Customer Experience and Repurchase Intention in Multi-Channel: Customer Satisfaction as Mediating Variable

Anita MUSTIKASARI[1], Maria KRISNAWATI[2], Endro SUTRISNO[3]

Abstract

Purpose: This study aims to examine customer experience toward repurchase intention in offline and online stores and discuss customer satisfaction as a mediator variable. **Research design, data, and methodology:** This study investigates customer experience that consists of product, customer service, staff service, shopping environment and shopping procedure toward customer satisfaction using Regression Linear. This study also measures customer satisfaction as a mediated variable in the relationship between customer experience and repurchase intention using Sobel Test. **Results:** Almost all of the customer experience hypothesis is significant toward customer satisfaction, shopping process experience in the context of the online channel to customer satisfaction is not significant. We also found that customer satisfaction can be mediated variable in customer experience toward repurchase intention. **Conclusions:** Retails who want to make customers feel satisfied to have to make sure that have good resources in improving the product, the customer service is easy to contact to find the solution over customer problem in purchasing product, also develop the staff member skill in functional product knowledge, presentations, and communicating with customers online or offline, the retailer has to create enjoyment and pleasurable customer emotion through the shopping environment and also give seamless shopping experience to their customer in two-channel.

Keywords: Customer Experience, Customer Satisfaction, Offline Channel, Online Channel, Repurchase Intention

JEL Classification Code: M31, M21, M39

1. Introduction

Since the retail industry continues to grow significantly across the world, and the online channel business has

1 First and Corresponding Author. Lecturer, Department of Management, Faculty of Economic, Yogyakarta State University, Indonesia. Email: anita.mustikasari@uny.ac.id
2 Second Author. Lecturer, Department of Industrial Engineering, Faculty of Engineering, Universitas Jenderal Soedirman, Indonesia.
   Email: maria.krisnawati@unsoed.ac.id
3 Third Author. Lecturer, Department of Enviromental Engineering, Faculty of Engineering, Diponegoro University, Indonesia. Email: endrosutrisno@lecturer.undip.ac.id

threatened the offline channel business's market, customer behavior is essential for the retail business in the competitive market (Yuliati, 2016). Indonesia is turning into a case of a developing country. The retail sector had been grown significantly as a retailer platform in Indonesia since 2014. In 2017 retail development in Indonesia reached 100%, while e-commerce hit the number of 289% (Ningsih, Febrinda, & Menanti, 2019)

The customer experience becomes a retailer's challenge cause its factor can be controlled by the retailer (Terblanche, 2018). Customer experience is also an essential aspect of a company's success (Barari, Ross, & Surachartkumtonkun, 2020; Rose, Clark, Samouel, & Hair, 2012; Trevinal, & Stenger, 2014; Varshneya, Das, & Khare, 2017) and also it can affect on the sustainability of business' competitive advantage (Klaus, & Maklan, 2013; Lemon, & Verhoef, 2016). The online channel currently has gained more

competitive advantages to satisfy their customers' demand than the offline channel. The online channel's benefit is more informative, convenient, could save cost and time, and even could track which particular customer bought their items through their identity to make the online purchase (Katawetawaraks, & Wang, 2011). Likewise, the online channel can also learn their customers and provide a personalized promotion, so online shopping could increase positive customer experience. It is believed that customer experience can help retailers win customer satisfaction (Pei et al., 2020; Xiao et al., 2019) so it becomes positive effect on increasing repurchase intention of the customer. In offline channel or traditional shopping, customer satisfaction and customer experience are related to individual physical stores. The offline channel (traditional store) usage in line with touch-and-feel shopping, the expert advice choices, and fast delivery times (Kollmann, Kuckertz, & Kayser, 2012). It is also could effect on increasing positive customer experience.

Repurchase intention has become a significant concern for a marketer because it can appear due to the previous customer. If the brand, price, satisfaction, and experience are not according to customer expectations, the repurchase intention is likely to be at lower stage (Yasri, Susanto, Hoque, & Gusti, 2020). According to previous researchers, repurchase intention derives cost reduction and growth tools in market share (Ahmed et al., 2011; Shin et al., 2013). The generally small number of analyses focused on the different consequences of shopping orientation have usually investigated the effects on repurchase intention on buyers (Scarpi, Pizzi, & Visentin, 2014). Also backed by a broad literature review as can to some extent be discovered compressed in (Scarpi, 2012), the surviving literature has achieved a decent information on the impact of shopping orientation focused on one channel. Nonetheless, less is thought about behavioral differences that may be shown by customer focused on multi channels.

Also, maintaining customer satisfaction is the main challenge for the offline and online channels. Many firms compete with each other on focusing strategy in satisfaction customer. A firm has to provide excellent service experiences to its customers to be loyal and repurchase the product or service (Gounaris, Dimitriadis, & Stathakopoulos, 2010). Good purchasing experience is needed to obtain a high customer satisfaction level (Brady, & Robertson, 2001; Rita, Oliveira, & Farisa, 2019). By satisfying customers over and over again, retailers can encourage repurchase intention from the customer.

Studies on customer experience are often conducted on separate channels, online or offline only. Research on customer experience involving two channels has not been widely studied. Therefore, to respond to those gaps, this study was conducted to examine customer experience

toward repurchase intention in offline and online stores and discuss customer satisfaction as a mediator variable. Even more, this study will integrated the customer experience indicators, sense, feel, think, act and relate in different channel.

This paper structured as follow. Section 2 explains the study literature, proposed model, and also hypothesis. Section 3 define the detailed research methodology. The following section, section 4, presents the results and analysis data. Section 5, discussion and the last section conclude the study.

2. Literature Review

2.1. Customer Experience

The customer experience is hard to define because each research point is diverse (Bagdare & Jain, 2013; Barari & Furrer, 2018; Barari et al., 2020). Previous researchers explain the customer experience as people who interact indirectly or directly with the company in service, brand, and products (Meyer & Schwager, 2007). Customer experience also concerns service such as brand, process, setting, provider, and offering (Jaakkola, Helkkula, & Aarikka-Stenroos, 2015). Another study also mentions that customer experience considers the customer to be a leading role during the shopping activity. It catches up the affective and cognitive purpose in offline and online shopping (Kawaf, & Tagg, 2017; Klaus, & Maklan, 2013; Rose et al., 2012; Rose, Hair, & Clark, 2011). In detailed, affective and cognitive aims are related more to experience than the value (Rose et al., 2012).

