

The Customer Engagement Effect on Customer Loyalty (Case Study: Marketplace Retailer)

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Abstrak: Penelitian ini bertujuan untuk mengetahui pengaruh keterlibatan pelanggan terhadap loyalitas pelanggan pada *marketplace retailer*. Penelitian ini menggunakan metode kuantitatif dengan menggunakan data yang dikumpulkan melalui kuesioner dari konsumen *marketplace*. Dengan menggunakan model persamaan sekuensial (SEM), kumpulan data dianalisis untuk mengamati signifikansi hubungan untuk melihat peran keterlibat pelanggan terhadap loyalitas pelanggan. Penelitian ini termasuk dalam penelitian *explanatory research* dengan menggunakan sampel sebanyak 104 responden yang diambil dari populasi konsumen pengguna marketplace. Pengambilan sampel menggunakan Teknik *purposive sampling* dengan karakteristik sampel seperti usia, pekerjaan, penghasilan. Alat uji yang digunakan untuk menguji instrumen penelitian ini berupa uji validitas, uji reliabilitas, dan uji asumsi klasik. Uji hipotesis dilakukan menggunakan uji t. Hasil dari penelitian terdapat pengaruh *customer engagement* terhadap *customer loyalty* dibuktikan dengan nilai signifikansi $< 0,01$ dimana lebih kecil dari nilai *alpha* 0,05. Penelitian ini menyoroti pentingnya keterlibatan pelanggan untuk meningkatkan loyalitas pelanggan yang dibuktikan dengan hasil penelitian sebesar 67,6 % variable X berpengaruh terhadap variable Y, dimana *Customer Engagement* memiliki pengaruh positif terhadap *Customer Loyalty*.

Kata Kunci: *Customer, Engagement, Loyalty, Effect, Marketplace Retailer*

Abstract: This research aims to determine the effect of customer involvement on customer loyalty in marketplace retailers. This research uses quantitative methods using data collected through questionnaires from marketplace consumers. Using sequential equation modelling (SEM), the data set was analyzed to observe the significance of the relationship to see the role of customer engagement on customer loyalty. This research is included in explanatory research using a sample of 104 respondents taken from the consumer population of marketplace users. Sampling used a purposive sampling technique with sample characteristics such as age, occupation, and income. The test tools used to test this research instrument were validity tests, reliability tests and classic assumption tests. Hypothesis testing is carried out using the t-test. The results of the research show that there is an influence of customer engagement on customer loyalty, proven by a significance value of < 0.01 , which is smaller than the alpha value of 0.05. This research highlights the importance of customer involvement to increase customer loyalty as proven by research results of 67.6% of variable X affecting variable Y, where Customer Engagement has a positive influence on Customer Loyalty.

Keywords: *Customer, Engagement, Loyalty, Effect, Marketplace Retailer*

INTRODUCTION

Amid the advancement of Indonesia's e-commerce industry, retail companies still survive even though they have to compete with online stores. Offline retail can survive because many consumers prefer to come to the store and see a product before purchasing. However, with e-retailing, consumers now have access to buy retail products quickly and easily via the Internet) Shopping on mobile apps has grown exponentially because of the proliferation of smart mobile devices that is symbiotic with the increasing tendency of on-the-go consumers requesting "anytime, anywhere, and anything". In a retailing context, a large proportion of marketing budgets has been allocated to mobile apps as a strategic way to enhance the customer experience and to enable retailers to remain competitive as such, retail mobile apps are becoming a powerful, ubiquitous, and timely service delivery channel. However, given the easily installed/uninstalled nature of mobile apps, the extensive competitionness within retailing markets, and the limited internal phone storage that consumers typically face, attaining customer stickiness to those particular mobile apps that facilitate their engagement is regarded as the biggest challenge



for contemporary retailers. Firms invested their resources in improving their information technology adoption capability (Nugroho and Heykal 2023; Nugroho, Prijadi, and Kusumastuti 2022). They even strategize their technology transformation (Banjarnahor et al. 2022; Wijaya et al. 2021). Thus, an understanding of how retail mobile apps could enhance the online shopping experience of customers and then facilitate customer engagement is of prime importance for such retailers (Ho et al. 2022).

