ANALYSIS OF CUSTOMERS LOYALITY ON ONLINE SHOPPING PLATFORM DURING PANDEMIC COVID-19 (CASE STUDY LAZADA ONLINE SHOPPING PLATFORM)

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Abstract: The objective of this research is to analyze the customer loyalty on online Shopping Platform Lazada. The sample taken are 11 customer of online shopping platform in University of Sam Ratulangi Manado and from the 4 indicator-

INTRODUCTION

Background

At the early 2020 the world is facing the pandemic Covid-19. Pandemic Covid-19 as all we know is a global outbreak that happened in the latest 2019 and begin to enter Indonesia in the early year 2020 and still happen till today but not as unknown and dangerous when it first started and specially our country and also in this era of globalization that makes any kind of information, service and stuff that can be easily to acquired just by accessing the internet and also we can find a lot of e-commerce platform that provide any kind of needs that we have by every kind of variant goods, service, health care and even the legit paper works and also in the world of business retail refer to the Digital 2021 report, internet users in Indonesia in early 2021 reached 202.6 million people. This number increased by 15.5 percent or 27 million people when compared to January 2020. The total population of Indonesia itself is currently 274.9 million people. This means that internet penetration in Indonesia in early 2021 will reach 73.7 percent. It's no wonder that many business people have started to switch to running a business by implementing an electronic commerce model regarding with the pandemic situation that makes people turn their idea from old ways to selling product turn in to online shopping platform. The users of online shopping platforms from 2014 up to 2025 already increase in a fast and steady pace
as well; people eventually tend to use technology more and rely more on the existence of online shopping platform. In addition to the large market potential, it turns out that the e-commerce business also has advantages such as the absence of geographical restrictions, the ease of finding customers, not requiring a physical store they also offer from discount fast, fast delivery, the quality of the product, and any relate ways to build customer trust in this case of research is customer trust according to cheapest price compare to the outlet store that we often found on the streets. According to Bloemer and Kasper (1995), Loyalty is interpreted as true loyalty rather than repeat purchasing behavior, which is the actual re-buying of a brand, regardless of commitment and also to shows the quality of the platform itself from the comments and review from the customer that can be seen by the potential customer. Zeithaml, Berry, and Parasuraman (1996) states loyalty is a multi-dimensional construct and includes both positive and negative responses. However, a loyal customer may not necessarily be a satisfied customer.

This study would like to see the customer loyalty on the online shopping platform especially on Lazada shopping platform that relate to the customer loyalty on the platform itself regarding that platform itself have also big competitor such as Shope, Tokoh Pedia, blibli.com. Zalora also have so many new things to offer to the customers in order to gain more acknowledgment and finally leads to the customer loyalty because in order to become well known online business platform such as Lazada itself there must be sustainability for the company itself which is maintain the loyalty of the company itself by offering what others competitor cannot give to the public.

According to the statistical report of the top 10 most visited e-commerce data in Indonesia, Shopee ranks first with 71.53 million clicks per month in the first quarter of 2020. Apart from Shopee, there are several other e-commerce sites that are frequently visited by users in Indonesia. Tokopedia is in second place with 69.8 million clicks per month during the first quarter of 2020. Bukalapak is in third position with 37.63 million clicks per month, while Lazada Indonesia has 24.4 million clicks per month and Blibli has 17.6 million clicks per month. JD.id, Orami, Bhinneka, Sociolla and Zalora Indonesia received less than 7 million clicks per month during the first quarter of 2020. Unlike traditional commerce, in the settings of e-commerce, one online shopping website often has many competitors; transactions are just one click. As already mention before, there is a few big e-commerce sites that people can find on internet in the globalization era. Also regarding with this enter a new era which is post pandemic era that a lot of online shops specially online platform offer a lot of new interesting ways.

Customers can use and purchase goods and service from their platform by means offering them a an attractive platform, security and comfortable in order to attract more customers and finally to maintain them to stay purchasing throughout their platform such as Lazada online shopping platform by competing with all the big platform so the more people attract on Lazada shopping platform and re-purchase the goods and service. So they can be satisfy by means become customers that loyal on Lazada online shopping platform because the other shopping platform almost have same things to offer such as their security, quality, feedback comments, and also the price it self, so what other shopping platform offer to the people that used to use online shopping platform and the customers that have feelings satisfy on shopping at Lazada and have been a Loyal customers on Lazada itself despite all the satisfaction that Lazada have because the competitors always find a way out to makes the customers specially Lazada customers to moves in to their platform.

