



**THE EFFECT OF CONSUMER EXPERIENCE TOWARD CONSUMER LOYALTY
THROUGH CONSUMER SATISFACTION AS A MEDIATING VARIABLE
(STUDY ON IPHONE USERS IN INDONESIA)**

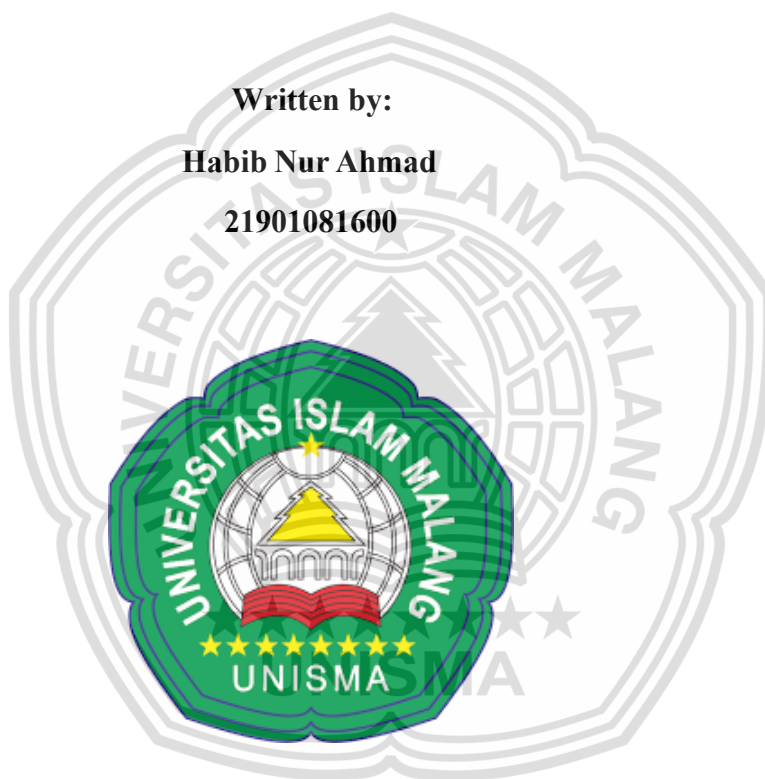
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ABSTRAK

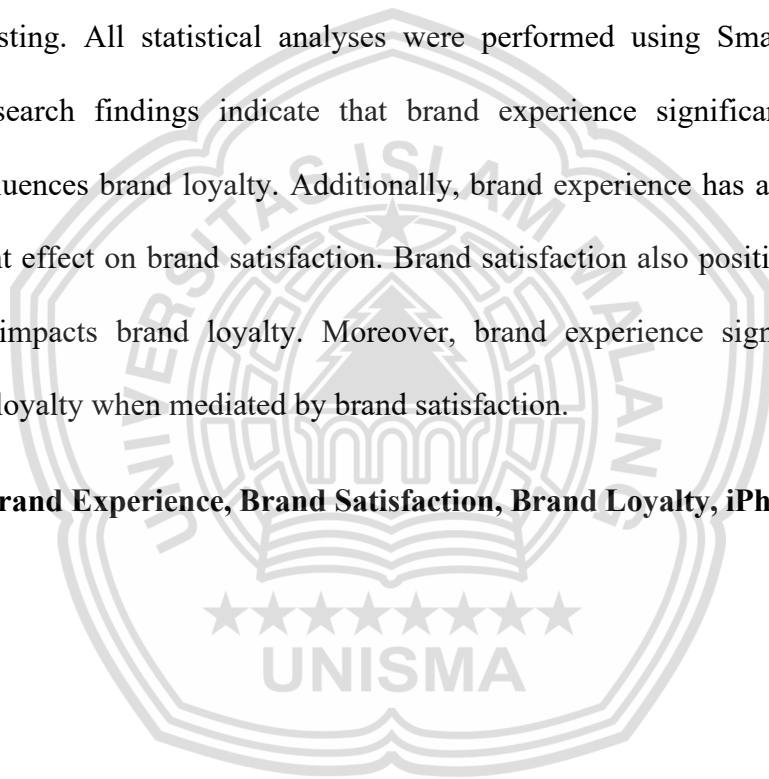
Penelitian ini bertujuan untuk mengetahui hubungan antara variabel pengalaman konsumen terhadap loyalitas konsumen dengan dimediasi oleh kepuasan konsumen. Jenis penelitian ini kuantitatif eksplanatif. Penentuan jumlah sampel menggunakan rumus Slovin dengan margin error sebesar 10% sehingga diketahui jumlah sampel penelitian yaitu 100 responden. Analisis data menggunakan metode analisis statistik partial least square. Tahapan analisis statistik meliputi uji validitas konvergen dan diskriminan, uji reliabilitas, dan uji hipotesis. Seluruh tahapan analisis statistik dilakukan dengan menggunakan software SmartPLS 4. Hasil penelitian menunjukkan bahwa pengalaman konsumen berpengaruh positif dan signifikan terhadap loyalitas konsumen. Pengalaman konsumen berpengaruh positif dan signifikan terhadap kepuasan konsumen. Kepuasan konsumen berpengaruh positif dan signifikan terhadap loyalitas konsumen. Pengalaman konsumen berpengaruh positif dan signifikan terhadap loyalitas konsumen dengan dimediasi oleh kepuasan konsumen.

