The Effect of Product Quality on Customer’s Satisfaction and Loyalty of EMN Brand in the Ecommerce Era

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Abstract. Business cosmetic has grown rapidly in the e-commerce era. In the e-commerce era, companies have the opportunity to expand their sales system to increase customer satisfaction. The purpose of study to determine and analyze the effect of e-commerce and EMN product quality on satisfaction and its impact on consumer loyalty. Descriptive study with quantitative methods. The data was collected by distributing a survey to 155 respondents who had purchased EMN products through e-commerce sites at least once in the last six months. The survey data analysis used the SEM (Structural Equation Modeling) analysis of the SPSS 25 and AMOS 24 programs. The results showed that each variable influenced each other. E-commerce has a positive effect on customer satisfaction, where the p-value = 0.014 (<0.05) and the coefficient is 0.347. Product quality has a positive effect on customer satisfaction with p-value = 0.000 (<0.05) and a coefficient of 0.546. Satisfaction has a significant effect on loyalty with p-value = 0.000 (<0.05) and a coefficient of 0.798. Meanwhile, e-commerce has a negative effect on consumer loyalty with a p-value = 0.23 and a coefficient of -0.408. Product quality has a positive and significant effect on consumer loyalty with p-value = 0.39 and a coefficient of 0.416. Companies have to create attractive e-commerce site designs with complete and accurate attributes and information; companies must maintain the availability and completeness of products in e-commerce; creating a new product with a packaging design that is more attractive and of sufficiently good quality.

Keyword. business strategy; consumer loyalty; customer satisfaction; electronic commerce; product quality.

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INTRODUCTION

The development of information technology has an impact on all business sectors and creates a very tight competition. Foreign companies are expanding to various parts of the world to develop their business. Electronic commerce or e-commerce presents many options for making transactions so that the buying and selling process is easier. One of the business sectors that is experiencing intense competition is the cosmetics or beauty product business. In today’s global era, beauty products are part of daily needs, especially for women. Beauty products not only serve to beautify a person but also to increase self-confidence and maintain physical health.

According to Euromonitor International, developing countries including Indonesia have contributed 51% to the global beauty industry. In fact, according to the Ministry of Industry, Indonesia is estimated to be the main growth market in the beauty industry in 2019 (Rahayu, 2016). Based on data from the Ministry of Industry (2017), national cosmetics growth in 2017 reached 6.35 percent and increased to 7.36 percent at the beginning of 2018. Meanwhile, in Domestically, the cosmetics industry grew to 153 companies in 2017, and currently there are more than 760 companies. And 95% of the total is the small and medium industrial sector, and the rest is large-scale industry (Dwiwahjono, 2018). This means that
the potential for growth and business competition in the cosmetics sector is very high. This competition is increasingly supported by technological developments, namely the presence of e-commerce.

In 2019, an e-commerce survey with a sample of 3,504 Census Blocks spread across 101 districts/cities in all provinces in Indonesia showed that of all data collection businesses, only 15.08 percent were e-commerce businesses. This shows that the business carried out via the internet in Indonesia is still relatively low, businesses in Indonesia are still dominated by conventional types of business (BPS, 2019). Meanwhile, from 84.92 percent of businesses that do not conduct e-commerce transactions, 70.89% give reasons because they are more comfortable, selling directly (offline). The second most common reason is not interested in selling online, and the most common reason is lack of knowledge or expertise about e-commerce.

The development of internet technology especially in the last decade has had a huge impact on the service model provided by companies in serving consumers. The internet allows companies to offer their products online and without being limited by geography or time (Kumar et al., 2018). Commercial transactions change so quickly and dramatically due to internet technology, and this affects consumer decision making (Kusumah, 2015). The emergence of this new exchange technique is known as e-commerce (Turban et al., 2015). According to Kasemsap (2016), companies try to optimize their performance by increasing competitiveness through the use of technology. Meanwhile, Escobar-Rodríguez and Bonsón-Fernández (2017) say that technology is more used by companies to increase selling value and marketing strategies. Technology is also used to simplify commercial operations leading to exponential increases (Mahajan and Agarwal, 2015).