It is critical that companies understand how to build customer loyalty in online markets also according to Oliver (1999) Instead, there are three popular conceptualizations: loyalty as primarily an attitude that sometimes leads to a relationship with the brand and off course bring profit the online business platform itself and the final result so based on the background above the problems this study will be conducted in conjunction with the title —The Analysis Of Customer Loyalty On Online Shopping Platform During Pandemic Covid 19.

**Research Objective**

Based on the research problem, this research has several objectives: To know the customer loyalty on Lazada online shopping platform during Pandemic 6 Covid-19.

**THEORETICAL FRAMEWORK**

**Marketing**

Marketing also well known as a activities of a company undertakes to promote the buying or selling of a product, service, or good. It is one of the primary components of business management and commerce. Marketers can direct their product to other businesses (B2B marketing) or directly to consumers (B2C marketing). Regardless of who is being marketed to, several factors apply, including the perspective the marketers will use.
Known as market orientations, they determine how marketers will approach the planning stage of marketing. The marketing mix, which outlines the specifics of the product and how it will be sold, is affected by the environment surrounding the product, the results of marketing research and market research, and the characteristics of the product's target market. Once these factors are determined, marketers must then decide what methods will be used to promote the product, including use of coupons and other price inducements. The term marketing, what is commonly known as attracting customers, incorporates knowledge gained by studying the management of exchange relationships and is the business process of identifying, anticipating and satisfying customers' needs and wants.

Customer Loyalty

This is what Oliver (1997) has in mind when he defines customer loyalty as: —A deeply held commitment to rebuy or patronize a preferred product/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 behavior. Unlike traditional commerce, in the settings of e-commerce, one online shopping website often has many competitors; transactions are just one click away, so it is critical that companies understand how to build customer loyalty in online markets (Tartaglione et al., 2019). Customer loyalty or customer loyalty in enjoying the products and services used, loyal customers will be loyal to the brand, as well as the products and services used. Customer loyalty will have an impact on increasing company profits.

RESEARCH METHOD

Research Approach

The study using qualitative approach with descriptive research design that describe about the customer shopping behavior within university students particularly active students of Faculty economics and business IBA Unsrat. Qualitative research method usually uses descriptive procedures to generate meaning and understanding of phenomenon being studied. In qualitative research open-ended questions are used. According to Creswell (2003), qualitative research is largely inductive, with the inquirer generating meaning from the data collected in the field. Inductive means that a process where we observe specific phenomena and, on the basis, arrive at general conclusions. Therefore, qualitative research methods would be useful in cases where the researcher wishes to gather a general idea from the subjects, the goal is to explore, interpret and describe a situation.

Sampling Technique

In this research, purposive sampling will be used. According to Sugiyono (2007), Purposive sampling is a technique to collect data sample of data sources with some consideration like people who are considered to understand the matter, can be trusted or people who have authority that will make it easier for the researcher to explore the certain object or social situation. Purposive sampling is used when a limited number or category of people have the information that is sought (Sekaran and Bougie, 2013).

Data Collection Techniques

In research, data collection techniques are an important factor for the success of the research. This relates to how to collect data, who the source is, and what tools are used. The type of data source is about where the data is obtained from. Weather data is obtained from a direct source (primary data) or data is obtained from an indirect source (secondary data). According to Saunders, Lewis, and Thornhill (2009:297), data analysis in qualitative research can be done with use interviews and document interviews and provide confirmation of important information that can be presented in the research according to the problem formulated in the research. In detail, the data analysis techniques are as follows:

1. Presenting data from interviews with informant research.
2. Grouping data by providing a marker on answers related to the problem research.
3. Describe all the responses of the research informants
4. Make a summary of the research results based on the informant's response

Primary Data

In this research, the primary data will be gain using in-depth interviews with the respondents. Primary data is the data collected specifically for the research project being undertaken (Saunders, Lewis, and Thornhill,
According to Bless and Higson-Smith (2000), an interview involves direct personal contact with participants who are asked to respond to the questions relating to the research problem. The wealth and quality of data collection depend on the skills of the researcher and the confidence inspired in participants. An in-depth interview is an unstructured one-to-one discussion session between a trained interviewer and a respondent (Hair et al., 2015). In this research, the interviews were held face to face. According to Leedy and Ormrod (2001), interviewing involves much more than asking questions. The questions are well planned and carefully worded to yield the kind of data the researcher needs to answer the research questions.

