

The Effect of Service Quality on Repurchase Intention Through Customer Satisfaction on Chatime Drink in Surabaya

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Abstract

This study is to determine the effect of service quality on repurchase intention through customer satisfaction on chatime drinks. The object of this research is the customer of Chatime drinks in Surabaya. This research is a type of quantitative research. The population in this study are customers who have visited Chatime outlets in Surabaya with a total of 100 customers. The technique used in collecting this data is using a survey technique through the distribution of questionnaires. In this study, 100 questionnaires were distributed to customers who had visited Chatime outlets. The data used in this study is primary data. Hypothesis testing in this study uses the analysis and application of SPSS version 18. The results of this study indicate that all variables in this study service quality have a positive and significant effect on repurchase intention, service quality has a positive and significant effect on customer satisfaction, and customer satisfaction has a positive and significant effect on repurchase intention, while the results of the study customer satisfaction are unable to mediate the effect of service quality on repurchase intention.

Keywords:

Customer Satisfaction, Repurchase Intention, Service Quality.

1. Introduction

The increasing economic growth and the needs of consumers who have strong purchasing power have made shopping patterns in Indonesia change and develop as a reflection of a more modern lifestyle and is more oriented towards the aspects of fun, enjoyment and entertainment when shopping (purwanto, 2006:30). The people of Indonesia, especially Surabaya, are starting to switch to shopping at modern retail compared to traditional markets today. The rapid development of modern retail today is based on the company's desire to meet customer needs. The behavior of consumers in Indonesia who prefer to shop at modern retail compared to traditional markets is the reason that resulted in the rapid development of modern retail (Utami, 2017). In addition, the rapid growth of the retail business is caused by globalization and regulatory factors, for example, the tax provided feels so light for retailers (Sopiah & Syihabudhin, 2008:121).

Today's retail business really needs to implement a retail marketing strategy for long-term business development that is able to generate maximum profits and can create customer satisfaction. Retailing or retailing includes all activities involved in selling goods or services directly to final consumers for personal and non-business use, while retailer is any business whose sales volume mainly comes from retail. There is no question that goods or services will be sold through people, letters, telephones, or vending machines where the goods or services are sold either in shops, outlets, on the roadside, or at consumers' homes (Philip Kotler & Kevin Lane Keller, 2008).

The development of the tea bubble beverage business has made it one of the growing businesses in the millennial era, even now bubble tea beverage companies with new names are starting to emerge among the Indonesian people. One type of drink that is currently in high demand and also has a fairly good service quality according to consumers is Chatime. Chatime is a popular drink originating from Taiwan which is made from tea and is combined with various flavors in serving and added with a filling in the form of jelly or boba toppings.

Chatime has various flavor variants which are divided into several drink categories, namely, milk tea, oriental pop tea, QQ jelly, smoothies' series, energetic healthy juice, fresh tea, chatime special mix, and mousse. The prices offered also vary depending on the taste and additional toppings that consumers choose.

Chatime is a modern retail business that is relatively new to the Indonesian market, so it is necessary to carry out a fairly good strategy to maintain its business business. The right strategy for this modern retail outlet is through market understanding that is oriented towards a good understanding of consumer behavior.

Culinary in the form of drinks such as Chatime, Quickly, Hop-Hop, R&B Tea, and Tiger Sugar have emerged among people in big cities, especially among millennial teenagers. However, the current trend of popular drinks is tea-based drinks. One of the tea-based beverage outlets favored by the public, especially millennial

teenagers, is Chatime. Therefore, every Beverage product must be able to carry out new service quality in the provision of tea menus served in maintaining customer satisfaction, thereby causing repurchase intention.

Table 1. Top brand award survey data for the bubble drink category

Year	Brand			
	Chatime	Hop-hop	Lup	Quickly
2019	56.0%	12.5%	11.9%	3.1%
2020	57.5%	12.4%	11.5%	2.7%
2021	52.4%	12.5%	10.3%	2.1%

according to www.topbrandsawards.com Based on the data above, Chatime Indonesia products have increased every year until they finally dominate the market in the bubble drink category.

Based on the above phenomena, the authors are interested in raising this topic in a study entitled "The Effect of Service Quality on Repurchase Intention through Customer Satisfaction in Chatime Drinks in Surabaya".

2. Theoretical Review

2.1. Definition of service quality

Understanding Service quality or service quality according to Geoth and Davis in Fandy Tjiptono, Gregorius Chandra, & Dadi Adriana, (2008) Quality is a dynamic condition that has to do with products, services, human resources, and the environment that meet expectations.