Utilization of sophisticated internet technology such as the use of e-commerce or social media to make consumers aware of brands and to build relationships that create consumer loyalty. Customer loyalty is influenced by many factors, including product quality and the service system implemented by the company. Customer satisfaction has a positive and significant relationship to consumer loyalty, which means that the higher level of customer satisfaction can increase customer loyalty. Product quality is a good starting point for creating a positive image and maintaining long-term customer loyalty. Product quality is a multidimensional driver of customer satisfaction.

Another study was conducted by Hariadi et al (2020) where the use of e-commerce applications is seen from the entrepreneurial aspect to find out the benefits of applications in facilitating access to improve service quality to consumers. The results showed that the greater the benefits of the company’s e-commerce application and the ease of internet access via the website, the greater the customer satisfaction in getting the maximum service. Another study is about the influence of consumer purchasing behavior on e-commerce platforms, where individual cultural values shape risk perceptions and product quality (Hoehle et al., 2015; Shiu et al., 2015; Zhang et al., 2018). Other literature shows that research on e-commerce places more emphasis on the application of cultural dimensions at the national level when analyzing e-commerce adoption and use as well as consumer behavior (Ganguly et al., 2010; Hallikainen and Laukse, 2018; Ozdemir and Hewett, 2010; Ramzy, and Eldahan, 2016).

EMN is one of Indonesia’s local cosmetic products that is currently on the rise and is also heading for the global market. EMN is a local cosmetic brand launched in the Indonesian market by PT Paragon Technologi and Innovation in 2015. EMN is present as a brand that presents a range of care and beauty products with safe and light formulas. EMN is designed for teenagers because it has bright colors and an attractive concept and a relatively cheaper
price. The product development process has been carried out since 2014. EMN has implemented e-commerce in business development and product sales so that it can be purchased in e-commerce applications. EMN product sales data for a period of 3 years (2014 - 2017) shows a significant increase in sales turnover for 3 types of products since EMN entered e-commerce.

![Figure 1. Sales turnover of 3 types of EMN products 2014-2017](image)

Figure 1 above shows that since 2014, since EMN entered e-commerce, sales of 3 types of products have increased significantly. The development of an e-commerce marketing strategy that is enforced and the good product quality of the products is very helpful in selling EMN products so that they can be marketed quickly. The application of e-commerce must be followed by good product quality in order to increase consumer satisfaction so that in the future it can attract consumers in making decisions and loyalty in purchases. This study aims to determine how the influence of product quality and the application of e-commerce on customer satisfaction and loyalty. The results of the research are expected to be materials to improve a better business strategy for EMN products.

**METHOD**

This research is a descriptive study with quantitative research methods. The data collection method is a survey method by distributing questionnaires to 155 respondents. The questionnaire was prepared using a likert scale to measure the level of satisfaction and loyalty of consumers of EMN products. The validity and reliability of the questionnaire were tested on 30 respondents. Survey data were analyzed using SPSS 25, while for hypothesis testing using AMOS 24. Data analysis used Structural Equation Model (SEM) analysis which aims to estimate several separate regression equations and to determine the simultaneous or concurrent relationship of each variable. The hypothesis proposed in this study are:

H1: E-commerce has an effect on EMN Product Consumer Satisfaction
H2: Product Quality affects EMN Product Consumer Satisfaction
H3: E-commerce has an effect on Consumer Loyalty in EMN Products
H4: Product Quality affects EMN Product Consumer Loyalty
H5: Consumer Satisfaction has an effect on Consumer Loyalty in EMN Products

RESULTS AND DISCUSSION

The questionnaire was distributed to 280 respondents, out of 280 respondents who had filled out the questionnaire, 220 respondents had used EMN products but only 155 respondents had purchased EMN products through e-commerce sites in the last six months. Respondent profiles are depicted in the following figure:

Most of the respondents (71%) are between the ages of 31-40 years, and the frequency of purchases via e-commerce is made by 35% of respondents twice in six months, while the highest motivation for customers to buy through e-commerce is due to discounts.