**Secondary Data**

Secondary data is data collected for some purpose other than the problem at hand (Sekaran and Bougie, 2013). The secondary data are taken from books, journals, and relevant literature from libraries and the internet. These secondary data were used in the background, literature review, research method, and discussion. Another secondary data is taken from the organization's valid data which helps to make sure the accuracy of this research. Data collection techniques in this study use the approach of customer loyalty on Lazada online shopping platform to be examined, which researchers do to extract information from the subject, as well as the experience of the subject, the meanings of the subject's experience. Information from the subject can add knowledge and insight from 33 researchers so that researchers can develop their ability to manage the results of research as an important science. Customer loyalty research is oriented to understand, explore, and interpret the meaning and events, and relationships with ordinary people in certain situations in the current pandemic and before the pandemic period. This is commonly referred to as qualitative research by using observations on the activities of Lazada customer or natural social symptoms based on field reality.

**Data Analysis Method**

Data analysis is the process of systematically finding and compiling data from interviews, observations, and documentation by organizing the data and choosing which are important and which need to be studied, and make conclusions so that it is easy to understand (Sugiyono, 2007: 333-345). The data analysis techniques used in this study are qualitative analysis used by researchers as stated by Miles and Hubberman (Sugiyono, 2007: 204) namely data collection, data reduction, data presentation, and the last step is the withdrawal of co collusion.

1. **Data Collection** is the process where the researcher found information or data from any kind of source such as books, internet website and gather deeper information from the informant.
2. **Data reduction** is a simplification done through selection, focusing, and validity of raw data into meaningful information, thus facilitating the withdrawal of conclusions.
3. **Presentation of data** that is often used in qualitative data is a form of narrative. Data presentations in the form of a set of information that is organized systematically and easily understood.
4. **Withdrawal of conclusions** is the final stage in the data analysis conducted looking at the results of data reduction remains advanced on the formulation of the problem on a goal to be achieved. Data that has been compiled compared to each other to draw conclusions as an answer to existing problems.
RESULT AND DISCUSSION

Respondents or Research Subjects are parties who are used as samples in a study. Respondents of this study were customers of the Lazada Online Shopping Platform. The authors measured the Loyalty of the customers in directly, so the authors conducted direct interviews by giving several questions in writing regarding the formulation of problems in the fields.

The study has one variable that becomes the object of research, namely independent and not bound. The self-contained variable here is Customer Loyalty. Researchers give several questions according to the indicators of the problem and the purpose of the research by conducting a live interview. The results of this study discuss customer loyalty on online shopping platform on Lazada, by conducting research directly in the field. To see the customers loyalty on the platform itself past Pandemic Covid-19.

After conducting research through interviews directly to the customers, the author has given some written questions and open interviews to the respondents related to the formulation of existing problems and has been consulted back to active students of university of Samratulangi. Here are the questions and answers from each respondent

Interview Result

Informant 1
The types of products purchased by Lazada customers are in the form of clothing (customers tend to use frequently) and have used the Lazada online shopping platform since February 2021 or 1 year. The frequency of purchases and transactions made in a month is one to two times a month (customers are willing to return to use the services). Also, customers want to reuse existing services at Lazada (customer are not interested in switching) in terms of customer interest, they find a few obstacles because often Lazada does not have many choices like other online shopping platforms (customers will provide positive information-customer will recommend to others). Still, the respondents as Lazada users themselves will provide good information both in terms of the quality and security of this platform itself, in accordance with the services obtained by the respondents themselves as Lazada customers, the respondents also gave suggestions so that Lazada itself can provide more offers in the form of promos to its users because they see what other competing platforms have to offer who are engaged in the same thing, namely online shopping platforms.

Informant 2
The type of product purchased by the respondents themselves is a motorcycle helmet (customers tend to use service frequently) and has used Lazada as an online shopping platform for almost 2018 of purchasing 2 to 5 items per month (customers are), willing to return to using the service) will also of course continue to use Lazada as an online shopping platform in the future (customers will give positive information to others - customers will recommend to others). And from that the respondents themselves as customers of Lazada will provide good information and recommend shopping at Lazada as a place for online shopping that is trusted and has good service quality from social media and direct talks with friends.

