



THE INFLUENCE OF SERVICE QUALITY ON REPURCHASE INTENTION THROUGH CUSTOMER SATISFACTION MEDIATION AT BCE EXPRESS

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Article info	ABSTRACT
<p>Corresponding Author: Arbi Siti Rabiah H.M asitirabiah@gmail.com Universitas Bina Nusantara, Jakarta, Indonesia</p>	<p>The development of the service industry currently plays an important role in contributing to the country's economy. One type of service company is a goods delivery service company. This study aims to determine the effect of service quality on repurchase intention through customer satisfaction as a mediating variable at BCE Express Green Lake City. This research used a quantitative approach by using probability sampling and a simple random sampling technique, which was processed through path analysis. Samples in this study amounted to 100 respondents. The results achieved in this study are that service quality has a significant positive effect on customer satisfaction, service quality has a significant positive effect on repurchase intention, and customer satisfaction has a significant positive effect on repurchase intention. Another finding is that service quality has a significant positive effect on repurchase intention through the mediation of customer satisfaction.</p> <p>Keywords: <i>Service Quality, Customer Satisfaction, Repurchase Intention</i></p>
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INTRODUCTION

The service industry has developed very rapidly and plays an important role in contributing to the country's economy, one of which is the transportation and warehousing sectors. This sector succeeded in becoming the 6th largest contributor of 983.5 trillion with a distribution of 5.02% of Indonesia's national GDP in 2022 (Databoks, 2023). The Central Statistics Agency (BPS) recorded that the highest growth in GDP by business field in 2022 came from the transportation and warehousing sector, which reached 19.87%.

One of the transportation and warehousing sub-sectors, namely the warehousing sector and transportation, postal, and courier support services, has a fluctuating growth rate in 2018-2022. The performance of this sub-sector in 2020 experienced quite a severe contraction because of being hit by the global COVID-19 pandemic in Indonesia. However, this sub-sector managed to recover in 2021, and its growth increased drastically to 40.54% in 2022. The recovery in the performance of this sub-sector was due to the trend of online shopping which became increasingly popular during the pandemic and people sending lots

of goods online. -to end without going through an online platform for buying and selling (IDXChannel.com, 2023).

BCE Express Green Lake City is a service company that provides goods delivery services with a one-day service system or fast delivery service to the destination the next day. Based on company sales data, BCE Express Green Lake City in 2022 experienced a decline in sales compared to the previous year 2021. This decline in sales was allegedly due to customer's decreased repurchase intention towards the company's delivery services.

Customers' low repurchase intention is due to the company's service quality being considered poor by customers, namely difficulty finding the company's location (tangibles), packages arriving late, packages being mixed up with other customers, packaging damaged when received (reliability), customer service being late in responding to questions. customer (responsiveness) until the package is damaged or lost (assurance). Poor service quality that does not meet customer expectations can result in reduced customer satisfaction.

Repurchase intention is known as a potential strategy in services marketing because retaining customers is considered more profitable in the long term and more cost-effective than the cost of attracting customers (Saleem et al., 2017). Zeithaml et al., in the journal (Anh et al., 2020) stated that customer satisfaction is a key factor in repurchase intention. Based on previous research, service quality can have a positive and significant effect on repurchase intention by mediating customer satisfaction using data path analysis techniques (Cahyati & Seminari, 2020). Then by Uzir et al. (2021) service quality can directly and positively influence customer satisfaction in service marketing.