Validity and Reliability Test

The first step of data analysis is a validity and reliability test to ensure that the data obtained is valid and reliable. The validity test is done by looking at the correlation between the score of each item in the questionnaire with the total score to be measured using the Pearson Correlation Coefficient. If the significance value (P Value)> 0.05, there is no significant relationship. The following are the results of the validity test based on the results of the questionnaire.

<table>
<thead>
<tr>
<th>No</th>
<th>Question Item</th>
<th>r-count</th>
<th>r-table</th>
<th>p-value</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>P1</td>
<td>.609**</td>
<td>0.1577</td>
<td>0.000</td>
<td>Valid</td>
</tr>
<tr>
<td>2</td>
<td>P2</td>
<td>.710**</td>
<td>0.1577</td>
<td>0.000</td>
<td>Valid</td>
</tr>
<tr>
<td>3</td>
<td>P3</td>
<td>.629**</td>
<td>0.1577</td>
<td>0.000</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Figure 2. Respondent’s Profile
The results of the validity test on the variables of e-commerce, product quality, customer satisfaction, and customer loyalty indicate that all items in the variable are valid, because the Sig of each item is less than 0.05. While the reliability tests on the variables of e-commerce, product quality, customer satisfaction, and customer loyalty are described in the following tables.

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Cronbach's α</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>E-Commerce (X1)</td>
<td>.840</td>
<td>8</td>
</tr>
<tr>
<td>2</td>
<td>Product Quality (X2)</td>
<td>.880</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Customer Satisfaction (Y)</td>
<td>.829</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>Consumer Loyalty (Z)</td>
<td>0.870</td>
<td>8</td>
</tr>
</tbody>
</table>

From the results of the reliability test in the table above, the Cronbach's alpha value in variable X1 is 0.840 with a value greater than 0.6. The Cronbach's alpha value in variable
X2 is 0.880 with a value greater than 0.6. The Cronbach's alpha value in variable Y is 0.829 with a value greater than 0.6. The Cronbach's alpha value in variable Z is 0.870 with a value greater than 0.6. So that the question item on the variable is reliable.

**Direct dan Indirect Effects on Variables**

Data analysis of surveys shows that each variable influences each other. There is a direct influence and an indirect effect. The survey data shows the direct and indirect effects between variables are as follows:

<table>
<thead>
<tr>
<th>No</th>
<th>Variables</th>
<th>Direct Effect</th>
<th>Indirect Effect</th>
<th>Total Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>E-commerce (X1) Customer Satisfaction (Y)</td>
<td>0.334</td>
<td>-</td>
<td>0.334</td>
</tr>
<tr>
<td>2</td>
<td>E-commerce Consumer Loyalty</td>
<td>-</td>
<td>-</td>
<td>-0.146</td>
</tr>
<tr>
<td>3</td>
<td>E-commerce (X1) Satisfaction (Y) Consumer Loyalty (Z)</td>
<td>0.366</td>
<td>0.220</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>Product Quality (X2)</td>
<td>0.490</td>
<td>-</td>
<td>0.490</td>
</tr>
</tbody>
</table>

Product quality has a greater direct effect on consumer satisfaction (amounting to 0.490) than the direct effect of e-commerce on customer satisfaction (amounting to 0.334). As for the direct effect on loyalty, satisfaction has the greatest direct effect (amounting to 0.659) compared to the direct effect of product quality on consumer loyalty (amounting to 0.347) and the direct effect of e-commerce on consumer loyalty (amounting to -0.366) which also has the least effect on loyalty. So it can be concluded that the one that has the greatest direct influence is satisfaction with customer loyalty.