Informant 3
The types of products purchased by the respondents themselves as customers from Lazada online stores in the form of clothing and cellphone accessories (customer send to use service frequently) respondents have also used the online Lazada online shopping platform for more than one year, and the frequency of purchases starts once a month ( customers willing to return to using the service) also respondents themselves will return to using services from lazada only if there is something to buy (customers are not interested in switching) and from the respondents themselves they have not found anything that reduces interest in switching from online Lazada customers shopping platform to other online shopping platforms (customers will give positive information to others – customers will recommend to others) Also respondents themselves might recommend Lazada as a place to shop online because so far the goods ordered from Lazada have always met expectations from Lazada response content as a Lazada user itself.

Informant 4
Types of goods purchased by the respondents themselves in the form of clothing (customers tend to use service frequently). Respondents themselves have used Lazada as an online shopping platform for 4 years with a frequency of purchases in a month 3 times (customers are willing to return to use the service) respondents also
available again using services from lazada because they have needs that can be found in Lazada (customers are not interested in switching), Customers also have an interest in other online shopping because Lazada offers fewer discounts for buyers, buying the goods themselves (customers will give positive information to others – customers will recommend to others), but respondents will give references to other people to use Lazada as a place to shop online because what they feel from Lazada's service itself is very satisfying.

Informant 5
The types of goods purchased by respondents are T-shirts, pants, and games (customers tend to use service frequently). Respondents have used Lazada as a new place to shop in the form of 2 months but with a frequency of purchasing 2 times a month (customers are willing to return to use the service). Respondents already use Lazada as a new shopping place every month, but with a purchase frequency of 2 times (customers are not interested in switching) and plan to become loyal users because the discounts or promos offered are quite a few (customers will give positive information) to others – customers will recommend to others) Yes respondents are willing to provide good information about Lazada.

Informant 6
The types of goods purchased by respondents are Sepatis and Clothes (customer tend to use service frequently) and have used Lazada as an online shopping platform for 2 years with a rare frequency (customers are willing to return to use the service) because it makes it easier to find items that i want (customers not interested to switch) because of the difference in shipping costs with other platforms (customers will give positive information to others - customers will recommend to others) surely because the Lazada platform itself can improve the economy in Indonesia, especially in Manado.

Informant 7
Customers have been using Lazada as a place to shop for 3 years and (customers tend to use service frequently) with the number of possible transaction frequencies only once a month (customers are willing to return to use the service) because there are some items that they need (customers are not) interested to switch) customers themselves will use other platforms because they involve promos that do not feel suitable to be compared to other platforms (customers will give positive information to others - customers will recommend to others) because of both the services and products offered by Lazada is so good.

Informant 8
(customers tend to use service frequently) respondents themselves have been using lazada as an online shopping platform for 1 year with a frequency of 3 to 4 items a month (customers are willing to return to use the service) not interested to switch) until now customers are not interested in switching to online shopping platforms because until now i am still comfortable and a priority (customers will give positive information to others - customers will recommend to others) yes, customers will provide good information to others regarding services on Lazada

Informant 9
For goods that have been purchased at Lzada itself in the form of clothes (customers tend to use service frequently) have also used Lazada as an online shopping platform for 2 years with a purchase frequency of 1 to 2 times a month (customers are willing to return to use the service) respondents are also willing to reuse online shopping platform services in the future (customers are not interested in switching) customers are also willing to become customers on other online shopping platforms because some of the items they are looking for cannot be found in Lazada (customers will provide positive information to others – customers will recommend to others) in terms of recommendations, respondents are willing to provide good information regarding Lazada

Informant 10
For goods purchased by respondents at Lazada in the form of health products and clothes (customers tend to use service frequently) with a purchase frequency of 1 time a month with a total duration of using the Lazada application for 5 years (customers are willing to return to use the service) as well Providing future use of Lazada (customers not interested to switch) respondents also use other online shipping because sometimes the goods received at lazada do not match what is shown in the application (customers will give positive information to
Informant 11
The type of goods purchased by the respondents themselves are in the form of clothes and jeans (customers tend to use service frequently) with the duration of using the lazada application itself for 2 years with a purchase frequency of 7 times a month (customers are willing to return to use the service) as well services and will use Lazada in the future (customers a not interested in switching) according to respondents he does not want to move to other online shopping because of the services provided by lazada which are considered easy (customers will provide positive information to others – customers will recommend to others) of course the respondent will give recommendations to other friends because what is felt by the respondents themselves is in the form of satisfactory and good service.

