

Strategy to Increase Customer Loyalty Through Customer Experience, Trust, and Brand Image: Testing Satisfaction as a Mediator

Jeanne Ellyawati¹, Catharine Clarista Clara²

^{1,2} Universitas Atma Jaya Yogyakarta, Jl. Babarsari No. 43, Yogyakarta, Indonesia

ABSTRACT: Internet technology has shifted the market paradigm from conventional marketing to online marketing. Online marketing, with various facilities that make shopping easier for consumers, has changed consumers' behavior and lifestyle. When buying online, consumers cannot physically touch and feel the products offered; therefore, consumer experience, trust, and brand image play an essential role. This study examines strategies for increasing customer loyalty through the customer experience, trust, brand image, and satisfaction. In addition, this study also investigates customer satisfaction as a mediating variable. The sampling techniques employed were purposive sampling and snowball sampling methods. The research design used a cross-sectional survey. The study shows that customer experience, trust, and brand image influence customer satisfaction. Customer experience, brand image, and customer satisfaction affect loyalty, while trust does not. Customer satisfaction is proven to mediate the influence of customer experience, trust, and brand image on loyalty.

KEYWORDS: Brand image, customer experience, trust, satisfaction, loyalty, Tokopedia

I. INTRODUCTION

In the era of Industrial Revolution 5.0, technology is developing very quickly, especially internet technology. The Covid-19 pandemic, in particular, is a factor that has triggered an increase in the number of internet users and is supported by the current needs of society. In Indonesia, from year to year the penetration rate of internet users continues to increase significantly. A survey conducted by the Association of Indonesian Internet Service Providers (APJII, 2024), stated that the penetration rate of Indonesian internet users in 2024 reached 79.50%, which means an increase of 1.31% from last year.

Marketers see potential arising from the increase in the number of internet users. Marketers are starting to innovate to develop their businesses. Marketers see the potential that arises from the increasing number of internet users. Marketers start to innovate to develop their business. The businesses are not only offline, but have now developed into marketplace platforms. With the entry of digital marketing, business competition is getting tighter. Companies must continue to innovate and adapt to maintain their position in the market. Therefore, companies need to do various promotions, including personalization. Personalized promotion is a strategy for individuals or small groups with unique characteristics (Kotler & Keller, 2016). By using technologies such as data mining, predictive analytics, and marketing automation, companies can create relevant and effective messages for each customer (Kumar & Mirchandani, 2012). Most consumers require personalization in terms of their experience interacting with companies. Customer experience is essential for improving a company's performance (Pekovic & Rolland, 2020). Companies that fail to provide a memorable customer experience tend to experience threats from competitors because customer experience affects consumer satisfaction and loyalty (Manyanga et al., 2022).

The most essential element that determines online purchasing decisions is trust. Trust drives online users to engage in online shopping activities (Al-Hammouri et al., 2021). Trust helps consumers ensure that the consumer experience is beyond doubt and impacts purchase intentions (Firman et al., 2021). In the online shopping process, consumers will try to avoid potential risks. Consumers will buy products or services from companies with a good brand image and eventually become satisfied and loyal to certain products (Mootealoo et al., 2022; Utami & Ellyawati, 2021). A good company brand image will make consumers confident in purchasing the products offered.

The ongoing relationship between customers and companies is based on the quality of services during the purchasing process (Miao et al., 2022). Customer satisfaction and loyalty are crucial factors that must be observed to maintain business continuity.

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Companies that prioritize customer satisfaction have a higher potential to achieve customer loyalty. Companies will spend more time finding new customers than retaining existing ones (Mootealoo et al., 2022).

Based on a survey conducted by Telkomsel, Tokopedia is the most trusted trading marketplace, providing the most satisfying experience and service for Indonesian micro, small and medium enterprises (MSMEs) in 2022. The aspect that makes Tokopedia superior to similar competitors is ease of use. (70%), complete sales features (68%), good resolution center service (66%), satisfactory logistics facilities (70%), comfortable user interface (UI) display (70%), and a great payment system complete (73%) (Annur, 2023).

This study combines two studies, namely research conducted by Chen & Wu (2022) and Hamzah et al. (2021). The variables used in the research by Hamzah et al. (2021) are customer trust, customer experience, customer satisfaction, and customer loyalty. The variables used in the study by Chen & Wu (2022) are experience, brand image, overall satisfaction, and loyalty. This study will examine the customer experience, trust, and brand image more deeply on consumer satisfaction and loyalty. This research focuses on the Tokopedia marketplace application. In the era of Industrial Revolution 5.0, technology is developing very quickly, especially internet technology. The Covid-19 pandemic, in particular, is a factor that has triggered an increase in the number of internet users and is supported by the current needs of society. In Indonesia, from year to year the penetration rate of internet users continues to increase significantly. A survey conducted by the Association of Indonesian Internet Service Providers (APJII, 2024), stated that the penetration rate of Indonesian internet users in 2024 reached 79.50%, which means an increase of 1.31% from last year.