Kata kunci: Pengalaman Konsumen, Loyalitas Konsumen, Kepuasan Konsumen, iPhone

ABSTRACT

This study aims to examine the relationship between brand experience and brand loyalty with brand satisfaction as a mediation variable. This research using i quantitative explanatory approach. The sample size was determined using the Slovin formula with a 10% margin of error, resulting in 100 respondents. Data analysis was conducted using the partial least squares. The stages of statistical analysis included tests for convergent and discriminant validity, reliability, and hypothesis testing. All statistical analyses were performed using SmartPLS 4 software. Research findings indicate that brand experience significantly and positively influences brand loyalty. Additionally, brand experience has a positive and significant effect on brand satisfaction. Brand satisfaction also positively and significantly impacts brand loyalty. Moreover, brand experience significantly affects brand loyalty when mediated by brand satisfaction.

Keywords: Brand Experience, Brand Satisfaction, Brand Loyalty, iPhone

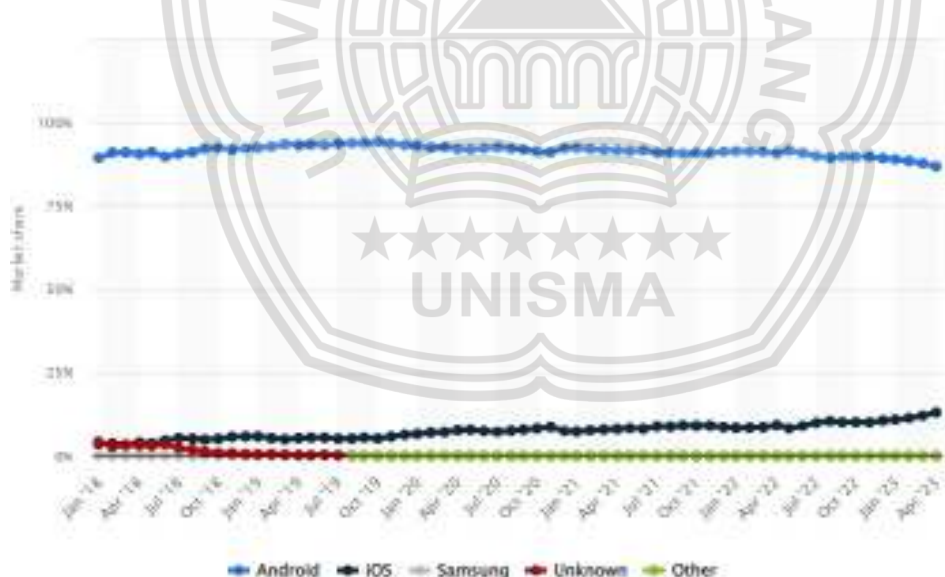


CHAPTER I

INTRODUCTION

1.1 Research Problem

Indonesia is one of the largest mobile phone markets in Asia. According to data reported by Statista until May 31, 2023, the number of mobile phone users in Indonesia reached 210.77 million users or equivalent to 68.1% of the population. Although there are still many differences in the characteristics of mobile phone use in urban and rural communities. In urban communities, ownership of a mobile phone is still considered a symbol or status and its use tends to be for the internet and social media. Meanwhile, in rural communities there are still many who cannot afford to own a mobile phone due to economic factors (Statista, 2023).



Graphics 1. Mobile Phone Market Distribution in Indonesia
Source: Statista, 2023

In the first graph, we can see the percentage of mobile phone market share based on OS (operating system) reported by Statista from January 2022 to April 2023. The expansion of the mobile phone market in Indonesia continues to experience massive and fluctuating developments along with the increasing purchasing power of the community, making companies dominate each other fighting for market share. From the graph, it is known that Android users still dominate the market share with a percentage of 86.81% which is supported by brands such as Oppo, Xiaomi, Realme, etc. Then only followed by iPhone by 13.06%, Samsung by 0.08%, and the remaining 0.05 percent other than the three categories.

