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OMNI-CHANNEL STRATEGY TO INCREASING INTEREST REPURCHASING WITH GROWING FOCUS IN CONSUMER SATISFACTION FOR SOMETHING PRODUCTS: AN EMPIRICAL STUDY AT SUN PLAZA SHOPPING CENTER MEDAN

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Abstract

This research aims to see the influence of omnichannel strategy on repurchase interest through consumer satisfaction with Somethinc products at Sun Plaza Medan. The type of research used is quantitative research. The population in this study were 154 consumers who had purchased Somethingne products. The sample size was drawn using non-probability sampling using the purposive sampling method. The data used are primary data and secondary data obtained through a list of statements and documentation studies. The data analysis technique uses structural equation modeling (SEM) with the Smart PLS 3.3 analysis tool. The research results directly show that omnichannel strategy has a positive and significant effect on repurchase interest, omnichannel strategy has a positive and significant effect on consumer satisfaction, customer experience has a positive and significant effect on repurchase interest. Consumer satisfaction has a positive effect on repurchase interest. Then the results of tests carried out indirectly show that tourist satisfaction is not able to mediate the relationship between omnichannel strategy and repurchase interest, but consumer satisfaction is able to mediate the relationship between customer experience and repurchase interest.

Keywords: Omnichannel Strategy, Consumer Satisfaction, Repurchase Intention.

INTRODUCTION

According to Tjiptono (2020) marketing is the process of creating, distributing, promoting and setting prices for goods, services and ideas to facilitate satisfactory exchange relationships with customers to build and maintain positive relationships with stakeholders. Activities such as marketing are of course very beneficial for business people who will also find the fastest promotion method according to the business they are running, so that the business can survive for a long period of time. One of the businesses that is growing quite rapidly at the moment is the business in the field of beauty care or what is commonly known as skincare. Skincare is a series of treatments for facial skin that can maintain skin beauty and health. Using skincare results can be seen after regular use, the effects caused by skincare are not immediate, skincare can be said to be an investment in skin health for the future. In the beauty industry, especially skincare, the market share for skincare products in Indonesia is dominated by women, because the need for women to have better facial skin is increasing. The Somethinc brand is a local skincare brand that is quite young because it was only founded in 2019. Even though it can be said to be a new brand, Something achieved total sales of IDR 53.2 billion and managed to occupy first position. Somehing offers products that have been adapted to overcome the skin problems of Indonesian women with high quality ingredients. Somethinc also achieved best-selling revenue in April – June 2022 which can be seen in the following picture.



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According to Hasan (2018) repurchase interest is consumer behavior related to the satisfaction of consumers who have previously purchased products from the company. If consumers are not satisfied, then consumers will not make repeat purchases in the future. A number of challenges arise in attracting potential consumers. After a customer visits a particular online store, the challenge for online retail businesses is how to persuade that consumer to buy again from the same platform (Trivedi and Yadav, 2017). The main concern for retail companies has shifted from encouraging consumers to visit and use online platforms or stores to make purchases to motivating consumers to make repeat purchases (Chiu et. al, 2012). There are several factors that are believed to influence consumers to have an interest in repurchasing online, including omnichannel strategy and consumer loyalty.

Repurchase Intention

According to Palma and Andjarwati (2016), repurchase interest is a representation of whether the end user consumer will use or consume a product in the form of goods or services with the same brand, company or label in the future. According to Hasan (2018), repurchase interest is consumer behavior related to the satisfaction of consumers who have previously purchased products from the company. If consumers are not satisfied, then consumers will not make repeat purchases in the future.

Consumer Satisfaction

According to Cambridge International Dictionaries, a customer is someone who buys a good or service. The word satisfaction comes from the Latin words satis, which means good enough, and facio, which means to do or make. Satisfaction is usually defined as an effort to fulfill something or make something adequate. As a level of service qualityperformance that meets user expectations. Customer satisfaction, also known as customer satisfaction, is defined in marketing literature as a customer's overall evaluation of both the experience of purchasing and consuming goods or services (Masroujeh, 2009). Customer satisfaction is also often used as a level of service quality performance that meets consumer expectations (Wang and Shieh, 2006).

