



Effect of Smartphone Choice, Customer Satisfaction and Reason to Change Smartphone on Smartphone Repurchase

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ABSTRACT

Advances in Smartphone technology make the growth of Smartphone users among the people more rapidly. The high growth of Smartphone users makes Smartphone manufacturers compete with each other in understanding market needs. Every competing company actually has the same goal, namely how to make the products that are made can be well received by consumers. In accordance with sales data of smart cellphones (Smartphones) that have been released by International Data Corporation (IDC) from the first quarter of 2017 to the third quarter (Q3) - 2018 experienced sales fluctuations. Smartphone sales in 2018 fell by 5.9%. Similarly, the number of smartphone shipments in Indonesia in the third quarter (Q3) -2018 reached 8.6 million units, up 18% annually. But from quarter to quarter it decreased by 9%. Within 1-2 years Indonesian people like to switch smartphones, more than 56% of respondents replace their smartphones with new ones. This is consistent with data from the MARS research institute conducting a survey of 290 respondents in the Jakarta, Bogor, Depok, Tangerang and Bekasi areas. Within a period of more than 2 years, there were 20.6% of Smartphone users making smartphone replacements. The fastest duration that users do is within 3 months, done as much as 2, 4%. Every new smartphone launched, the interest of the people of Indonesia will certainly remain high. Consumer behavior when buying any product including smartphones not only concerns his own behavior, but a combination of the behavior of others who help or support the purchasing process that can work as an initiator, influencer, and decision maker and the level of involvement of all these people may differ in each purchase. There are many variables that influence consumer behavior including, age, sex, personal motivation, needs, attitudes and values, personality characteristics, socio-economic and cultural background, professional status to social influences such as family, friends, colleagues and society as a whole. This research was conducted to determine the effect of Smartphone choice, Customer Satisfaction, Reason To Change Smartphone on Smartphone Repurchase. The methodology of this research is to collect data in the form of questionnaires distributed online to respondents who are consumers of Smartphone users, the method used in this study is a quantitative method by collecting a sample of approximately 400 respondents. Based on the results of data analysis found that variables consisting of Smartphone choice, Customer Satisfaction and Reason To Change Smartphone and a positive and significant effect on Repurchase.

INTRODUCTION

Communication is the process of exchanging information from one party to another, both information in the form of sound or data. In the present time, the process of exchanging or delivering information is demanded to be able to take place quickly, it is undeniable that humans cannot be separated from the means of communication every day. Communication tools that are popular today among consumers, namely smartphones. Previously Smartphone was a secondary requirement but in line with the development of information technology the concept of a smart phone or Smartphone emerged to accommodate the increasing human needs in accessing technology and shifted to primary needs (Luthfi, 2010), in addition to that with advanced features operated easily for personalization and self expression. According to (Rayhanawati, 2017):

A smartphone is a phone that provides features and technology that are above and beyond the simple ability to make phone calls. Its function resembles a high-level computer capable and presents advanced features such as e-mail, internet and the ability to read e-books or there is a keyboard (both built-in and external) and a VGA connector. In other words, a Smartphone is a mini computer that has the same capabilities as a telephone.

International Data Corporation (IDC) has released data on sales of smart cellular phones (Smartphones) from the first quarter of 2017 until this research was conducted in the third quarter of 2018 experiencing sales fluctuations. Smartphone sales in 2018 fell by 5.9% (IDC, 2019). Similarly, the number of smartphone shipments in Indonesia in the third quarter of 2018 reached 8.6 million units, up 18% annually. But it decreased by 9% from quarter to quarter due to the depreciation of the rupiah against the United States dollar (Saragih, 2018). There are 5 biggest smartphone manufacturers in Indonesia, namely Samsung, Xiaomi, Oppo, Vivo and Advan as the only local manufacturers.

Survey data from Kominfo in 2017 shows that half of the people in Indonesia already have smartphones. Java Island was ranked first with the largest number of Smartphone users at 86.60%, followed by other islands such as Sumatra 84.14%, Kalimantan 52.12%, Bali and Nusa Tenggara 45.24%, Sulawesi 43.82%, and Maluku and Papua 27.68%.

