RESULT OF DIGITAL MARKETING, PRODUCT QUALITY AND MEDIATION CUSTOMER SATISFACTION

Buyung Romadhoni1; Akhmad2; Muhammad Rusydi3; Mustaking4

1) Graduate Program of Management, Universitas Muhammadiyah Makassar, Indonesia
2,3) Department of Economic and Development Studies, Faculty Of Economics and Business, Universitas Muhammadiyah Makassar, Indonesia
4) Graduate Program, Public Administration, Universitas Puangrimaggalatung Sengkang, Indonesia

Email: 1) buyung@unismuh.ac.id ; 2) akhmad.pide@unismuh.ac.id ; 3) rusydi@unismuh.ac.id ; 4) takimmuhlab@yahoo.com

How to Cite:

ABSTRACT
This study aims to analyze and explain the result of 1) customer satisfaction over digital marketing; 2) customer satisfaction over product quality; 3) purchasing decisions over digital marketing; 4) purchasing decision over product quality; 5) customer satisfaction with purchasing decisions; 6) digital marketing on purchasing decisions through customer satisfaction; 7) purchasing decisions on product quality through customer satisfaction. A type approach used in this study is a quantitative approach method. The targeted people in this study are Makassar citizenship which has accounts and users of Shopee services. This study used purposive sampling with a type of judgment sampling is 95 samples. The data is collected by distributing questionnaires to students of Office Automation Management. This study uses the Structural Equational Modeling Partial Least Square (SEM-PLS) analysis method. The study result found: 1) a significant result in customer satisfaction over digital marketing; 2) a significant result in customer satisfaction over product quality; 3) a significant result in purchasing decisions over digital marketing; 4) a significant result in purchasing decision over product quality; 5) a significant result on purchasing decisions customer satisfaction; 6) through customer satisfaction, digital marketing has a significant impact on purchasing decisions; 7) customer satisfaction has a significant impact on purchasing decisions due to product quality.

KEYWORDS
Digital Marketing, Product Quality, Customer satisfaction, Purchasing Decisions.

INTRODUCTION
The evolution of information technology and telecommunications in the era of globalization has made the internet no longer a taboo subject for all people in this world. There is hardly anyone who doesn’t know the internet. The use of the internet has now been optimized in almost all life
activities, including in the economic field which includes the marketing of goods and services (Wilson et al., 2016).

Buying and selling transactions using internet media is commonly known as e-commerce. E-commerce is a business activity involving consumers, manufacturing, services, and intermediary trading using computer networks, namely the internet. The internet shows an important role in determining consumer purchasing decisions. Purchasing decisions are defined as determining one of several choices or preferences in a purchase (Whitley et al., 2018), assuming someone needs to make a decision. In that case, he must have two or more options, forming a consumer attitude to process all information and draw conclusions in the form of responses that appear when a product is purchased through the app (Bart et al., 2014).

E-commerce applications such as Tokopedia, Shopee, Blibli, Lazada and Bukalapak are widely used by small and large entrepreneurs selling their products. From 2017, e-Commerce retail sales in Indonesia will increase by 133.5% to US$ 16.5 billion, or approximately Rp. 219 trillion in 2022, as shown in the following figure:

![Figure 1. Indonesia Retail Sales e-Commerce Sales (2016-2022)](source: https://www.statista.com/statistics (2022))

Changes in shopping characteristics support the growth of e-commerce sellers in Indonesia. Consumers feel the convenience of shopping on e-commerce applications. The features on the storefront offered by the seller will attract consumers to make purchases, besides that, many choices of delivery services where consumers always want the goods they buy to reach their destination that doesn't take long, is easy, practical (Pantano, 2016). The most popular e-commerce is Shopee.

Shopee has succeeded in attracting the interest of the Indonesian people, because consumers experience many benefits when shopping at Shopee such as being able to buy daily necessities easily, quickly and safely so they can save time. Another advantage as a consumer is being able to obtain more information on a product that you want to buy so that it is possible to get the best quality product (Sudha & Sheena, 2017).

![Figure 2. Indonesian People Preferred E-Commerce Platform (2022)](source: https://goodstats.id)
Currently, Shopee is still the top e-commerce platform with up to 77% chosen by Indonesians. However, is Shopee e-commerce the right medium for deciding a purchase and how big is the impact on customer satisfaction amid intense business competition. Therefore, this research is important to do.