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The ongoing relationship between customers and companies is based on the quality of services during the purchasing process (Miao et al., 2022). Customer satisfaction and loyalty are crucial factors to maintain business sustainability. Companies that prioritize customer satisfaction have a higher potential to achieve customer loyalty. Companies will spend more time finding new customers than retaining existing ones (Mootealoo et al., 2022).

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II. LITERATURE REVIEW

A. The Influence of customer experience on satisfaction and loyalty

The experience will influence post-purchase performance perception gained directly, in this case, it always varies according to the level of customer experience. The relationship between the level of customer experience and expected performance is more significant for durable products because consumers tend to use the product for a longer period of time so they can judge it correctly (Nobar & Rostamzadeh, 2018). Customer experience is essential for business success and competitive advantage (Ertemel et al., 2021; Ha, 2021; Nobar & Rostamzadeh, 2018; Sukendi et al., 2021). Customer experience is one of the variables used to measure customer loyalty (Sukendi et al., 2021). Companies need to be vigilant in shaping customer experience because it can be used to build customer loyalty. A positive customer experience will have an impact on perceived satisfaction.

Study conducted by Ha (2021) states that by understanding the importance of customer experience, companies will gain a competitive advantage because they get several benefits, such as increasing repeat purchases by customers, creating long-term relationships between consumers and companies, improving reputation, and ultimately gaining customer satisfaction and loyalty. Based on previous studies, customer experience has a positive effect on consumer satisfaction and loyalty (Ertemel et al., 2021; Ha, 2021; Hamzah et al., 2021).

H1a: Customer experience has a positive effect on customer satisfaction

H1b: Customer experience has a positive effect on customer loyalty

B. The influence of trust on satisfaction and loyalty

Trust is a key driving factor in developing customer-company bonds. Trust between customers and brands helps in reciprocal interactions which further helps in building strong relationships. A good relationship helps increase customer satisfaction, and growing customers' perceived benefits will develop customer loyalty (Gogoi & Shillong, 2021). When purchases are made online, the level of uncertainty becomes higher due to the absence of face-to-face interaction between the seller and the buyer.

Online trust requires affirmative intentions related to reliability, certainty, and trust in activities, objects, and users related to social commerce technology (Al-Hammouri et al., 2021). Their study revealed that trust determines the level of believe that describes how users' actions and beliefs are fulfilled through social networking sites. Existing reputation and recommendations play a role in increasing trust. Online trust has a positive influence on the intention to buy online.

Trust is an important determinant of customer loyalty that leads directly to online repurchase intentions (Trivedi & Yadav, 2020). Customer trust can create good trust in the seller, and will further increase the tendency in consumer purchasing behavior (Ilhamalimy & Ali, 2021). Customers tend to make continuous purchases when they already trust the seller. Trust is important for positive marketing and branding activities such as loyalty, consumer retention, and purchase intentions (Firman et al., 2021). Trust has a positive effect on customer satisfaction (Gogoi & Shillong, 2021; Hamzah et al., 2021). Trust also has a positive effect on customer loyalty (Amani, 2020; Chen & Lin, 2020; Hamzah et al., 2021; Setiawan et al., 2020)

H2a: Trust has a positive effect on satisfaction

H2b: Trust has a positive effect on loyalty

C. The influence of brand image on satisfaction and loyalty

Customers accustomed to using a particular brand tend to have consistency with the brand image (Rusmahafi & Wulandari, 2020). Brand image explains the extrinsic nature of products and services, as well as the consequences of brand perceptions caused in meeting the psychological and social needs of consumers. Brand image is the main and most interesting factor for the level of business development.

The study by Mehta (2020) revealed that moderate costs with the best quality goods or brands help companies gain maximum market share. A positive brand image will exceed customer desires and increase the good name and brand value of a company. Brand image actively plays a role in the company, especially when potential consumers find it difficult to clearly distinguish products or services based on quality features (Chinomona, 2016).

Consumers will use brand image to form brand awareness about the product or service in their minds. More deeply, brand image can be seen as a relatively limited part that has identical quality, function of product and service attributes that make consumers reflect their personal self-image, and help in making purchasing decisions (Chinomona, 2016). Product brands always have a strong impact on customer satisfaction whenever customers want to buy a product (Arman & Shabbir, 2020).