Customer experience in the context of the traditional store consists of many aspects as affordability, accessibility, service, tenant variety and retail mix, open comfy spaces and recreational, activities, entertainment, communication and promotions, environment (Calvo-Porral, & Lévy-Mangin, 2019) Product assortment and perceived quality, aesthetics and architectural design, escapism, exploration, flow, socialization, convenience, promotional offers, mall tenant mix, comparison of product prices, role-playing, attitude (Idoko, Ukenna, & Obeta, 2019), store design, store atmosphere, store employees, self-congruity, stores selection, stores merchandise, stores service quality, stores prices, utilitarian value, hedonic value, store patronage (Ameen et al., 2020; El Hedhli, Zourrig, & Park, 2017)

Customer experience defines as the experience with the environment and the relationship between customers and service providers (Gentile et al., 2007). Customer experience depends on time, place, and the context that a customer is in (Kim, & Yim, 2020). It plays an essential role in creating value. Customer experience also defines

customer interaction in the context of the product, staff service, shopping environment, and shopping procedure (Pei et al., 2020).

2.2. Repurchase Intention

Repurchase intention is defined as purchasing goods or services that have formerly felt the quality and benefits (Filieri, & Lin, 2017; Ilyas et al., 2020). A firm must reach customer expectations when they want their customer to repurchase their product. One of the crucial factors is satisfaction. Satisfied consumers can make repeat purchases compared with dissatisfied consumers. (Ilyas et al., 2020). According to previous researchers, repurchase intention derives cost reduction and growth tools in market share (Ahmed et al., 2011). While deliberating the significance of satisfaction, (Cronin Jr, Brady, & Hult, 2000) found that repurchase intention and customer satisfaction can be raised by offering quality services and value-added in the product. The previous study stated that service satisfaction significantly impacts repurchase intention (Shin et al., 2013; Wen, Prybutok, & Xu, 2011)

2.3. Customer Satisfaction

Customer satisfaction refers to the consolidated proceeds of evaluation, perception, and psychological response to the experience obtained from using services or products. Therefore, it can be mentioned that enjoyment is relative. Out of sight of marketers, there is no standard for measuring satisfaction. The only way to measure the satisfaction of using the product is through consumers who consume or use the product (Benoit, Kienzler, & Kowalkowski, 2020). The prior study stated that factor influencing customer satisfaction is experience, convenience and trust (To et al., 2020). From those aspects, consumers can determine if the product is worthy of consuming again or not in the future. So, the level of satisfaction of using a product can also make consumers repurchase or recommend the product to other (Mashur et al, 2019). From those statements, customer satisfaction in this study is a mediator variable in the relationship between customer experience and repurchase intention in the online and offline channel.

2.4. Hypotheses Development

The study purpose was to examine the effect of customer experience, customer satisfaction and repurchase intention. Multiple Regression and Path Analysis using SPSS was used to analyze the relationship between those variables. The proposed research model is shown in Figure 1.

2.4.1. Customer Experience Toward Customer Satisfaction

Customer experience has become an important part of the value creation process of retailers. In the shopping process, actively guiding and creating a positive emotional experience, can obtain excellent customer satisfaction and customer loyalty. It is the way the retail to obtain a competitive advantage (Vakulenko et al, 2019). Especially in the current situation where online store and offline stores shopping are complete each other, so retailers can build their own markets to attract their customers by integrating these multiple channels market (Artusi, 2020). Zarantenello and Schmitt (2000) conduct study that product experience can increase customer satisfaction level. Also, based on Ying et al. (2020) and Kim (2005) stated that service quality and customer service is a critical aspect in customer satisfaction. Chebat and Michon (2003) found that customers' perception of the shopping environment affects and stimulates their positive emotions. In addition, the shopping procedure also must meet customer satisfaction in terms of its efficiency that determines a store's competitiveness. Therefore, we propose:

H1: The customer experience in the context of the product influences customer satisfaction (Offline Channel)
H2: The customer experience in the context of customer service influences customer satisfaction (Offline Channel)
H3: The customer experience in the context of staff service influences customer satisfaction (Offline Channel)
H4: The customer experience in the context of shopping process influences customer satisfaction (Offline Channel)
H5: The customer experience in the context of a shopping environment influences customer satisfaction (Offline Channel)
H6: The customer experience in the context of the product influences customer satisfaction (Online Channel)
H7: The customer experience in the context of customer service influences customer satisfaction (Online Channel)
H8: The customer experience in the context of staff service influences customer satisfaction (Online Channel)
H9: The customer experience in the context of the shopping process influences customer satisfaction (Online Channel)
H10: The customer experience in the context of the shopping environment influences customer satisfaction (Online Channel)
H11: The customer experience in Offline Chanel influences customer satisfaction
H12: The customer experience in Online Chanel influences customer satisfaction

2.4.2. Customer Experience Toward Repurchase Intention

Repurchase intention is define as purchasing the same product again by considering the prior experience. Previous shopping experience reaches quality of experience that consumers depend onerously (Razak et al., 2014), so retailer should give serious attention to provide a good experience for their consumer so that they will make repurchase the product. Based on previous study, customer experience has good impact in repurchase intention. So, we propose:

H13: The customer experience in Offline Chanel influences the repurchase intention

H14: The customer experience in Online Chanel influences

the repurchase intention

2.4.3. Customer Satisfaction Toward Repurchase Intention

Previous research have found that satisfaction is become prior variable in supporting repurchase intention (Tsai, Chang, & Tsai, 2016; Rose et al, 2012). In online store, found that repurchase intention level is increase through customer satisfaction (Rose et al, 2012). Also in traditional or offline channel, previous study discover that satisfaction has strong relationship toward repurchase intention (Rust, & Zahorik, 1993). So, we propose:

