Analysis of The Effect of Electronic Customer Relationship Management and Perceived Value on E-Customer Loyalty Through E-Customer Satisfaction on XYZ.Com

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Abstract

Electronic Customer Relationship Management is an integrated CRM function with the use of an online environment to identify, attract and retain an organization's customers. E-CRM has an important role in addressing the challenges that exist in the e-commerce industry and certainly affect the success of e-commerce. In an online business, perceived value is something that must be maintained, that it can become a company's advantage in competing. The purpose of this research is to identify the effect of Electronic Customer Relationship Management (E-CRM) and Perceived Value in increasing customer satisfaction and loyalty. This study used the method SEM-PLS with respondents as mush as 111 respondents. The results are significant againts Electronic Customer Relationship and Perceived Value on E-Customer Satisfaction and E-Customer Loyalty in JABODETABEK customer of XYZ.com.

Keywords: *e-Commerce, Electronic Customer Relationship Management, Perceived Value, E-Customer Satisfaction, E-Customer Loyalty, SEM-PLS*

1. INTRODUCTION

Guntur Siboro, the Country Head of HOOQ Indonesia, revealed that Indonesia is the country with the largest number of internet users in the Southeast Asian region (Beritasatu.com, 2019). With the substantial growth in the number of internet users, it is expected to have a positive impact on various productive activities that will enhance the national economy, particularly in the digital economy, which includes electronic trading or commonly known as e-commerce (Beritasatu.com, 2019).

Recognizing the immense opportunities in the e-commerce industry, many business players have attempted to establish companies in this field, including XYZ.com. XYZ.com is a local company that pioneered online stores in Indonesia and was founded in 2011. XYZ.com is a

customer-centric company, prioritizing customer satisfaction by providing the most comprehensive and reliable products, along with top-notch service. This approach aims to create a memorable online shopping experience for customers on the XYZ.com website or app.

XYZ.com has made every effort to ensure customer satisfaction in the hope that customers will become loyal and make repeated purchases on the platform. However, the reality hasn't aligned with this intention, as XYZ.com has struggled to maintain customer loyalty. Based on transaction data from 2018, only 39% of the total customers made repeat purchases on XYZ.com, while 61% shopped just once. Therefore, loyalty is a crucial variable in this study. A preliminary test involving 32 XYZ.com customers revealed that 75% of them stated they would remain loyal to XYZ.com if they were satisfied. According to Ting et al. (2016), customer satisfaction directly predicts customer loyalty in the e-commerce industry, suggesting that higher customer satisfaction leads to greater customer loyalty. Further analysis of the pre-test indicated differences in satisfaction levels based on gender and age groups.

From the pre-test, it was also evident that the most significant factor influencing customer satisfaction on XYZ.com is the rewards obtained with each purchase. According to Cherapanukorn (2017), rewards are a dimension of Electronic Customer Relationship Management (E-CRM). XYZ.com has implemented rewards as part of its E-CRM strategy, aiming to build long-term relationships with customers. Customer Relationship Management (CRM) strategies are designed to achieve customer satisfaction and loyalty by providing tailored services (Aldaihani & Ali, 2018). With the development of information and communication technology, CRM has evolved into a more effective concept known as Electronic Customer Relationship Management, or E-CRM.

Furthermore, the second most influential factor affecting customer satisfaction while shopping on XYZ.com is the perceived value received in relation to the cost expended. It is widely recognized that perceived value by customers is a strength that companies can leverage to create a competitive advantage. Perceived Value is the customer's personal perception of the benefits or

advantages derived from interactions with technology-based service processes in online channels, relative to the cost paid by the customer. When customers perceive value in each website interaction, where the benefits match the costs, customer satisfaction is formed, leading to loyal customers (Carlson et al., 2015).

With this phenomenon, this study wants to find out more about the influence of Electonic Customer Relationship Management (E-CRM) and Perceived Value which are the 2 biggest factors that can shape customer satisfaction XYZ.com and their impact on customer loyalty XYZ.com. This research also wants to see more about the influence of age and gender in moderating the influence that shapes customer satisfaction. Therefore, this research will raise the topic into research entitled "Analysis of the Effect of Electronic Customer Relationship Management and Perceived Value on E-Customer Loyalty Through E-Customer Satisfaction on XYZ.COM"

2. RESEARCH OBJECTIVES

1) To find out how Electronic Customer Relationship Management (E-CRM) and Perceived Value have an influence on E-Customer Loyalty

2) To find out how Electronic Customer Relationship Management (E-CRM) and Perceived Value have an influence on E-Customer Satisfaction

3) To find out how E-Customer Satisfaction has an influence on E-Customer Loyalty

4) To find out how Electronic Customer Relationship Management (E-CRM) and Perceived Value have an influence on E-Customer Loyalty through E-Customer Satisfaction as an intervening variable

