THE EFFECT OF UTILITARIAN VALUE AND HEDONIC VALUE ON LOYALTY THROUGH SATISFACTION IN SHOPEE'S E-COMMERCE (CASE STUDY ON STUDENTS OF THE FACULTY OF ECONOMICS, UNIVERSITY OF SARJANAWIYATA TAMANSISWA)

Wayan Deni Ardane,[1] Ida Bagus Nyoman Udayana,[2] Bernadetta Diansepti Maharani[3]
University of Sarjanawiyata Tamansiswa, Indonesia[1,2,3]
E-mail: cagurd374@gmail.com

Abstract: *This study aims to determine the effect of utilitarian value on satisfaction, the effect of hedonic value on satisfaction, the effect of satisfaction on loyalty, the effect of utilitarian value on loyalty, the effect of hedonic value on loyalty. The sample in this study were 100 active students of the faculty of economics, University of Sarjanawiyata Tamansiswa Yogyakarta who used the e-commerce shopee. The data collection method uses a questionnaire method via google form and is distributed using a purposive sampling technique. This research used data quality test, classical assumption test (normality test, multicollinearity test, and heteroscedasticity test), multiple linear regression analysis and hypothesis testing. The data analysis in this study was carried out using the assistance of the SPSS program version 22. The results of this study indicate that utilitarian value has a positive and significant effect on satisfaction, hedonic value has a positive and significant effect on satisfaction, Satisfaction has a positive and significant effect on loyalty, utilitarian value has a positive and significant effect on loyalty. , and hedonic value has a negative and insignificant effect on loyalty.*

Keywords: Utilitarian Value, Hedonic Value, Satisfaction, Loyalty

1. Introduction

The development of information technology in the modern era, as it is today, has had a positive impact on all fields, one of the areas that have been positively affected by the development of information technology is the business sector. The e-commerce industry in Indonesia is increasingly stretching. Now, more and more foreign and local e-commerce has continued to experience rapid development, especially in 2018, one of which is Shopee.

Table 1 The largest e-commerce visitors in the third quarter of 2019

E-commerce	Number of visits
Tokopedia	66 million
Shopee	56 million
Bukalapak	42,9 million
Lazada	28 million
Blibli	21,4 million
JD ID	5.5 million
Bhinneka	5 million
Sociolla	4 million

Orami	3,9 million
Relali	3,6 million

Table 1 shows the development of the ASEAN e-commerce market, including in Indonesia. Shopee ranks second among the most visited online shopping applications. Shopee beat Bukalapak, and although it entered the market three years earlier than Shopee, now ranks second. (Nggai and Anandya 2020) argue that there are five reasons that cause people to switch to online shopping, namely: First, saving time and effort. Only by accessing online shopping applications via a smartphone. Second, there are many promotions available. The proliferation of e-commerce has made online shop players provide many promotions to attract customers. Third, more payment options. Many online businesses work with banks and multi-financial institutions as payment partners. Fourth, there are many variants of goods that are more complete. Conventional stores are often not as complete as online shops because online businesses come from all over Indonesia and even the world, so people can look for goods from anywhere and even abroad. A fifth can compare the price of goods. If you shop for the desired product at a conventional store, of course, it will be difficult to compare one product with another. Unlike the case with online stores, people can open several online stores at once, look for items to buy, then compare prices one by one.

Holbrook and Hirschman, (2012) in Sofiyudin (2015) explain that consumer behavior oriented to Utilitarian Value will choose products efficiently based on rational reasons. Utilitarian values consist of durability, test resistance, performance, warranty, low prices, and the brand name (William 2012). according to (Hanzae, K.H., & Rezaeyeh 2013) utilitarian value is consumer behavior oriented towards utilitarian value who will choose products with rational reasons. (Yistiani, Yasa, and Suasana 2012) state that consumers enjoy hedonic value when consuming the product; experience and consuming products related to feelings, fantasies, pleasures, and the five senses that affect one's emotions. Hedonic value is the overall evaluation of a consumer which is based on the fulfillment of pleasure. (Tifferet, S. 2012) defines the Hedonic Motive as the consumption of a product that is primarily based on the desire to experience pleasure and happiness. Customers derive hedonic value from the perceived pleasure or pleasure of shopping. This is related to positive word of mouth, loyalty, emotional value, and psychological satisfaction associated with the shopping experience (Hanaysha and Mehmood 2016). Buttle, (2009) in Sofiyudin (2015) states that satisfaction has always been the focus of several studies. There are many different definitions and measures of satisfaction. Buttle himself defines satisfaction as a response to the satisfaction of the customer experience or part of the experience. (Ishak 2012) defines customer satisfaction as a person's feeling of liking or disliking a product after comparing the product's performance with what is expected. Customer satisfaction is the key to successfully expanding customer networks in synergy Chow, (2015) in Bagus Nyoman Udayana and Farida (2019). According to Griffin, (2002) in Kamilullah, Kusyanti, and Aryadita (2018) Loyalty is the continuous purchase of a product or service that is chosen by the online shop by the decision-making department. At the same time, customer loyalty is customer loyalty who uses the same product or service in the online shop (Swastha, (2009) in Kamilullah, Kusyanti, and Aryadita 2018).