One of the media used to market products on e-commerce platforms is digital marketing. Communication and transactions with consumers and potential customers indefinitely with digital marketing (Gunawan & Sulaeman, 2020). Good communication can strengthen good relations with consumers. Digital marketers can also find out consumer responses to the products offered by looking at testimonials or comments posted (Ackerman & Hu, 2017). This indirectly will be a separate satisfaction for consumers because consumers feel cared for. When consumers are satisfied, consumers will give positive verification and then recommend them to others (Jacobsen, 2018).

Consumers buy products that can satisfy desires in physical form and the quality benefits of these products. Product quality is a determining factor for customer satisfaction after purchasing. Consumers will evaluate by comparing the quality of products that have been consumed or used with consumer expectations (Saleem et al., 2015). Muliasari (2020) conducted previous research on the effect of product price and quality on purchasing decisions. According to Al-Azzam and Al-Mizeed (2021), social media and mobile marketing influence consumer purchasing decisions. Then, according to the findings of Chaerudin and Syafarudin’s (2021) study, product quality has a positive and significant influence on purchasing decisions, and service quality has a positive and significant influence on customer satisfaction. Furthermore, Alwan and Alshurideh (2022) investigated the effect of digital marketing on purchase intention: the moderating effect of brand equity, his social media marketing results heavily influenced purchase decisions.

According to the description, this study aims to analyze and explain the result of 1) customer satisfaction over digital marketing; 2) customer satisfaction over product quality; 3) purchasing decisions over digital marketing; 4) purchasing decision over product quality; 5) customer satisfaction with purchasing decisions; 6) digital marketing on purchasing decisions through customer satisfaction; 7) product quality on purchasing decisions through customer satisfaction.

LITERATURE REVIEW

Buying decision
Purchase decision is a unification process that inspect exercising mindset to measure two or more substitute character s, and divinity one of them. According to De Mooij (2019), financial economics, culture, technology, politics, products, prices, physical evidence, locations, promotions, people, and processes all influence purchasing decisions (Themba, 2021). According to Kotler et al., (2015), The decision to purchase is part of consumer character. Consumer character is studied as the way for individuals, groups, and organizations purchase their need and wants and how satisfy both its service or experience. Kotler et al., (2015), suggests purchasing decisions have the following indicators: 1) The product methods; 2) Choice of dealer; 3) Time Of Purchase; 4) Purchase amount; 5) Payment method.

The Customer satisfaction
Customer satisfaction cannot be achieved if the performance resulting from the use of a product is lower than what consumers expect. Customer satisfaction with a product, both goods and services, can be influenced by several factors, including human resources or employees, service convenience, and the ongoing process of services provided by service providers to consumers (Felix, 2017). According to Kotler et al., (2015), customer satisfaction is the level of a person's impression comparing what they felt according to its purposes. Consumers can experience one of three levels of general satisfaction (Surahman et al., 2020). According to Tjiptono
(2016: 101), there are several indicators of customer satisfaction variables including: 1) Conformity expectations; 2) Interest to repurchase; 3) Willingness to recommend; 4) Making purchasing decisions at the same company; 5) Creating a brand image.

**The Correlation Digital Marketing to Customer satisfaction**
Marketing activities that use internet-based media are also referred to as digital marketing. Markets can create or join online communities, inviting consumers to participate and generating long-term marketing assets in the process (Zollo et al., 2020). Leonhardt (2015) forward in the digital era, as it is today, digital marketing through online buying and selling applications and social media is in full swing, consumers can easily find out information or buy the product they want directly (Jalaludin, 2022). Research result in Bakri (2020), and Windarsari et al., (2022) found that digital marketing significantly influences customer satisfaction.

Hypothesis 1: digital marketing significantly influences customer satisfaction.

**The Correlation between Product Quality with Customer Satisfaction**
Quality is effect news in many companies, along with fast time, elegance in meeting consumer provision (products made are always according to what consumers demand) and low selling prices, quality is a key and strategic choice (Ahmad et al., 2018). Consumers will be satisfied if their evaluation of products usages are on the high quality rate. Research result in Ibrahim & Thawil (2019) and Chaerudin & Syafarudin (2021) found that product quality significantly influences customer satisfaction.

Hypothesis 2: product quality significantly influences customer satisfaction.

**The Correlation between Digital Marketing to Purchasing Decision**
Digital marketing is a form of marketing using digital channels to reach consumers in a relevant, personal and cost-resultive way. Digital marketing can be represented through marketing content, ease of access, information sources and social media (Boon-Long & Wongsurawat, 2015). This can be interpreted, if the marketing content created by the company is very attractive so that it can reach targeted citizenship, and encourage them to become consumers, and finally can increase purchasing decisions (Dahiya & Gayatri, 2018). Research result Laluyan et al., (2019) and Kok et al., (2021) found that digital marketing significantly influences purchasing decisions.