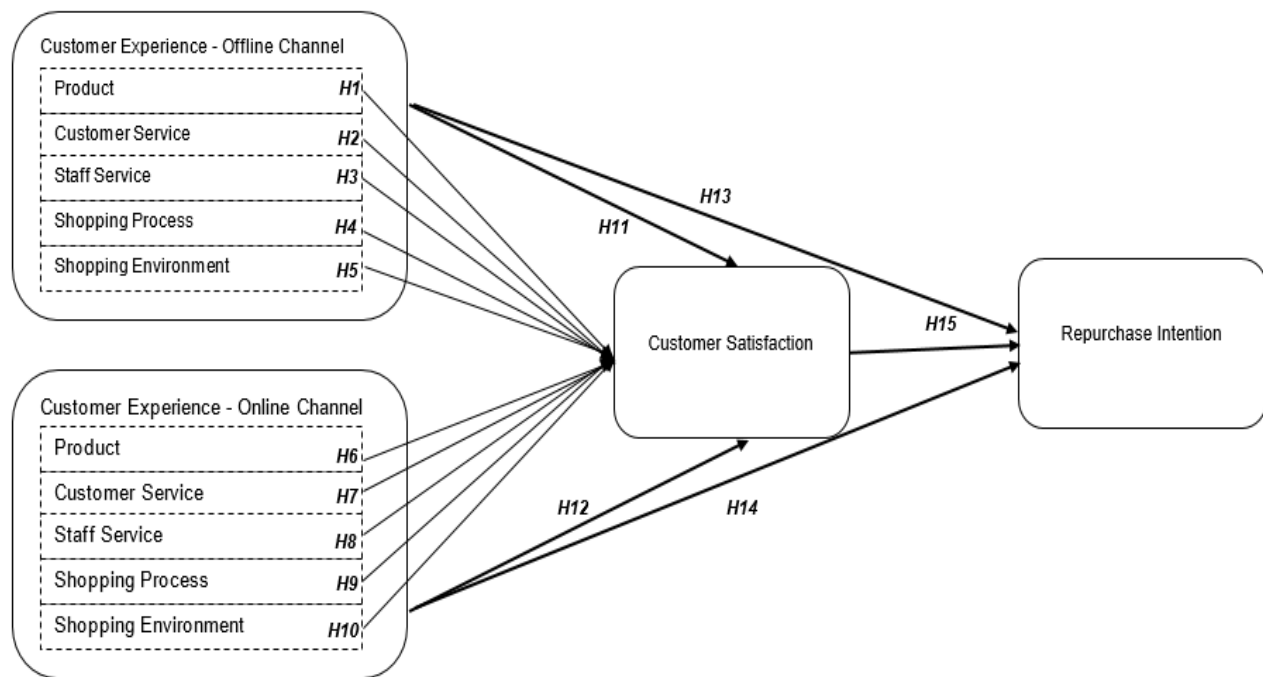**H15:** The customer satisfaction influences the repurchase intention

Figure 1: Proposed Research Model

3. Methodology

3.1. Research Approach

This research applied a quantitative approach. Quantitative analysis is a study that employs the empirical method. This type of research deals with numbers and anything measurable in a systematic way of investigating phenomena and their relationships. As this study investigates possible cause and effect relationships, then it is an ex post facto research.

3.2. Research Population

The population of the research is Indonesian people who have been purchase in both channel, offline and online shopping channel. The sample of this study were people aged 17-30 years. Based on the preeliminary survey, it is known that at that age, they spend more money on shopping for entertainment, technology and clothing. So that it will be suitable as a sample for this research.

3.3. Data Collective and Analysis

The population of the research is Indonesian people who have been purchase in both channel, offline and online shopping channel. Data in this research were collected through a survey as the primary data collection method. The survey was conducted by distributing an online questionnaire containing developed and validated items to the respondents. The analysis data using the SPSS 16.0 statistical program would compute all scores in each variable and also using Sobel Test to measure Customer Satisfaction as the mediator variable We obtained a total of 262 responses from participants for testing the hypotheses. They represented a variety of age around 17-30 years old. About 70% of the responses were female, and 30% were male. Based on previous study, The more detailed data are shown in Table 1.

Table 1: Demographic Profile of Respondent

Demographic Profile of Respondent (n=262)		
Characteristic	**Frequency**	**Percentage**
Gender		
Male	79	30%
Female	183	70%
Age		
17-20 years	248	95%
21-30 years	14	5%
Purchasing in offline store	262	100%
Purchase in the online store		
Social medial	10	4%
Ecommerce	240	92%
Website	2	1%
Etc.	10	4%

4. Results and Analysis

This section discusses the analysis of the data gathered. The analysis is divided into four steps, the prerequisite testing, the hypotheses testing, the Sobel testing and path analysis. The Prerequisite testing consists of validity and reliability test. Hypotheses testing consists of Multiple Regression and Path Analysis. The Sobel test is conducted to measure the moderating variable

4.1. Prerequisite Testing

4.1.1. Validity and Reliability Test

In this study, validity Bivariate Pearson is used. If the correlation (r) is more than 0.138 (n=262 with the significant level 5%), the instrument can be said valid. The reliability is an index that shows how reliable a measuring instrument. When Cronbach's Alpha and is more significant than 0.6, the variable is reliable. The result of validity and reliability test are shown in Table 2.

Based on Table 2, we can conclude that all instrument is valid. The r correlation of all instruments is more than 0.138. The scale results also show that all variables are reliable with Cronbach's Alpha and more significantly than 0.6.

Table 2: Validity and Reliability Test

Instruments	Validity(r)	Reliability (Cronbach Alpha)
Customer Experience in the Offline Channel		
Product (PR.OFF)		0.663
Product has a variety of brands and colors	0.576	
Product is one of the popular brands	0.728	

Product quality assurance is very adequate	0.737	
Fast product preparation and packaging	0.636	
Product packaging uses environmentally friendly materials	0.629	
Customer Service (CS.OFF)		0.728
The store has a fast responsive customer service	0.795	
Customer service is easy to contact via phone, and etc	0.814	
Stores have clear standards for product returns	0.811	
Staff Service (SS.OFF)		0.790
Friendly service attitude	0.700	
Very fast service	0.824	
Service staff are adept at offering products	0.800	
Service staff guidance when shopping is very good	0.809	
Shopping Process (SP.OFF)		0.653
Simple and fast shopping procedure	0.734	
Clothes can be tried on	0.690	
Comprehensive and easy after-sales service	0.666	
The payment transaction process is very safe and easy	0.736	
Shopping Environment (SE.OFF)		0.801
Appropriate and attractive store layout	0.775	
Attractive store interior	0.838	
Complete service facilities	0.791	
Directions at the store regarding cashiers, exits, children's clothing, men's clothing, women's clothing, etc. are very clear	0.762	
Customer Experience in the Online Channel		
Product (PR.ON)		0.703
Product has a variety of brands and colors	0.522	
Product is one of the popular brands	0.672	
Product quality assurance is very adequate	0.759	
Fast product preparation and packaging	0.706	
Product packaging uses environmentally friendly materials	0.712	
Customer Service (CS.OFF)		0.685
Online stores have fast responsive customer service	0.837	
Customer service is easy to contact via chat messanger or etc.	0.791	
The online store has clear standards for product returns	0.728	
Staff Service (SS.ON)		0.842
Friendly service attitude (via online media)	0.797	
Service response is very fast in answering customers	0.836	
Service staff is adept at offering products (if the product is empty or there is a new product)	0.818	
Service staff guidance during the shopping process is very helpful through online media	0.845	
Shopping Process (SP.ON)		0.820
Simple and fast shopping procedure for online shopping	0.640	

