive effect on E-repurchase intention. Based on the results of the hypothesis test listed above, it shows that the third hypothesis is supported. Thus, the higher the E-satisfaction, the higher the E-repurchase intention felt by consumers. This statement is supported by Miao et al. (2021); Nasution et al. (2019); Prahiawan et al. (2021); Rabiei et al. (2011) says that satisfaction is a response from consumers in the form of feelings of pleasure or disappointment shown by customers for the goods and services obtained and used by them. According to Santika et al. (2020); Sasono et al. (2021) added that consumers who are satisfied with a product or service will tend to be loyal to the product, when the customer is loyal, it means that he will make transactions again in the future which will lead to repurchase of these goods and services. It means that when Tokopedia succeeds in creating a satisfaction for consumers, they will be more bound in their minds.

H3: E-service quality has a positive effect on E-repurchase intention

Based on the results of data analysis, it was found that the p value was 0.000 < 0.50 meaning that E-service quality had a positive effect on E-repurchase intention. Thus, the higher the E-service quality, the higher the E-repurchase intention felt by consumers. This statement is supported by by Carlson et al. (2010); elik et al. (2021); Giovanis et al. (2014); Haudi et al. (2022); Khan et al. (2019) which says that the services provided by a company become the basis and perceptions generated by consumers, services such as the ease of finding goods, ease of payment, promotions that are provided, as well as the process of delivering goods, all of which are seen and assessed by the consumer.

CONCLUSION

Based on data analysis, it can be concluded that E-service quality has a positive effect on
E-satisfaction, E-satisfaction has a positive effect on E-repurchase intention and: E-service quality has a positive effect on E-repurchase intention. Limitations and suggestions for further research. This study has several limitations, namely variables, sampling technique, then characteristics, and sample size. In this research, only the variables contained in the research model used. While there are still other variables that can affect E-repurchase intention of online shop users. Variables can be in the form of E-trust, Perceived usefulness, Perceived value, E-customer loyalty, Consumer product evaluations, and others which mean that many factors affect a person's E-repurchase intention. In addition, another limitation lies in the number of respondents in the study, where the number of respondents in this study was used is 321 respondents. Therefore, this research still cannot be generalized. This research is a cross-sectional study. Where, E-repurchase intention of SMEs online users in Tangerang area, cannot be generalized as a whole to the entire population in Jabodetabek, many respondents are also obtained from other areas. With various limitations in research, there are several suggestions for use in future research, such as conducting research with a wider demographic, with a more diverse number of samples and broad so that it can generalize thoroughly, the next suggestion is to add other variables such as E-trust, Perceived usefulness, Perceived value, Ecustomer loyalty, Consumer product evaluations, and others which mean that many factors affect a person's E-repurchase intention, which can see how the influence of these variables to the E-repurchase intention of online SMEs users. Also with other sampling methods in order to provide opportunities for respondents other.

REFERENCES