This study was conducted to determine whether e-commerce customers at Shopee are influenced by utilitarian value (based on benefits), hedonic value (based on perceived emotions).

To test whether utilitarian value and hedonic value affect customer satisfaction and customer loyalty of Shopee e-commerce.

Based on the description of the background of the problem above, the authors are interested in making research on "The Effect of Utilitarian Value and Hedonic Value on Loyalty through Satisfaction at E-Commerce Shopee (Case Study on Students of the Faculty of Economics, University of Sarjanawiyata Tamansiswa)"

2. Research Method

The research method used in this research is quantitative research methods. The data used in this study are primary data. The data collection method used in this study is a questionnaire via a google form. The population selected in this study were active students of the Faculty of Economics, University of Sarjanawiyata Tamansiswa Yogyakarta who had used the online shopping site Shopee more than twice and was taken by purposive sampling method. In managing data using data quality tests (validity test, reliability test) descriptive analysis, classical assumption test (normality test, multicollinearity test, and heteroscedasticity test), multiple linear regression, and hypothesis testing. The data analysis in this study was carried out using the assistance of the SPSS program version 22. The effect of utilitarian value on satisfaction, hedonic value variables on satisfaction, satisfaction on loyalty variables, utilitarian value variables on loyalty, hedonic value variables on loyalty.

3. Results and Discussion
3.1. Results

Respondents in this study were students of the Faculty of Economics, the University of Sarjanawiyata Tamansiswa who had shopped at e-commerce shopee more than twice. Researchers applied a questionnaire to 100 students via a google form.

Table 2 Characteristics of Respondents

Profil		Frequency	Percentage
Gender	Man	30	30,0
	Women	70	70,0
	Total	100	100,0
Age	>25	1	1.0
	18 - 20	18	18.0
	21 - 24	81	81.0
	Total	100	100.0
Study Program	Accounting	6	6,0
	Management	94	94,0
	Total	100	100,0
Force Year	2017	72	72.0
	2018	15	15.0
	2019	2	2.0
	2020	11	11.0
	Total	100	100.0

Source: Primary data processed, 2021

The average respondent's assessment of the Utilitarian Value is 4.27 (very good). Meanwhile, the highest assessment of respondents occurred in the statement by shopping at Shopee, I was able to save shopping time and purchase costs in buying products with a mean value of 4.33. And then the lowest rating occurs in the statement By shopping at Shopee, I get good deals in buying products and By shopping at Shopee, increasing my shopping efficiency in finding and buying products with the same mean value of 4.24.

The average respondent's assessment of the Hedonic Value variable is 3.94 (good). While the highest assessment of respondents occurred in the statement Shopping at Shopee, it is very pleasant for me with a mean value of 4.16. And furthermore, the lowest rating occurred for the Shopee Shopee statement, totally delightful, compared to other things I could do with the same mean of 3.68.

The average respondent's assessment of the Satisfaction variable is 4.10 (very good). Meanwhile, the highest assessment of respondents occurred in the statement I am satisfied with my decision to make shopping transactions at Shopee with a mean value of 4.21. And then the lowest assessment occurred in the Performance statement given by Shopee in accordance with my expectations with the same mean value of 3.98.

The average respondent's assessment of the Loyalty variable is 4.15 (good). Meanwhile, the highest assessment of respondents occurred in the statement I will visit Shopee again at a later date with a mean value of 4.32. And then the lowest assessment occurs in the statement I will invite people around me to shop at Shopee with the same mean value of 4.03.