Hypothesis 3: digital marketing significantly influences purchasing decisions.

**The Correlation between Product Quality and Purchase Decision**
Product quality describes differentiates of usages, benefits, or services from a company against competitors (Davenport & Harris, 2017), so that consumers can perceive the quality product as added values. Companies must always do some innovations for their products, thus consumer will not feel bored and have alternatives by making decisions and using the product (Hatta et al., 2018). Research result in Imaningsih & Rohman (2018), Muliasari (2020) and (Widodo & Yusiana, 2023) found that product quality with purchase decision.

Hypothesis 4: product quality significantly influences purchasing decisions.

**The Correlation between Customer satisfaction and Purchasing Decision**
Customer satisfaction is essential for building consumer loyalty. Companies benefit greatly from high levels of customer satisfaction, including increased customer loyalty, lower prices, lower marketing, failure costs, and increased corporate brand (Kotler et al., 2019). Research result in Chi (2018) and Djan & Adawiyyah (2020) found that customer satisfaction has a significant result on purchasing decisions.

Hypothesis 5: Customer satisfaction significantly influences purchasing decision.
The Correlation Digital Marketing with Purchasing Decision Through Customer Satisfaction

Digital marketing is a form of marketing using digital channels to reach consumers in a relevant, personal and cost-resultive way. Digital marketing can be represented through marketing content, ease of access, information sources and social media (Dahiya & Gayatri, 2018). This can be interpreted, if the content marketing of a company is very attractive then it could be able to reach the targeted people and encourage them to become the consumer, and finally can increase purchasing decisions and have an impact on customer satisfaction. The research result Hendrawan & Suarjana (2019) found that viral marketing has a positive and a significant result on customer satisfaction and viral marketing has a positive and a significant result on purchasing decisions.

Hypothesis 6: Digital Marketing significantly influences Purchasing Decisions Through Customer Satisfaction

The Correlation between Product Quality and Purchase Decision Through Customer Satisfaction

Consumers believe that there is a positive correlation between product quality and price, so they will compare one product to another. The consumer then decides to purchase a product. Consumer purchases will determine whether consumers are satisfied or not (Chochoľáková et al., 2015). Good quality will lead to customer satisfaction which in turn will make these consumers loyal to the product (Wijetunge, 2016). The research result in Pardede & Haryadi (2017) and Cesariana et al., (2022) found that product quality significantly influences purchasing decisions with mediation customer satisfaction.

Hypothesis 7: Product Quality significantly influences Purchase Decision Through Customer Satisfaction.

METHODS

Characterize of approach in this study is a quantitative approach method. The targeted people in this study is Makassar Citizenship who has accounts and users of Shopee services. This study used purposive sampling with a type of judgment sampling. The minimum number of samples is calculated from 5 times the number of questions. In this study, there were 19 questions, so the minimum number of samples was written 5 x 19 with the result that the minimum number of samples was 95 samples. This study uses Structural Equational Modeling Partial Least Square (SEM-PLS) analysis method.

RESULTS

Reliability and Validity Test

<table>
<thead>
<tr>
<th>Variable</th>
<th>Instrument</th>
<th>Outer Loading</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Marketing (X1)</td>
<td>X1.1</td>
<td>0.807</td>
<td>0.764</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.705</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.740</td>
<td></td>
</tr>
<tr>
<td>Product Quality (X2)</td>
<td>X2.1</td>
<td>0.782</td>
<td>0.759</td>
</tr>
<tr>
<td></td>
<td>X2.2</td>
<td>0.696</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.3</td>
<td>0.870</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.4</td>
<td>0.711</td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.5</td>
<td>0.702</td>
<td></td>
</tr>
</tbody>
</table>
The table above shows the extreme model value or correlation between the construct and the variable that is greater than 0.50, indicating that digital marketing, product quality, customer satisfaction, and purchasing decisions meet the Validity criteria.

### Table 2. Cronbach Alpha and Composite Reliability

<table>
<thead>
<tr>
<th>Variable</th>
<th>Composite Reliability</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Marketing (X1)</td>
<td>0.750</td>
<td>0.722</td>
</tr>
<tr>
<td>Product Quality (X2)</td>
<td>0.852</td>
<td>0.880</td>
</tr>
<tr>
<td>Customer Satisfaction (Z)</td>
<td>0.788</td>
<td>0.718</td>
</tr>
<tr>
<td>Purchasing Decisions (Y1)</td>
<td>0.802</td>
<td>0.763</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2022

Cronbach alpha and Composite reliability results show the digital value of marketing, product quality, customer satisfaction and purchasing decision reach above the value of 0.70 means that all instruments are reliable variables.

