



Perceived Value is Proven to Affect Repurchase Intention Mediated by Customer Engagement and Customer Satisfaction

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Abstract. The era of digitalization, human needs, and lifestyle today is caused by changes in the world, both in the economic, social, and cultural fields. The fast development of online trading shows a strong market potential for competition. This study aims to determine and analyze the perceived value that is proven to affect repurchase intention mediated by customer engagement and customer satisfaction. The survey was conducted on the general public, consumers of the Traveloka application, totaling 149 respondents. The sampling technique in this study was non-probability sampling with purposive sampling. The Data analysis was carried out by SEM analysis using the evaluation of the PLS model through the SmartPLS program 4.0 analysis. The results show that Perceived Value has a positive significant effect Perceived Value on Customer Engagement, Customer Satisfaction, and Repurchase Intention after that Perceived Value also showed positive and significant results on Repurchase Intention mediated by Customer Engagement, and Perceived Value has a negative insignificant effect on Repurchase Intention mediated by Customer Satisfaction.

Keywords: Perceived Value · Customer Engagement · Customer Satisfaction · Attitude · Repurchase Intention

1 Introduction

Economic growth and development in this era of the COVID-19 (coronavirus) pandemic have affected almost, businesses, and every society. The vacation industry is one of the industries that have a big effect of the COVID-19 pandemic. Most hospitality also tourism businesses have experienced significant financial challenges as a result of losses caused by vacation restrictions, regional, and local closures. The size of distance and hours of operation should be limited. At the same time, implement strict travel restrictions to limit the spread of the highly contagious disease. In 2022, in Indonesia today, many people are still active as before, although now people are still vigilant and maintain health protocols and social distancing and are still required to wear masks, but gradually the sick condition is getting better, and many people. People who work out of town or people who are on vacation. These days it is becoming more and more common for consumers to book their travel tickets, but there are still people who use travel agents to do this [1].

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The rapid development of technology is marked by changes in the types of internet-based applications and the use of smartphones. This rapid development makes consumers addicted to technology by using unique application systems, especially types of mobile applications. The existence of technology has directly changed the concept of tourism and tourism, both in terms of supply and demand, and the use of tech has increased the ease of access in the tourism sector [2]. The communication technology and development of information also changed the way companies in the tourism industry, such as travel agencies and hotel companies, do business, interact and communicate with public consumption [3]. In online shopping, Indonesian people tend to spend time traveling, this travel transaction is the most popular e-commerce market segment in Indonesia with a market share of 58.9% of all online sales transactions, local websites, and Traveloka as the main travel platform. For the local business category, Traveloka travel agent is one of the most popular travel platforms in Indonesia [4]. Traveloka is an online travel agency from Indonesia founded in February 2012. Initially, the company was a startup operating as a fare comparison website and travel aggregator then shifted into ticketing services and expanded its operations by offering hotel booking services. Traveloka has become one of Southeast Asia's online travel agents. Apart from Indonesia, Traveloka also operates in Malaysia, Thailand, the Philippines, Vietnam, Singapore, and Australia. Traveloka fulfills various vacation needs on a special platform. Traveloka offers airplane tickets, attractions and activities, trains, connectivity products, hotels, and airport transfers. Until early 2020, the Traveloka application has been downloaded more than 35 million times and is the very popular vacation and travel booking application in Indonesia region national (www.traveloka.com) [5].

Traveloka and Tiket.com both online applications have advantages and disadvantages. If consumers want to target the right budget or low fares, the Traveloka app can be an option because the website always updates the latest prices so consumers can prepare a more accurate budget. Apart from that, regarding the registration method, there are various options in the Traveloka application, such as you can check in via email, Google, telephone, and others. Meanwhile, in the Pegipegi application, you can only register via email and Facebook. Thus, it can be concluded that the Traveloka online hotel booking service application is better, much in demand by consumers, and has the cheapest prices compared to Pegi-peggi and Tiket.com.

Based on the description above, the writer has a research idea with the title of analyzing perceived value is proven to affect repurchase intention mediated by customer engagement and customer satisfaction.

2 Theoretical Basis

Customer perceived value is also recognized as the influence of customer engagement. Perceived value has the potential to drive customer engagement. Shows that social interactions and brand equity positively affect customer interactions with people with fan pages on social networks [6].