Customer relationships become one of the main issues in marketing or business organizations, with several authors emphasizing its importance in business. Customer engagement (CE) refers to a broader “transcending” relational perspective and is described as a significant tool for building and improving relationships with customers, namely service relationships. Engagement implies a deeper relationally based level and thus, has an important place in contributing to the understanding of customer outcomes, namely loyalty-related outcomes. Correspondingly, revealed the increasing trend in companies trying to encourage their customers to be involved in this kind of nontransactional behaviours that go beyond purchase intentions. (Fernandes and Esteves 2016).

Customer engagement refers to the level of customer value contributions to a particular firm/retailer. In this regard, direct contributions are manifested as customers making purchases from the retailer, whereas non-purchase behaviours such as customer referrals, customer influences, and customer feedback or suggestions reflect indirect contributions from customers to the retailer. As of late, the rapid advancement of mobile technologies such as smartphones, tablets and other mobile devices has enabled retailers to develop interactive and inclusive mobile apps that substantively enrich the online experience of customers. For instance, retail mobile apps allow customers to leave reviews, star ratings, recommendations, or add photos/videos, and even interact and post follow-up questions directly to retailers and other customers throughout the pre-, during-, and post-purchase stages. According to Hilken et al. (2018), to engage customers successfully, the experience within a virtual service channel (retail mobile app) should mimic “real” shopping. The spatial presence experience (SPE hereafter), which is defined as the feeling of realism or “being there” (Hilken et al., 2017; Lee, 2004), is therefore a crucial factor in explaining consumers’ active engagement to retailers through mobile apps. When customers sense a spatial presence, the technology-mediated nature of the virtual environment is neglected and their online shopping experience becomes as authentic as it is in physical stores. Although the existing literature advocates that customer experience and customer engagement are strongly related in both physical and online environments, the literature has not specifically identified the essence of SPE in retail mobile apps, nor has it empirically examined how this experience enhances customer engagement. (Ho et al. 2022). Engagement research across a wide range of service contexts is expected to contribute more effectively to furthering scholarly understanding of the engagement process.

The objective of this study is to examine the influence of customer engagement on customer loyalty in the context of an online retail marketplace. Since both customer engagement and customer loyalty are behavioural, this study argues that through the correct research methodology, the main results will show that more customers engaged in the online application would result in higher loyalty in both applications and stores. Using cross-sectional data gathered through the survey, we would elaborate on the findings and extract conclusions. Finally, this research also provides limitations and suggestions for future research.

Customer Engagement

The development of marketing science has suggested that customer engagement is one of the significant thoughts that may produce desirable value and finances for the organization. Customer engagement can be seen from different fields of science including psychological (Brodie et al. 2011) and behavioural (van Doorn et al. 2010). Prior research has measured customer engagement differently such as customer-platform digital interactions (Itani et al., 2020), customer purchases (e.g., McLean et al. 2020), customer feedback (Wang 2020), and customer referrals (Newman et al., 2018). Such idiosyncratic conceptualizations and discrete operationalizations reveal incomplete and ambiguous ways customers can add value to a firm/retailer which might hinder both scholarly and practical advancements in the studied matter. Against this backdrop, Pansari and Kumar (2017) attempted to provide a holistic approach to customer engagement, defining it as “the mechanics of a customer’s value additions to the firm, either through direct contributions (i.e., customer purchases) and/or indirect contributions (i.e., customer referrals, online influences, and feedbacks). They have also urged further empirical research to contribute to the emerging theory of customer engagement.

Directly responding to such a call, in this studied context, we adapt Pansari and Kumar’s (2017) holistic perspective to conceptualize and investigate customer engagement that encompasses all customer activities towards a retailer through their mobile apps. In particular, customer purchase behaviours refer to repeating or making additional purchases via mobile apps that can directly contribute to the retailer’s value (Iyer, Davari, and Mukherjee 2018). Concerning indirect contributions, customer referrals allude to the willingness and the extent to which current customers advise potential customers to do transactions with the retailer through mobile apps. Customer online influence is described as spreading positive word of mouth and sharing satisfactory experiences with particular mobile apps in online/social media environments. Moreover, feedbacks denote consumers’ suggestions or sharing of knowledge to the retailer through mobile apps (Ho et al. 2022)

The measurement for customer engagement was derived from Kumar and Pansari’s (2016) reflective-reflective, second-order construct with the four dimensions of customer purchases, referrals, influences, and feedback.