Omnichannel Strategy

Kotler et al. (2017) stated that omnichannel marketing is the practice of combining multiple channels to create a seamless and consistent consumer experience. This marketing requires organizations to innovate channels and unify their goals and strategies. This is to ensure



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that joint efforts are carried out across several online and offline channels to encourage consumers to make a commitment to purchase.

METHOD

Types of research

This type of research is quantitative research

Place and time of research

This research was conducted at Sun Plaza Lower Ground Floor Jalan KH. Zainul Arifin Number 7, Madras Hulu, Medan Polonia District, Medan City, North Sumatra Province. The research period starts from January 2023 to May 2023.

Operational Limitations

To avoid discussions that are not directed and result in inaccurate targets being expected, the next step is for the author to limit the issues discussed, namely only to:

- 1. Dependent variable, namely repurchase interest (Y)
- 2. Intervening variable, namely Satisfaction (Z)
- 3. Independent variables, namely omnichannel strategy (X1) and customer experience (X2) variables

Population and Sample

Population

According to Sugiyono (2016) population is a generalized area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. Based on the explanation previously stated, the population in this study are consumers who have purchased some products at least once.

Samples

Hair et al. (2010) recommends that the minimum sample size be 5 times the number of question items/statements contained in the questionnaire. The total statements in this research were 28 statements so the research sample size was:

 $28 \times 5 = 140 \text{ respondents}$

Sample selection criteria are as follows:

- 1. Aged 17 years and over
- 2. Consumers who have purchased Somethingne products at least once

RESULTS AND DISCUSSION

Direct Hypothesis Testing (Direct Effect)

Table 3.1
Path Coefficients (Direct Effect)

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Value s | Conclusio n |
|----------------|---------------------------|--------------------|----------------------------------|--------------------------|-----------------|----------------|
| OCS -> MMU_ | 0.176 | 0.182 | 0.099 | 1,770 | 0.077 | Rejected |
| OCS -> K.K | 0.684 | 0.681 | 0.106 | 6,434 | 0,000 | Accepted |
| CC -> MMU_ | 0.345 | 0.343 | 0.104 | 3,305 | 0.001 | Accepted |



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Based on the results in Table 4.10, the following results are obtained:

- a. Omnichannel strategy (X1) has a positive and insignificant effect on repurchase interest (Y) with a path coefficient value of 0.176 and is significant with a p value of 0.077>0.05.
- b. Omnichannel strategy (X1) has a positive and significant effect on consumer satisfaction (Z) with a path coefficient value of 0.684 and significant with a p value of 0.000<0.05.
- c. Consumer satisfaction (Z) has a positive and significant effect on repurchase interest (Y) with a path coefficient value of 0.345 and significant with a p value of 0.001<0.05.

Indirect Hypothesis Testing (Indirect Effect)

Table 3.2
Path Coefficients (Indirect Effect)

| | Original Sample (O) | Sample Mean (M) | STDE V | T Statistic s | Prob | Conclusio n |
|--|------------------------|--------------------|-----------|---------------------|-------|----------------|
| Omnichannel strategy -> Consumer Satisfaction-> Repurchase Intention | 0.236 | 0.230 | 0.071 | 3,328 | 0.001 | Accepted |

Based on the results in Table 3.2, the following results are obtained:

a. Omnichannel strategy (X1) indirectly has a positive and significant effect on repurchase interest (Y) through consumer satisfaction (Z) with a path coefficient value of 0.236 and is not significant with a p value of 0.001<0.05. In other words, consumer satisfaction (Z) is able to mediate the relationship between omnichannel strategy (X1) and repurchase interest.

Discussion

Based on the validity test carried out, it was stated that the 28 statements representing the variables were valid. This is evident from the r-count on the Corrected Item-Total Correlation which is greater than the r-table (0.361), so that the 28 statements can be used for research. The reliability test carried out obtained a Cronbach's Alpha value of 0.987. According to Situmorang (2019), a construct or variable is declared reliable if it provides a Cronbach's Alpha value greater than 0.80. Validity and reliability testing using all respondents was carried out using PLS tools, the results gave consistent results with validity and reliability tests carried out with samples outside the research respondents. After passing the validity and reliability tests, hypothesis testing is carried out. A summary of the results of hypothesis testing can be seen in table 3.3.