5) To find out how Gender and Age have an influence in moderating the influence of Electronic Customer Relationship Management and Perceived Value on E-Customer Satisfaction
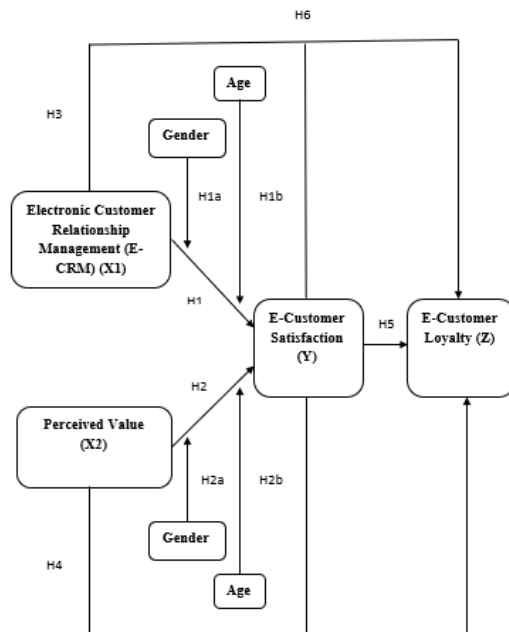
Figure 1 Framework of Thought
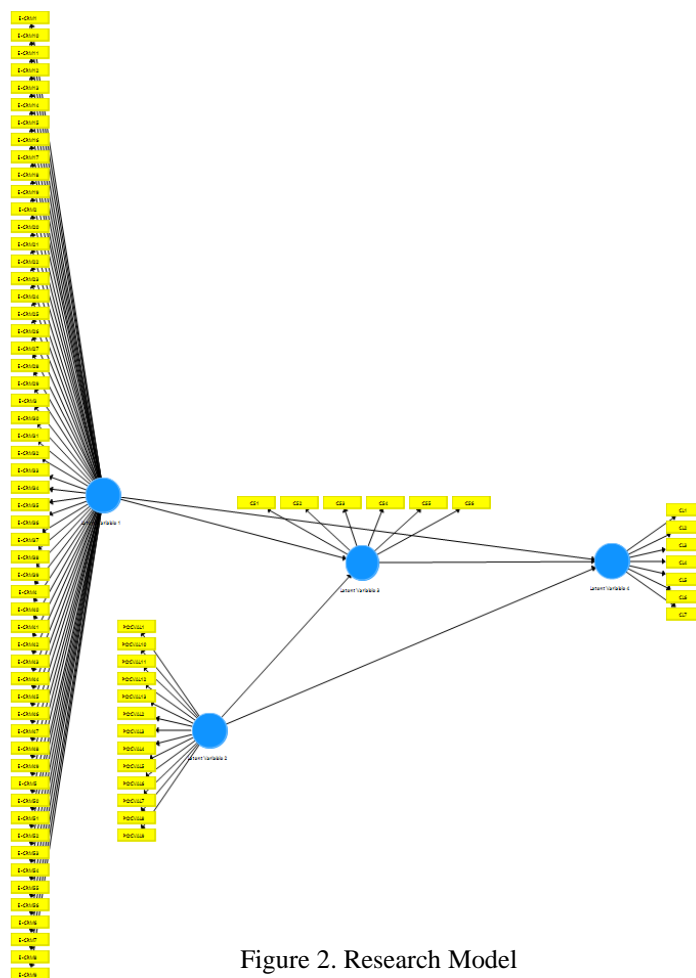
3. RESULTS AND DISCUSSION

Figure 2. Research Model

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
E-Customer Satisfaction -> E-Customer Loyalty	0.330	0.330	0.107	3.088	0.002
E-CRM -> E-Customer Loyalty	0.377	0.377	0.113	3.324	0.001
E-CRM -> E-Customer Satisfaction	0.512	0.518	0.095	5.366	0.000
Perceived Value -> E-Customer Loyalty	0.243	0.241	0.107	2.270	0.023
Perceived Value -> E-Customer Satisfaction	0.452	0.445	0.097	4.682	0.000

Table 1. Path Coefficient Direct Effect

1) Electronic Customer Relationship Management (E-CRM) has a significant influence on E-Customer Satisfaction for customers XYZ.com JABODETABEK domicile with a T Statistics value of 5,366

2) Perceived Value has a significant influence on E-Customer Satisfaction for customers XYZ.com domicile of JABODETABEK with a T Statistics value of 4,682

3) Electronic Customer Relationship Management (E-CRM) has a significant influence on E-Customer Loyalty on customers XYZ.com JABODETABEK domicile with a T Statistics value of 3,324