Brand image positively affects consumer satisfaction because a good product image indicates higher consumer satisfaction (Arman & Shabbir, 2020). Previous studies have shown that brand image influences customer satisfaction (Sangwan & Bhakar, 2018). However, a study by Rusmahafi & Wulandari (2020) showed that brand image had no significant effect on customer satisfaction at Bank Muamalat. Given a very different research object, the results would likely differ.

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H3a: Brand image has a positive effect on satisfaction

H3b: Brand image has a positive effect on loyalty

D. The influence of customer satisfaction on loyalty

Abu-Alhaija et al. (2019) in their study states that a marketing researcher must first understand customer satisfaction to understand customer loyalty behavior. Companies can easily turn satisfied customers into loyal customers based on positive purchasing experiences. Conversely, dissatisfied customers can stop their preferences, influence family members or friends to change them, and switch to brands that can provide satisfaction. Dissatisfied customers can decide to convey their complaints directly to the company or other available institutions, such as consumer protection associations, the media, or the government.

Customer satisfaction helps form loyal customers, positive WOM, and sustainable profitability (Gogoi & Shillong, 2021). One of the keys to customer retention is customer satisfaction. Achieved customer satisfaction has an impact on increasing customer loyalty levels, increasing cash flow, and reducing operating costs (Khoironi et al., 2018). Consumers will be willing to buy and pay more for high-quality products and services. Repeated purchasing behavior helps in the realization of loyalty. Based on past studies, customer satisfaction positively affects customer loyalty (Ertemel et al., 2021; Khoironi et al., 2018; Mootealoo et al., 2022; Nobar & Rostamzadeh, 2018; Rather & Sharma, 2017).

H4: Satisfaction has a positive effect on loyalty

E. Satisfaction as mediator variable

Companies wanting to retain their customers will always focus on exploring the antecedent factors that influence customer loyalty. Empirical study conducted by Chen & Wu (2022) shows that visitor satisfaction mediates the relationship between customer experience and loyalty. Findings from the previous study stated that after visiting the destination, they felt impressed and created memories. Or in other words, customers feel satisfied after visiting the destination. Furthermore, satisfaction leads to better loyalty behavior. Another study conducted by Hamzah et al. (2021) showed similar results. Their study result showed that customer experience has a positive and significant effect on customer loyalty through the mediation of customer satisfaction.

Study by Silviana et al. (2022) concluded that e-trust has a significant effect on e-satisfaction. The mediation test result in their study showed that e-satisfaction partially mediated the effect of e-trust on customer loyalty. Another study found that trust increases satisfaction and encourages brand loyalty (Gogoi & Shillong, 2021). The study results by Hamzah et al. (2021), also show that customer trust has a positive and significant effect on customer loyalty through customer satisfaction variables.

Satisfaction also mediates the relationship of brand image on loyalty. Study findings from the previous study conducted by Chen & Wu, 2022) stated that A good brand image makes visitors want to revisit the tourist destination. Visitors who already have a good image and experience satisfaction tend to make repeat visits, and leading to better loyalty behavior. A study conducted by Wibowo et al. (2021) found different results. The study stated that brand image has a significant influence on consumer satisfaction. However, brand image does not have a significant direct effect on consumer loyalty. This means that satisfaction does not mediate the effect of brand image on loyalty. Another study conducted by Hamzah et al. (2021) showed similar results. Their study result showed that customer experience has a positive and significant effect on customer loyalty through the mediation of customer satisfaction.