The definition of quality according to (Keller, 2009) is "Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs". From this explanation, it can be concluded that quality is the totality of the features and characteristics of a product or service that has the ability to satisfy needs. (Zeithaml, Bitner, & Gremler, 2006) suggests that service quality or service quality is a critical element of customer perceptions of the service products received or obtained. Especially in products that are purely services, service quality will be dominant in customer assessment.

2.2. Definition of repurchase intention

According to Hellier et al in (Gruenfeld, Inesi, Magee, & Galinsky, 2008), Repurchase intention or repurchase intention is defined as an individual's value about repurchasing and the decision to engage in activities with service providers in the form that will be taken. The value of repurchasing a product or service itself occurs when the customer feels that the service received can provide its own satisfaction to the customer.

2.3. Understanding customer satisfaction

Customer Satisfaction is a very important thing for every business that is run. When consumers feel satisfied, then consumers will disseminate positive information about the product or service to others, so that it can increase demand and add to the good image of the company. According to Schnaars, 1991 in Tjiptono Fandy & Gregorius Chandra (2011) states that the purpose of a business is to create satisfied customers.

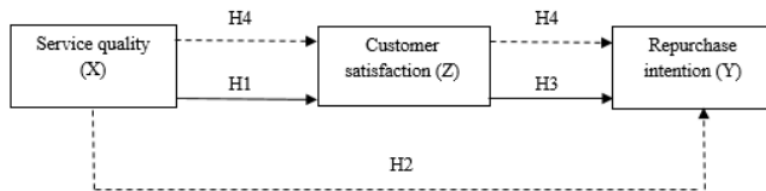


Figure 1. Conceptual framework model

Based on the framework above, it can be formulated that a hypothesis which is a provisional assumption in testing research is:

1. The effect of service quality on repurchase intention
2. The influence of service quality on customer satisfaction
3. The effect of customer satisfaction on repurchase intention.

The mediating effect of customer satisfaction on the relationship between service quality and repurchase intention.

3. Research Methods

3.1. Object of research

According to (Anto Dajan, 1986) the object of research is a subject that will be examined to obtain more focused data. The object of research is the subject matter studied to obtain or obtain data. The object of this research is the variables studied, namely service quality, repurchase intention and customer satisfaction on Chatime beverage products.

3.2. Population

According to Sugiyono (2014) population is a generalization area consisting of subjects and objects that have a certain quantity and character set by researchers to study and draw conclusions. The population taken from this study are customers who have visited Chatime outlets in Surabaya with a total of 100 customers.

3.3. Sample

According to Sugiyono (2014) the sample is part of the number of characteristics possessed by the population. Samples are also used to help researchers overcome limitations in research, for example, limited time, funds and energy.

4. Results and Discussion

4.1. Instrument Testing

4.1.1. Classic Assumption

1. Normality test

Normality test is a test used to see whether the residual value in a study is normally distributed or not, a good regression model is that there is a normal distributed residual value. In a study it can be said to be normal if it has a Kolmogorov-Smirnov value > 0.05 while if it has a Kolmogorov-Smirnov value < 0.05 then a study can be said to be abnormal. In this study, the normality test can be interpreted as follows:

Table 2. The results of the One-Sample Kolmogorov-Smirnov Test (Model 1)

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	Standardized Residual
N		100	100
Normal Parameters a,b	mean	0E-7	0E-7
	Std. Deviation	,41717344	,99493668
Most Extreme Differences	Absolute	,064	,064
	Positive	0.056	0.056
	negative	-,064	-,064
Kolmogorov-Smirnov Z		,640	,640
asym. Sig. (2-tailed)		,807	,807

Source: Appendix 4

- 10
- Test distribution is Normal.
 - Calculated from data.

Table 3. The results of the One-Sample Kolmogorov-Smirnov Test (Model 2)

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	Standardized Residual
N		100	100
Normal Parameters a,b	mean	0E-7	0E-7
	Std. Deviation	,27334381	,98984745
Most Extreme Differences	Absolute	,100	,100
	Positive	,100	,100
	negative	-,068	-,068
Kolmogorov-Smirnov Z		1.002	1.002
asym. Sig. (2-tailed)		,267	,267

Source: Appendix 4

- 2
- Test distribution is Normal.

d. Calculated from data.

Based on Table 4.10 and Table 4.11, it can be shown that the value of Asymp sig (2-Tailed) is 0.807 for model 1 and 0.267 for model 2. This means that in model 1 and model 2 have normal distribution because the value of Asymp sig (2-Tailed) is greater than 0.05.

