Determinants Of Repurchase Intention Using Customer Satisfaction As An Intervening Variable On Green Skincare Consumers In East Java

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Abstract :
This research aims to analyze the influence of perceived quality, price fairness and green products on repurchase intention through customer satisfaction. This research is explanatory research. Sampling technique in this research uses a purposive sampling method. Respondents in this study were green skincare consumers who were over 17 years old and lived in East Java. The total sample for this study was 385 respondents. This research data was processed using Structural Equation Modeling (SEM) analysis techniques. AMOS 24th version. This research proves that perceived quality, price fairness and green products has a significant direct and indirect effect on repurchase intention through customer satisfaction. Customer satisfaction has a significant effect on repurchase intention.
Keywords: Perceived quality, Price Fairness, Green product, Customer satisfaction, Repurchase intention

I. Introduction

East Java produces 1.6 million tons of waste every year and is the third province in Indonesia that produces the most waste. The amount of waste produced is directly proportional to the number of cosmetic industries in East Java. East Java is one of the provinces that has the potential to develop cosmetics marketing with a total of 39 companies, in other words, East Java has a promising market share for the cosmetics business sector. The needs and desires of a dynamic and fast market mean that business actors must be more creative in interpreting opportunities and threats in the market. Based on environmental issues and problem of plastic waste, skincare companies are starting to emerge that apply the green concept and focus on creating environmentally friendly products.

Green skincare has advantages compared to skincare in general, however, not everyone uses it. According to [1], repurchase intention is an important thing to pay attention to, especially in efforts to increase product sales. Therefore, further research is needed to find out what factors influence consumer's repurchase intentions for green skincare products. According to research by [2] perceived quality and price fairness are factors that influence repurchase intention because the better the consumer's perception of price fairness and perceived product quality, the higher the consumer's intention to repurchase a product. According to research from [3], one thing that makes consumers repurchase intention is green products because green products can increase consumer confidence in the company that sells the product and create a competitive advantage for the company, thereby giving rise to repurchase intention from consumers themselves. [4] also said in their research that if customer satisfaction increases, repurchase intention will also increase and if repurchase intention decreases, customer satisfaction will also decrease or the customer will even feel dissatisfied. This research examines the determinants of repuchase intention using customer satisfaction as an intervening variable on green skincare consumers in East Java.

II. Literature Review

Perceived quality is the customer's perception of the quality of a product brand. Perceived quality will shape the perception of the quality of a product in the eyes of customers. Perceptions of the overall quality of a product or service can determine the value of the product or service and have a direct influence on consumer purchasing decisions and impact brand loyalty [5]. [6] stated that perceived quality can be measured through assuming products from a brand are high quality, product performance meets expectations, product attributes can meet functional needs, country of origin and superior compared to other brands.

[7] state that price fairness is the customer's perception of the balance between what the company gets and what the company charges for a set of attributes or products or product solutions and services offered. This

personal influence is likely influenced by external references such as other organizations and other consumers. Seeing a reasonable price will give a good impression to the company so that consumers are willing to make repeat purchases.

Green products are products that are produced using natural ingredients. The product is a green product because it uses genuine and natural herbal ingredients. Claims regarding green products are based on several reasons, namely that there are no chemicals added to the product, the ingredients are purchased from farmers who grow without synthetic fertilizers, there is no plastic waste and there is no hazardous waste [8].

According to [9] a person's behavior depends on his intentions and behavioral intentions are very dependent on subjective attitudes and norms. A person's attitudes and subjective norms are also influenced by beliefs about the consequences of behavior, therefore repurchase intention is a person's behavior caused by past behavior which directly influences the intention to reconsume in the future. Repurchase intention can be identified through transactional, referential, prefential and exploratory.

Consumer satisfaction is the combined result of perception, evaluation and psychological reactions to the experience gained from consuming goods or services, thus, it can be said that happiness is relative. The only person who can measure satisfaction with a product is the consumer who uses or consumes the product [10]