H5: Satisfaction mediates the influence of customer experience on loyalty

H6: Satisfaction mediates the influence of trust on loyalty

H7: Satisfaction mediates the effect of brand image on loyalty

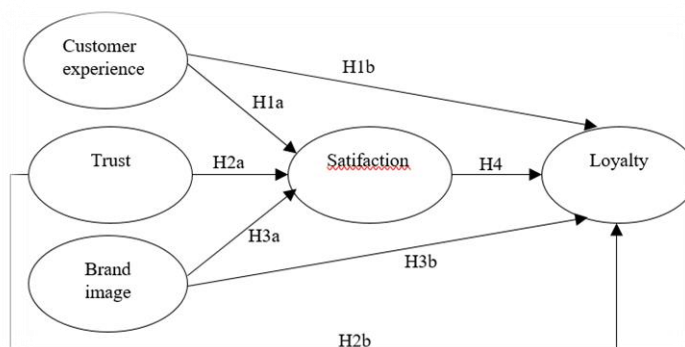


Figure 1. Research Model

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III. METHODOLOGY

The research design used a cross-sectional survey with structured questionnaires. The questionnaire was distributed online with the help of Google Forms application. The questionnaire link was distributed via social media the WhatsApp, Twitter, Telegram, and Instagram. The sampling technique used in this study was purposive sampling and snowball sampling methods. The number of sample used in this study was 250 respondents. The sampling criteria were customers 18 years old and up, having made transactions through the Tokopedia marketplace at least once in the last 6 months, and currently living or domiciled in Yogyakarta, Indonesia. We used a five-point Likert scale to measure the research instruments, with scores ranging from 1 for strongly disagree to 5 for strongly agree. Descriptive statistics are used to explain the profile of respondents. Pilot study was employed with 30 responden to validate the research instrument (validity and reliability). Descriptive statistic and pilot study, we employed SPSS program. For verifying the hypotheses, this study employed PLS-SEM.

IV. RESULT

A. Respondent Profile

The characteristics of the respondents results show that most of the respondents are dominated by female customers (55.2%), aged between 18 and 23 years old (39.2%). Most of the respondents' recent education was undergraduate level (66%). The average monthly income of respondents is IDR 3,500,000 and up (52.4%). Besides that, the reasons why consumers use the Tokopedia application are that it is easy to use (18.6%), offers many promotions (19.9%), has various payment methods (16.9%), has an attractive appearance/design (16.2%), and is curious and wants to try (12.5%).

B. Measurement Model Evaluation

At this stage, we will evaluate the results of the validity test in the form of convergent validity tests, discriminant validity tests, and reliability tests. Convergent validity can be seen from the value of loading factors. The rule of thumb for measuring convergent validity is that the loading factor value must be more than 0.7. Table 1 shows that all of the loading factor value of each indicator is more than 0.7. It can be stated that all items can be said to be valid. Besides the loading factor, to measure convergent validity, we have to look at the AVE (Average Variance Extracted) value. AVE value for each variable has met the minimum criteria. All of the AVE values are more than 0.5. Therefore, all variables can be said to have good convergent validity.

Table 1. Convergent Validity

Indicators	Loading factor	AVE	Composite reliability	Cronbach's alpha
Customer Experience (CE)		0.593	0.795	0.828
I feel comfortable using the Tokopedia application	0,811			
I find the Tokopedia application easy to use	0,776			
Using Tokopedia is suitable for my lifestyle	0,790			
Tokopedia manages customer complaints well	0,716			
Overall, my experience with Tokopedia was pleasant	0,755			
Trust (K)		0.593	0.795	0.828
Based on experience, I know tenants who sell products on the Tokopedia marketplace are honest	0,753			
I believe that Tokopedia consistently provides good quality services for me	0,773			
Tokopedia fulfills the best interests of its consumers	0,737			
I believe in Tokopedia's commitment	0,741			
I believe in the promises made by Tokopedia	0,706			
Brand image (CM)		0.536	0.902	0.876
Tokopedia has a good reputation for keeping its promises	0,741			
Tokopedia has a good reputation for fulfilling its commitments	0,730			
Tokopedia is fair to its consumers	0,710			
Tokopedia is honest with its consumers	0,714			
Tokopedia is a reliable company	0,735			

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Tokopedia is a trusted company	0,777			
Tokopedia is an innovative company	0,735			
Tokopedia is a forward-thinking company	0,713			
Customer satisfaction (KP)		0.596	0,880	0.830
I am happy with the products offered by Tokopedia	0,719			
I enjoy using the Tokopedia application	0,801			
I am happy with my decision to buy from Tokopedia	0,774			
The experience gained at Tokopedia exceeded my expectations.	0,812			
I am generally satisfied with the Tokopedia application's shopping experience	0,751			
Customer Loyalty (LP)				
I will say positive things about Tokopedia to others	0,783			
I will recommend Tokopedia to others	0,802			
I will make repeat purchases through the Tokopedia application	0,796			
I will buy through Tokopedia even if my colleague recommends another marketplace.	0,765			

To measure discriminant validity, we compare the AVE value with the squared correlation between constructs, using the Fornell-Larcker criterion. The Fornell-Larcker criteria is used to ensure that a construct is significantly different from other constructs, namely by comparing the AVE to the squared correlation between constructs.