The decline in sales at BCE Express Green Lake City shows that there is a problem with customers' intention to repurchase. Therefore, based on the background explained above, the objectives of this research are as follows:

1. To determine the effect of service quality on customer satisfaction
2. To determine the effect of service quality on repurchase intention
3. To determine the effect of customer satisfaction on repurchase intention
4. To determine the effect of service quality on customer satisfaction and its impact on repurchase intention

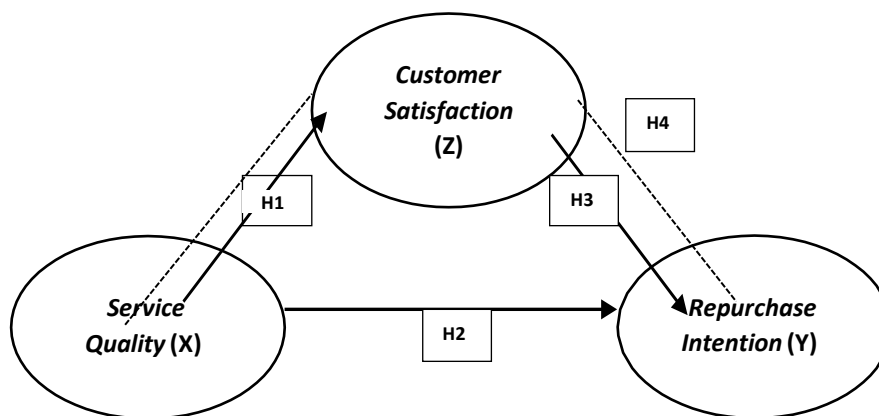


Figure 1 Framework

METHOD

This research uses a quantitative approach with survey research methods. This type of research is associative to determine the influence between variables. The dependent variables in this research are repurchase intention (Y), service quality (X) as the independent variable, and customer satisfaction (Z) as the intervening variable. The data sources used in this research are: 1) primary data source, namely a questionnaire distributed in the form of a Google form with a time horizon with a cross-sectional focus and obtained 100 respondents. 2) Secondary data in this research comes from company data and books, previous journals, and credible websites as supporting data and information. The sampling technique used is probability sampling with simple random sampling with the criteria of customers who have used delivery services at BCE Express Green Lake City. This research was measured using a 5-point Likert scale, namely "strongly disagree", "disagree", "doubtful", "agree" and "strongly agree" (Sugiyono, 2023). The data analysis technique used is path analysis, which is processed using the SmartPLS 3 statistical program, by testing the research instrument, namely the outer model, including validity test (convergent validity and discriminant validity) and reliability test. Then proceed with inner model testing including coefficient of determination (R Square), predictive relevance (Q Square), model fit, path coefficient, and hypothesis testing.

RESULT AND DISCUSSION

Finding

The respondent profile will be described in table form based on gender, age, and occupation.

Table 1 Respondent Profile Based on Gender

Gender	Prosentase
Woman	47%
Man	53%

Table 2 Respondent Profile Based on Age

Age (year)	Prosentase
< 20	4%
20-29	24%
30-39	37%
40-49	21%
> 50	14%

Table 3 Respondent Profile Based on Occupation

Occupation	Prosentase
Graduate college	8%
Laborers/Employees	39%
Entrepreneur	27%
Housewife	24%
Others	2%

Discussion

Outer Model

The measurement model test or outer model aims to assess the validity and reliability of the data. Validity testing is carried out using convergent validity and discriminant validity. Convergent validity is measured by looking at the loading factor value which must be greater than 0.7 and average variance extracted (AVE) greater than 0.5.