[7] customers receive positivity from service providers, consumers are motivated to form a higher level of engagement with service providers, to get more value in their business, future transactions, or for social reasons [8]. There is little literature that considers the internal factors that determine the intention to repurchase organic food. As a

result, perceived value emerges as an intrinsic motivator that can positively influence the intention to repurchase this product [9]. A market website with high usability can push their shopping activity and the positive value of the website [10]. The second hypothesis are:

H1.a: Perceived value gives positive impacts on customer engagement.

H1.b: Perceived value gives positive impacts towards effect on customer satisfaction.

H1.c: Perceived value gives positive impacts on repurchase intention.

The good relationship between customer engagement and various transactional and non-trading outcomes has been confirmed [11]. Previous literature has specifically shown a positive relationship between repurchase intention, customer engagement, and positive word of mouth [12]. Applying these insights to retailers, we argue that good engaged customers are more change to repurchase products and spread good word of mouth [11]. Based on the explanation above, we make the hypothesis:

H2: Customer Engagement gives positive impacts on Repurchase Intention.

This research uses the three-factor theory of the Extended Kano model. Kano model is a model that can be used to determine the level of customer satisfaction, where this model aims to classify product and service attributes based on product or service capabilities to satisfy customer needs, as stated by Dr. Kano. Noriaki Kano [13]. Noriaki Kano was the first to develop a way to identify user needs and expectations through the interest classification method [14]. In his model, Kano distinguishes 3 types of desired products that can affect customer satisfaction, namely:

1. Must-be requirements

This category is following the basic criteria that must exist in a product or service. If these basic requirements do not exist, are not met, or are lacking, consumers will feel very dissatisfied. However, if satisfaction is more for consumers. Consumers see must-be requirements as absolute requirements, they see this category as existing so it does not explicitly satisfy them.

2. One-dimensional requirements

In this type, customer satisfaction is directly proportional to the level of customer satisfaction which continues to be important for the level of satisfaction of consumer needs, until the level of consumer satisfaction continues to increase and vice versa. One-way requests are always explicitly requested by consumers.

3. Attractive requirements

These requirements are the key to customer satisfaction. These requirements are product criteria that have a major influence on customer satisfaction when launched. Attractive claims are neither needed nor expected by consumers. Meeting these requirements will result in greatly increased customer satisfaction.

H3: Customer Satisfaction gives positive impacts on Repurchase Intentions.

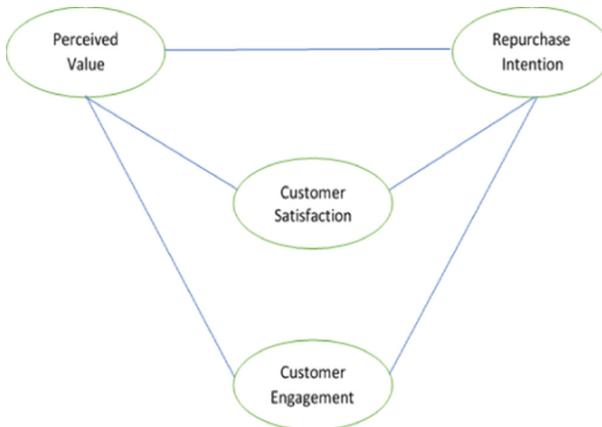


Fig. 1. Research model analysis

Customer perceived value is a determinant of satisfaction [15]. Consistent with intuition, it is suggested that perceived value positively affects customer satisfaction [16]. However, there is still controversy about whether customers' perceived value get a direct or indirect effect on customer satisfaction. Researching mobile users in Pakistan, the customer showed that customers believe value gives a positive impact on mobile user satisfaction and found that perceived value [9]. Customer perceptions have a positive effect on customer satisfaction [17]. The second hypothesis are:

H4.a: Perceived value has a positive influence on Repurchase Intentions mediated by Customer Engagement.

H4.b: The value of perceived value has a positive influence on repurchase intention mediated by customer satisfaction (Fig. 1).

3 Research Methods

This research was conducted in Surakarta, and the total of respondents used in this research was 149 respondents. Data collection is done online using google form media. Sampling using non-probability sampling and the wearing technique purposive sampling technique. Data was collected through the distribution of questionnaires using a Likert scale on October 20, 2022, to November 5, 2022.