Table 3 Validity Test

Variable	No. item	r- count	r- table	Information
Utilitarian Value	1	0,867	0,1966	Valid
	2	0,832	0,1966	Valid
	3	0,871	0,1966	Valid
	4	0,866	0,1966	Valid
Hedonic Value	1	0,847	0,1966	Valid
	2	0,861	0,1966	Valid
	3	0,887	0,1966	Valid
	4	0,860	0,1966	Valid
	5	0,850	0,1966	Valid
	6	0,792	0,1966	Valid
Satisfaction	1	0,835	0,1966	Valid
	2	0,811	0,1966	Valid
	3	0,817	0,1966	Valid
	4	0,817	0,1966	Valid
	5	0,862	0,1966	Valid
	6	0,824	0,1966	Valid
	7	0,824	0,1966	Valid
	8	0,840	0,1966	Valid
Loyalty	1	0,887	0,1966	Valid
	2	0,881	0,1966	Valid
	3	0,860	0,1966	Valid
	4	0,867	0,1966	Valid
	5	0,913	0,1966	Valid
	6	0,650	0,1966	Valid

Source: Primary data processed, 2021

Table 4 Reliability Test

Variabel	Cronbach's Alpha	Information
Utilitarian Value	0.881	Reliabel
Hedonic Value	0.921	Reliabel
Satisfaction	0.934	Reliabel
Loyalty	0.915	Reliabel

Source: Primary data processed, 2021

Based on table 3, the results of the validity test for each variable show if all the questions or statements have a value of r-count> r-table (0.1966) so that the statement items are valid and fit to be used as an instrument to measure research data. Based on table 4, shows that Cronbach's Alpha value on each variable has a value of> 0.7, so it can be concluded that each question item from the Utilitarian Value, Hedonic Value, Satisfaction, and Loyalty variables is Reliable. The data has been normally distributed, the significance value or the asymp.sig value. (2-tailed) is greater than 0.05. It can be seen from the asymp.sig value. (2-tailed) 0.200 which means 0.200> 0.05. So it can be concluded that the residual data regression model is normally distributed.

Table 5 Multiple Linear Regression Results
Equation 1

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	6.800	2.133		3.188	.002
	Utilitarian Value	.859	.158	.434	5.431	.000
	Hedonic Value	.477	.086	.444	5.553	.000
a. Dependent Variable: Satisfation						

Source: Primary data processed, 2021

Table 6 Multiple Linear Regression Results
Equation 2

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.281	1.594		.177	.860
	Utilitarian Value	.480	.128	.296	3.736	.000
	Hedonic Value	.108	.070	.122	1.538	.127
	Satisfaction	.423	.072	.516	5.854	.000
a. Dependent Variable: Loyalty						

Source: Primary data processed, 2021

3.2. Discussion

Hypothesis 1 states that Utilitarian Value has a positive and significant effect on satisfaction. In table 5, it can be seen that the t value of the Utilitarian variable is 5.431 while the t table value is at the 5% significance level and df = 98 (100-2) is 1.6605 which means t count> t table (5.431> 1.6605). Meanwhile, the significance value is 0.000 which means it is smaller than

0.05 (0.000 <0.05). This shows that the Utilitarian Value variable has a significant positive effect on the Satisfaction variable, so it can be concluded that it proves that H0 is rejected, which means that utilitarian value has a positive and significant effect on satisfaction.

Hypothesis 2 states that Hedonic Value has a positive and significant effect on Satisfaction. In table 5, it can be seen that the t value of the hedonic value variable is 5.553, while the t table value at the 5% significance level and df = 98 (100-2) is 1.6605, which means t count> t table (5,553> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Hedonic Value variable has a significant positive effect on the satisfaction variable, so it can be concluded that it proves that H0 is rejected, which means that the utilitarian value has a positive and significant effect on satisfaction.

Hypothesis 3 states that Satisfaction has a significant effect on Loyalty. In table 5, it can be seen that the t value of the Satisfaction variable is 5.854, while the t table value at the 5% significance level and df = 98 (100-2) is 1.6605, which means t count> t table (5.854> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Satisfaction variable has a significant positive effect on the Loyalty variable, so it can be concluded that it proves that H0 is rejected, which means that Satisfaction has a positive and significant effect on Loyalty.

Hypothesis 4 states that Utilitarian Value has a positive effect on Loyalty. In table 5, it can be seen that the t value of the Utilitarian Value variable is 3,736, while the t table value at the 5% significance level and df = 98 (100-2) is 1.6605 which means t count> t table (3,736> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Utilitarian Value variable has a significant positive effect on the Loyalty variable, so it can be concluded that it proves that H0 is rejected, which means that the Utilitarian Value has a positive and significant effect on Loyalty.

Hypothesis 5 states that Hedonic Value has a negative and insignificant effect on Loyalty. In table 5, it can be seen that the t value of the Hedonic Value variable is 1.538, while the t table value at the 5% significance level and df = 98 (100-2) is 1.6605 which means t count <t table (1.538 <1.6605). Meanwhile, the significance value is 0.127 which means it is greater than 0.05 (0.127> 0.05). This shows that the hedonic value variable has a negative and insignificant effect on the Loyalty variable, so it can be concluded that it proves that H0 is rejected, which means that Hedonic Value has a negative and insignificant effect on Loyalty.

