

The Influence of Utility Value And Hedonic Value on Customer Satisfaction and the Impact on Repurchase Intention in Erigo

Dhuhana Alfisyahrin¹, Zainul Arifin², Edy Yulianto³

¹MBA, Brawijaya University

^{2,3}Dr., Brawijaya University

Abstract

E-commerce has developed rapidly since its inception, its definition is broader, including the use of electronic systems and the internet to carry out all business activities, including buying and selling transactions. This study aims to analyze the influence of utilitarian value and hedonic value on customer satisfaction and its impact on repurchase intention. The research object is consumers of Erigo fashion products. This quantitative research was conducted using an online survey with a sample of 156 respondents selected through purposive sampling. The results show that both utilitarian value and hedonic value have a positive and significant impact on customer satisfaction. Furthermore, customer satisfaction also has a positive and significant effect on repurchase intention. These findings indicate that the higher the perceived utilitarian and hedonic values by consumers, the higher their level of satisfaction. Data collection techniques from primary data using a questionnaire. research findings showed that utility value variable (X1) has a positive and significant influence on repurchase intention (Y), so that the second hypothesis is accepted. So these results explain that a strong utility value (X1) message is one of the factors forming repurchase intention (Y) and hedonic value (X2) is the main consideration for respondents when they want to repurchase Erigo fashion products. High customer satisfaction subsequently drives the intention to repurchase Erigo fashion products on Shopee. This study provides practical implications for Erigo and fashion players in e-commerce to continuously enhance the utilitarian and hedonic value of their products and services to boost customer satisfaction and encourage repurchase.

Keywords: Utility Value, Hedonic Value, Customer Satisfaction, Repurchase Intention

1. Introduction

E-commerce benefits the economy as a whole by increasing economic growth, creating new jobs, and encouraging innovation. Because e-commerce has become an important channel for fashion businesses to reach more customers, the positive trend of transaction growth in e-commerce certainly benefits fashion businesses. In addition to the convenience it offers customers, E-commerce has many benefits for both large and small businesses. Businesses can reach more customers and increase sales thanks to its wide reach that covers global markets and is active on 24 hours. In the world of fashion, a product is anything that is made and sold following fashion trends. This includes clothing, accessories, shoes, and anything else you might find in the realm of fashion.

Erigo's success as a favorite local brand cannot be separated from the suitability of the Casual fashion con-

cept. In fact, on the ground, the Indonesian population likes casual and simple clothing styles. Erigo implements a multi-channel sales strategy, namely through online platforms (e-commerce and social media) and offline (physical stores). One of the e-commerce platforms that is significant in increasing Erigo consumers' buying interest is Shopee. Erigo offers various fashion products such as clothing and accessories with attractive designs and following trends. Erigo's presence on this platform makes it easier for consumers to access and buy their products quickly and easily.

Purchasing fashion products generally depends on the utility or hedonic value captured by customers. Consumers who are oriented towards utility value will prioritize the functional and practical aspects of products in meeting their needs and solving their problems. They tend to judge products based on characteristics such as quality, durability, and suitability for needs. On the other hand, hedonic value focuses on the pleasure and emotional satisfaction obtained from the product. Consumers who are driven by hedonic values seek pleasurable experiences, increased social status, and fulfillment of self-identity through the products they buy.

Hedonic value and utility can greatly influence customer decisions and behavior in e-commerce. For example, customers with high hedonic value will be more likely to visit e-commerce sites that offer attractive designs, attractive products, and enjoyable shopping experiences. On the other hand, customers with high utility values who seek benefits and practical consequences may be more likely to choose e-commerce sites that offer affordable prices, fast delivery, and good customer service.

The discussion above is the basis for researchers interested in conducting research about the influence of utility value and hedonic value on customer satisfaction and the impact on repurchase intention in Erigo.

2. Methods

Method of collecting data

The study focuses on a sample size of 155 respondents, people who are respondents who meet all of the following criteria: Individuals who live in Malang City, Individuals who are at least 17 years old, Individuals who purchase and personally use Erigo fashion products purchased via the Shopee website or Shopee application. In this research, the sampling technique used is nonprobability sampling. This study uses a purposive sampling approach.

Data analysis method

This research is an explanatory research with a quantitative approach. The research type was chosen to test the hypothesis in explaining the effect of exogenous variables – utility value (X1) – hedonics value (X2) on endogenous variables – repeat purchase (Y1) and customer satisfaction (Z) as mediation variable in Erigo. The data analysis method used is SEM-PLS (Structural Equation Modelling – Partial Least Square) using SmartPLS 3.2 version.

3. Data Analysis and Interpretation

Table 1. R-Square

Relationship Variables	F-Square	Interpretation
Repurchase Intention (Y)	0,689	Strong
Customer Satisfaction	0,486	Strong

Inference

Based on the table above The variable Repurchase Intention (Y) which is influenced by Utility Value (X1), Hedonic Value (X2), and Customer Satisfaction (Z) is 48.6% while the remaining 51.4% is

influenced by other variables outside this research. The R-Square value of the Repurchase Intention (Y) variable is relatively strong. The R-Square value for the Customer Satisfaction (Z) variable which is influenced by the Utility Value (X1), Hedonic Value (X2) variables is 68.9% while the remaining 31.1% is influenced by other variables outside this research. The R-Square value of the Customer Satisfaction (Z) variable is above 0.26, which is considered strong.