Product quality has a large indirect effect (amounting to 0.323) on consumer loyalty compared to the indirect effect of e-commerce on consumer loyalty which is 0.220. Product quality (X2) has a greater direct effect on Consumer Loyalty (Z) compared to indirect influence. However, it is different with e-commerce, the indirect effect between e-commerce (X1) on Consumer Loyalty (Z) is greater than the direct effect, obtained an indirect effect of 0.220, this coefficient value is greater than the coefficient value of direct influence between e-commerce on consumer loyalty (-0.366) so it can be said that Customer Satisfaction is an intervening variable part of the relationship between E-commerce variables and Consumer Loyalty.

Influence between E-commerce can affect Consumer Loyalty with and without going through the intervenin variable Customer Satisfaction. The effect of e-commerce on consumer loyalty through the intervenin variable of consumer satisfaction means that if customer satisfaction is high, it will increase the positive effect of e-commerce on consumer loyalty and if the opposite is that customer satisfaction is low, it will reduce the effect of e-commerce on consumer loyalty. In other words, the higher the value of e-commerce, the higher the value of consumer loyalty, if the value of customer satisfaction is also high, and vice versa.

In the era of e-commerce, consumers can make commercial transactions at any time and from anywhere, as well as from any device. Through the available platforms, potential buyers can compare products and prices from various companies so that they can decide on
the most appropriate product to meet their needs. Studies on the use and influence of e-commerce in increasing customer satisfaction and loyalty have been carried out by academics or practitioners. Research conducted by Lestari (2018) shows that there is a significant effect of web e-commerce, product quality and service quality on customer satisfaction. E-commerce also causes business globalization at a relatively low cost and can increase effectiveness and efficiency in the internal and external environment, and can increase competitiveness (Ferreira et al., 2017; Mahajan and Agarwal, 2015).

SEM (Structural Equation Modeling) Test Results

The relationship between variables can be seen through Structural Equation Modeling (SEM) analysis. The model feasibility testing phase consists of two stages, namely, measurement and structural model testing. To test the GOF how fit the model is with the research data obtained. Data analysis on research variables using Structural Equation Modeling shows the relationship between variables as follows:

![Diagram of SEM model]

Based on this model, a summary of the reliability test calculations and the GOF test results is made which can be seen in this table.

<table>
<thead>
<tr>
<th>No</th>
<th>Goodness of Fit (GOF) Index</th>
<th>Cut-off Value (Limit Value)</th>
<th>Value on Model (Result)</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Chi Square ($x^2$)</td>
<td>Smaller then better (&lt;177,948)</td>
<td>94,121</td>
<td>Good Fit</td>
</tr>
<tr>
<td>2</td>
<td>CMIN/DF</td>
<td>$\leq 2$</td>
<td>1,001</td>
<td>Good Fit</td>
</tr>
<tr>
<td>3</td>
<td>Probability</td>
<td>$&gt; 0,05$</td>
<td>0,477</td>
<td>Good Fit</td>
</tr>
<tr>
<td>4</td>
<td>GFI</td>
<td>$\geq 0,90$</td>
<td>0,935</td>
<td>Good Fit</td>
</tr>
</tbody>
</table>

Figure 3. Structural Equation Modeling of Variables
(Source: Results of data processing using AMOS 24, 2019)
The model has met the GOF criteria that have been determined by the GOF test value with Chi Square ($x^2$). Shows equal to the probability which indicates that there is no difference between the predicted model and the observer. The other measures of the feasibility of the model are in the good category. According to Arbuckle and Wothke, in Solimun (2011), the best criteria used as an indication of the goodness of the model are CMIN / DF values that are less than 2 or less than 3 and RMSEA values less than 0.08. In this study, all criteria have met the cut off value. Thus a model fit predicted by the observed values, the proposed model can be accepted as a model in this study.