2. Heteroscedasticity Test

The heteroscedasticity test is to find out whether there is an inequality of variance from the residuals of one observation to another observation (Albert Kurniawan, 2014). If the variance from the residual of one observation to another observation, it can be called homoscedasticity and if it is different than it can be called heteroscedasticity. A good regression model is a model that does not occur heteroscedasticity or homoscedasticity occurs. A study can be said to be free of heteroscedasticity if it has a spread of data above and below the number 0 on the Y axis. In this study, the Heteroscedasticity Test can be interpreted as follows:

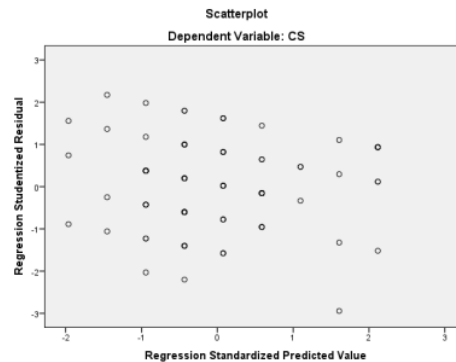


Figure 2. Heteroskedastic test results (type 1)

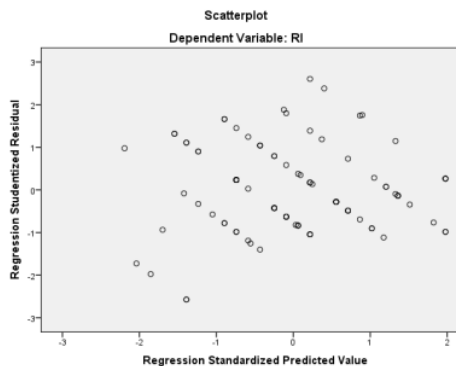


Figure 3. Heteroskedastic test results (Type 2)

Based on the results of heteroscedasticity testing in type 1 and type 2 using the scatterplot graph above, it can be seen that the data from the resulting point scatterplot graph has spread randomly above and below the number 0 on the Y axis, then the regression model in this study that is formed can be identified that there is no heteroscedasticity.

4.2. Coefficient of Determination Test (R²)

The coefficient of determination (R² test) can be used to determine the accuracy of the regression line that is formed in representing the data from observations. The R² test can also be interpreted as the contribution of the independent variable, namely service quality, as well as the intermediate variable, namely customer satisfaction and the dependent variable, namely repurchase intention. If R² has a value close to 100% then the contribution between the independent variables, as well as the dependent variable and the intermediate variable is

getting stronger. From the results of data management with the SPSS program, the results are presented in Table 4 and Table 5 below:

Table 4. Coefficient of Determination Test Results (R2) (model 1)

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,327 a	,107	,098	,41930

Source: Appendix 8

- a. Predictors: (Constant), SQ
- b. Dependent Variable: CS

Table 5. Coefficient of Determination Test Results (R2) (model 2)

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,801 ^a	,641	,634	,27615

Source: Appendix 8

- a. Predictors: (Constant), CS, SQ
- b. Dependent Variable: RI

Based on the above calculation, the value of R2 in model 1 has a value of 0.107 or 10.7%. This shows that the service quality variable contributes 10.7% to customer satisfaction, while 89.3% is influenced by other factors that are not used in this study. While the calculation of the value of R2 in model 2 has a value of 0.641 or 64.1%. This shows that the service quality and customer satisfaction variables contributed 64.1% to repurchase intention while 35.9% was influenced by other factors that were not used in this study. With this explanation, it can be concluded that model 1 and model 2 have independent variables that have a very strong influence on the dependent variable.

4.3. Hypothesis testing

Hypothesis testing is a test used to determine the relationship between the independent variable and the dependent partially. A study can be said that the independent variable has a relationship with the dependent variable if it has a significance value of <0.05. In this study, the t-test can be interpreted as follows:

Table 6. Hypothesis Test Results

Model	t	Sig.
1 (Constant)	-,108	,914
SQ	3,770	,000
CS	10,689	,000

Source: Appendix 6

- a. Dependent Variable: RI

Based on the table above, it can be seen that the results can be interpreted as follows:

- a. The effect of service quality on repurchase intention
By using the significance level $\alpha=0.05$, the significance value of the service quality variable is 0.000 which is smaller than 0.05, this indicates that service quality has a significant effect on repurchase intention. Thus, the proposed hypothesis is proven true.
- b. The effect of customer satisfaction on repurchase intention
By using the significance level $\alpha=0.05$, the significance value of the customer satisfaction variable is 0.000 which is greater than 0.05, this indicates that customer satisfaction has a significant effect on repurchase intention. Thus, the proposed hypothesis is proven true.