Image availability and reviews at any time	0.668	
Comprehensive and easy after-sales service	0.648	
The payment transaction process is very safe and easy	0.662	
Shopping Environment (SE.ON)		0.807
A neat and attractive store website design	0.832	
Attractive online store content	0.832	
Complete service facilities (payment by COD / bank transfer, various delivery fleet options available)	0.746	
The category grouping in the online shop (women's clothing, men's clothing, children's clothing, etc.) is very clear.	0.775	
Customer Satisfaction (SATIS)		0.829
I am very satisfied with the product during shopping	0.757	
I am very satisfied with the service during shopping	0.775	
I am very satisfied with the delivery speed after shopping	0.725	
I am very satisfied with the shopping environment	0.811	
I am very satisfied with the shopping procedure	0.789	
Repurchase Intention (RI)		0.789
I will likely buy the same product again	0.718	
It is likely that I will repurchase from this offline / online shop in the future	0.787	
It is likely that I will use this offline / online shop regularly in the future for my clothes purchases	0.824	
If I had to make a purchase of clothes again, I would choose this offline / online shop	0.855	

4.2. Hypothesis and Path Analysis

The hypothesis testing we use linear regression to find out the total effect of those variables. This test aimed to determine the impact of the independent variable on the dependent variable partially. This test was also carried out to determine whether the proposed hypothesis was accepted or rejected. The hypothesis is accepted if the β value> 0 and the p-value <0.05. Furthermore, testing the hypothesis model with linear regression was performed in Table 3.

Table 3: Summarized Hypothesis Model

Regression Model	Model Test			T Test		Information
	Adj R Square	F	Sig.	β	Sig.	
Customer experience in offline channel toward customer satisfaction						
$Y_1=a_1 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + e_1$	0.504	54.111	0.000			
Product (offline) to customer satisfaction				0.152	0.010	H1 is accepted
Customer service (offline) to customer satisfaction				0.191	0.001	H2 is accepted
Staff service (offline) to customer satisfaction				0.229	0.001	H3 is accepted
Shopping process (offline) to customer satisfaction				0.136	0.019	H4 is accepted
Shopping environment (offline) to customer satisfaction				0.181	0.007	H5 is accepted
Customer experience in online channel toward customer satisfaction						

$Y_2=a_2 + \beta_6X_6 + \beta_7X_7 + \beta_8X_8 + \beta_9X_9 + \beta_{10}X_{10} + e_2$	0.513	56.047	0.000			
Product (online) to customer satisfaction				0.172	0.003	H6 is accepted
Customer service (online) to customer satisfaction				0.271	0.000	H7 is accepted
Staff service (online) to customer satisfaction				0.135	0.033	H8 is accepted
Shopping process (online) to customer satisfaction				0.052	0.343	H9 is rejected
Shopping environment (online) to customer satisfaction				0.264	0.000	H10 is accepted
Customer experience offline and online toward customer satisfaction						
$Y_3=a_3 + \beta_{11}X_{11} + \beta_{12}X_{12} + e_3$	0.629	221.835	0.000			
Customer experience offline (total) toward customer satisfaction				0.418	0.000	H11 is accepted
Customer experience online (total) toward customer satisfaction				0.457	0.000	H12 is accepted
Customer experience offline channel, customer experience online channel and customer satisfaction toward repurchase intention						
$Z =a_4 + \beta_{13}X_{11} + \beta_{14}X_{12} + \beta_{15}Y + e_4$	0.453	72.959	0.000			
Customer experience offline (total) toward repurchase intention				0.133	0.050	H13 is accepted
Customer experience online (total) toward repurchase intention				0.156	0.026	H14 is accepted
Customer satisfaction toward repurchase intention				0.450	0.000	H15 is accepted

Based on Table 3, it can be seen that customer experience on the offline channel in the context of product toward customer satisfaction had a significant effect with beta = 0.153 and sig. (ρ = 0.010 <0.05). Thus, **H1 is accepted**. Customer experience on the offline channel in customer service toward customer satisfaction significantly affected beta = 0.191 and sig. (ρ = 0.001 <0.05); So, **H2 is accepted**. Customer experience on the offline channel in the context of staff service toward customer satisfaction significantly affected beta = 0.229 and sig. (ρ = 0.001 <0.05); So, **H3 is accepted**. Customer experience on the offline channel in the shopping process toward customer satisfaction significantly affected beta = 0.136 and sig. (ρ = 0.019 <0.05); So, **H4 is accepted**. Customer experience on the offline channel in the shopping process toward customer satisfaction significantly affected beta = 0.181 and sig. (ρ = 0.007 <0.05); So, **H5 is accepted**.

Also regarding the effect customer experience on online channel toward customer satisfaction that showed in Table 3. We find out that in the context of the product have p-value 0.003 < 0.05, so **H6 is accepted**, customer service have p-value 0.000 < 0.05 so **H7 is accepted**, staff service have p-value 0.033 < 0.05 so **H8 is accepted**, shopping process have p-value 0.343 > 0.05 so **H9 is rejected**, shopping environment have p-value 0.000 < 0.05 so **H10 is accepted**.

4.1.2. Path Analysis

Path diagram models are made based on the variables studied, Customer Experience on the offline channel (X_{11}), Customer Experience on the online channel (X_{12}), Customer Satisfaction (Y) and Repurchase Intention (Z). The result of path analysis can be seen in Figure 2.
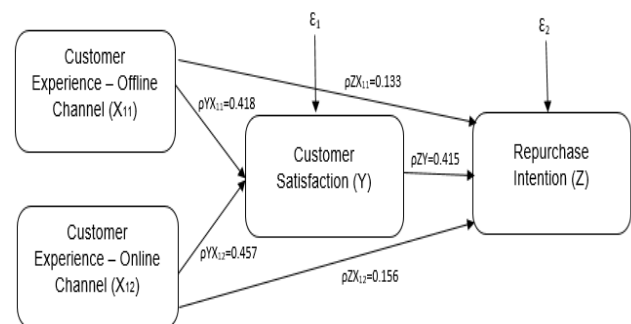

Figure 2: Proposed Research Model

ρyx_{11} = Customer Experience on offline channel path coefficient for Customer Satisfaction

ρyx_{12} = Customer Experience on online channel path coefficient for Customer Satisfaction

ρzx_{11} = Customer Experience on offline channel path coefficient for Repurchase Intention

ρzx_{12} = Customer Experience on online channel path coefficient for Repurchase Intention

ρzy = Customer Satisfaction path coefficient for Repurchase Intention

ε = Effect of other factors

Based on Figure 2, the linear regression equation can be found in the following:

Effect of Customer Experience on the offline channel (X_{11}) and Customer Experience on the online channel (X_{12}) toward Customer Satisfaction (Y)

$$Y = (\rho yx_{11})\, X_{11} + (\rho yx_{12})\, X_{12} + \varepsilon_1 \qquad (1)$$
$$Y = 0.418\, X_{11} + 0.457\, X_{12} + \varepsilon_1$$

Effect of Customer Experience on the offline channel (X_{11}) and Customer Experience on the online channel (X_{12}) toward Repurchase Intention (Z)

$$Z = (\rho z\, x_{11})\, X_{11} + (\rho z\, x_{12})\, X_{12} + (\rho zy)\, Y + \varepsilon_2 \qquad (2)$$
$$Z = 0.133\, X_{11} + 0.156\, X_{12} + 0.415\, Y + \varepsilon_2$$

After knowing the equations. The next step is understanding the direct and indirect effect between independent and dependent variables. The next section discusses the direct and indirect effects of the variables.