Table 2. Fornell-Larcker Criterion

Variabel	Brand image	Customer Experience	Trust	Satisfaction	Loyalty
Brand image	0,732				
Customer Experience	0,671	0,770			
Trust	0,654	0,621	0.742		
Satisfaction	0,677	0,741	0.618	0.772	
Loyalty	0,727	0,742	0.622	0.769	0.787

The principle of discriminant validity is that different measures of a construct should not be highly correlated (Abdillah & Hartono, 2015). A construct is said to have high discriminant validity if the cross-loading is greater than 0.7. Based on the results obtained, it can be seen that the cross-loading value for each indicator meets the requirements. Therefore, it can be said that the construct for each variable have good discriminant validity.

Reliability tests were carried out to prove the accuracy, consistency, and precision of the instrument in measuring constructs (Ghozali & Latan, 2015). The variable can be stated as reliable if its construct has a Cronbach's Alpha value greater than 0.6 and Composite Reliability greater than 0.7. Based on the result of data processing, all constructs have a Cronbach's alpha value greater than 0.6 and a composite reliability value greater than 0.70. Therefore, all the construct can be said to be reliable.

C. Structural Model Evaluation

After the measuring instrument is declared to meet the criteria, the next step is to test the structural model. In the inner model test, model evaluation is carried out by examining the R-square (R^2) and Q-square (Q^2) values of each latent variable. The R-squared value category is 0.75, meaning a strong model; 0.50 is a moderate model; and 0.25 is a weak model.

Based on the result, the R-square (R^2) value for the customer satisfaction variable is 0.620 and the customer loyalty variable is 0.701. Based on the test results, the R^2 value of customer satisfaction is 0.620. It means that the customer satisfaction variable is successfully explained by the customer experience, trust, and brand image variables by 62%. Meanwhile, the remaining 38% is explained by other variables outside the model. Thus, the R-square value of the customer satisfaction variable is in the moderate or moderate category. Meanwhile the R^2 value for customer loyalty is 0.701. It means that the customer loyalty variable is successfully explained by the customer experience, trust, brand image, and satisfaction variables of 70.1%. The remaining 29.9% is explained by other variables outside the model. The R-squares value of the loyalty variable is in the moderate category.

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In SmartPLS, the Q-Squares value is obtained by blindfolding. Q^2 value > 0 indicates that the model has predictive relevance. The Q-squares value category is 0.02, means the model is weak; 0.15 for moderate models; and 0.35 for strong models. Based on the test results, the Q^2 value of customer satisfaction is 0.363, and the Q^2 value of customer loyalty is 0.422. In this study, all of the Q^2 results are more than zero. These indicate that both variables have good predictive relevance and are included in the strong category.

We are using the Bootstrapping procedure to run the data. The study found that path coefficients or inner model values indicate the level of significance in hypothesis, all of the Q^2 results are more than zero. These indicate that both variables have good predictive relevance and are included in the strong category.

D. Hypothesis Test Results

Testing of the hypothesis results was carried out using the Bootstrapping procedure. The path coefficients or inner model values indicate the level of significance in hypothesis testing (Abdillah & Hartono, 2015). The study using 95% level of confidence. Hypothesis verification will be seen from beta-values, t-statistic, and p-values. The independent variable is said to have an influence on the dependent variable if the t-statistic value is greater than 1.96 (level of confidence 95%) and the p-value is less than 0.05.

Based on the result, customer experience has a positive effect on customer satisfaction significantly ($\beta=0.468$; t-stat=7.178; p-value <0.05). Customer experience influence positively and significantly on loyalty ($\beta=0.256$; t-stat=4.514; p-value <0.05). It means that H1a and H1b are supported. From this result, it can be stated that when customer experience increase then satisfaction and loyalty tend to increase. Trust has a positive and significant influence on satisfaction ($\beta=0.157$; t-stat=2.394; p-value <0.05). H2a is supported. Meanwhile, trust does not influence on loyalty ($\beta=0.067$; t-stat=1.110; p-value >0.05). Therefore, H2b is not supported. This means that when customer trust increases, it will only increase customer satisfaction, while trust does not cause consumers to become loyal.

Brand image affects customer satisfaction positively and significantly ($\beta=0.260$; t-stat=3.971; p-value <0.05). Brand image also influence customer loyalty positively and significantly ($\beta=0.271$; t-stat=5.238; p-value <0.05). H3a and H3b are supported. It means that when brand image increase then satisfaction and loyalty are also increase. Customer satisfaction positively affects customer loyalty significantly ($\beta=0.354$; t-stat=4.806; p-value <0.05). H4 is supported. It means that if customer satisfaction increases, there is a tendency that customer loyalty will also increase.