### Table 3. R Square Test

<table>
<thead>
<tr>
<th>Construct</th>
<th>R Square</th>
<th>Adj. R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction (Z)</td>
<td>0.386</td>
<td>0.366</td>
</tr>
<tr>
<td>Purchasing Decisions (Y1)</td>
<td>0.563</td>
<td>0.543</td>
</tr>
</tbody>
</table>

Source: Processed data (PLS, 2022).

### The Hypothesis Test

The R-Square value of the Customer Satisfaction variable is 0.386 or 38.60% which means the variable explained by the variable digital marketing and product quality of 38.60% and the remaining 61.40% explained by other variables not to present in this study. The R-Square value of the Purchasing Decisions variable is 0.563 or 56.30% which means the variable explained by the variable digital marketing, product quality and customer satisfaction of 56.30% and the remaining 43.70% explained by other variables not present in this study.

Hypothesis Testing After evaluating the model using the SEM-PLS approach with the PLS 3.0 analysis tool than the test results are obtained based on the path coefficient and value from Figure 1 and Table 4 below:
The results of processing the PLS data in Figure 3 above are summarized in hypothesis result test in table 4 below:

Table 4. The Hypothesis Test Results

<table>
<thead>
<tr>
<th>Inner Variable</th>
<th>Original Sample</th>
<th>T Statistics</th>
<th>P Values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Marketing on customer satisfaction</td>
<td>0.198</td>
<td>2.737</td>
<td>0.007</td>
<td>Accepted</td>
</tr>
<tr>
<td>Product quality on customer satisfaction</td>
<td>0.641</td>
<td>6.443</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>Digital Marketing on purchasing decisions</td>
<td>0.470</td>
<td>3.313</td>
<td>0.001</td>
<td>Accepted</td>
</tr>
<tr>
<td>Product quality on purchasing decision</td>
<td>0.297</td>
<td>2.376</td>
<td>0.018</td>
<td>Accepted</td>
</tr>
<tr>
<td>Customer satisfaction on purchasing decision</td>
<td>0.252</td>
<td>2.126</td>
<td>0.034</td>
<td>Accepted</td>
</tr>
<tr>
<td>Digital Marketing on purchasing decisions against customer satisfaction</td>
<td>0.225</td>
<td>2067</td>
<td>0.041</td>
<td>Accepted</td>
</tr>
<tr>
<td>Product quality on purchasing decision against customer satisfaction</td>
<td>0.166</td>
<td>1996</td>
<td>0.049</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Source: Processed data (PLS, 2022).

Figure 1 and Table 4 show that Digital Marketing has a significant result on customer satisfaction, which can be seen from 0.007 (supported). Product quality significantly affects customer satisfaction, as 0.000 (supported) indicates. Digital Marketing significantly affects purchasing decisions which 0.001 (supported). Product quality significantly affects purchasing decisions, as 0.018 (supported) indicates. Customer satisfaction significantly affects buying decisions, as indicated by 0.034 (supported). Digital Marketing significantly affects purchasing decisions against customer satisfaction, which is 0.041 (supported). Product quality significantly affects buying decisions against customer satisfaction, as indicated by 0.049 (supported).

DISCUSSION

Correlation between Digital Marketing and customer satisfaction

The study result indicates that Digital Marketing has significant, positive result customer satisfaction. Digital marketing carried out by Shopee is evident from several consumers who feel...
satisfaction of buying the application with ease access information related to a product, and get
to know the product faster and better. This study result correlates with the study result by Bakrie
(2020) and Windarsari et al., (2022), who discovered that digital marketing has a significant impact
on customer satisfaction. However, this finding differs from Fadhli and Pratiwi's (2021) study,
which found that digital marketing does not affect customer satisfaction.

The Correlation between Product quality and customer satisfaction

The study result indicate that product quality has a significant and positive result on
customer satisfaction. The average seller on the Shopee platform is known because the company
is responsible for improving product quality. Consumers assess Shopee as having an overall
product advantage starting from price, packaging, and dosage according to orders. Product
quality is a collection of distinguishing characteristics of goods and services that can satisfy needs
based on an understanding of the combination of long-term use, correctness, dependability, and
maintenance-free. Research result in Ibrahim & Thawil (2019) and Chaerudin & Syafarudin (2021)
found that product quality has a significance to customer satisfaction.