4.1.2.1. Direct Effect (DE)

According to Table 3, Customer Experience's effect on the offline channel on Repurchase Intention can be seen from the Beta parameter (Standardized), which is 0.133, with a significance level of 0.05. It means that the effect is significant **(H13 is accepted).** The Beta parameter (Standardized) for Customer Experience on the online channel on Repurchase Intention is 0.156, with a significance level of 0,026 or less than 0.05 so the effect is significant **(H14 is accepted)**. Meanwhile, the Beta parameter (Standardized) for Customer Satisfaction toward Repurchase Intention is 0.450, with a significance level of 0.000 or less than 0.05 so that **H15 is accepted.**

4.1.2.2. Indirect Effect (IE)

Based on Table 3, the indirect effect of Customer Experience on the offline channel toward Customer Satisfaction can be seen from the Beta parameter (Standardized). It is 0.418, with a significance level of 0.000 or less than 0.05 so that the effect is significant **(H11 is accepted)**. Also, for Customer Experience, the online channel is 0.457, with a significance level of 0,000 or less than 0.05, so the effect is also significant **(H12 is accepted)**.

4.1.2.3. Total Effect

The total effect is the sum of the Customer Experience's direct and indirect effects on the offline channel and Customer Experience on the online channel on Repurchase Intention and Customer Satisfaction. The total effect can be stated in the following Table:

Based on Table 4. Regarding Customer Experience on offline channel toward Repurchase Intention, it is shown that the indirect effect has a more excellent value than direct effect 0.173>0.133. So it could be said that customer satisfaction mediated the effect. Customer Experience's indirect effect on online channel toward Repurchase Intention has a more excellent value than its direct effect of 0.189 > 0.156. So it could be said that customer satisfaction also mediated the effect

Table 4: Total Effect

Effect	IE	DE	Total Effect
Customer Experience on offline channel toward Repurchase Intention	0.173	0.133	0.306
Customer Experience on online channel toward Repurchase Intention	0.189	0.156	0.345

4.3. Sobel Test

Testing the mediation hypothesis can be done using a procedure developed by Sobel (1982) known as the Sobel test (Sobel test). The Sobel test is done by testing the strength of the independent variable's indirect effect on the dependent variable through the intervening variable (M). Customer Satisfaction mediated Customer Experience's effect on offline channel toward Repurchase Intention with Z value of 4.805 > 1.96 and a significance level of 0.000 <0.05. So it could be said that customer satisfaction mediated the effect. Customer Satisfaction's effect in mediating the Customer Experience on online channel toward Repurchase Intention has Z value is 4.976 > 1.96 and a significance level of 0.000 <0.05, so it is found that the customer satisfaction also mediated the effect.

5. Discussion

This study's customer experience is divided into five segments: product, customer service, staff service, shopping process, and shopping environment. In the context of the offline and online channel, customer on product experience

significantly affected customer satisfaction. The product experience related to price or quality has become one of the critical roles of satisfaction. Retailer which want to faceless complain from customers or make the customer feel satisfied; resources can be allocated to improve products through quality, packaging, lots of variety of products. According to the opinion of (Basari, & Shamsudin, 2020; Kim, Cho, & Kim, 2019), the customer who has good experience in the product will increase consumer satisfaction. Besides, supported by (Tjahjaningsih, Ningsih & Utomo, 2020), satisfied customers will be able to improve their memory so that they are likely to refer to potential buyers.

Customer service in the online or offline channel also has significant influencing customer satisfaction. Also, (Cao, Ajjan, & Hong, 2018; Liu et al., 2008; Pham, & Ahammad, 2017) also strengthen that customer service is an intense antecedent customer satisfaction. Customer service can become a service tool that can contribute overall satisfied assessment when customers form their judgment. So, it indicates that the retailer should focus on improving customer service to enhance customer satisfaction. This study is also in line with the research by (Yen, & Lu, 2008) that customer service becomes a decisive factor influencing customer satisfaction. The customer is satisfied when they can communicate or contact customer service by phone, chat, and email to find the solution for their purchasing product.

Staff service has become a significant aspect that influencing customer satisfaction in online and also offline channel. Relationships between staff and customers that increase rapport and staff responsiveness have led to greater customer satisfaction. It is supported by (Marques, Cardoso, & Palma, 2013; Menon, & Dubé, 2000; Puccinelli et al., 2009; Terblanche, 2018) related to customer's important effect service toward customer satisfaction. The role of staff in creating customer satisfaction again features invaluable in online or offline customer shopping experience. Staff members must be trained in functional product knowledge, presentations, and communicating with customers online or online. Knowledgeable and skilled staff may lead to positive emotions to the customer. Moreover, if staff members successfully deal with customer interactions with their skill, competitors will find it difficult to emulate such actions.

The shopping process is a significant factor influencing customer satisfaction in the offline channel but not online. It caused by several advantages of shopping in an offline channel. Compared with the online channel, and the offline channel has a more straightforward transaction procedure, the customer can touch-and-feel when shopping and trust the product more. This study supported by (Suganya, 2018) that said online shopping led to the possibilities of fraud and privacy conflicts. Regarding those comparisons, the integration O2O (offline and online) channel become one of

the popular concepts in retailers. O2O channel can support an Omnichannel customer experience combined with individual customer touchpoints such as authorize customers to take up the product where they left off on one channel and keep on the experience to another or customer can research online, purchase offline.

Shopping environment has a significant impact on customer satisfaction in both channels. In line with (Chebat, & Michon, 2003) that found the shopping environment's perception very strongly affects customer satisfaction and impacts emotions. This supports are the idea that favourable perception of the shopping environment elicits positive emotional states such as pleasantness (Nuttavuthisit, 2014), excitement, and satisfaction (Kwon, Ha, & Im, 2016). When the customer feels pleasant, it can also make them spend more time and money on their shopping trip (Wright, Newman, & Dennis, 2006). The shopping environment can also be designed to lead to positive emotions and increased satisfaction (Dennis et al., 2010; El-Adly, & Eid, 2016; Wright et al., 2006). Therefore, to increase customer satisfaction, we have to create enjoyment and pleasurable customer emotion through the shopping environment.