E. Testing mediating variable

To determine whether the variable is a mediator variable, we employed criteria proposed by Baron & Kenny (1986). For determine type of mediation we use criteria from Zhao et al. (2010). According to the criteria of Baron & Kenny (1986), the mediation test is conducted with the following criteria: the first path analysis (a) shows a significant direct influence of the independent variable on the mediator variable. The second path analysis (b) shows a direct influence of the mediator variable on the dependent variable. The third path analysis (c) shows that there is an indirect influence of the independent variable on the dependent variable through the mediator variable. A variable is said to have a mediating effect (full mediation) if the influence of the independent variable on the dependent variable is reduced or no longer significant when the mediator is included in the model. If the influence is less but still significant, it is called partial mediation.

To determine the type of mediation, the criteria of Zhao et al. (2010) are used, which are considered simpler, more comprehensive, and offer more detailed interpretation. The steps are to look at the path coefficients for each mediation pathway using the formula (a) x (b) x (c).

Note: Dependent variable, (b) mediator variable, (c) independent variable.

1. Complementary mediation, if (a)x(b)x(c) shows positive and significant results.
2. Competitive mediation, if (a)x(b)x(c) shows negative results.
3. Indirect-only mediation, if (a)x(b) shows significant results, and (c) is insignificant.
4. Direct-only non-mediation, if (a)x(b) shows insignificant results but (c) is significant.
5. No-effect non-mediation, if (a)x(b) shows insignificant results and (c) is insignificant.

Satisfaction mediates the relationship between customer experience and loyalty

Customer satisfaction succeeded in mediating the influence of customer experience on customer loyalty ($\beta=0.166$; t-stat=3.801; p-value <0.05). The first path analysis (a) shows that there is a direct influence of customer experience on customer satisfaction ($\beta=0.468$; t-stat=7.178; p-value <0.05). The second path analysis (b) shows that there is a direct influence of customer satisfaction on customer loyalty ($\beta=0.354$; t-stat=4.806; p-value <0.05). The third path analysis (c) shows that there is a direct influence of customer experience on customer loyalty ($\beta=0.256$; t-stat=4.514; p-value <0.05).

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The next test is to look at the path coefficient value of each mediation path with the formula $(a) \times (b) \times (c)$. The analysis results show that $0.468 \times 0.354 \times 0.256$ is positive. Therefore, customer satisfaction is included in the category “Complementary Mediation” category or “Partial Mediation”.

Satisfaction mediates the relationship between trust and loyalty

Customer satisfaction succeeded in mediating the effect of trust on customer loyalty ($\beta=0.166$; $t\text{-stat}=3,801$; $p\text{-value}<0.05$). The first path analysis (a) shows that there is a direct influence of trust on customer satisfaction significantly ($\beta=0.157$; $t\text{-stat}=2,394$; $p\text{-value}<0.05$). Second path analysis (b), there is a direct influence of customer satisfaction on customer loyalty significantly ($\beta=0.354$; $t\text{-stat}=4.806$; $p\text{-value}<0.05$). The third path analysis (c) shows that there is no effect of trust on customer loyalty ($\beta=0.067$; $t\text{-stat}=1,110$; $p\text{-value}>0.05$). The analysis results show that (a) $\times$ (b) shows significant results, but (c) is not significant. Therefore, it can be concluded that customer satisfaction is included in the “Indirect Only Mediation” category. This means that consumers will be loyal to a product/company only if they feel satisfied.

Satisfaction mediates the relationship between brand image and loyalty

Customer satisfaction successfully mediates the influence of brand image on customer loyalty ($\beta=0.092$; $t\text{-stat}=2,732$; $p\text{-value}<0.05$). The first path analysis (a) shows that there is a direct influence of brand image on customer satisfaction ($\beta=0.260$; $t\text{-stat}=3,971$; $p\text{-value}<0.05$). Analysis of the second path (b) shows that there is a direct effect of customer satisfaction on customer loyalty ($\beta=0.354$; $t\text{-stat}=4.806$; $p\text{-value}<0.05$). The third path analysis (c) shows that there is a direct effect of brand image on customer loyalty ($\beta=0.271$; $t\text{-stat}=5,238$; $p\text{-value}<0.05$).

The next test is to look at the path coefficient value of each mediation path with the formula $(a) \times (b) \times (c)$. The result shows that $0.260 \times 0.354 \times 0.271$ is positive. Therefore, customer satisfaction is included in the category of “Complementary Mediation” category or “Partial mediation”.