III. Conceptual Model

This study uses three exogenous variables including perceived quality (X1), price fairness (X2), and green product (X3). The intervening variable used is customer satisfaction (Y1). the endogenous variable in this study is repurchase intention (Y2). The conceptual framework is described as follows:
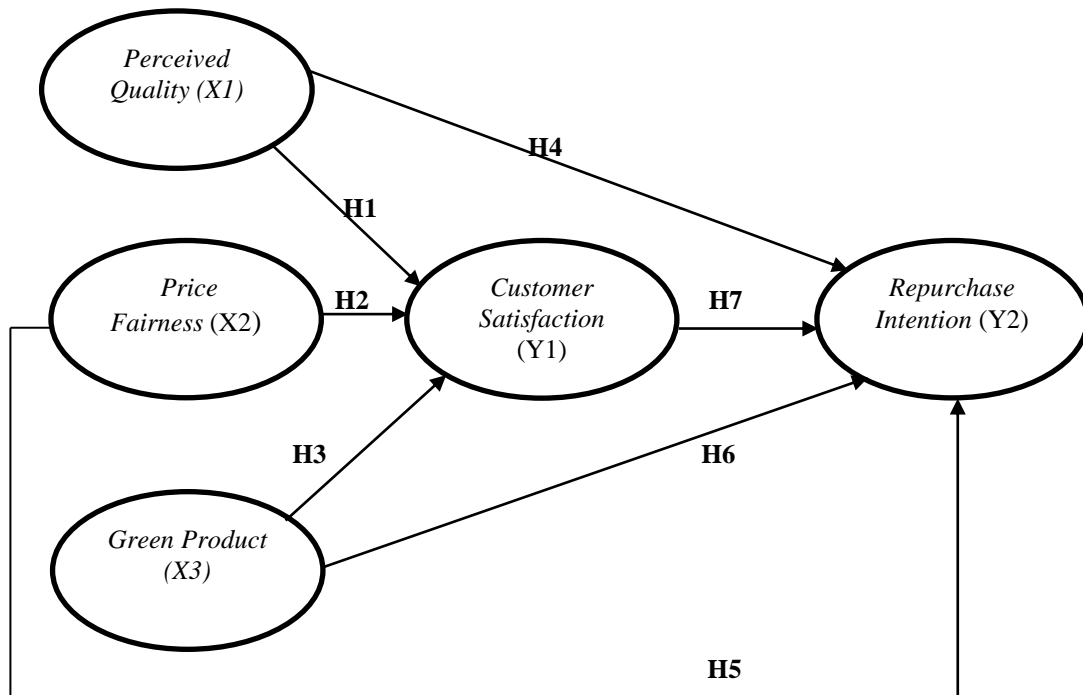

Figure 1. Conceptual Framework

Hypothesis
H1: percived quality has a significant effect on customer satisfaction
H2: price fairness has a significant effect on customer satisfaction
H3: green product has a significant effect on customer satisfaction
H4: percived quality has a significant effect on repurchase intention
H5: price fairness has a significant effect on repurchase intention
H6: green product has a significant effect on repurchase intention
H7: customer satisfaction has a significant effect on repurchase intention

IV. Material And Methods

This research is a explanatory research. The research was conducted in East Java, Indonesia. The research was conducted from Juni 2023 to August 2023. The number of samples used was 385 respondents. Determination of sample size using the Cochran formula. Respondents in this study were green skincare users.

Data analysis in this study uses a Structural Equation Model using Analysis of Moment Structure (AMOS) software.

V.   Result and Discussion

Table 1 shows that of the 8 criteria used to check the fitness of the model. 6 criteria meet Good Fit and 2 criteria meets Marginal Fit. Therefore, the equations concluded by the SEM model can be said to be in agreement with the data.

Table 1. Result of Goodness of Fit

Model Fit Criteria	Model Fit Value	Standart	Result
X_2-chi-square	210,7	$\leq 116,511$	Marginal Fit
Significance Probability	0.000	$\geq 0,05$	Marginal Fit
RMSEA	0.057	$\leq 0,08$	Good Fit
GFI	0.942	$\geq 0,90$	Good Fit
AGFI	0.904	$\geq 0,90$	Good Fit
CMIN/DF	2.266	≤ 2 or 3	Good Fit
TLI	0.945	$\geq 0,90$	Good Fit
CFI	0.962	$\geq 0,90$	Good Fit

Source: Primary Data

Hypothesis testing in this research uses SEM amos and a significance level $\alpha = 0.05$. The results of hypothesis testing can be as follows.