Table 3.3 Path Coefficients (Direct Effect)

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values | Conclusion |
|------------------|------------------------|--------------------|----------------------------------|--------------------------|----------|------------|
| OCS -> MMU | 0.176 | 0.182 | 0.099 | 1,770 | 0.077 | Rejected |
| OCS -> K.K | 0.684 | 0.681 | 0.106 | 6,434 | 0,000 | Accepted |
| CC -> MMU | 0.345 | 0.343 | 0.104 | 3,305 | 0.001 | Accepted |
| OCS-> KK> MMU | 0.236 | 0.230 | 0.071 | 3,328 | 0.001 | Accepted |

Source: PLS Output (2023)



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The Influence of Omnichannel Strategy on Repurchase Intention

Based on the results of the hypothesis test, it is shown that the omni-channel strategy has a positive and insignificant effect on repurchase interest. This is proven based on the path coefficient value of 0.176 with a significant value of 0.007 < 0.05 means that omni-channel strategy has a positive and insignificant effect on interest in repurchasing Somethinc products. So the results of this hypothesis test are rejected. This is because 71.3% of respondents purchased Somethinc skincare products and 28.7% purchased online via integrated channels. Purchase by visiting the physical store at Sun Plaza which has quite complete product availability compared to shopping online. The results obtained are that the omnichannel strategy has a positive and significant effect on repurchase interest because there are several statements by consumers who feel dissatisfied and choose to go to the store directly rather than shopping via omnichannel. In my statement buying Somethinc products through effective channels, 25.9% of consumers prefer to buy products directly from the store rather than through omnichannel, in this case consumers feel more satisfied if they try and see Somethinc products directly because they can directly discuss with the product shopkeepers., to avoid product incompatibility. Based on the research results, on average respondents choose to go to the store, this is because the majority of respondents are students and students. Students and students have more free time than other respondents, so they prefer to see the products they want to buy in person. Housewives or employees, choose to buy omnichannel because they have less free time.

According to Lee (2019), omichannel strategy reflects the available channel structure and flexible combination of all channels provided by omnichannel retailers. Omnichannel strategy shows a high level where customers can choose alternative channels for certain services and can complete tasks such as services through certain channels of their own choice. Omnichannel strategy describes a consistent and coordinated strategy, especially for interacting with consumers and potential consumers and how to provide the best service to customers using the right channels for consumers to save time. Omnichannel strategy comes in the form of channels that can help consumers shop anywhere and anytime, without having to go to a store. While you are working or on holiday, you can also buy a brand's products. When the services provided or the integrated channels are able to guide consumers to carry out several purchasing activities such as prior discussion with the service contact or buying directly, which means that the omnichannel strategy will make it easier for consumers to buy products and of course consumers will be addicted to buying these products because of the quality of the product and This integrated system will ultimately increase interest in repurchasing a brand.

To maximize sales targets, an appropriate product marketing strategy is needed according to market share and target consumers. Puwarna, et al (2017) revealed that digital technology has changed the way humans communicate, act and make decisions. Therefore, the omnichannel strategy in Somehinc products uses technology that includes synergistic management of various available channels and customer touch points, in such a way that customer experience across channels and performance through channels can be optimized. Not only about technology, platforms and tools, omnichannel strategy includes the company's ability to understand how to provide an extraordinary experience by using omnichannel to increase repeat purchase interest. This research is in line with research conducted by Sugesti (2019) which resulted in research that omnichannel strategy had a positive and significant effect on repurchase interest.

The Influence of Omnichannel Strategy on Consumer Satisfaction

Based on the results of the hypothesis test, it is shown that the omni-channel strategy has a positive and significant influence on consumer satisfaction. This is proven based on the path coefficient value of 0.684 with a significant value of 0.000 < 0.05 means that omni-channel strategy has a positive and significant effect on consumer satisfaction at Sun Plaza. So the results of this hypothesis test are accepted. Omni-channel strategy provides satisfaction to consumers when



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consumers use company channels to buy the products or services they want. Consumers always want companies to provide the best service in the form of integrated channels that make it easy for consumers to order products through applications or channels from a company. When their expectations match the expectations that consumers have, consumer satisfaction immediately increases. The role of omni-channel strategy in this case is very large, so companies must continue to improve the problems that exist when the channel is used by consumers.