Discussion
Table 1. Coding Categorizing

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Informant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers tend to use services frequently</td>
<td>Time Using Lazada</td>
<td>1,5,8</td>
</tr>
<tr>
<td>1 Years</td>
<td>3,6,9,11</td>
<td></td>
</tr>
<tr>
<td>2 Years</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>3 Years</td>
<td>2,4</td>
<td></td>
</tr>
<tr>
<td>4 Years</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>5 Years</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>6 Years</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Purchasing of item frequency in a Month</td>
<td>3,7,10</td>
<td></td>
</tr>
<tr>
<td>1 Item</td>
<td>1,2,3,4,6,7,8,9,10,11</td>
<td></td>
</tr>
<tr>
<td>2 Item</td>
<td>1,5,9</td>
<td></td>
</tr>
<tr>
<td>3-5 Item</td>
<td>4,8</td>
<td></td>
</tr>
<tr>
<td>4-6 Item</td>
<td>2,11</td>
<td></td>
</tr>
<tr>
<td>More than 7 Item</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Customers are willing to return to use the services</td>
<td>Yes</td>
<td>1,2,3,4,6,7,8,9,10,11</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Customers are not interested in switching</td>
<td>Yes</td>
<td>1,2,3,5,8,10,11</td>
</tr>
<tr>
<td>No</td>
<td>4,6,7,9</td>
<td></td>
</tr>
<tr>
<td>Customers will provide positive information to others customers and will recommend to others</td>
<td>Yes</td>
<td>1,2,3,4,5,6,8,9,10,11</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td></td>
</tr>
</tbody>
</table>

Source: Data Processed

Customers Tend To Use Services Frequently
Customer Loyalty is a customer’s commitment to repurchase or repurchase a preferred product or service in the future even though the influence of the situation and marketing efforts have the potential to cause customers to switch (Kotler and Keller, 2016). Five indicators of loyal consumers are: Customers tend to frequently use Lazada services. Customers are willing to return to using services from Lazada. Customers are not interested in switching to another online store. Customers will provide positive information to others about Lazada; and Customers will recommend Lazada to others.

Customers Are Willing To Return To Use The Services
As we can see the the result of the interview and the coding categorizing all of the customer are willing to return to use the service at Lazada itself and there is only one respondent which is respondent 5 that not have the same answer because he only in using for 1 year with item purchasing in total is 2 item in a month compare with the others.
Customers Are Not Interested In Switching

In the switching of the loyalty itself in this research is 7 respondent willing to stay on this platform willing to stay loyal on this platform because of the service that they perceived the good quality, the security, and the satisfaction on the product that they received

Customers Will Provide Positive Information To Others And Customers Will Recommend To Others

And all of the respondent itself feels good about the service and they received so they can be agent of marketing for this platform itself without Lazada pay money to them

CONCLUSIONS AND RECOMMENDATION

Conclusion

1. Based on the qualitative result of Customer loyalty on online shopping platform lazada the customer have consumer behavior they we can see from the average time in using the platform and the numbers of items that they purchase in a month also with the feedback that they gave from the loyalty, and they have because of the service that the platform itself gave from the product and the security as we can see from the answer customer will most of the user will be an active user of Lazada in the future day and also there is a few respondent that shows that they do not interest on the Lazada online shopping platform because the promotion and the price that the platform give to the customer compare with the others platform give.

2. But if can see from the data the most longest in time using the platform itself is 5 years till today if the author see that Lazada shows up in the public since 2012 with a good track record that compete with shoppe, Tokohpedia and others big platform but the customer especially the sample we can see they stay loyal with the lazada even Lazada did not give a bigger discount like them

Recommendation

There are recommendations based on the result of this research conducted:

1. Increasing profit in digital business it is very important for Yutube itself they have to considered comfortability of their customer itself even they they offering there is a way to specially the discount.

2. Along with the development of technology, various things that include campaign so people can see and build a strong brand in to their mind so they attractive to this platform.

3. Keep maintain their service because if they give too much discount it also can be danger for their platform, and it can be directly affect the profit, and also the retail store will think twice to use Lazada as their platform

REFERENCES