Customer engagement is one of the keys to the success of a business which is part of the relationship marketing concept. Customer engagement is a communication relationship or interaction that exists between external stakeholders such as customers and producers or companies through various channels. Customer engagement in this marketing process can be done offline, namely direct interaction with producers or through online using social media. An indicator of the success of customer engagement is an increase in consumption and demand for a product or service. The good relationship that exists between the company and customers based on engagement will create loyalty to continue choosing the company’s products or services regularly. Creating good customer engagement, in the long run, causes customers to continue using the services your company has. Customer engagement can be measured using five dimensions, namely; identification, enthusiasm, attention, absorption, and interaction. Customer engagement can be defined as a psychological process, behavioural manifestation, and motivational psychological state. Two perspectives can be used to measure customer engagement, namely; rational perspective and emotional perspective. Antecedent factors for customer engagement are information quality, system quality, virtual interactivity,

and rewards. This description indicates that the measurement of customer engagement is quite complex and varied.

Customer Loyalty

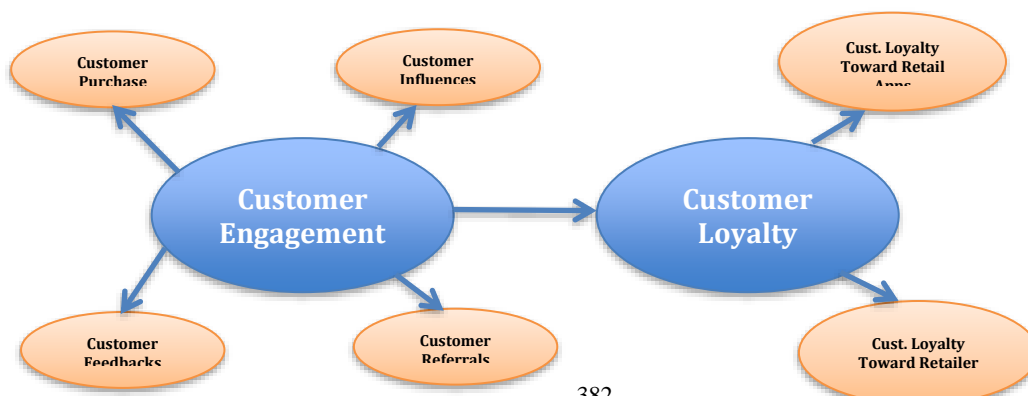
A customer’s tendency toward certain brands, services, products, or activities can be defined as customer loyalty. While there is no singular definition of customer loyalty (Oliver 1999), it could be understood as primary attitude towards a brand which expressed in behavior.

Many researchers and consultants argue that there must be a strong “attitudinal commitment” to a brand for true loyalty to exist. This is seen as taking the form of a consistently favourable set of stated beliefs towards the brand purchased. These attitudes may be measured by asking how much people say they like the brand, feel committed to it, will recommend it to others, and have positive beliefs and feelings about it ± relative to competing brands. The strength of these attitudes is the key predictor of a brand’s purchase and repeat patronage. This is what Oliver has in mind when he defines customer loyalty as A deeply held commitment to rebuy or patronize a preferred product or service consistently in the future, thereby causing repetitive same brand or same brand set purchasing despite situational influences and marketing efforts having the potential to cause switching behaviour (Uncles et al., 2003).

Loyalty toward retailers represents customers’ eagerness to consider the retailer their first choice, do more business with the retailer, provide positive reviews for the retailer, and recommend the retailer to other people (Zeithaml et al., 1996). Satisfied customers possess fewer reasons to switch to other service providers and are more willing to repeat their transactions with the same outlet (Molinillo et al. 2020). They are also less likely to search for other information and switch to competitor offerings (Lee et al. 2015). Previous research has asserted that customers’ online experience with an e-service might influence their satisfaction and lead to loyalty toward the service provider (Luarn and Lin 2003). Molinillo et al. (2020) and Rubio et al. (2017) are in agreement that customers’ satisfaction with online retail applications would increase their loyalty to the stores or retailers.