The results of this research produce an omni-channel strategy that has a positive and significant effect on consumer satisfaction, proven in terms of increasing Somethinc's integrated channels through applications and other e-commerce such as Shopee, Tokopedia, Website, Blibli, Sociolla and others. Consumers can choose which application to choose, of course all channels have the same prices and the way of presenting, packing orders, as well as the delivery process is the same and transparent, as seen from us being able to track orders whether they are still in the packing process or on their way. This is important because transparent, integrated channels will make consumers feel satisfied ordering Somethinc products online when consumers do not have time to visit the nearest Somethinc outlet. A successful omnichannel strategy approach will create omnichannel satisfaction in the long term (Simone and Sabbadin, 2018). Therefore, the key driving factor in developing an omnichannel strategy is the power of mobile by combining all the different touch points in reaching loyal consumers. Omnichannel strategy is measured through the dimensions of performance expectancy, effort expectancy, social influence, habit, hedonic motivation, personal innovativeness and perceived security. Based on several dimensions, it can measure the extent to which omnichannel strategy can influence consumer satisfaction.

The results of this research are strengthened by research by Quach and Minardes (2020) which states that omnichannel strategy has a positive and significant effect on consumer satisfaction. This is because consumer loyalty tends to increase when the omnichannel strategy or service channels used by customers provide integrated and quality interactions.

The Influence of Consumer Satisfaction on Repurchase Intention

Based on the results of the hypothesis test, it is shown that consumer satisfaction has a positive and significant influence on repurchase interest. This is proven based on the path coefficient value of 0.345 with a significant value of 0.001 < 0.05 means that customer experience has a positive and significant effect on interest in repurchasing Somehinc products at Sun Plaza. So the results of this hypothesis test are accepted. The higher consumer satisfaction can be interpreted as the more attractive consumers are to buy again or get repeat service. Intention to buy is part of the psychological aspect which has a very big influence on behavior and is also part of the motivation to direct what will be done, so that the interest in buying again the service previously obtained is repeated again to solve the problem (repeated problem solving) and makes it a habit. in making decisions (habitual decision making) (Firdaus and Sutrisna, 2017). This research is in line with research conducted by Fitri (2022) which resulted in research that consumer satisfaction had a positive and significant effect on repurchase interest.

The Influence of Omnichannel Strategy on Repurchase Intention through Consumer Satisfaction

Based on the results of the hypothesis test, it is shown that the omnichannel strategy has a positive and significant influence on repurchase interest through consumer satisfaction. This is proven based on the path coefficient value of 0.036 with a significant value of 0.001 < 0.05 means that omnichannel strategy has a positive and significant effect on interest in repurchasing Somehinc products at Sun Plaza. So the results of this hypothesis test are accepted. The presence of an omnichannel strategy among consumers makes it easier for consumers to carry out transaction activities or buy the products they want. With current technological advances, apart from the convenience obtained, consumers do not need to go to shops or retail outlets to buy products



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offered by the company. The aim of the omnichannel strategy presented by companies among consumers, apart from following current technological developments, is to make things easier, shorten time and create a sense of curiosity and consumer buying interest in the products offered. So, with the development of an omnichannel strategy offered through digital services, it will influence consumers' repurchase interest. This is also improved through consumer satisfaction. The higher consumer satisfaction can be interpreted as the more attractive consumers are to buy again or get repeat service. Intention to buy is part of the psychological aspect which has a very big influence on behavior and is also part of the motivation to direct what will be done, so that the interest in buying again the service previously obtained is repeated again to solve the problem (repeated problem solving) and makes it a habit. in making decisions (habitual decision making) (Firdaus and Sutrisna, 2017). This research is in line with research conducted by Sugesti (2019) which resulted in omnichannel strategy having a positive and significant effect on consumer buying interest through satisfaction.

CLOSING

Conclusion

Based on the research results, it can be concluded that:

- 1. Omnichannel strategy has a positive and insignificant effect on interest in repurchasing Somethinc products at Sun Plaza Medan
- 2. Omnichannel strategy has a positive and significant effect on consumer satisfaction with Somethinc products at Sun Plaza Medan
- 3. Consumer satisfaction has a positive and significant effect on interest in repurchasing Somethinc products at Sun Plaza Medan
- 4. Omnichannel strategy has a positive and significant effect on repurchase interest through consumer satisfaction with Somehinc products at Sun Plaza Medan

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