This is what triggers the competitiveness among Smartphone manufacturers are required to understand well the consumer behavior, purchasing power, tastes, and social culture as well as to innovate both in physical form and Smartphone service features in order to meet market demand and maintain the company's existence. Each smartphone manufacturer strives to find excellence, gives satisfaction and strives to retain its consumers so as not to cause consumers to move from one producer to another. Purchasing behavior of people in Indonesia towards the type of smartphone because consumer knowledge about the type of smartphone has increased and now they are more aware of their needs and desires more than ever before. Various studies have identified factors that can influence Smartphone purchasing decisions related to consumer characteristics and features of a Smartphone. Things done by smartphone manufacturers include price wars, promotions, product quality, social factors (Ahmad & Ahmad, 2014), features, brand names, endurance (Sata, 2013). The position of the Smartphone has also been aligned with the computer but in small form and presents sophisticated features with technology that is always developing to cause extraordinary effects on consumers making it vulnerable to switch to various types and brands.

Consumer behavior when buying any product including Smartphone not only concerns his own behavior, but a combination of the behavior of others who help or support the purchasing process that can work as an initiator, influencer, and decision maker and the level of involvement of all these people may differ in each purchase (Jain & Singh, 2019). Consumer behavior is influenced by many variables, ranging from personal motivation, needs, attitudes and values, personality characteristics, socio-economic and cultural background, age, gender, professional status to social influences of various types provided by family, friends, colleagues and society as a whole (Uddin, Lopa, & Oheduzzaman, 2014).

Based on the research description and phenomena explained previously, this study aims to determine the effect of Smartphone choice and Reason To Change Smartphone on Repurchase with Customer Satisfaction as an Intervening variable.

RESEARCH METHOD

Respondents in this study amounted to 400 people who use the smartphone and make repeat purchases. The data used in this study are primary data that is data obtained directly through surveys by distributing questionnaires to respondents and collecting the results of questionnaires that have been obtained. In the measurement used a Likert scale which is a format that can be used to determine or determine the value of the three variables. The applications used for the instrument are: 1) Strongly Agree, 2) Agree, 3) Disagreeing, 4) Disagreeing, and 5) Strongly Disagreeing. Then determine the relative importance of the five answers that can affect the perception of respondents, namely: Strongly Agree (5), Agree (4), Disagree (3), Disagree (2), and Strongly Disagree (1). The PLS-SEM analytical method was used in this study, with two evaluation steps: measurement evaluation (outer model) to assess the model's validity and reliability through the validity of convergent and discriminant functions, and structural evaluation (inner model) to predict the relationship between latent variables.

Table 1. Operationalization of Variables

Conceptual Definition	Indicator	Measurement Scale
Smartphone choice variables are influenced by several independent dimensions such as price, brand, interface, size and property of the study (Karjaluoto et al., 2005) and (Mack & Sharples, 2009), while according to (Sata, 2013) price, social factors, durability, brand name, features, service. According to (Mokhli & Yaakop, 2012) features, images, prices, recommendations, durability, after sales service.	Consider the price before choosing a Smartphone (SC 1)	(Likert Scale) 1 = strongly disagree 2 = disagree 3 = neutral 4 = agree 5 = strongly agree
	Nowadays, using a branded product is a matter of necessity as well as a desire. (SC 2)	
	Choose a Smartphone because it's easy to use (SC 3)	
	Choose a Smartphone because the size is in accordance with the wishes of the customer (SC 4)	
	Choose a smartphone that has complete features (SC 5)	
	Choose a smartphone that is durable (SC 6)	
	Influence of others in the smartphone selection process (SC 7)	
The Reason to Change Smartphone is the main reason for consumers to replace a Smartphone (Karjaluoto et al., 2005)	The desire to replace a Smartphone with more complete features and services (RC 1)	(Likert Scale) 1 = strongly disagree 2 = disagree 3 = neutral 4 = agree 5 = strongly agree
	The desire to replace a Smartphone because of the influence of others (RC 2)	
Consumer satisfaction is someone feeling happy or disappointed resulting from comparing products or perceived service performance (or results) based on expectations. If performance or experience is far from expectations, consumers are not satisfied. If as expected, consumers are satisfied (Panjaitan, 2018)	Satisfaction with the price of Smartphones offered (CS 1)	(Likert Scale) 1 = strongly disagree 2 = disagree 3 = neutral 4 = agree 5 = strongly agree
	Branded products that provide a satisfying experience (CS 2)	
	Satisfaction with the ease of use of a Smartphone (CS 3)	
	The size of the smartphone in accordance with consumer desires provides convenience in its operation (CS 4)	
	Complete features provide satisfaction (CS 5)	
	Satisfaction with a Smartphone that can last a long time (CS 6)	
	Satisfaction with services after purchase such as repair services or spare parts (CS 7)	
	Satisfaction with Smartphone recommendations from others (CS 8)	
Repurchase or known as Repurchase or Replacement Sale is when consumers feel satisfied with a product or service so that they use the product or service again (Panjaitan, 2018).	consumers will buy a smartphone with the same brand (RP 1)	(Likert Scale) 1 = strongly disagree 2 = disagree 3 = neutral 4 = agree 5 = strongly agree
	Consumers will buy a smartphone with the same brand with a newer version (RP 2)	