RESEARCH METHOD

The purpose of this study is to discuss the effect of context as a factor that can facilitate and/or inhibit Customer engagement. We argue that customers may hold different propensity to engage in a relationship with their provider depending on the specific service context. Different propensities will, in turn, influence more or less favourable behavioural outcomes. We begin by presenting the literature relevant to this research, namely CE and customers' propensity to engage in relationships with their service providers. Next, we present the research methodology and discuss the main results. Through a convenience 104 sample consumers/respondents.



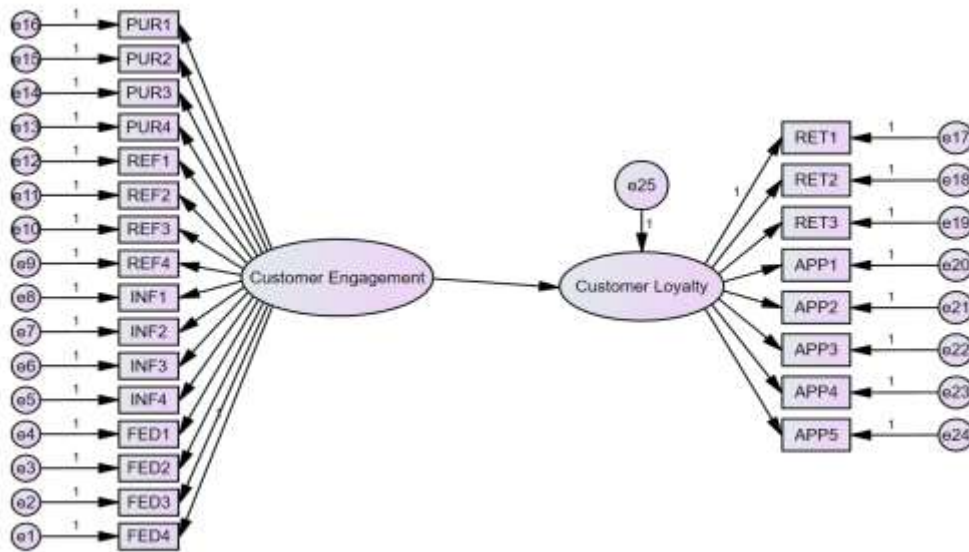


Figure 1: Hypothesis Model

Table 1 shows that based on gender, most respondents were Male (64%), then based on age, the most respondents were aged 18–30 years (93%), then based on Job the most respondents were Student/College (38%), then based on income the most respondents have income < Rp. 1.000.000, Meanwhile, based on the type of device the most respondents using handphone (95%).

Table 1 : Respondents Description

Characteristic	Classification	Frequency	Percentage (%)
Gender	Male	67	64%
	Female	37	36%
	Total	104	100%
Age	Under 17	5	5%
	18 to 30	97	93%
	31 to 40	2	2%
	41 to 50	0	0%
	50 or above	0	0%
	Total	104	100%
Latest Education	SD	0	0%
	SMP	2	2%
	SMA/SMK/setara	61	59%
	Diploma	4	4%
	Strata 1 (S1)	36	35%
	Strata 2 (S2)	1	1%
	Strata 3 (S3)	0	0%
	Total	104	100%

Job	Student/College student	39	38%
	Employee	19	18%
	Civil Servant	1	1%
	Wiraswasta	22	21%
	Labour	17	16%
	Lecturer/Teacher/Tutor	2	2%
	Praktisioner	0	0%
	House Wife	3	3%
	Retirement	1	1%
	Total	104	100%
Income	< Rp. 1.000.000,-	38	37%
	Rp. 1.000.000 s.d Rp. 2.500.000,-	17	16%
	Rp. 2.500.000 s.d Rp. 5.000.000,-	24	23%
	Rp. 5.000.000 s.d 7.500.000,-	18	7%
	> Rp. 7.500.000,-	7	7%
	Total	104	100%
Device	Handphone	99	95%
	Tablet/Ipad	2	2%
	Laptop	3	3%
	Total	104	100%

Research variables, namely; customer engagement, and customer loyalty are measured using a five-point Likert scale, namely; strongly disagree, disagree, neutral, agree, strongly agree. Measurement of Customer Engagement variables uses a measurement developed by (Ho et al. 2022) are customers purchase, customer influences, customer feedbacks, customer referrals and measurement of Customer Loyalty variables, develop measurement by (Uncles et al., 2003) are customer royalty towards retailer apps and customer loyalty toward retailer.