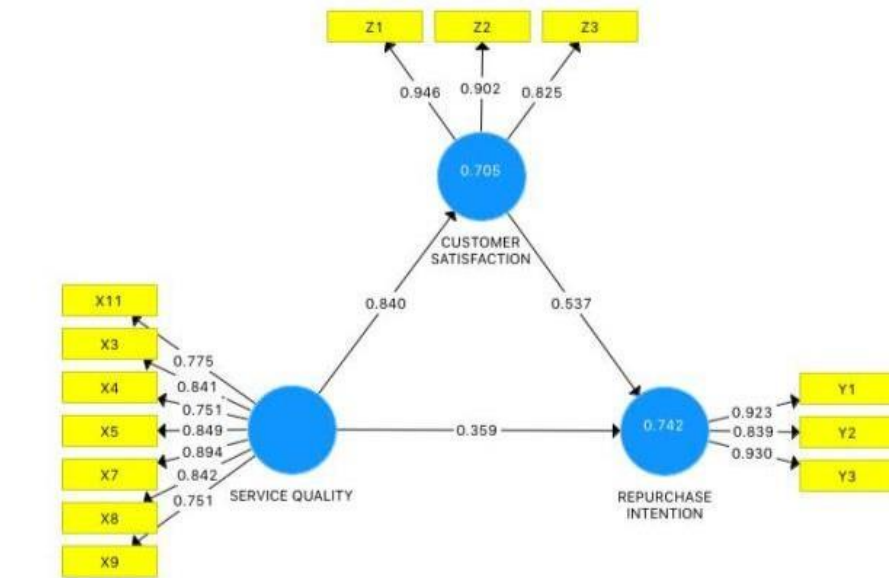


Figure 2 Factor Loading Test

The loading factor value for each indicator can be declared valid and highly correlated if it has a value greater than 0.7 (Ghozali & Latan, 2015). The AVE (Average Variance Extracted) value is acceptable if it meets the criteria, namely greater than 0.5.

Table 4 AVE Test

	AVE
<i>Service Quality</i>	0,666
<i>Customer Satisfaction</i>	0,796
<i>Repurchase Intention</i>	0,807

Discriminant validity is measured by looking at the cross-loading value with the indicator criteria for the construct being measured must be greater than other constructs and greater than 0.7.

Table 5 Cross Loading Test

	<i>Service Quality</i>	<i>Customer Satisfaction</i>	<i>Repurchase Intention</i>
X3	0,841	0,750	0,671
X4	0,751	0,689	0,589
X5	0,849	0,725	0,642
X7	0,894	0,738	0,806
X8	0,842	0,630	0,657
X9	0,751	0,564	0,593
X11	0,775	0,682	0,648
Z1	0,800	0,946	0,797
Z2	0,772	0,902	0,817
Z3	0,668	0,825	0,614
Y1	0,776	0,811	0,923
Y2	0,617	0,629	0,839
Y3	0,775	0,802	0,930

Table 6 Reliability Test

	<i>Composite Reliability</i>	<i>Cronbach's Alpha</i>
<i>Service Quality</i>	0,933	0,916
<i>Customer Satisfaction</i>	0,921	0,871
<i>Repurchase Intention</i>	0,926	0,880

The reliability test value is said to be reliable if the composite reliability and Cronbach's alpha scores are greater than 0.7.

Inner Model

The structural model or inner model test aims to be a prediction that proves the relationship of influence and strength of estimates between variable constructs. Testing the influence between variables to prove the research hypothesis through calculating the coefficient of determination (R Square), predictive relevance (Q Square), model fit, path coefficient, and hypothesis testing. The coefficient of determination (R Square) is a data analysis to determine how far exogenous variables can explain and influence endogenous variables with a range of 0 to 1. The resulting R-Square values can be divided into 3, namely 0 - 0.25 (weak), 0.25 - 0.75 (moderate), and 0.75 - 1 (strong).

Table 7 R Square Test

	<i>R Square</i>
<i>Customer Satisfaction</i>	0,705
<i>Repurchase Intention</i>	0,742

The Customer Satisfaction variable obtained a value of 0.705, so it can be concluded that the service quality variable can explain and influence the customer satisfaction variable by 70.5%, where the remaining 29.5% is influenced by other variables outside this research, then the repurchase intention variable obtained a value of 0.742, so it can be concluded The service quality and customer satisfaction quality variables can explain and influence the repurchase intention variable by 74.2%, where the remaining 25.8% is influenced by other variables outside this research.

Predictive relevance (Q Square) is data analysis to find out how good the level of relevance of predictions is in a construct model. If the Q Square value is greater than zero (0), then the model has good relevant predictions, whereas if the Q Square value is smaller than zero (0) then the model is described as having poor relevant predictions.