The Correlation between Digital Marketing and Purchasing Decision

According to the study's findings, digital marketing has a significant and positive impact on
purchasing decisions. This condition means that by using digital media in marketing their products
and entrepreneurs on the Shopee application can market their products in a timely, personal and
more relevant manner. The various products offered by the Shopee shopping platform have
different types, quality, product prices. Assessments of the type, quality, the price of products
received by several Shopee consumers, whether appropriate or not in accordance with the
products offered, are separate considerations for potential consumers before making a
purchasing decision. This study's results support those of Laluyan et al., (2019) and Kok et al.,
(2021), who discovered that digital marketing significantly impacts purchasing decisions.

The Correlation between Product Quality and Purchasing Decision

The study's results indicate that product quality significantly impacts consumers'
purchasing decisions. Product quality is related to linearly purchasing decisions. The higher
quality of products offered to consumers in the Shopee application to the public, the higher their
decision to buy those products. Customers who are pleased with the quality of a product will
purchase it again and tell others about their positive experience with the product. This study
results support the results of study Imaningsih & Rohman (2018), Mulasari (2020) and found that
Product Quality with Purchase Decision.

The Correlation between Customer Satisfaction and Purchasing Decision

According to the results of this study, customer satisfaction has a significant and positive
impact on purchasing decisions. Customer satisfaction is related to linear purchasing decisions.
The higher the level of customer satisfaction the seller provides on the Shopee application, the
more likely the purchase decision. A consumer will feel satisfaction if he always gets promising
service when buying a product from a company. If it is related to purchasing decisions, it can be
concluded that every level of consumer feelings and expectations is met, the consumer will
return to buy at the store, and if feelings and expectations are not met, the consumer will buy
elsewhere. Smart companies aim to satisfy customers by promising only what they can deliver,
then delivering more. The results of this study support the findings of Chi (2018) and Dj an &
Adawiyyah (2020), who discovered that customer satisfaction significantly impacts purchasing
decisions.
The Correlation between Digital Marketing, Purchasing Decision and Customer Satisfaction

According to the study results, digital marketing has a significant and positive impact on purchasing decisions compared to customer satisfaction. This condition means that with digital marketing, consumers will find it easier accessing information related to a product, knowing and getting to know the product faster and better. Digital marketing can connect sellers with consumers, and sellers can reach more targeted consumers, and help save marketers' expenses. Digital marketing also allows for greater flexibility, allowing marketers to make continuous adaptations to products to increase purchasing decisions and impact sellers' customer service satisfaction. According to the research results of Hendrawan and Suarjana (2019), viral marketing has a positive and significant impact on customer satisfaction, as well as a positive and significant impact on purchasing decisions.

The Correlation between Product Quality, Purchasing Decision, and Customer Satisfaction

According to the study's results, product quality significantly and positively impacts purchasing decisions compared to customer satisfaction. Purchasing decisions have a linear correlation with quality products. The higher the quality of products offered to the public in the Shopee application, the more likely they are to buy those products. Conversely, quality could be better if the service received is lower than expected. Companies have many aspects that affect consumer purchasing decisions, such as service quality, precisely convenience, speed, and hospitality, which are addressed through customer satisfaction attitudes and characteristics. According to the findings of Pardede and Haryadi (2017) and Cesariana et al., (2022), product quality significantly impacts purchasing decisions, with customer satisfaction serving as a mediator.

CONCLUSION

According to the results and discussion, 1) digital marketing has a significant impact on customer satisfaction; 2) product quality has a significant impact on customer satisfaction; 3) digital marketing has a significant impact on purchasing decisions; 4) product quality has a significant impact on purchasing decisions; 5) customer satisfaction has a significant impact on purchasing decisions; and 6) digital marketing has a significant impact on purchasing decisions.

LIMITATION

The implication of research implemented by Shopee is that it must maintain the quality and quantity of products and services and always keep abreast of the times in society. As well as making artists who are currently viral among the public as brand ambassadors to increase digital marketing through the Shopee application. In addition, Shopee must also develop an attractive and new shopping offer program in online shopping. As well as increasing the resultiveness of the application so that new consumers can access the application easily. Also conducts promotional activities on a regular basis on all social media and national television. In addition, suggestions for future researchers can further develop the variables to be studied, for example: adding brand image, trust, and brand awareness variables, or other variables.

REFERENCES

Ackerman, D. S., & Hu, J. (2017). Assuring me that it is as ‘Good as New’just makes me think about


Imaningsih, E. S., & Rohman, S. (2018). The model of product quality, promotion, price, and
purchase decisions. Jurnal Ekonomi, 23(2).