There are 4 variables (Perceived Value, Customer Engagement, Customer Satisfaction, Attitude, and Repurchase Intention) are used in this study and the measurement of each variable item uses 5 points of assessment for the answer Likert scale. Question items between variables were modified from many previous studies. The respondent's data was processed using SEM analysis and then the evaluation of the PLS model with the SmartPLS 4.0 application.

Table 1. Description result of respondent characteristics

Size	Item	Frequency	Percentage (%)
Gender	Men	27	18,1%
	Woman	122	81,9%
Age	19–20 years old	17	11,4%
	21–24 years old	113	75,8%
	25–27 years old	9	6%
	>27 years old	10	6,7%
Last Education	Prime.School	0	0
	Junior H. school	2	1,3%
	Senior H. School/Vocational H School	101	67,8%
	College	46	30,9%
Income per month	< 1.000.000	66	44,3%
	1.000.000–2.500.000	63	42,3%
	2.500.000–4.000.000	12	8,1%
	4.000.000–5.500.000	3	2%
	>5.500.000	5	3,4%
I once made a hotel booking online through the traveloka application	Been 1 time	61	40,9%
	More than 1 time	88	59,1%

Source: Primary data (2022)

4 Results and Discussion

4.1 Respondent Description

Researchers apply the criteria that will be used as a model for this research. The criteria for this sample are consumers who have booked hotels through the Traveloka online application or consumers who have booked hotels online several times through the Traveloka application.

Description result of the characteristics of the respondents is shown in Table 1:

4.2 Analysis Results

4.2.1 Outer Model Results

Table 2 results from the outer loading value of each indicator. To test convergent validity, outer loading is used. A value of the loading factor considered to meet the validity test requirement is above >0.7 . The following is the value of the outer loading of each variable.

Table 2. Outer loading

Variable	Question Item	Factor Pattern
<i>Perceived Value</i>	X1.1	0,868
	X1.2	0,889
	X1.3	0,901
	X1.4	0,929
	X1.5	0,875
<i>Customer Engagement</i>	Z1.1	0,832
	Z1.2	0,857
	Z1.3	0,845
	Z1.4	0,800
	Z1.5	0,883
<i>Customer Satisfaction</i>	Z2.1	0,911
	Z2.2	0,920
	Z2.3	0,929
	Z2.4	0,936
	Z2.5	0,881
<i>Repurchase Intention</i>	Y1.1	0,860
	Y1.2	0,835
	Y1.3	0,857
	Y1.4	0,860
	Y1.5	0,861

Source: Primary data (2022).

Furthermore, the reliability and Validity are in Table 3. Table 3 brings up that 4 variables have an AVE value >0.5 so this indicates that each variable has positive valid discriminant validity and can be said to have passed the validity test. In addition, Table 3 brings up the research instrument in this research a composite reliability value >0.7 so this indicates that each variable passes the reliability test. The results of the multicollinearity test are brought up in Table 4 where the VIF value is <5 so it doesn't violate the multicollinearity test.

4.2.2 Inner Model

4.2.2.1 Result Coefficient Determination (R^2). Based on Table 5, it is known that the effect on the attitude variable is 0.761 or 76.1% while the influence on the Customer Loyalty variable is 0.797 or 79.7%.

4.2.2.2 Goodness of Fit. In this study, the goodness of the model was tested by calculating Q^2 .

Table 3. Reliability and Validity

Variable	AVE	Composite Reliability
Perceived Value	0,797	0,937
Customer Engagement	0,838	0,952
Customer Satisfaction	0,712	0,901
Repurchase Intention	0,730	0,908

Source: Primary data (2022)

Table 4. Collinearity statistics (VIF)

	X1	Y1	Z1	Z2
X1		4,148	1,000	1,000
Y1				
Z1		2,182		
Z2		3,982		

Note: X1 = Perceived Value, Y1 = Repurchase Intention, Z1 = Customer Engagement, Z2 = Customer Satisfaction.