This research generally aims to see how customer engagement is influenced on customer loyalty to marketplace retailers. In accordance with the research question, then the appropriate method for this research is explanation research. According to Umar (1999: 36), Explanatory Research is a research method carried out to investigate the relationship between one variable and another variable, or how a variable affects other variables. Data collection techniques were carried out by conducting interviews and distributing questionnaires to 104 respondents using purposive techniques sampling with characteristics aged between 17-50 years and have ever used online shopping application. Data analysis in this research was carried out using path analysis (Path Analysis) to find out how the independent variables influence dependent variable using data processing techniques using the IBM SPSS application program version 29. To test the research instrument using validity and reliability tests. The classical assumption tests used are the normality test, heteroscedasticity test and test linearity. Meanwhile, hypothesis testing is carried out using the t test.

RESULT

From the results of distributing 104 questionnaires, the following research results were obtained:

Validity Test and Reliability Test

		Correlations									
		X2_1	X2_2	X2_3	X2_4	X2_5	X2_6	X2_7	X2_8	X2	
X2_1	Pearson Correlation	1	.718**	.833**	.601**	.665**	.645**	.619**	.566**	.624**	
	Sig. (2-tailed)		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_2	Pearson Correlation	.718**	1	.717**	.628**	.594**	.889**	.713**	.586**	.692**	
	Sig. (2-tailed)	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_3	Pearson Correlation	.633**	.717**	1	.668**	.525**	.593**	.585**	.663**	.615**	
	Sig. (2-tailed)	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_4	Pearson Correlation	.601**	.628**	.668**	1	.692**	.599**	.583**	.518**	.603**	
	Sig. (2-tailed)	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_5	Pearson Correlation	.665**	.594**	.525**	.692**	1	.759**	.679**	.649**	.642**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_6	Pearson Correlation	.645**	.645**	.593**	.599**	.759**	1	.703**	.655**	.653**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_7	Pearson Correlation	.619**	.713**	.585**	.583**	.673**	.703**	1	.618**	.630**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	
X2_8	Pearson Correlation	.566**	.586**	.663**	.518**	.649**	.655**	.618**	1	.793**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		
	N	104	104	104	104	104	104	104	104	104	
X2	Pearson Correlation	.624**	.652**	.615**	.603**	.642**	.653**	.620**	.793**	1	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104

** Correlation is significant at the 0.01 level (2-tailed).

Figure 2: Validitas Test Variable Y (Cust. Loyalty)
(Source : Data Process, SPSS 29)