Customer satisfaction also has significant in affecting repurchase intention. It supported by (Ilyas et al., 2020; Nguyen, Nguyen & Tan, 2021) that customer satisfaction is a determinant factor of repurchase intention. Related to customer experience, satisfaction became the mediated factor that can be strengthened effect toward repurchase intention. Many researchers conducted in consumer satisfaction as a mediated variable, such as customer satisfaction can mediate celebrity advertising and celebrity personality towards purchase intention in the telecommunications industry (Domfeh et al., 2018), and customer satisfaction become mediated variable in the context of repurchase intention in e-commerce (Sari, & Giantari, 2020). To sum up, consumer satisfaction is one of the crucial things that must be needed. Consumer satisfaction through product quality, service, shopping environment, and shopping process can later raise the products repurchase intention.

6. Conclusions

In conclusion, we classify customer experience in offline and online channels consisting of product experience, staff service experience, customer service experience, shopping process experience and shopping environment experience. In more detailed, we investigate the effect of those experience toward customer satisfaction in a different channel. Almost all of the customer experience hypothesis is significant toward customer satisfaction except hypothesis 9, shopping process experience in the context of the online

channel to customer satisfaction is not significant. The customer tends to purchase online cause shopping process in online channel often lacks security in the transaction. We also investigated customer satisfaction as mediated variable between customer experience and repurchase intention then analyzed using Sobel Test.

The study implications are; first, retailers who want to faceless customer complaints or make customers feel satisfied. Resources can be allocated to improve products through quality, packaging, and lots of products. Secondly, easy to contact by phone, chat, and email is needed to find the solution over customer problem in purchasing product. Thirdly, it is essential to train the staff members in functional product knowledge, presentations, and communicating with customers online or offline. Fourthly, retailer concept development is necessary, such as the O2O channel, that allows customers to pick up where they left off on one channel and continue the experience on another or customer can research online and purchase offline. With that experience, it certainly can increase customer satisfaction. Fifthly, to increase customer satisfaction, we have to create enjoyment and pleasurable customer emotion through the shopping environment. Finally, customer satisfaction has become a determinant factor of repurchase intention. To raise customer satisfaction, the retailer needs to provide the best experience for consumers in shopping.

The limitation of this study is limited in Indonesia people and the object of this research is clothing store which is online and offline store. Therefore, further studies will collect many observations in global customer and also more variety products. Besides, researchers should expand the sample and measure the effects of more independent variables on customer experience, customer satisfaction and repurchase intention. The integration of multichannel (O2O) is needed to conduct further research.

References

Ahmed, I., Shaukat, M. Z., Nawaz, M. M., Ahmed, N., & Usman, A. (2011). Determinants of the satisfaction and repurchase intentions of users of short messenger services (SMAS): A study in the Telecom sector of Pakistan. *International Journal of Management*, *28*(3), 763.

Ameen, N., Tarhini, A., Shah, M., & Madichie, N. O. (2020). Going with the flow: smart shopping malls and omnichannel retailing. *Journal of Services Marketing*. https://doi.org/10.1108/JSM-02-2020-0066

Artusi, F.; Bellini, E.; Dell'Era, C.; Verganti, R. (2020). Designing an omni-experience to save retailing: Lessons from an Italian book retailer. *Res. Technol. Manag*, *63*, 24–32. https://doi.org/10.1080/08956308.2020.1733886

Bagdare, S., & Jain, R. (2013). Measuring retail customer experience. *International Journal of Retail & Distribution Management*. https://doi.org/10.1108/IJRDM-08-2012-0084

Barari, M., & Furrer, O. (2018). The customer experience ecosystem in two cultural contexts. *Journal of Financial Services Marketing*, *23*(3–4), 234–243.

Barari, M., Ross, M., & Surachartkumtonkun, J. (2020). Negative and positive customer shopping experience in an online context. *Journal of Retailing and Consumer Services*, *53*, 101985. https://doi.org/10.1016/j.jretconser.2019.101985

Basari, M. A. M. D., & Shamsudin, M. F. (2020). Does Customer Satisfaction Matters? *Journal of Undergraduate Social Science and Technology*, *2*(1), 1-15.

Benoit, S., Kienzler, M., & Kowalkowski, C. (2020). Intuitive pricing by independent store managers: Challenging beliefs and practices. *Journal of Business Research*, *115*, 70–84. https://doi.org/10.1016/j.jbusres.2020.04.027

Brady, M. K., & Robertson, C. J. (2001). Searching for a consensus on the antecedent role of service quality and satisfaction: an exploratory cross-national study. *Journal of Business Research*, *51*(1), 53–60. https://doi.org/10.1016/S0148-2963(99)00041-7

Calvo-Porral, C., & Lévy-Mangin, J.-P. (2019). Profiling shopping mall customers during hard times. *Journal of Retailing and Consumer Services*, *48*, 238–246. https://doi.org/10.1016/j.jretconser.2019.02.023

Cao, Y., Ajjan, H., & Hong, P. (2018). Post-purchase shipping and customer service experiences in online shopping and their impact on customer satisfaction. *Asia Pacific Journal of Marketing and Logistics*. https://doi.org/10.1108/APJML-04-2017-0071

Chebat, J.-C., & Michon, R. (2003). Impact of ambient odors on mall shoppers' emotions, cognition, and spending: A test of competitive causal theories. *Journal of Business Research*, *56*(7),529–539. https://doi.org/10.1016/S0148-2963(01)00247-8

Cronin Jr, J. J., Brady, M. K., & Hult, G. T. M. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments. *Journal of Retailing*, *76*(2), 193–218. https://doi.org/10.1016/S0022-4359(00)00028-2

Dennis, C., Newman, A., Michon, R., Brakus, J. J., & Wright, L. T. (2010). The mediating effects of perception and emotion: Digital signage in mall atmospherics. *Journal of Retailing and Consumer Services*, *17*(3), 205–215. https://doi.org/10.1016/j.jretconser.2010.03.009

Domfeh, H. A., Kusi, L. Y., Nyarku, K. M., & Ofori, H. (2018). The Mediating Effect of Customer Satisfaction in the Predictive Relation between Celebrity Advertising and Purchase Intentions in Telecom Industry in Ghana: University Students' Perspective. *International Journal of Business and Management Invention (IJBMI)*, *7*(3), 40–54.