Table 2.

Variabel	Original Sample (O)	T-statistics	P-Value
X1 -> Z	0.533	6.652	0.000
X1 -> Y	0.193	2.592	0.008
X2 -> Z	0.222	2.831	0.005
X2 -> Y	0.212	3.725	0.000
Y -> Y	0.534	6.603	0.000

Inference

- a. The variable utility value (X1) on customer satisfaction (Z) shows a p-value of 0.000. the test results show that the p-value < significance level (alpha = 5%) means less than 0.05, which means it is not significant. these results indicate that utility value (X1) has a positive influence of 0.533 and is significant on customer satisfaction (Z) so that it is stated that the first hypothesis proposed in this research is accepted.
- b. The variable utility value (X1) on repurchase intention (Y) shows a p-value of 0.008. the test results show that the p-value < significance level (alpha = 5%) means less than 0.05, which means it is significant. these results show that utility value (X1) has a positive influence of 0.193 and is significant on repurchase intention (Y) so it can be said that the second hypothesis proposed in this research is accepted.
- c. The variable hedonic value (X2) on customer satisfaction (Z) shows a p-value of 0.005. the test results show that the p-value < significance level (alpha = 5%) means less than 0.05, which means it is significant. these results show that hedonic value (X2) has a positive influence of 0.222 and is significant on customer satisfaction (Z) so it can be said that the third hypothesis proposed in this research is accepted.
- d. The variable hedonic value (X2) on repurchase intention (Y) shows a p-value of 0.000. the test results show that the p-value > significance level (alpha = 5%) means less than 0.05, which means it is significant. these results show that hedonic value (X2) has a positive influence of 0.212 and is significant on repurchase intention (Y) so it can be said that the fourth hypothesis proposed in this research is accepted.
- e. The variable customer satisfaction (Z) on repurchase intention (Y) shows a p-value of 0.000. the test results show that the p-value < significance level (alpha = 5%) in the sense of less than 0.05, which means it is significant. these results indicate that customer satisfaction (Z) has a positive influence of 0.534 (o=0.534) and is significant on repurchase intention (Y) so it can be said that the fifth hypothesis proposed in this research is accepted.

4. Conclusion

1. Consumers who get the utility value of Erigo fashion products on Shopee will tend to feel more sati-

sified with their shopping experience.

2. The utility value variable (X1) has a positive and significant influence on repurchase intention (Y), so that the second hypothesis is accepted. so these results explain that a strong utility value (X1) message is one of the factors forming repurchase intention (Y).
3. Hedonic value has a positive and significant influence on customer satisfaction, so the third hypothesis is accepted. this explains that the hedonic value (X2) message on the shopee platform regarding erigo fashion products can increase customer satisfaction (Z) from the consumer's perspective.
4. Hedonic value (X2) is the main consideration for respondents when they want to repurchase Erigo fashion products.
5. Customer satisfaction (Z) with repurchase intention (Y), so the fifth hypothesis is accepted. This explains that users who are satisfied will have the intention to repurchase Erigo fashion products.

References

1. Laato, S., Islam, A. K. M. N., Farooq, A., & Dhir, A. (2020). Unusual purchasing behavior during the early stages of the COVID-19 pandemic: The stimulus-organism-response approach. *Journal of Retailing and Consumer Services*, 57(March), 102224.
2. Kotler, P., & Keller, K. L. (2016). *Framework for Marketing Management* (6th ed.). Boston: Pearson Education.
3. Sugiyono. (2010). *Metode Penelitian Bisnis*. Bandung: Afabeta.
4. Sari, A. N., & Maftukhah, I. (2019). The Influence of Utilitarian Value and Hedonical Values on Customer Loyalty through Customer Satisfaction. *Management Analysis Journal*, 8(2), 146–155.
5. Satar, N. S. M., Dastane, O., & Ma'arif, M. Y. (2019). Customer value proposition for E-Commerce: A case study approach. *International Journal of Advanced Computer Science and Applications*, 10(2), 454–458.
6. Al-Azzawi, G. A., Miskon, S., Abdullah, N. S., & Ali, N. M. (2021). Factors Influencing Customers' Trust in E-Commerce during COVID-19 Pandemic. *International Conference on Research and Innovation in Information Systems, ICRIS*, 1–5.
7. Bairagi, V., & Munot, M. (2019). *Research Methodology: A Practical and Scientific Approach* (1st ed.). Chapman and Hall/CRC.
8. Damanik, M. K. (2022). The Effect of Impulsive Buying and Perceived Value on Repurchase Intention: The Mediating Role of Customer Loyalty Program and Moderating Role of Satisfying Customer Experience. *Journal of Economics, Finance and Management Studies*,