RESULTS AND DISCUSSION

The data collected shows that 63% or 251 respondents were male gender, while 37% or 149 respondents were female. Based on age groups, ages 26-30 years are 169 respondents, followed by groups with an age range above 30 years that is 125 respondents. Then the age range of 21-25 years was 71 respondents, the age range of 17-20 years was 33. And finally the age below 17 years was 2 respondents. Based on the type of work Private / Self-employed work dominates in terms of Smartphone usage which is equal to 47.75% or 191 respondents. Then 28% or 112 respondents who are entrepreneurs, 8.75% or 35 respondents who work as civil servants / military / police, 8% or 32 student respondents and the rest for those who have not worked and housewives.

The results of the Convergent Validity test can be seen in Table 4.2 d where the value of AVE for each variable is above 0.50. The lowest Average Variance Extracted (AVE) value is 0.943 in the RP (Repeat Purchase) construct. Convergent Validity can also be seen from the factor loading (FL) value, if the FL value is greater than 0.50 then the questionnaire can be said to be valid.

Table 2. Average Variance Extracted (AVE)

	AVE
CS	0,531389
RC	0,815282
RP	0,943285
SC	0,734623

Source : Primary Data, 2022

Another method to find out a questionnaire item is said to be valid one of which is Discriminant Validity. Discriminant validity of the measurement model with reflective indicators is assessed based on cross loading measurements with constructs.

Table 3. Cross loading

	CS	RC	RP	SC
CS1	0,793755	0,28737	0,626256	0,731859
CS2	0,698431	0,243106	0,295444	0,421201
CS3	0,723432	0,279706	0,295526	0,476238
CS4	0,72216	0,26795	0,691052	0,596381
CS5	0,723635	0,267948	0,688252	0,597104
CS6	0,696745	0,198268	0,382927	0,643049
CS7	0,770287	0,234224	0,505537	0,76901
CS8	0,6971	0,201563	0,303473	0,438918
RC1	0,271988	0,876931	0,224202	0,27624
RC2	0,335311	0,928201	0,307764	0,291348
RP1	0,592372	0,295541	0,972177	0,631567
RP2	0,717661	0,286092	0,97028	0,709813
SC1	0,617232	0,247569	0,523321	0,760412
SC2	0,702698	0,236712	0,533295	0,833101
SC3	0,758961	0,319876	0,729737	0,932649
SC4	0,721553	0,257708	0,604067	0,901745
SC5	0,722643	0,283627	0,674023	0,910862
SC6	0,571621	0,237605	0,461316	0,767074
SC7	0,824783	0,293551	0,584708	0,876941

Source : Primary Data, 2022

Table 3 Proves that the correlation value between each variable with its contract is greater than the correlation value of other constructs. So, with this that the measuring instrument proves discriminant validity criteria. The last part of the outer model is Reliability. For the reliability method that measures a construct, it can be evaluated with two kinds of measurements, namely Composite Reliability and Cronbach Alpha.