El-Adly, M. I., & Eid, R. (2016). An empirical study of the relationship between shopping environment, customer perceived value, satisfaction, and loyalty in the UAE malls context. *Journal of Retailing and Consumer Services*, *31*, 217–227. https://doi.org/10.1016/j.jretconser.2016.04.002

El Hedhli, K., Zourrig, H., & Park, J. (2017). Image transfer from malls to stores and its influence on shopping values and mall patronage: The role of self-congruity. *Journal of Retailing and Consumer Services*, *39*, 208–218. https://doi.org/10.1016/j.jretconser.2017.08.001

Filieri, R., & Lin, Z. (2017). The role of aesthetic, cultural,

utilitarian and branding factors in young Chinese consumers' repurchase intention of smartphone brands. *Computers in Human Behavior*, *67*, 139–150. https://doi.org/10.1016/j.chb.2016.09.057

Gentile, C., Spiller, N., & Noci, G. (2007). How to sustain the customer experience: An overview of experience components that co-create value with the customer. *European Management Journal*, *25*(5), 395–410. https://doi.org/10.1016/j.emj.2007.08.005

Gounaris, S., Dimitriadis, S., & Stathakopoulos, V. (2010). An examination of the effects of service quality and satisfaction on customers' behavioral intentions in e- shopping. *Journal of Services Marketing*. https://doi.org/10.1108/08876041011031118

Idoko, E. C., Ukenna, S. I., & Obeta, C. E. (2019). Determinants of shopping mall patronage frequency in a developing economy: Evidence from Nigerian mall shoppers. *Journal of Retailing and Consumer Services*, *48*, 186–201. https://doi.org/10.1016/j.jretconser.2019.02.001

Ilyas, G. B., Rahmi, S., Tamsah, H., Munir, A. R., & Putra, A. H. P. K. (2020). Reflective Model of Brand Awareness on Repurchase Intention and Customer Satisfaction. *The Journal of Asian Finance, Economics, and Business*, *7*(9), 427–438. https://doi.org/10.13106/jafeb.2020.vol7.no9.427

Jaakkola, E., Helkkula, A., & Aarikka-Stenroos, L. (2015). Service experience co-creation: conceptualization, implications, and future research directions. *Journal of Service Management*. https://doi.org/10.1108/JOSM-12-2014-0323

Katawetawaraks, C., & Wang, C. (2011). Online shopper behavior: Influences of online shopping decision. *Asian Journal of Business Research*, *1*(2), 66-74.

Kawaf, F., & Tagg, S. (2017). The construction of online shopping experience: A repertory grid approach. *Computers in Human Behavior*, *72*, 222–232. https://doi.org/10.1016/j.chb.2017.02.055

Kim, H. R. (2005). Developing an index of online customer satisfaction. *Journal of financial service marketing, 10 (1),* 49-64. https://doi.org/10.1057/palgrave.fsm.4770173

Kim, W. H., Cho, J. L., & Kim, K. S. (2019). The relationships of wine promotion, customer satisfaction, and behavioral intention: The moderating roles of customers' gender and age. *Journal of Hospitality and Tourism Management*, *39*, 212–218. https://doi.org/10.1016/j.jhtm.2019.03.001

Kim, Y. J., & Yim, M.-S. (2020). An Empirical Investigation of the Impact of Customer Learning on Customer Experience in the Context of Knowledge Product Use. *The Journal of Asian Finance, Economics, and Business*, *7*(12), 969–976. https://doi.org/10.13106/jafeb.2020.vol7.no12.969

Klaus, P. 'Phil,' & Maklan, S. (2013). Towards a better measure of customer experience. *International Journal of Market Research*, *55*(2), 227–246. https://doi.org/10.2501/IJMR-2013-021

Kollmann, T., Kuckertz, A., & Kayser, I. (2012). Cannibalization or synergy? Consumers' channel selection in online–offline multichannel systems. *Journal of Retailing and Consumer Services*, *19*(2), 186–194. https://doi.org/10.1016/j.jretconser.2011.11.008

Kwon, H., Ha, S., & Im, H. (2016). The impact of perceived similarity to other customers on shopping mall satisfaction. *Journal of Retailing and Consumer Services*, *28*, 304–309.

https://doi.org/10.1016/j.jretconser.2015.01.004

Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, *80*(6), 69–96. https://doi.org/10.1509/jm.15.0420

Liu, X., He, M., Gao, F., & Xie, P. (2008). An empirical study of online shopping customer satisfaction in China: a holistic perspective. *International Journal of Retail & Distribution Management*. https://doi.org/10.1108/09590550810911683

Marques, S. H., Cardoso, M. M., & Palma, A. P. (2013). Environmental factors and satisfaction in a specialty store. *The International Review of Retail, Distribution and Consumer Research*, *23*(4), 456–474. https://doi.org/10.1080/09593969.2013.785442

Mashur, R., Gunawan, B. I., Fitriany, F., Ashoer, M., Hidayat, M., & Aditya, H. P. K. P. (2019). Moving from traditional to society 5.0: Case study by online transportation business. *The Journal of Distribution Science*, *17*(9), 93–102. https://doi.org/10.15722/jds.17.9.201909.93

Menon, K., & Dubé, L. (2000). Ensuring greater satisfaction by engineering salesperson response to customer emotions. *Journal of Retailing*, *76*(3), 285–307. https://doi.org/10.1016/S0022-4359(00)00034-8

Meyer, C., & Schwager, A. (2007). Understanding customer experience. *Harvard Business Review*, *85*(2), 116.

Nguyen, L., Nguyen, T. H., & Tan, T. K. P. (2021). An Empirical Study of Customers' Satisfaction and Repurchase Intention on Online Shopping in Vietnam. *The Journal of Asian Finance, Economics, and Business*, *8*(1), 971–983. https://doi.org/10.13106/jafeb.2021.vol8.no1.971

Ningsih, R., Febrinda, R. R., & Menanti, S. (2019). Determinant Factors of SMEs in Adopting E-Commerce in Indonesia. *International Conference on Trade 2019 (ICOT 2019)*. Atlantis Press. https://doi.org/10.2991/icot-19.2019.7

Nuttavuthisit, K. (2014). How consumers as aesthetic subjects co-create the aesthetic experience of the retail environment. *Journal of Retailing and Consumer Services*, *21*(4), 432–437. https://doi.org/10.1016/j.jretconser.2014.03.003

Pei, X.-L., Guo, J.-N., Wu, T.-J., Zhou, W.-X., & Yeh, S.-P. (2020). Does the Effect of Customer Experience on Customer Satisfaction Create a Sustainable Competitive Advantage? A Comparative Study of Different Shopping Situations. *Sustainability*, *12*(18), 7436. https://doi.org/10.3390/su12187436

Pham, T. S. H., & Ahammad, M. F. (2017). Antecedents and consequences of online customer satisfaction: A holistic process perspective. *Technological Forecasting and Social Change*, *124*, 332–342. https://doi.org/10.1016/j.techfore.2017.04.003

Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P., & Stewart, D. (2009). Customer experience management in retailing: understanding the buying process. *Journal of Retailing*, *85*(1), 15–30. https://doi.org/10.1016/j.jretai.2008.11.003

Razak, N. S. A., Marimuthu, M., Omar, A., & Mamat, M. (2014). Trust and repurchase intention on online tourism services among Malaysian consumers. *Procedia-Social and Behavioral Sciences*, *130*, 577-582. https://doi.org/10.1016/j.sbspro.2014.04.067

Rita, P., Oliveira, T., & Farisa, A. (2019). The impact of e-service

quality and customer satisfaction on customer behavior in online shopping. *Heliyon*, *5*(10), e02690. https://doi.org/10.1016/j.heliyon.2019.e02690

Rose, S., Clark, M., Samouel, P., & Hair, N. (2012). Online customer experience in e-retailing: an empirical model of antecedents and outcomes. *Journal of Retailing*, *88*(2), 308–322. https://doi.org/10.1016/j.jretai.2012.03.001

Rose, S., Hair, N., & Clark, M. (2011). Online customer experience: A review of the business- to- consumer online purchase context. *International Journal of Management Reviews*, *13*(1), 24–39. https://doi.org/10.1111/j.1468-2370.2010.00280.x

Rust, R. T., & Zahorik, A. J. (1993). Customer satisfaction, customer retention, and market share. *Journal of retailing*, *69*(2), 193-215. https://doi.org/10.1016/0022-4359(93)90003-2

Sari, D. A. T., & Giantari, I. (2020). Role of Consumer Satisfaction in Mediating Effect of Product Quality on Repurchase Intention. *International Research Journal of Management, IT and Social Sciences*, *7*(1), 217–226.

Scarpi, D. (2012). Work and fun on the internet: the effects of utilitarianism and hedonism online. *Journal of Interactive Marketing*, *26*(1), 53–67.
https://doi.org/10.1016/j.intmar.2011.08.001

Scarpi, D., Pizzi, G., & Visentin, M. (2014). Shopping for fun or shopping to buy: Is it different online and offline? *Journal of Retailing and Consumer Services*, *21*(3), 258–267. https://doi.org/10.1016/j.jretconser.2014.02.007

Shin, J. I., Chung, K. H., Oh, J. S., & Lee, C. W. (2013). The effect of site quality on repurchase intention in Internet shopping through mediating variables: The case of university students in South Korea. *International Journal of Information Management*, *33*(3), 453–463.
https://doi.org/10.1016/j.ijinfomgt.2013.02.003

Suganya, V. (2018). A Comparative Study on Customer Satisfaction towards Online Shopping and Offline Shopping with special reference to Coimbatore District. *Research Journal*, 8.

Terblanche, N. S. (2018). Revisiting the supermarket in-store customer shopping experience. *Journal of Retailing and Consumer Services*, *40*, 48–59.
https://doi.org/10.1016/j.jretconser.2017.09.004

Tjahjaningsih, E., Ningsih, D. H. U., & Utomo, A. P. (2020). The Effect of Service Quality and Product Diversity on Customer Loyalty: The Role of Customer Satisfaction and Word of Mouth. *The Journal of Asian Finance, Economics, and Business*, *7*(12), 481–490.
https://doi.org/10.13106/jafeb.2020.vol7.no12.481

To, T. H., Du Kim, D. O., Bui, L. T. H., & Pham, H. T. L. (2020). Factors Affecting Customer Satisfaction When Buying on Facebook in Vietnam. *The Journal of Asian Finance, Economics and Business (JAFEB)*, *7*(10), 267–273.

Trevinal, A. M., & Stenger, T. (2014). Toward a conceptualization of the online shopping experience. *Journal of Retailing and Consumer Services*, *21*(3), 314–326. https://doi.org/10.1016/j.jretconser.2014.02.009

Tsai, H. T., Chang, H.C., & Tsai, M., T. (2016). Predicting repurchase intention for online clothing brand in taiwan: quality disconfirmation, satisfaction, and corporate social responsibility. *Electronic Commerce Research, 16*(3), 375-399. https://doi.org/10.1007/s10660-015-9207-2

Vakulenko, Y.; Shams, P.; Hellstroem, D.; Hjort, K. (2019). Online retail experience and customer satisfaction: The mediating role of last mile delivery. *Int. Rev. Retail. Distrib*, 29, 306–320. https://doi.org/10.1080/09593969.2019.1598466

Varshneya, G., Das, G., & Khare, A. (2017). Experiential value: a review and future research directions. *Marketing Intelligence & Planning*. https://doi.org/10.1108/MIP-05-2016-0075

Wen, C., Prybutok, V. R., & Xu, C. (2011). An integrated model for customer online repurchase intention. *Journal of Computer Information Systems*, *52*(1), 14–23.

Wright, L. T., Newman, A., & Dennis, C. (2006). Enhancing consumer empowerment. *European Journal of Marketing*. https://doi.org/10.1108/03090560610680934

Xiao, L., Guo, F., Yu, F., & Liu, S. (2019). The effects of online shopping context cues on consumers' purchase intention for cross-border E-Commerce sustainability. *Sustainability*, *11*(10), 2777. https://doi.org/10.3390/su11102777

Yasri, Y., Susanto, P., Hoque, M. E., & Gusti, M. A. (2020). Price perception and price appearance on repurchase intention of Gen Y: do brand experience and brand preference mediate? *Heliyon*, *6*(11), e05532.
https://doi.org/10.1016/j.heliyon.2020.e05532

Yen, C., & Lu, H. (2008). Effects of e- service quality on loyalty intention: an empirical study in online auction. *Managing Service Quality: An International Journal*. https://doi.org/10.1108/09604520810859193

Ying, S.; Sindakis, S.; Aggarwal, S.; Chen, C.; Su, J. (2020) Managing big data in the retail industry of Singapore: Examining the impact on customer satisfaction and organizational performance. *Eur. Manag. J.*
https://doi.org/10.1016/j.emj.2020.04.001

Yuliati, R. (2016). Segmenting Indonesian Online Customer. *Jurnal InterAct*, *5*(2), 28-47. htttp://dx.doi.org/10.36388%2Fia.v5i2.757

Zarantenello, L.; Schmitt, B.H. (2000). Using the brand experience scale to profile consumers and predict consumer behavior. *J. Brand. Manag*, 17, 532–540. https://doi.org/10.1057/bm.2010.4

Zhang, Y., Fang, Y., Wei, K.-K., Ramsey, E., McCole, P., & Chen, H. (2011). Repurchase intention in B2C e-commerce—A relationship quality perspective. *Information & Management*, *48*(6), 192–200. https://doi.org/10.1016/j.im.2011.05.003