4) Perceived Value has a significant influence on E-Customer Loyalty for customers XYZ.com JABODETABEK domicile with a T Statistics value of 2,270

5) E-Customer Satisfaction has a significant influence on E-Customer Loyalty for customers XYZ.com domicile of JABODETABEK with a T Statistics value of 3,088

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
E-CRM-> E-Customer Satisfaction-> E-Customer Loyalty	0.169	0.169	0.065	2.581	0.010
Perceived Value -> E-Customer Satisfcation -> E-Customer Loyalty	0.149	0.148	0.057	2.626	0.009

Table 2. Path Coefficient Indirect Effect

1) Electronic Customer Relationship Management (E-CRM) has a significant influence on E-Customer Loyalty through E-Customer Satisfaction as an intervening variable in customers XYZ.com JABODETABEK domicile with a T Statistics value of 2,581

2) Perceived Value has a significant influence on E-Customer Loyalty through E-Customer Satisfaction as an intervening variable for customers XYZ.com JABODETABEK domicile with a T Statistics value of 2,626

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Moderating Effect E-CRM -> E-Customer Satisfaction	0.130	0.131	0.090	1.450	0.147
Moderating Effect Perceived Value -> E-Customer Satisfaction	-0.136	-0.137	0.093	1.460	0.145

Table 3. Path Coeffiient Gender as a Moderator Variable

1) Gender does not have a significant influence in moderating the influence between Electronic Customer Relationship Management (E-CRM) and E-Customer Satisfaction on customers XYZ.com JABODETABEK domicile.

2) Gender does not have a significant influence in moderating the influence between Perceived Value and E-Customer Satisfaction on customers XYZ.com domicile of JABODETABEK

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Moderating Effect E-CRM -> CS	0.034	0.059	0.162	0.210	0.834
Moderating Effect Perceived Value -> CS	0.001	-0.027	0.154	0.005	0.996

Table 4. Path Coeffiient Age as a Moderator Variable

1) Age does not have a significant influence in moderating the influence between Electronic Customer Relationship Management (E-CRM) and E-Customer Satisfaction on customers XYZ.com JABODETABEK domicile.

2) Age does not have a significant influence in moderating the influence between Perceived Value and E-Customer Satisfaction on customers XYZ.com JABODETABEK domicile

4. IMPLICATIONS OF RESEARCH RESULTS

Based on the results of data processing that has been carried out, here are the implications of research results regarding the influence of Electronic Customer Relationship Management and Perceived Value on E-Customer Loyalty through E-Customer Satisfaction as an intervening variable.

4.1 The Effect of Electronic Customer Relationship Management on E-Customer Satisfaction

Based on the results of the analysis, the implementation of Electronic Customer Relationship Management (E-CRM) in XYZ.com has an influence in the formation of customer satisfaction XYZ.com therefore it is XYZ.com necessary to continue to improve or add the implementation of E-CRM on XYZ.com website or application. The results of this study, in line with research previously conducted by Durai & Stella (2017) which stated that Electronic Customer Relationship Management (E-CRM) has a significant influence on customer satisfaction in e-Commerce.

4.2 The Effect of Perceived Value on E-Customer Satisfaction

Based on the results of the analysis, it can be concluded that Perceived Value has a significant influence on E-Customer Satisfaction where the original sample value is 0.452 which means that the Perceived Value variable has a positive influence on the E-Customer Satisfaction variable by 45.2%. The results of this study are in line with previous research conducted by Carlson et al., which shows that the dimensions that make up Perceived Value such as service performance value, emotional value, monetary value, brand integration value , convenience value have a significant influence on customer satisfaction. So it can be said that the value that can be felt by customers has an important role in directing and shaping customer satisfaction.

4.3 The Effect of Electronic Customer Relationship Management on E-Customer Loyalty

Based on the results of the analysis, it can be concluded that Electronic Customer Relationship Management (E-CRM) has a significant influence on E-Customer Loyalty with a T-statistic value of 3,324 where the original sample value is 0.377 which means that the Electronic Customer Relationship Management (E-CRM) variable has a positive influence on the   E-Customer Loyalty variable by 37.7%. These results are in line with previous research conducted by Salehi et al. (2015) which states that the implementation of Electronic Customer Relationship Management has a significant and positive influence on customer loyalty. In addition, on research conducted by

4.4 The Effect of Perceived Value on E-Customer Loyalty

Based on the results of the analysis, it can be concluded that Perceived Value has a significant influence on E-Customer Loyalty with a T-statistical value of 2,270 where the original sample value is 0.243 which means that the Perceived Value variable has a positive influence on the E-Customer Loyalty variable   by 24.3%. These results are in line with research that has previously been conducted by Carlson et al. (2015) which proves that the dimensions that make up Perceived Value such as service performance value, emotional value, monetary value, brand integration value   , convenience value has a significant influence on customer loyalty on online channels. Value has an important role to increase customer loyalty where building customer loyalty is important for the long-term survival of the company in a competitive environment.