Table 4. Cronbach's Alpha & Composite Reliability

	Cronbachs Alpha	Composite Reliability
CS	0,876420	0,900523
RC	0,776863	0,898169
RP	0,939891	0,970815
SC	0,938726	0,950662

Source : Primary Data, 2022

Table 4 Proves that both the Cronbach's Alpha value and the Composite Reliability value have values above 0.7. for the largest CA and CR values is RP (Repurchase). So, besides fulfilling the Discriminant Validity and Convergent Validity criteria, the questionnaire in this study also fulfills the Reliability requirements.

Table 5. R Square

	R Square
CS	0,68383
RC	0,115373
RP	0,089704
SC	

Source : Primary Data, 2022

Based on Table 5 it can be seen that the value of $R^2 = 0.68$ for the Customer Satisfaction variable is in the good category and the Reason to Choice and Repurchase variables are in the weak category. The coefficient value R^2 (R-square) shows how much influence the independent variable (X) has on the dependent variable (Y).

For the significance of the model in testing the structural model can be done by testing the hypothesis obtained from the results of bootstrapping, namely in the Path Coefficient table. In other words, the T-statistic test is intended to test whether the independent variable partially influences the dependent variable. In this study alpha was used at 5%, so the T-table value obtained was 1.96, where H1 was accepted and H0 was rejected when the T-statistic value was greater than T-Table (1.96).

Table 4. Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics ((O/STERR))
CS -> RC	0,339667	0,340952	0,039684	0,039684	8,559294
RC -> RP	0,299506	0,302593	0,049454	0,049454	6,056269
SC -> CS	0,82694	0,828306	0,019206	0,019206	43,056002

Source : Primary Data, 2022

Determine the value of t as a comparison seen from table t . If the significance level is 5%, the value of t is 1.96. Then the way is to compare the t value with the statistical T value for each relationship between constructs. And to see whether the influence can be seen from the original sample path coefficient.

CONCLUSION

The first variable measured is Smartphone Choice which has positive and significant results with T -Statistics value of $43,056 > 1.96$ between Smartphone Choice and Customer Satisfaction. This is in line with previous research that has a significant influence between product quality, brand, shopping experience on customer satisfaction (Utami & Trianasari, 2019). Then according to (Harwani & Safitri, 2017) that security has a positive and significant influence on customer satisfaction and ease of use also has a positive and significant effect on customer satisfaction.

Furthermore, a large number of jobs in the field of psychology and communication consistently found that an increase in screen size positively affected various domains, one of which was Smartphone User Satisfaction. Customer satisfaction with products or services was significantly influenced by customer evaluations of product features or services. According to respondents felt that product durability, product quality, and processor exceeded respondents' expectations, so that product durability, product quality, and processor were able to increase customer satisfaction. the more customers are influenced by positive evaluations from others, the greater the level of satisfaction of their customers. Factors influencing customers to obtain new smartphones are new features and technical properties and the influence of others. This motif belongs to the commitment structure component. Affective Commitment is a force that binds customers because of positive desires and feelings and is developed through a number of factors such as increasing customer satisfaction and trust (Al-Abdi & Kang, 2010).

Customer satisfaction has a significant relationship with normative commitment (Mbango, 2018). Customer satisfaction will have a positive impact on calculative commitments. The construct of commitment is modeled as a mediating effect of satisfaction on loyalty. With a statistical value of $8559 > 1.96$, a positive and significant result was obtained between Customer Satisfaction and Reason to Change. Factors that influence smartphone repurchases are Reason to Change. Obtained positive and significant results between Reason to Change against Repurchase with T -statistic $6.056 > 1.96$ and the mean sample value 0.302. in line with previous research conducted. The property or features offered by Smartphones including functionality, usability and design significantly influence customer satisfaction. The more features made by the manufacturer, the more it will attract consumers to buy back. According to Kotler (2009) in the journal (Belopa, 2015) the main factors influencing one's interest in repurchasing are psychological, personal and social.

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