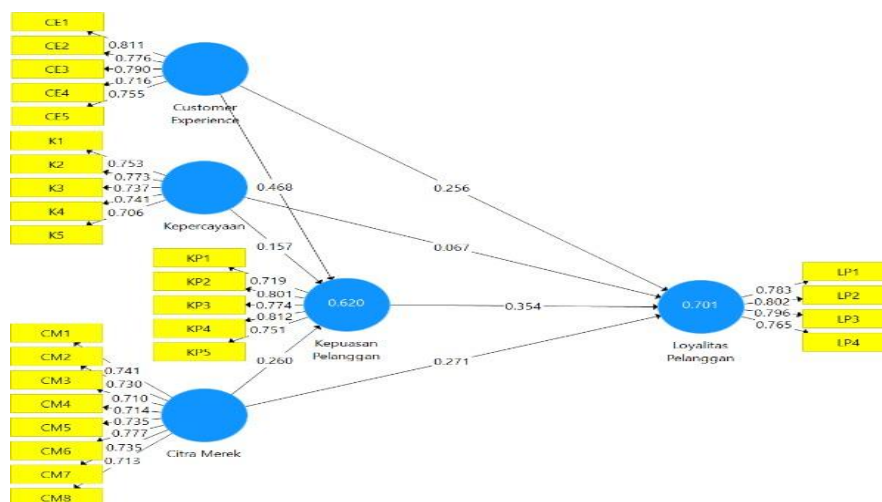


Figure 2. Outer Model Result

DISCUSSION

Based on the study results, the factors that significantly influence satisfaction as mediators between customer experience and loyalty are: lifestyle, ease of use, and comfort. This indicates that these three factors are crucial in satisfying consumers. Companies need to constantly adapt to consumer lifestyles, especially young consumers who frequently make purchases through the Tokopedia app.

The application must be user-friendly and easy to use, especially for older/ senior consumers, many of whom have a lot of money but aren't as tech-savvy. With an easy-to-use application, older consumers can learn to shop easily online. This is a great way to attract older consumers, as besides having more money, they likely have more diverse needs than younger consumers. Companies need to satisfy them first before they buy. Past study stated that ease of use of an application can help to reach more market share. This research is in line with studies conducted by Chen & Wu (2022); Ertemel et al. (2021); Hamzah et al. (2021); Setiawan et al. (2021), which stated that customer experience has a positive effect on customer satisfaction.

To build and enhance customer loyalty, this study found that customer experience can directly influence loyalty. In particular, young consumers with positive experiences with marketplaces tend to be loyal to products or services that align with their lifestyle, are easy to use, and convenient. This study is in line with studies conducted by Chen & Wu (2022); Hamzah et al. (2021). Manyanga et al. (2022) and Setiawan et al. (2021), which stated that customer experience has a positive effect on customer loyalty. The

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analysis results show that customer satisfaction successfully mediates the influence of customer experience on customer loyalty. Based on the results of the evaluation that has been carried out, customer satisfaction is included in the “Complementary Mediation” category. Companies must create customer loyalty by providing satisfaction to customers. A memorable experience will stick in consumers' minds so that consumers feel satisfied and will make repeat purchases, which ultimately impacts loyalty. This study is in line with study conducted by Hamzah et al. (2021) stated that customer experience positively and significantly affects customer loyalty through customer satisfaction (Annur, 2023).

The results of this study show that consumer trust only satisfies consumers but does not automatically make them loyal. Companies that consistently and continuously build consumer trust will increase customer satisfaction. They have tremendous confidence in Tokopedia, as it is one of the largest e-commerce platforms in Indonesia and was once an Indonesian unicorn. A unicorn is a startup valued at more than one billion US dollars (Lintang, 2025). Tokopedia is trusted especially in consistency and always provides good quality services. This high level of consistency aligns with Tokopedia's vision of becoming an Indonesian technology company with a mission to achieve digital economic equality. This study supports the study conducted by Gogoi & Shillong (2021); Mootealoo et al. (2022); (Silviana et al., 2022), which stated that trust has a positive effect on customer satisfaction.

The most minor influence on customer loyalty that they do not want to take a risk in the promise by Tokopedia. The absence of face-to-face interaction can be one of the factors that cause a lack of customer trust. Tokopedia has become an intermediary forum for sellers and buyers to reduce online shopping risks. The study results show no significant influence between trust and customer loyalty. This study aligns with study conducted by Gogoi & Shillong (2021) and Hamzah et al. (2021). Study conducted by Hamzah et al. (2021) stated that customer trust has no effect on customer loyalty for the Grab application in Pekanbaru (Indonesia). Low customer perception of customer trust will not create customer loyalty.