However, what makes it interesting is that although the iPhone does not dominate the smartphone market share in Indonesia, it turns out that the iPhone dominates the used smartphone market in Indonesia (Hawari & Rustiadi, 2022). This argument is strengthened by the findings of Research and Market 2022 which explains that the iPhone dominates the used cell phone market in Indonesia. Used cellphone users feel that the iPhone is a very popular smartphone brand and is able to provide comfort for its users. Buying new iPhone products is very expensive, so most users prefer to buy used ones (Apple News, 2023).



Graphics 2. Characteristics of iPhone Users in Indonesia
Source: Start.IO 2023

Start.IO's data findings show that until March 2023 iPhone users in Indonesia reached 9,682,568. With user characteristics dominated by the age range of 18–24 years, which reached 50.5%. In terms of gender, iPhone users in Indonesia are dominated by women, reaching 65.1%. Meanwhile, in terms of internet providers, it is dominated by Telkomsel (Start.IO, 2023).

Based on the description of the data, it can be concluded that indeed iPhone users in Indonesia are not so large when compared to Android users. But there is an interesting phenomenon that is very inversely proportional because it is precisely the iPhone that greatly dominates the used cell phone market. Whereas in quantity, Android should dominate the used cell phone market because of the large number available in the market. Therefore, researchers are interested in knowing more about iPhone consumer behavior in Indonesia.

One of the measuring tools to determine customer loyalty and satisfaction is using the Net Promoter Score (NPS) Benchmark. NPS is a metric compiled by Fred Reichheld in 2003. NPS consists of a 0–10 scale which is divided into categories 0-6 (detractors), 7-8 (passive), 9-10 (promoters). This scale was later developed by the survey agency Bain & Company, which is often used by global companies. The NPS scale covers -100 to 100 which consists of several categories. NPS scores of 0-50 fall into the good category, scores of 51-80 fall into the excellent category, and scores of 81-100 fall into the world-class category. CustomerGauge's findings comparing NPS scores from various sources show that Apple has the highest NPS score when compared to other major smartphone manufacturers. Apple scored 61, Samsung 47, Huawei 49, and Hewlett-Packard 48 (Gocheva, 2023).

Apple's high NPS score is due to the company's success in providing a product that is able to meet consumer satisfaction and is able to provide a unique experience sensation for consumers, especially iPhone users (Grigore, 2022).