Table 5. Results of the Weigh Path Diagram Regression Test

<table>
<thead>
<tr>
<th></th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Label</th>
</tr>
</thead>
<tbody>
<tr>
<td>KE &lt; --- EC</td>
<td>.347</td>
<td>.136</td>
<td>2.460</td>
<td>.014</td>
<td>par_16</td>
</tr>
<tr>
<td>KE &lt; --- KP</td>
<td>.546</td>
<td>.129</td>
<td>3.809</td>
<td>***</td>
<td>par_17</td>
</tr>
<tr>
<td>LY &lt; --- KE</td>
<td>.798</td>
<td>.196</td>
<td>3.365</td>
<td>***</td>
<td>par_18</td>
</tr>
<tr>
<td>LY &lt; --- EC</td>
<td>-.408</td>
<td>.160</td>
<td>-2.281</td>
<td>.023</td>
<td>par_24</td>
</tr>
<tr>
<td>LY &lt; --- KP</td>
<td>.416</td>
<td>.168</td>
<td>2.063</td>
<td>.039</td>
<td>par_25</td>
</tr>
</tbody>
</table>

(Source: Results of data processing using AMOS 24, 2019)

Based on table 5 there are 4 dimensions of indicators for the formation of latent variables, which show results that meet the criteria of value, namely the value of C.R above $+ 1.967$ with $P$ less than 0.05. These results can be said that the dimensions of the latent variable formation are significantly the dimensions of the latent factors formed. Based on research conducted 4 hypotheses that meet the criteria at the $P$ value, the latent variable can be said to be significant. Thus the model used in the study can be accepted.

**Hypothesis 1 (H1).** E-commerce (X1) has a positive and significant effect on Customer Satisfaction (Y) with $P = 0.014 (<0.05)$ with a coefficient value of 0.347. This means that there is a significant influence between E-commerce (X1) on Customer Satisfaction (Y). The coefficient which is positive indicates a unidirectional relationship. That is, the higher the value of E-commerce (X) will affect the higher Customer Satisfaction (Y), or vice versa. Good quality service from e-commerce will have an impact on the high level of satisfaction.

The convenience of shopping that can streamline time and convenience of transactions in using e-commerce, e-commerce site design as an example of EMN's e-commerce site design on shopee's online shopping sites and EMN's website which looks very attractive displaying a cute and girly impression with shades of pink which is very soft and displays fairly accurate information and displays the specifications of the product. In addition, the payment process can be done easily and safely. Consumers only need to pay for products purchased via transfer or credit. In addition, for purchases on EMN's official site, the authenticity of the products to be given is guaranteed. Consumers are quite satisfied.
with e-commerce. So it can be said that the higher the values that exist in e-commerce, the higher the satisfaction of consumers.

According to research conducted by Lestari (2018), the existence of e-commerce websites such as Tokopedia, Bukalapak, Shopee, Lazada and OLX makes it easy for consumers to make sales, purchase and online payment transactions. According to Rahman (2017) in a research journal by Amanah D. et al. (2017) 24. Online shopping is an undeniable phenomenon. Shopback Indonesia Country Manager, Indra Yonathan said that sales through e-commerce continue to increase. From the survey, it can be seen that 92.3% of respondents shop online more frequently than last year. In fact, they now admit that they shop online more often than last year. In fact, they now admit that they shop offline less often because of the large number of e-commerce in the country. With the increasing number of e-commerce, it has triggered a shift from offline to online. Within a month, the majority of respondents admitted to shopping online 3-5 times. The reason is, shopping online is felt to be more convenient, the goods are more complete, and the price is often cheaper than offline. No need for traffic jams and parking, so consumers prefer to shop online. A number of promotions have also motivated respondents to shop online. Especially if the promotion is in the form of a discount and free shipping.44.

Companies need to improve and maintain the level of service from e-commerce in order to maintain and increase consumer satisfaction for EMN products. Things that companies need to do related to this include increasing communication between consumers and customer service in e-commerce to increasing ease of payment and speed of delivery of goods. Consumers will feel very satisfied and provide positive reviews and provide a fairly good assessment when getting services that are in accordance with what is expected.

**Hypothesis 2 (H2).** Product Quality (X2) has a positive and significant effect on Customer Satisfaction (Y) with P = 0.000 or marked *** (<0.01) with a coefficient value of 0.546. This means that there is a significant influence between Product Quality (X2) on Customer Satisfaction (Y). The coefficient which is positive indicates the delivery relationship. That is, the higher the value of Product Quality (X2), the more it will affect the high consumer satisfaction (Y), and vice versa. The quality of EMN products is proven to be accepted by society today, especially for teenagers. Not only attractive packaging, because it targets for young people, the formula is made light, but the color is still pigmented.