		Correlations																	
		X1_1	X1_2	X1_3	X1_4	X1_5	X1_6	X1_7	X1_8	X1_9	X1_10	X1_11	X1_12	X1_13	X1_14	X1_15	X1_16	X1	
X1_1	Pearson Correlation	1	.619**	.644**	.623**	.607**	.613**	.596**	.538**	.479**	.598**	.558**	.630**	.631**	.517**	.535**	.646**	.730**	
	Sig. (2-tailed)		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_2	Pearson Correlation	.619**	1	.643**	.636**	.601**	.445**	.510**	.562**	.452**	.429**	.566**	.574**	.628**	.415**	.334**	.493**	.650**	
	Sig. (2-tailed)	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_3	Pearson Correlation	.644**	.643**	1	.746**	.699**	.684**	.711**	.613**	.642**	.653**	.649**	.672**	.648**	.604**	.641**	.671**	.630**	
	Sig. (2-tailed)	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_4	Pearson Correlation	.623**	.636**	.746**	1	.651**	.618**	.731**	.675**	.706**	.690**	.778**	.639**	.643**	.643**	.538**	.666**	.631**	
	Sig. (2-tailed)	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_5	Pearson Correlation	.607**	.601**	.699**	.651**	1	.725**	.698**	.748**	.679**	.665**	.644**	.611**	.738**	.636**	.640**	.665**	.641**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_6	Pearson Correlation	.613**	.445**	.684**	.618**	.725**	1	.766**	.718**	.736**	.653**	.689**	.651**	.645**	.636**	.738**	.665**	.636**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_7	Pearson Correlation	.596**	.510**	.684**	.651**	.725**	.766**	1	.614**	.736**	.607**	.778**	.670**	.617**	.650**	.655**	.662**	.671**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_8	Pearson Correlation	.538**	.452**	.642**	.675**	.748**	.718**	.614**	1	.615**	.618**	.668**	.595**	.652**	.506**	.593**	.653**	.616**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_9	Pearson Correlation	.479**	.429**	.649**	.706**	.679**	.736**	.798**	.679**	1	.725**	.668**	.796**	.588**	.725**	.649**	.716**	.637**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_10	Pearson Correlation	.598**	.429**	.684**	.651**	.698**	.607**	.614**	.736**	.725**	1	.777**	.749**	.648**	.676**	.688**	.681**	.637**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_11	Pearson Correlation	.558**	.506**	.642**	.738**	.644**	.585**	.736**	.668**	.607**	.778**	1	.762**	.643**	.651**	.703**	.637**	.644**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_12	Pearson Correlation	.436**	.374**	.672**	.639**	.611**	.651**	.670**	.595**	.736**	.749**	.762**	1	.613**	.666**	.635**	.671**	.796**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_13	Pearson Correlation	.531**	.626**	.648**	.645**	.736**	.545**	.617**	.653**	.566**	.640**	.642**	.613**	1	.726**	.693**	.659**	.609**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_14	Pearson Correlation	.577**	.615**	.684**	.643**	.636**	.638**	.697**	.588**	.725**	.616**	.631**	.659**	.726**	1	.750**	.746**	.611**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_15	Pearson Correlation	.535**	.334**	.641**	.538**	.640**	.656**	.593**	.649**	.699**	.783**	.635**	.683**	.756**	.750**	1	.688**	.614**	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001		<.001	<.001	
	N	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
X1_16	Pearson Correlation	.643**	.452**	.675**	.666**	.625**	.665**	.662**	.653**	.716**	.691**	.637**	.671**	.654**	.746**	.639**	1	.642**	

(Source : Data Process, SPSS 29)

then a reliability test was carried out, the value was 0.966, which is greater than 0,8, thus showing very good reliability results. The results of the reliability tests carried out can be concluded that all variables used have a Cronbach Alpha coefficient value >0.80. So that It can be said that the statement instrument used in conducting research This is declared reliable or trustworthy.

Reliability Statistics	
Cronbach's Alpha	N of Items
.966	16

Figure 4: Reliability Test
(Source : Data Process, SPSS 29)

T Test

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	5.636	1.688		3.338	.001		
	X1	.407	.028	.822	14.576	<.001	1.000	1.000

a. Dependent Variable: Y

Figure 5: T-Test
(Source : Data Process, SPSS 29)

Based on the results of data processing by carrying out the T test, the results obtained are significant values sig <.001 which are smaller or below 0.05, which means that variable X has an influence on variable Y.

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.822 ^a	.676	.672	3.80966

a. Predictors: (Constant), X1
b. Dependent Variable: Y

Figure 6: Koefisien Determinasi
(Source : Data Process, SPSS 29)

Based on Figure 5 and Figure 6, it can be seen that the t value is calculated for the Customer Engagement variable (X) to the Customer Loyalty (Y) variable is the significance value of the variable customer engagement (X) is <.001, smaller than 0.05. These results provide conclusions that the regression of the interactivity variable (X) has a significant effect on the variable (Y). The R square value in Figure 6 is 0.676, This shows that there is an influence between variable X and variable Y amounting to 67.6%

while the remaining 32.4% is the contribution of other variables not discussed in the research.

CONCLUSION

This research has achieved its objective by establishing relationships between customer engagement and customer loyalty. The research data conclude that customer engagement (CE) positively influences customer loyalty (CL). This research also suggests that customer involvement can increase customer loyalty with the results being 67.6% influential and the remainder influenced by other factors.

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