4.5 **The Effect of E-Customer Satisfaction on E-Customer Loyalty**

Based on the results of the analysis, it can be concluded that E-Customer Satisfaction has a significant influence on E-Customer Loyalty with a T-statistical value of 3.088 where the original sample value is 0.330 which means that   the E-Customer Satisfaction variable has a positive influence on the E-Customer Loyalty variable   by 33% . These results are in line with previous

research conducted by Ting et al. where the study proves that customer satisfaction has a positive effect on customer loyalty of online shoppers in e-Commerce with a B2C business model.

4.6 The Effect of Electronic Customer Relationship Management on E-Customer Loyalty through E-Customer Satisfaction

Based on the results of the analysis, it can be concluded that Electronic Customer Relationship Management (E-CRM) has a significant influence on E-Customer Loyalty through E-Customer Satisfaction with a T-statistical value of 2.581 where the original sample value is 0.169 which means that the Electronic Customer Relationship Management variable (E-CRM) has a positive influence on the E-Customer Loyalty variable through the E-Customer Satisfaction variable of 16.9%. These results are in line with research conducted by Mulyono & Situmorang (2018) where the results of the study prove that customer satisfaction has a significant and positive influence in mediating between electronic customer relationship management and customer loyalty.

4.7 The Effect of Perceived Value on E-Customer Loyalty through E-Customer Satisfaction

Based on the results of the analysis, it can be concluded that Perceived Value has a significant influence on E-Customer Loyalty through E-Customer Satisfaction with a T-statistical value of 2.626 where the original sample value is 0.149 which means that the Electronic Customer Relationship Management (E-CRM) variable has a positive influence on the variable E-Customer Loyalty through E-Customer Satisfaction of 14.9%. These results are in line with research that has previously been conducted by Jayakody et al. (2016) which states that customer satisfaction has a significant influence in mediating the relationship between customer perception value and customer loyalty.

4.8 The Influence of Gender in moderating the influence of Electronic Customer Relationship Management and Perceived Value on E-Customer Loyalty

Based on the results of the analysis, it can be concluded that gender does not have a significant influence in moderating both in the influence of Electronic Customer Relationship Management (E-CRM) on E-Customer Satisfaction and in the influence of Perceived Value on E-Customer Satisfaction where the value of t-statistics on the influence of gender in moderating influence Electronic Customer Relationship Management (E-CRM) on E-Customer Satisfaction is 1,450 while the t-statistical value on the influence of gender in moderating the influence of Perceived Value on E-Customer Satisfaction is 1,460 .

In the journal Pereira et al. (2015) states that gender has a significant influence in moderating the relationship between online purchase determinants and E-Customer Satisfaction but in this study proves that gender has no influence in moderating relationships that shape customer satisfaction so if XYZ.com want to make a strategy to shape customer satisfaction by segmenting by gender.

4.9 The Effect of Age in moderating the influence of Electronic Customer Relationship Management and Perceived Value on E-Customer Loyalty

Based on the results of the analysis, it can be concluded that age does not have a significant influence in moderating both in the influence of Electronic Customer Relationship Management (E-CRM) on E-Customer Satisfaction and in the influence of Perceived Value on E-Customer Satisfaction where the value of t-statistics on the influence of age in moderating influence Electronic Customer Relationship Management (E-CRM) on E-Customer Satisfaction is 0.210 while the t-statistical value on the influence of gender in moderating the influence of Perceived Value on E-Customer Satisfaction is 0.005.

In the journal Pereira et al. (2015) states that age has a significant influence in moderating the relationship between online purchase determinants and E-Customer Satisfaction but in this study proves that age has no influence in moderating relationships that shape customer satisfaction so if XYZ.com want to make a strategy to shape customer satisfaction by segmenting by age.

5. CONCLUSION

Based on the results of research on the effect of Electronic Customer Relationship Management (E-CRM) and Perceived Value on E-Customer Loyalty through E-Customer Satisfaction in XYZ.com, it can be concluded that:

1) Electronic Customer Relationship Management (E-CRM) and Perceived Value have a significant influence on E-Customer Loyalty

2) Electronic Customer Relationship Management (E-CRM) and Perceived Value have a significant influence on E-Customer Satisfaction

3) E-Customer Satisfaction has a significant influence on E-Customer Loyalty

4) Electronic Customer Relationship Management (E-CRM) and Perceived Value have a significant influence on E-Customer Loyalty through E-Customer Satisfaction as an intervening variable

5) Gender and Age do not have a significant influence in moderating the influence of Electronic Customer Relationship Management and Perceived Value on E-Customer Satisfaction.

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