EMN has quite a complete variant, starting from BB Cream, loose powder, eyeshadow and lipstick with many color choices ranging from soft to bold. So that teenagers can experiment with makeup. With good quality EMN products and quite complete packaging and variants, it will increasingly create a sense of satisfaction for each consumer. This is evident from the results of the questionnaire where consumers feel quite satisfied and agree with every statement regarding the quality of EMN's products. Among them, namely, has an attractive packaging, is easy to carry with a practical packaging, has a fairly complete variety, a lighter formula, up to a fairly long expiration period.

The results of this study are consistent with and are supported by the results of previous research by Anggreini (2016) 25. with the same results, namely product quality is proven to have a significant effect on consumer satisfaction. Product quality is proven to have a significant effect on consumer loyalty. This right means that the better and more quality the products offered to consumers will create customer satisfaction and loyalty to the products offered. Customer satisfaction is proven to have a significant effect on consumer loyalty. This means that if consumers are satisfied with the existing aspects, both related to product quality and satisfying service, this will make consumers want to buy the same product, in other words if the satisfaction has been fulfilled, the consumer will be loyal.

**Hypothesis 3 (H3).** Customer Satisfaction (Y) has a positive and significant effect on Consumer Loyalty (Z) with P = 0.00 or marked *** (<0.01) with a coefficient value of
0.708. This means that there is a significant influence between Customer Satisfaction (Y) and Consumer Loyalty (Z). The coefficient which is positive indicates a unidirectional relationship. This means that the higher the value of Customer Satisfaction (Y), the higher the consumer loyalty will be (Z) or vice versa. The results of this study indicate that there is a significant positive influence between customer satisfaction and consumer loyalty of EMN products. This can be seen from the response of each respondent to each indicator of satisfaction and loyalty consumers as well as the results of statistical analysis shows a sizable influence between satisfaction on customer loyalty. So it can be said that the higher the level of consumer satisfaction, the greater the effect on the high consumer loyalty.

Consumers who are satisfied with good service and ease of service or good product quality will further increase the opportunities for these consumers to continue to use EMN products and shop through e-commerce sites. Among them, consumers feel what is expected, both in terms of service and quality of EMN products in accordance with expectations and feel satisfied and happy with the purchase of EMN products through e-commerce and the use of EMN products themselves. With a level of satisfaction like this it will encourage customer loyalty. Among them, consumers will make EMN the main product of choice and will continue to use it and make repeat purchases through e-commerce sites, always inviting other people to use EMN products and buy EMN through e-commerce sites. Along with the existence of good product quality and service quality from E-commerce which can provide ease of purchase and convenience, it can increase customer satisfaction. Especially with the existence of good product quality, consumers will think and be interested and believe in using the product again. Likewise, the existence of E-commerce will greatly facilitate consumers to make online purchases without have to bother making purchases in person.

Customer satisfaction is determined by the customer's perception of the product or service’s performance in meeting customer expectations. Customers feel satisfied if their expectations are met or will be very satisfied if customer expectations are exceeded. Customer loyalty to brands is a very important concept, especially in conditions of very tight competition with low growth. In this condition, brand loyalty is needed so that the company can survive.26

Hypothesis 4 (H4). E-commerce (X1) has a negative effect on Consumer Loyalty (Z) with a value of P = 0.023 (<0.05) with a coefficient value of -0.408. This means that there is a significant influence between E-commerce (X1) on Consumer Loyalty (Z). The coefficient is negative, which indicates that the relationship is not unidirectional. This means that the higher the value of E-commerce (X1), the lower the consumer loyalty (Z) will be. Based on the research conducted, the results show that e-commerce has a negative influence on consumer loyalty, which means that the higher the value of e-commerce, the lower the level of consumer loyalty. The high level of satisfaction with e-commerce and the quality of the products obtained by consumers does not guarantee that these consumers will be loyal. The majority of consumers will compare products, online stores/e-commerce sites before making a purchase which can be done very easily. Consumers will choose the best products and services at the lowest prices.