Table 8 Q Square Test

	<i>Q Square</i>
<i>Customer Satisfaction</i>	0,549
<i>Repurchase Intention</i>	0,578

Based on the Q Square value obtained above, it can be concluded that the customer satisfaction and repurchase intention variables have good relevant predictions because both values exceed zero (0).

Table 9 Model Fit Test

	<i>Saturated Model</i>	<i>Estimated Model</i>
NFI	0,778	0,778

Model fit analysis to determine the suitability of the research model used. Based on the table above, the research model used is 77.8% fit.

Path coefficient is a data analysis to determine the direction of influence between the variables studied. If the path coefficient value in the original sample is in the range of 0 to 1, then the direction of influence between variables is positive (+) and if the path coefficient value is in the range of -1 to 0 then the direction of influence between variables is negative.

Table 10 Path Coefficient Test

	<i>Path Coefficient</i>
<i>Service Quality -> Customer Satisfaction</i>	0,840
<i>Service Quality -> Repurchase Intention</i>	0,359
<i>Customer Satisfaction -> Repurchase Intention</i>	0,537
<i>Service Quality -> Customer Satisfaction -> Repurchase Intention</i>	0,451

Based on the results of the path coefficients above, it is known that all variable relationships, both direct and indirect, have a positive (+) relationship because the values obtained are in the range of 0 to 1, where service quality to customer satisfaction has a value of 0.840, service quality to repurchase intention has a value of 0.359, customer satisfaction on repurchase intention is 0.537 and the service quality variable on repurchase intention through customer satisfaction is 0.451.

Hypothesis testing is obtained through a bootstrapping process to determine the level of significance of direct effects and indirect effects, by looking at the t-statistic value > t-table = 1.96 or p value < 0.05.

Table 11 Hypothesis Testing

	<i>T-Statistics (O/STDEV)</i>	<i>P Values</i>
H1 <i>Service Quality -> Customer Satisfaction</i>	18,728	0,000
H2 <i>Service Quality -> Repurchase Intention</i>	2,521	0,012
H3 <i>Customer Satisfaction -> Repurchase Intention</i>	3,258	0,001
H4 <i>Service Quality -> Customer Satisfaction -> Repurchase Intention</i>	3,113	0,002

Based on the results of the hypothesis test above, it is known that:

- 1) The influence of service quality on customer satisfaction has a t-statistic value of 18.728 > 1.96 and a p-value of 0.000 < 0.05 which can be concluded that service quality has a significant effect on customer satisfaction, so H1 is accepted.
- 2) The influence of service quality on repurchase intention has a t-statistic value of 2.521 > 1.96 and a p-value of 0.012 < 0.05, which can be concluded that service quality has a significant effect on repurchase intention so H2 is accepted.
- 3) The influence of customer satisfaction on repurchase intention has a t-statistic value of 3.258 > 1.96 and a p-value of 0.001 < 0.05, meaning that customer satisfaction has a significant effect on repurchase intention so that H3 is accepted.
- 4) The influence of service quality on repurchase intention through customer satisfaction has a t-statistics value of 3.113 > 1.96 and a p-value of 0.002 < 0.05, meaning that service quality has a significant effect on repurchase intention through the mediation of customer satisfaction so H4 is accepted.

CONCLUSION

Based on the results of the analysis of the data obtained, it was concluded that service quality had a positive and significant effect on customer satisfaction, service quality had a positive and significant effect on repurchase intention, customer satisfaction had a positive and significant effect on repurchase intention and service quality had a positive and significant effect on repurchase intention through customer satisfaction. Suggestions that can be given based on the research results obtained as input are providing guarantees for quick compensation in the event of damage or loss to customer packages, making location direction markers placed on the side of major roads to make it easier to find the location of BCE Express Green Lake City from a distance, providing a package pickup service directly to the customer's address, and using the WhatsApp bot feature to provide frequently asked questions (FaQs) containing company service information.

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