Based on the partial test (t count) Utilitarian Value produces t count of 5.431 while the value of t table at a significance of 5% and df = 98 (100-2) is 1.6605 which means t count> t table (5.431> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Utilitarian Value variable has a significant positive effect on the Satisfaction variable, so it can be concluded that it can prove that H0 is rejected, which means that the utilitarian value has a positive and significant effect on satisfaction "proven". Utilitarian Value has a positive and significant effect on Satisfaction. The results of this study are supported by previous research by Valentika, (2020) which states that the utilitarian value variable has a positive and significant effect on consumer satisfaction. Based on the research above, it can be concluded that utility value has a positive and significant effect on satisfaction.

Based on the partial test (t count) the Hedonic Value yields t count of 5,553 while the t table value at 5% significance and df = 98 (100-2) is 1.6605 which means t count> t table

(5,553> 1,6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Hedonic Value variable has a significant positive effect on the Satisfaction variable, so it can be concluded that it can prove that H0 is rejected, which means that Hedonic Value has a positive and significant effect on satisfaction "Proven". Hedonic Value has a positive and significant effect on Satisfaction. This research is supported by previous research by Nggai and Anandya, (2020) this study found that hedonic value has a positive and significant effect on consumer satisfaction. Based on the research above, it can be concluded that hedonic value has a positive and significant effect on satisfaction.

Based on the partial test (t count) Satisfaction resulted in t count of 5,854 while the value of t table at a significance of 5% and df = 98 (100-2) was 1.6605, which means t count> t table (5.854> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Satisfaction variable has a significant positive effect on the Loyalty variable, so it can be concluded that it can prove that H0 is rejected, which means that Satisfaction has a positive and significant effect on "Proven" Loyalty. Based on the test results above, it shows that the respondent's highest assessment occurs in the statement I am satisfied with my decision to make a shopping transaction at Shopee. Thus consumers are satisfied with the decision to make online shopping transactions at Shopee, so that this affects consumer loyalty of e commerce shopee. Satisfaction has a positive and significant effect on Loyalty. This research is supported by Lestari, (2018) states that the influence of customer satisfaction has a significant effect on customer loyalty. Based on the research above, it can be concluded that satisfaction has a positive and significant effect on loyalty.

Based on the partial test (t count) the Utilitarian Value yields t count of 3,736 while the t table value at 5% significance and df = 98 (100-2) is 1.6605 which means t count> t table (3,736> 1.6605). Meanwhile, the significance value is 0.000, which means it is smaller than 0.05 (0.000 <0.05). This shows that the Utilitarian Value variable has a significant positive effect on the Loyalty variable, so it can be concluded that it can prove that H0 is rejected, which means that the Utilitarian Value has a positive and significant effect on "Proven" Loyalty. Utilitarian Value has a positive and significant effect on Loyalty. This research is supported by previous research conducted by Nggai and Anandya, (2020) which states that utilitarian values have a positive effect on customer loyalty. Based on the research above, it can be concluded that Utilitarian Value has a positive and significant effect on loyalty.

Based on the partial test (t count) the Hedonic Value yields t count of 1.538 while the t table value at 5% significance and df = 98 (100-2) is 1.6605 which means t count <t table (1.538 <1.6605). Meanwhile, the significance value is 0.127 which means it is smaller than 0.05 (0.127> 0.05). This shows that the Hedonic Value variable has a negative and insignificant effect on the Loyalty variable, so it can be concluded that it can prove that H0 is rejected, which means that the Hedonic Value has a negative and insignificant effect on "Proven" Loyalty. Hedonic Value has a negative and insignificant effect on Loyalty. This research is supported by previous research conducted by (Nggai and Anandya 2020) which states that hedonic value has a negative and insignificant effect on customer loyalty. Based on the research above, it can be concluded that Hedonic Vaule has a negative and insignificant effect on loyalty.

4. Conclusion

Based on the research and the results of the analysis that have been done, it shows the findings that: Utilitarian value has a positive and significant effect on satisfaction so that the hypothesis that utilitarian value has a positive effect on the satisfaction variable is accepted. Hedonic value has a positive and significant effect on the satisfaction variable so that the hypothesis which says hedonic value has a significant effect on the satisfaction variable is accepted. Satisfaction has a positive and significant effect on loyalty so that the satisfaction hypothesis has a positive effect on the loyalty variable is accepted. Utilitarian value has a positive and significant effect on the loyalty variable so that the hypothesis that utilitarian value has a positive effect on the loyalty variable is accepted. Hedonic value has a negative and insignificant effect on the loyalty variable so that the hypothesis that hedonic value has a negative and insignificant effect on the loyalty variable is accepted.

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