Source: SmartPLS Analysis Data (2022)

Table 5. Result Coefficient determination (R^2)

	R Square
Customer Engagement	0,509
Customer Satisfaction	0,731
Repurchase Intention	0,773

Source: SmartPLS Analysis Data (2022)

Calculate Q-Square

$$\begin{aligned}
 &= 1 - [(1 - R^2_1) \times (1 - R^2_2) \times (1 - R^2_3)] \\
 &= 1 - [(1 - 0,509) \times (1 - 0,731) \times (1 - 0,773)] \\
 &= 1 - (0,491 \times 0,269 \times 0,227) \\
 &= 0,97
 \end{aligned}$$

Based calculation results, the Q-Square value is 0.97. This brings up the magnitude of the diversity of study data that can be explained by the research model is 97% while the remaining 3% is explained by many factors that are outside this research model. This research model has a positive goodness of fit.

4.2.2.3 Hypothesis Test. Table 6 brings up the direct connection test between variables where this research brings up that H1a, H1b, H1c, and H2 are received with each P Values

Table 6. Test the direct effect

	Original Sample	T-Statistics	P Values
PV -> CE	0,716	12,226	0,000
PV -> CS	0,856	21,914	0,000
PV -> RI	0,289	2,555	0,011
CE -> RI	0,470	4,491	0,000
CS -> RI	0,205	1,678	0,093

Note: PV = Perceived Value, RI = Repurchase Intention, CE = Customer Engagement, CS = Customer Satisfaction

Source: SmartPLS Analysis Data (2022)

Table 7. Indirect effect analysis

	Original Sample	P Values
PV -> CE -> RI	0,336	0,000
PV -> CS -> RI	0,176	0,102

Note: PV = Perceived Value, RI = Repurchase Intention, CE = Customer Engagement, CS = Customer Satisfaction

Source: SmartPLS Analysis Data (2022)

<0.05. This shows that in this study Perceived value has a positive effect on customer engagement, Perceived value has a positive effect on customer satisfaction, Perceived value has a positive effect on repurchase intention, and Customer Engagement has a positive effect on Repurchase Intention. While H3 is rejected when P Values >0.05. This means that in this study, Customer Satisfaction does not directly affect Repurchase Intentions.

Table 7 brings up the indirect effect analysis between variables which in this study research H2 is accepted with P Values of 0.000 < 0.05. This shows that Customer Engagement mediates Perceived Value on Repurchase Intention. For H3 doesn't accept P Values 0,093 < 0.05. This proves that in this study, Customer Satisfaction doesn't mediate Perceived Value on Repurchase Intention.

4.3 Discussion

This research brings up that H1a, H1b, H1c, and H2 are received with each P value <0.05. This shows that in this study Perceived value has a positive effect on customer engagement, Perceived value has a positive effect on customer satisfaction, Perceived value has a positive effect on repurchase intention, and Customer Engagement has a positive effect on Repurchase Intention. Then H2 is accepted with P Values of 0.000 < 0.05. This shows that Customer Engagement mediates Perceived Value to influence

Repurchase Intention. This shows that Customer Engagement mediates Perceived Value on Repurchase Intention [18]. The form of perceived value to consumers is a form of long-term relationship by providing high-quality products and services. The best the customer engagement, the higher the customer engagement with Traveloka. Repurchase Intention is formed and determined because of a good connection between perceived value and customer engagement. In customer engagement, depending on the service from Traveloka that is obtained, whether it can have a positive impact or not on the longevity of Traveloka and affect customer engagement.

Whereas Customer Satisfaction does not mediate the influence of Repurchase Intentions. In this study, researchers assumed that the cause of the absence of influence between customer satisfaction and repurchase intention in this study could be caused by customer satisfaction over something bad from Traveloka without intention. The unique thing shown in this study is that Perceived value Repurchase Intention can have an effect if not through mediation. This can be a profit for companies to maximize consumer attitudes to increase Repurchase Intention.

5 Conclusion

This research shows that customer engagement maximizes Perceived value to increase Repurchase Intention. By maximizing customer engagement, it can encourage Perceived value to consumers so that it can have a positive impact on the sustainability of Traveloka and influence Repurchase Intention, which will also provide benefits for the company. In this study, it was founded that Perceived value has a direct effect on Repurchase Intention. If the company can maximize Perceived value, the purchase of traveloka tickets and Repurchase Intention will also increase because customers want to choose quality services.

Of course, this research still has various limitations, such as the limited total of respondents. Future research can more large samples so that the research results are more accurate and varied. In addition, further study can use other variable objects in the Repurchase Intention concept.

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