Referring to this argument, it can be seen that the two main factors that shape consumer loyalty are satisfaction factors and customer experience. Brakus et al. (2009) define consumer experience (brand experience) as the sensation that consumers feel after consumers buy and use a product or service. Indirect influence begins when consumers see logos, symbols, marketing techniques, and values attached to the product. These experiences ultimately shape the degree of consumer satisfaction. Kotler (2016) defines consumer satisfaction (brand experience) as the level of emotion felt by individuals, arising from the comparison between the consumer's initial assessment of the performance or final result of the product, with the expectations he has of the product. Thus, a good level of satisfaction will lead to emotional attachment for consumers. Kotler (2016) explains that consumer loyalty (brand loyalty) is a determination to make repeat purchases or support the promotion of certain products or services that have been taken. Brand loyalty produces stability in demand that companies can anticipate, and also creates obstacles for competing companies.

In the opinion of researchers, consumer loyalty is formed due to satisfaction and consumer experience. In order to find out how the relationship between the three variables, refers to the results of research by Pranadata et al (2017) explaining that the consumer satisfaction variable is able to mediate the relationship between consumer experience and consumer loyalty. These results are reinforced by Gultom

& Hasibuan (2021) who also state that the consumer experience variable has a significant effect on consumer loyalty mediated by customer satisfaction in smartphone users.

Armed with the results of this study, the researcher determined that this study used 3 research variables including consumer experience, consumer satisfaction, and consumer loyalty, especially for iPhone users. In more depth, researchers want to explore in more depth what factors cause iPhone user loyalty to be very high, with the research subject being iPhone users in Indonesia.

1.2 Research Question

Based on the description of the background that has been explained, the following research questions can be formulated:

1. Does consumer experience have a positive and significant effect on consumer loyalty in iPhone users?
2. Does consumer experience have a positive and significant effect on customer satisfaction for iPhone users?
3. Does customer satisfaction have a positive and significant effect on customer loyalty for iPhone users?
4. Does consumer experience have a positive and significant effect on customer loyalty, mediated by customer satisfaction for iPhone users?

1.3 Objective and Significance of the Study

1.3.1 Research Objectives

Based on the description in the problem formulation, the research objectives can be stated as follows:

1. To find out that consumer experience has a positive and significant effect on consumer loyalty for iPhone users.
2. To find out that consumer experience has a positive and significant effect on customer satisfaction for iPhone users.
3. To find out that customer satisfaction has a positive and significant effect on customer loyalty for iPhone users.
4. To find out that consumer experience has a positive and significant effect on consumer loyalty mediated by customer satisfaction for iPhone users.

1.3.2 Research Significance

1. The researcher hopes that research can contribute to the development of studies, especially those that discuss consumer behavior and marketing studies.
2. The researcher hopes that the results of this study can be used as a reference in future studies, especially those using the same research variables and add insight or relevant data sources in research with iPhone user subjects.

CHAPTER V

CONCLUSION

5.1 Conclusion

The following are the conclusions of the research:

1. Consumer experience has a positive and significant effect on consumer loyalty. This means that the better the consumer experience, the higher the level of consumer loyalty.
2. Consumer experience has a positive and significant effect on customer satisfaction. This means that the better the consumer experience, the better the customer satisfaction.
3. Customer satisfaction has a positive and significant effect on customer loyalty. This means that the more satisfied consumers are, the more loyal consumers will tend to be to the product.
4. Consumer experience has a significant effect on customer loyalty mediated by customer satisfaction. This means that good customer satisfaction is able to mediate the correlation between experience and customer loyalty.

5.2 Suggestions

1. For the industry, this research provides a deeper understanding of consumer loyalty. Of course, if utilized effectively, market expansion efforts can be carried out more carefully. In researcher's opinion, building customer loyalty is very necessary in the midst of intense industry competition. Thus, consumers remain loyal to the products or services offered.
2. For further research, the other researchers can explore more comprehensively the factors that influence consumer loyalty. In addition,

further research can use more relevant variables to test their correlation with the consumer loyalty variable.



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