

FACTORS INFLUENCING GEN Z'S E-LOYALTY IN SHOPPING ON E-COMMERCE

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Abstract

This study aims to analyze the factors that influencing Gen Z's e-loyalty in shopping on e-commerce. The population in this study are residents of Medan city who belong to Gen Z who have shopped at least twice on the e-commerce platform. The sample in this study were 96 respondents, and used incidental sampling techniques. The data was analyzed using multiple linear regression with hypothesis proving through t-test and F-test. The results show that e-WOM has a positive and significant influence on e-loyalty, e-servqual has a positive and significant influence on e-loyalty, and e-satisfaction has a positive and significant influence on e-loyalty. And simultaneously e-WOM, e-servqual, and e-satisfaction have a positive and significant influence on e-loyalty.

Keywords: *e-loyalty, e-WOM, e-servqual, e-satisfaction, Gen Z*

1. INTRODUCTION

In today's digital era, all of our activities are connected electronically and online with others, including shopping. Shopping activities no longer have to go to a physical store, but just relaxing at home we can already shop. This cannot be separated from the technology called the internet. The online shopping craze has entered all age groups, including Gen Z (generation Z). Gen Z is the generation born between 1997 and 2012, and is one of the most numerous generations in Medan city (Pasaribu, 2023). They have extensive access to technology and the internet, and are highly influential consumers in the e-commerce industry (Ridanasti, 2021). This is certainly a big challenge for e-commerce platforms to be able to win the hearts of Gen Z which will turn them into loyal in shopping online or can be referred to as e-loyalty. Understanding Gen Z's shopping behavior and the factors that influence their loyalty is critical to achieving long-term success. As a digitally connected generation, Gen Z tends to rely on online information, including product reviews and recommendations from fellow consumers (Astuti & Kaligis, 2021). Electronic Word-of-Mouth (e-WOM), which includes online reviews and recommendations from other users, is an important factor in shaping their purchasing preferences (Nafisah, 2021).

Other than that, customer satisfaction is also a very relevant factor in measuring customer loyalty in the context of e-commerce (Rahman, et al., 2022). The level of customer satisfaction can be influenced by various aspects, including the quality of service provided by the e-commerce platform. E-Servqual, which is a concept that measures the quality of electronic services, can be an important indicator to measure consumer satisfaction and understand the extent to which they are satisfied with the online shopping experience (Raza, et al., 2020). In this context, previous research has revealed the relationship between e-WOM, e-servqual, and e-satisfaction with consumer loyalty. However, in-depth research on the influence of these three factors on Generation Z loyalty in the context of e-commerce is limited. Therefore, this journal article aims to fill this knowledge gap by analyzing the influence of e-WOM, e-servqual, and e-satisfaction on Generation Z's e-loyalty in shopping on e-commerce platforms.

2. LITERATURE REVIEW

2.1 E-loyalty

E-loyalty (electronic loyalty) refers to the level of consumer inclination or loyalty to a particular e-commerce platform. It reflects consumers' desire to continue shopping on that platform, conduct positive reviews, recommend to others, and avoid switching to competitors (Setiawan,

2018). E-loyalty emphasizes the importance of maintaining and strengthening relationships with consumers to achieve long-term loyalty (Adrianto, et al., 2023). Indicators of e-loyalty can include frequency of purchase, total number of purchases, willingness to recommend, and consumer retention rates (Rahmawati, et al., 2021).

2.2 E-WOM

E-WOM (electronic word-of-mouth) refers to the process by which consumers share their reviews, recommendations, and experiences about products or services through online platforms (Darmawan, et al., 2022). Consumers who receive positive e-WOM tend to have a more positive perception of the product or service, and they may be more likely to purchase or recommend it to others. E-WOM emphasizes the importance of the influence that online reviews and recommendations have in shaping consumer preferences (Wiridjati & Roesman, 2018). Indicators of e-WOM can include frequency of accessing information, focusing on other consumers, helping companies, and expressing positive feelings (Padmawati & Suasana, 2020).

2.3 E-servqual

E-servqual (electronic service quality) refers to a concept used to measure the quality of service provided by e-commerce platforms. It involves consumers' assessment of factors such as reliability, responsiveness, empathy, assurance, and physical evidence of the platform (Purwandani & Syamsiah 2021). If consumers feel that the services provided by the e-commerce platform meet or exceed their expectations in each factor, they are likely to feel satisfied with the shopping experience and potentially become loyal customers (Hasman, et al., 2019). E-servqual indicators can include customer response time, clarity of information, ease of navigation, and quality of interaction with the platform or customer service (Pramesti, 2023).

2.4 E-satisfaction

E-satisfaction (electronic satisfaction) refers to the degree to which consumers' satisfaction with their shopping experience on an e-commerce platform positively influences their intention to shop again in the future and their level of loyalty to the platform (Kamal, 2023). The trust, convenience, and satisfaction felt by consumers in the online shopping experience are important factors that contribute to the level of e-satisfaction and consumer loyalty (Herliani, 2021). Indicators of e-satisfaction can include meeting the expectations provided by the product, being satisfied with the transaction experience on the e-commerce platform, and feeling good about having chosen a particular e-commerce platform over other e-commerce platforms (Sativa & Sri, 2016).