4.4. Path Analysis

In the path analysis in this study, the researcher will conduct 2 model tests, the first is to determine the effect of service quality on customer satisfaction. and in the second structure, the effect of service quality on repurchase intention will be tested. Models 1 and 2 will be described in Table 7 and Table 8 as follows:

Table 7. Path Analysis

Model		Coefficients ^a		
		Unstandardized	Coefficients	Standardized Coefficients
1	(Constant)	B	Std. Error	Beta
	SQ	2,778	,450	
		,368	,107	,327

Source: Appendix 3

a. Dependent Variable: CS

Table 8. Path Analysis

Model		Coefficients ^a		
		Unstandardized	Coefficients	Standardized Coefficients
1	(Constant)	B	Std. Error	Beta
	SQ	-,038	,349	
	CS	,282	0,075	,243
		,711	,067	,688

Source: Appendix 3

a. Dependent Variable: RI

In Table 4.15 and Table 4.16, it can be seen that the results of data processing show the regression equation and explain the existence or absence of a relationship between the independent variable and the dependent variable and its relationship to be mediated by the intermediate variable. From the data in Table 6 and Table 7, the following regression equation is obtained:

$$CS = 0.327SQ$$

$$RI = 0.243SQ + 0.688CS$$

From the equations of model 1 and model 2 in the above equation, the standardized coefficient analysis for each model can be explained as follows:

1. In the equation of model 1, the standardized coefficient value for the service quality variable is 0.327 and shows a unidirectional relationship. This means that if service quality increases, customer satisfaction also increases with the assumption that other variables are constant.
2. In model 2 equation, the standardized coefficient value for the service quality variable is 0.243 and shows a unidirectional relationship. This means that if the service quality increases, the repurchase intention also increases with the assumption that other variables are constant. Furthermore, the value of the standardized coefficient for the customer satisfaction variable is 0.688 and shows a unidirectional relationship. This means that if customer satisfaction increases, repurchase intention also increases assuming other variables are constant.



Figure 4. path diagrams

To find out that customer satisfaction is able to mediate the effect of service quality on repurchase intention, do the following calculations: the coefficient value of the effect of service quality on customer satisfaction is multiplied by the value of the influence of customer satisfaction on repurchase intention. If the value generated from the calculation is < the coefficient value of the effect of service quality on repurchase intention, then customer satisfaction is not able to mediate the effect of service quality variable on repurchase intention.

the value of the coefficient of the influence of SQ on CS x the value of the influence of CS on RI
 0.327×0.688
 0.224

It can be concluded that in this study customer satisfaction was not able to mediate the effect of service quality on repurchase intention because it has a value of $0.24 > 0.22$.

5. Conclusions and Recommendations

5.1. Conclusion

Based on the results of research and analysis conducted by researchers regarding the effect of service quality on repurchase intention with customer satisfaction as a mediating variable at Chatime in Surabaya, the following conclusions can be drawn:

1. service quality has a significant effect on repurchase intention, meaning that if the service quality provided to Chatime consumers in Surabaya is getting better in terms of responsiveness in responding to customer complaints or questions about products, employees will always be alert to always help Chatime consumers in Surabaya so that consumers will make purchases rework on Chatime products in Surabaya.
2. service quality has a significant effect on customer satisfaction, meaning that if the service quality provided to consumers is in accordance with consumer expectations and provides services in accordance with applicable regulations and good service and services that always understand what is needed by consumers, consumers will feel satisfied if they buy a product. Chatime products in Surabaya.
3. customer satisfaction has a significant effect on repurchase intention, meaning that if consumers are satisfied with Chatime in Surabaya both in terms of service quality, products that are in accordance with consumer expectations, consumers may make repeat purchases in the hope that the product is in line with expectations and has its own benefits for consumers.
4. customer satisfaction is not able to mediate the effect of service quality on repurchase intention, meaning that when customers feel that the quality of service provided by Chatime in Surabaya is good, there will be repurchase interest for the product without prior customer satisfaction, meaning that without consumers being satisfied with a consumer product. will continue to repurchase products from Chatime in Surabaya because with the support the quality of service provided to customers is very good

5.2. Suggestion

Suggestions that can be given include improving the results of this study and providing suggestions so that future researchers can do better research, the suggestions in this study are as follows:

1. It is advisable for Chatime in Surabaya to always pay attention to the service quality provided to consumers or the services provided to consumers can be further improved so that consumers continue to repurchase intentions.
2. It is recommended that Chatime in Surabaya always maintain the service quality provided to consumers so that consumers are satisfied with purchasing Chatime products in Surabaya.
3. It is advisable for Chatime in Surabaya to always maintain customer satisfaction with various new products that are of interest to consumers so that consumers make repurchase intentions.
4. It's better if Chatime in Surabaya always maintains service quality because good service will make consumers do repurchase intentions without going through customer satisfaction first.

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