The difficulty of attracting new consumers or customers through internet media and the difficulty of keeping them from turning young to other e-commerce sites makes consumer satisfaction and loyalty an invaluable asset for most online businesses. Consumers will tend to compare the advantages and disadvantages of one e-commerce site with another. So that consumers who feel satisfied when having received good service and ease of service may not necessarily be a loyal customer. Things that are often done by consumers to compare e-commerce sites with one another include price differences from each online site and
discounts from each site, the rewards offered, high ratings and product reviews and quality service from each consumer who has used e-commerce services and has used products.

The increasing number of competitors in the online business will certainly increase competition to win the hearts of consumers. The growth of various e-commerce sites or new online stores can threaten the development of certain online shops or e-commerce sites. Intense competition will make the seller of an online shop sluggish if it is not able to calm him down. While the results of Amanah's research (2017) show that there is an influence of consumer dissatisfaction and the need to partially look for variations on the behavior of moving online stores or e-commerce sites. Consumers will look for something else to complement their needs and wants so that they will go to a site that has a fairly complete selection of products according to what they need and want. Consumers will look for something new on other sites, one of which is the expected value obtained is higher than the previous site.  

Hypothesis 5 (H5). Product Quality (X2) has a positive influence on Consumer Loyalty (Z) with a value of P = 0.39 (<0.05) with a coefficient value of 0.416. This means that there is a significant influence between Product Quality (X2) on Consumer Loyalty (Z). The coefficient which is positive indicates a unidirectional relationship. This means that the higher the value of Product Quality (X2), the higher the consumer loyalty (Z) will be, or vice versa. Good product quality will make consumers persist in using the product and will make repeat purchases. Especially for EMN products, based on the results of questionnaire analysis, consumers tend to be loyal and continue to use EMN products. EMN products themselves have superior products such as Checklit Cream Bush and Sun Protection SPF 30 PA +++ which have low competitiveness with other brands. So that consumers will make repeat purchases when they feel they are right use these products. Besides that product EMN is very suitable for daily grooming and make-up needs so that consumers will tend to continue to use EMN products.

The results of this study are consistent with and supported by previous research conducted by Lestary and Eddy (2018). Based on the results of the path analysis that has been carried out, it can be seen that the Product Quality variable affects consumer loyalty. The existence of a significant influence between the variables of product quality has an effect on consumer loyalty, indicating that the higher the quality of the product given, the higher the impact on consumer loyalty. This shows that Product Image has succeeded in increasing consumer loyalty from the quality of the product provided. Product quality affects consumer loyalty, which means that product quality affects consumer satisfaction or dissatisfaction which will have an impact on consumer loyalty. This statement, as stated by Tjiptono, et al. (2008: 77), the existence of a consumer loyalty to the products produced by the company means that the company's products have very good product quality. So that consumers will make repeat purchases that are more than one time purchase and will recommend to friends or family.

CONCLUSION

The results of data analysis conclude that all research hypotheses are accepted: E-Commerce has a significant positive effect on EMN Product Consumer Satisfaction; EMN Product Quality has a significant positive effect on EMN Product Consumer Satisfaction; E-Commerce has a significant negative effect on EMN Product Consumer Loyalty; EMN Product Quality has a significant positive effect on EMN Product Loyalty; Consumer Satisfaction has a significant positive effect on Consumer Loyalty in EMN Products.

Several things are suggested so that companies can develop and survive in the global era: companies can create attractive e-commerce site designs with complete and accurate attributes and information; companies must maintain the availability and completeness of
products in e-commerce; creating a new product with a packaging design that is more attractive and of sufficiently good quality in accordance with current consumer needs and is durable when used so that consumers are interested in the product; improve service through e-commerce. Services in accordance with consumer expectations will be able to increase customer satisfaction which in turn will foster customer loyalty.

REFERENCES