2.5 Hypotheses

Based on the description above, the hypotheses in this study are:

1. E-WOM has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce.
2. E-servqual has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce.
3. E-satisfaction has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce.
4. E-WOM, e-servqual, and e-satisfaction simultaneously have a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce.

3. RESEARCH METHOD

This study uses an associative methodology and a quantitative research design. The location for this study is in Medan City, Indonesia. According to Sugiyono (2019) the population as a whole is a category for generalization consisting of items and people with certain characteristics and

qualities that researchers choose to study in order to draw conclusions. The population in this study are residents of Medan city who belong to Gen Z who have shopped at least twice on an unknown e-commerce platform. The sample in this study was 96 respondents whose number was determined using the Lameshow formula. The sampling technique used was incidental sampling technique. The data was analyzed using SPSS software through multiple linear regression with hypothesis proving through t-test and F-test. The multiple linear regression approach is a regression model that has several independent components and is used to assess the level of influence of the variable itself on the dependent component (Ghozali, 2020).

4. RESULT AND DISCUSSION

4.1 Result

Tabel 1 t-Test Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.176	2.338		1.966	.078
	e-WOM	.521	.149	.347	3.488	.001
	e-servqual	.119	.056	.216	2.135	.035
	e-satisfaction	.265	.110	.213	2.413	.018

a. Dependent Variable: e-loyalty

Before seeing the results of the t test, we must first know what the t-table value is. The t-table value can be found by looking at the df (degree of freedom) value and the α value in this test. The df value is obtained through the calculation of $df = n - k$, where n is the number of respondents and k is the number of variables. So that the value becomes $df = n - k = 96 - 4 = 92$. The α value in this test is 10% (0.1). With a df value of 92 and an α value of 0.1, the t-table value is 1.1662. The t-test can be called having a positive influence if the t-value is greater than the t-table value, and is called significant if the Sig. value is smaller than the α value.

Based on Table 1, it shows that the e-WOM variable has a t-value of 3.488 which is greater than 1.1662, and has a Sig. value of 0.001 which is less than 0.1. This shows that the e-WOM variable has a positive and significant influence on the e-loyalty variable. The e-servqual variable has a t-value of 2.135 which is more than 1.1662, and has a Sig. value of 0.035 which is smaller than 0.1. This shows that the e-servqual variable has a positive and significant influence on the e-loyalty variable. The e-satisfaction variable has a t-value of 2.413 which is greater than 1.1662, and has a Sig. value of 0.018 which is smaller than 0.1. This shows that the e-satisfaction variable has a positive and significant influence on the e-loyalty variable.

Tabel 2 F-Test Results

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	193.838	3	96.919	46.033	.000 ^b
	Residual	263.120	92	2.829		
	Total	456.958	95			

a. Dependent Variable: e-loyalty
b. Predictors: (Constant), e-satisfaction, e-servqual, e-WOM

Before seeing the results of the F-test, it must first be known what the F-table value is. The F-table value can be found by looking at df1 (degree of freedom 1) and df2 (degree of freedom 2) and the α value in this test. The df1 value is obtained through the calculation of $df1 = k - 1$, and the df2 value is obtained through the calculation of $df2 = n - k$, where n is the number of respondents and k is the number of variables. So that the value of $df1 = k - 1 = 4 - 1 = 3$, and the value of $df2 = n - k = 96 - 4 = 92$. The α value in this test is 10% (0.1). With a df1 value of 3 and a df2 value of 92, and an α value of 0.1, the F-table value is 2.14. The F-test can be called having a positive influence if the F-value is greater than the F-table value, and is called significant if the Sig. value is smaller than the α value. Based on Table 2, it shows that the F-value is 46.033 which is greater than 2.14, and has a Sig. value of 0.000 which is smaller than 0.1. This shows that the e-WOM variable, the e-servqual variable, and the e-satisfaction variable simultaneously have a positive and significant influence on the e-loyalty variable.

4.2 Discussion

Partial test results show that the e-WOM variable has a t-value $>$ t-table, that is $3.488 > 1.1662$, and has a Sig. value $<$ α , that is $0.001 < 0.1$. This confirms that **the first hypothesis can be accepted**, that e-WOM has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. The e-servqual variable has a t-value $>$ t-table, that is $2.135 > 1.1662$, and has a Sig. value $<$ α , that is $0.035 < 0.1$. This confirms that **the second hypothesis can be accepted**, that e-servicequal has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. The e-satisfaction variable has a t-value $>$ t-table, that is $2.413 > 1.1662$, and has a Sig. value $<$ α , that is $0.018 < 0.1$. This confirms that **the third hypothesis can be accepted**, that e-satisfaction has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. The simultaneous test results show that the F-value $>$ F-table is $46.033 > 2.14$, and has a Sig. value $<$ α , that is $0.000 < 0.1$. This confirms that **the fourth hypothesis can be accepted**, that e-WOM, e-servqual, and e-satisfaction simultaneously have a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. This shows that all hypotheses can be accepted. That means e-commerce companies can increase Gen Z's e-loyalty in shopping on e-commerce if they improve e-WOM, e-servqual, and e-satisfaction well.

5. CONCLUSION

Based on the results of the research above, it can be concluded that e-WOM has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. E-servqual has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. E-satisfaction has a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce. And e-WOM, e-servqual, and e-satisfaction simultaneously have a positive and significant influence on Gen Z's e-loyalty in shopping on e-commerce.

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