Tabel 2. Result of Causality Test

Hypothesis	Path Coefficent	C.R.	P-Value	Result
X1 - Y1	0,068	7,908	***	Significant
X2 - Y1	0,043	5,336	***	Significant
X3 - Y1	0,059	5,060	***	Significant
X1- Y2	0,073	4,343	***	Significant
X2- Y2	0,037	3,225	,001	Significant
X3- Y2	0,058	5,026	***	Significant
Y1- Y2	0,081	3,017	,003	Significant

Source: Primary Data

Based on Table 2, it can be seen that the results of causality testing for the influence of the Perceived Quality variable on Customer Satisfaction. The coeficient value is 0,068 in a positive direction which means this results support the first hypothesis (H1). This study also shows similar results to research [11] who stated that perceived quality has a significant effect on customer satisfaction. Customer satisfaction is significantly influenced by perceived quality. When consumers feel that a product has good quality, consumers tend to be more satisfied. This can have a positive impact on customer loyalty, positive reviews, and possible repurchase intention.

The results of this research shows that Price Fairness has a significant effect on Customer Satisfaction. The coeficient value is 0,043 in a positive direction which means this results support the second hypothesis (H2). According to research [12] by stated that price fairness has a significant effect on customer satisfaction because the majority of consumers are sensitive to price, but also consider other factors (such as brand image, store location, service, value, product features and quality). In addition, consumer perceptions of product quality are often influenced by price.

Next, the results of this research also shows that green product has a significant effect on Customer Satisfaction. The coeficient value is 0,059 in a positive direction which means this results support the third hypothesis (H3). According to [13] green products have a significant effect on customer satisfaction because green products can attract consumers and increase consumer awareness both in terms of health and the environment, so consumer satisfaction will increase.

The results of this research shows that perceived quality has a significant effect on repurchase intention. The coeficient value is 0,073 in a positive direction which means this results support the fourth hypothesis (H4). According to [14], companies need to pay attention to the quality of the products they offer because good and consistent quality can increase purchasing intentions. Some consumers will look for information regarding product quality before they make a purchase.

The results of this research shows that price fairness has a significant effect on repurchase intention. The coeficient value is 0,037 in a positive direction which means this results support the fifth hypothesis (H5). [15] stated that price fairness has a significant effect on repurchase intention. Consumers pay attention to the reasonableness of the price for repurchase decisions, if the price is directly proportional to the quality then they will repurchase.

The results of this research shows that green product has a significant effect on repurchase intention. The coeficient value is 0,058 in a positive direction which means this results support the sixth hypothesis (H6). [16] shows that green products has a significant influence on the formation of repurchase intention. To increase consumer repurchase intention, management needs to increase environmentally friendly products, set appropriate environmentally friendly prices

The results of this research shows that customer satisfaction has a significant effect on repurchase intention. The coeficient value is 0,081 in a positive direction which means this results support the seventh hypothesis (H7). According to [17], customer satisfaction has a significant effect on repurchase intention. Customer satisfaction is a consumer's assumption about whether or not the product is able to provide and meet consumer expectations.

This research also tested indirect effects. The indirect effect in this test aims to determine the indirect effect of exogenous variable constructs on endogenous variables through mediating variables or intervening variables. The value of inderect influence on perceived quality between repurchase intention is 0.154. The value of indirect influence on price fairness between repurchase intention is 0.086. The value of indirect inderect influence on green product between repurchase intention is 0.090. It can be concluded that Customer Satisfaction significantly mediates perceived quality, price fairness and Green Product on Repurchase Intention.

VI.   Conclusion

Perceived quality has a significant positive influence on customer satisfaction, when consumers have a good perceived quality of the green skincare they use, they will feel satisfaction. Price fairness has a significant positive influence on customer satisfaction, reasonable prices for consumers are important, when they feel the price of the green skincare used is reasonable, consumers will feel satisfaction. Green products has a significant positive influence on customer satisfaction, green skincare consumers in East Java tend to like green product ingredients, so when the skincare they use comes from green products, they will be satisfied. Perceived quality has a significant positive influence on repurchase intention, the better consumer's perceived quality, the more likely consumers are to repurchase intention towards green skincare, so it is important to maintain and improve product quality in order to give a good impression to consumers. Price fairness has a significant positive influence on repurchase intention, this shows that prices that consumers consider fair can be a strong factor in influencing their decision to buy a product or service again. Therefore, it is important to maintain fair prices in order to increase repurchase intention from consumers. Green products has a significant effect on repurchase intention, this shows that skincare that uses green products will increase consumers' repurchase intention. Therefore, companies that offer green products can take advantage of this as a competitive advantage and increase consumer repurchase intention. Customer satisfaction acts as an intervening variable in the results of this research. Customer satisfaction has a significant positive influence on repurchase intention, consumers who are satisfied will make repurchase intentions for the green skincare they buy.

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