Based on the results of the evaluation that has been carried out, customer to measure discriminant validity, we compare the AVE value with the squared correlation between constructs, using the Fornell-Larcker criterion. To measure discriminant validity, we compare the AVE value with the squared correlation between constructs, using the Fornell-Larcker criterion. To measure discriminant validity, we compare the AVE value with the squared correlation between constructs, using The Fornell-Larcker criterion. satisfaction is included in the “**Indirect Mediation**” category in the relationship between trust and loyalty. This shows that trust does not affect directly to customer loyalty but indirectly to through customer satisfaction. Study conducted by Gogoi & Shillong (2021) shows that customer satisfaction can mediate the relationship between customer trust and brand loyalty. The higher the customer trust, the greater the positive impact on customer loyalty.

The study result stated that brand image indicator that has the most influence on customer, because is that Tokopedia is a trusted company. A good customer reputation, fair to customer, honest, reliable, innovative forward thinking company can create a positive image in the minds of consumers and drive customer satisfaction levels. This study is in line with past studies which stated that brand image has a positive effect on customer satisfaction (Mehta, 2020; Mootealoo et al., 2022; Subaebasni et al., 2019). Consumers who experience satisfaction when shopping at Tokopedia tend to be loyal to the company. Tokopedia has a good reputation for fulfilling its promises, strong brand image, credible, trustworthy, credible, and consistent in realizing its commitments. This study is in line with past studies conducted by Amani (2020), Mehta (2020), and Subaebasni et al. (2019) which stated that brand image has a positive effect on customer loyalty.

Most of the store states that they obtain experience in Tokopedia exceeded their expectation. Satisfied customers will convey positive things to other people and provide recommendations for using and purchasing the products offered by the company. This study is in line with some studies which stated that customer satisfaction has a positive effect on customer loyalty (Christanto & Santoso, 2022; Ertemel et al., 2021; Ha, 2021; Sofia Silviana et al., 202; Wibowo et al., 2021). Previous study conducted by Hamzah et al. (2021) stated that customer experience positively and significantly affects customer loyalty directly and indirectly through customer satisfaction. The analysis results show that customer satisfaction successfully mediates the influence of customer experience on customer loyalty. Based on the results of the evaluation that has been carried out, customer satisfaction in this path is included in the “Complementary Mediation” category. Companies must create customer loyalty by providing satisfaction to customers. A memorable experience will stick in consumers' minds so that consumers feel satisfied and will make repeat purchases, which ultimately impacts loyalty.

Study conducted by Gogoi & Shillong (2021) shows that customer satisfaction can mediate the relationship between customer trust and brand loyalty. The higher a customer's trust, the more significant the positive impact on customer loyalty will be. The analysis results show that customer satisfaction successfully mediates the influence of trust on customer loyalty. Based on the results of the evaluation that has been carried out, customer satisfaction is included in the “Indirect Mediation” category. This shows that trust does not affect customer loyalty directly but must go through customer satisfaction.

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Customer satisfaction positively mediates the relationship between brand image and customer loyalty (Mehta, 2020). The study shows that customer satisfaction mediates the effect of brand image on customer loyalty. Based on the results of the evaluation that has been carried out, customer satisfaction is included in the category of "Complementary Mediation." Customers satisfied with the company's brand image will also increase customer loyalty. Companies that create a good brand image in the minds of consumers will also try to provide good service quality to maintain their reputation.

V. CONCLUSION

This study results stated that customer experience, trust and brand image have a positive and significant effect on customer satisfaction, but only customer experience and brand image influence directly to loyalty. However, trust does not influence on customer loyalty.

The critical findings of this study provide crucial insights for companies. Companies should always consider the role of customer satisfaction in running their businesses. Consumers who experience satisfaction in purchasing a product or brand tend to be loyal to the company. Companies must always strive for customer satisfaction. Customers always expect to have a good experience when purchasing products in the store. Customers who have positive experiences with a company, such as easy-to-use applications, excellent service, etc., will feel satisfied.

A positive brand image reflects a company's credibility. Moreover, online consumers, who don't see or touch the product directly or meet the vendor in person, desperately need trust. Once a purchase from an online store proves disappointing, they won't buy again. A trusted brand reduces the potential risks consumers perceive when deciding to shop online through the marketplace. Trust is the critical intermediary between customers and business owners. Lack of trust can hinder business growth and reduce customer retention. In this study the store can add some programs like: adding promo programs such as free shipping, cashback vouchers, price discounts, and flash sales.

Although consumers who experience satisfaction tend to become loyal consumers, however, we have to realize that customer who experience satisfaction with a brand do not necessarily have loyalty to that brand. This can happen because consumers consider many factors in the process of purchasing a product, not just these three variables. Many other factors influence consumer purchases, such as price factors, quality, location, priority needs, service, financial problems, competitors, etc.

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