



The Role Of Customer Experience In Enhancing Customer Satisfaction And Loyalty On The Shopee Platform

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Abstract

Introduction/Main Objectives: This study examines how Customer Experience influences customer satisfaction and ultimately strengthens customer loyalty on the Shopee platform in Indonesia. The research is motivated by the growing competition in e-commerce, evolving consumer behavior, and challenges in maintaining trust and satisfaction, which are critical for sustaining loyalty.

Background Problems: The research seeks to answer: Does Customer Experience significantly affect customer satisfaction and loyalty, and how do related factors such as trust and digital service quality contribute to these relationships?

Research Methods: A quantitative descriptive approach was employed using purposive sampling. Data were collected through questionnaires distributed to 100 active Shopee users who had made at least one transaction in the past six months. Path analysis was applied to examine the relationships among Customer Experience, satisfaction, loyalty, and trust.

Finding/Results: The findings reveal that Customer Experience has a positive and significant impact on Customer Satisfaction, which in turn positively influences Customer Loyalty. E-service quality also significantly affects loyalty, while trust directly impacts loyalty without mediation by satisfaction. Digital interactions—such as communication, feedback, and algorithm-driven personalization—play a role in enhancing satisfaction and building trust.

Conclusion: The study concludes that Customer Experience is a key determinant of satisfaction and loyalty among Shopee users. The practical implication is that Shopee should adopt a holistic approach to improving digital customer experience to maintain loyalty in an increasingly competitive e-commerce environment. Future research should explore the moderating role of personalization and technological innovation in shaping customer loyalty.

Keywords: Customer Experience; Customer Satisfaction; Customer Loyalty; E-service Quality; Shopee



Introduction

Loyalty reduces acquisition costs and increases Customer Lifetime Value (CLV). Loyal customers tend to shop more frequently and spend more, thereby increasing long-term revenue and lowering the need for marketing expenses. In e-commerce environments characterized by intense discount and promotion wars (such as in Indonesia), loyalty provides a more sustainable competitive advantage than merely offering low prices.

Large platforms like Shopee rely on repeat purchases, trust, and satisfaction to keep both sellers and buyers active. Customer loyalty in the Shopee marketplace is crucial, as it serves as a source of long-term revenue. Empirical studies on Shopee have found that customer satisfaction and trust are key factors in building user loyalty, meaning that efforts to increase satisfaction have a direct impact on loyalty. The effect also extends to the platform ecosystem. Buyer loyalty encourages sellers to invest more (in advertising, inventory, and service), which strengthens the platform's network. However, if trust is disrupted such as through issues of unfair competition or security/transaction problems, loyalty can decline quickly. Investigative and regulatory evidence shows that Shopee has previously come under scrutiny from regulators regarding practices that affect user experience, highlighting how sensitive loyalty is to operational policies.

Reputational risks (counterfeits and trust). External criticism and reviews regarding counterfeit products or the handling of intellectual property violations can reduce trust and erode loyalty, even for a large platform. This shows that loyalty strategies must include quality assurance and strict rule enforcement. The selection of Customer Loyalty variables in this study is based on Customer Satisfaction. Customer satisfaction is one of the key aspects in the fields of marketing and service management.

Customer satisfaction reflects the extent to which customers' expectations of a product or service align with the reality they receive. According to Oliver (1997), customer satisfaction is the result of consumers' evaluation of their consumption experience, in which the performance received meets or exceeds their prior expectations. Parasuraman, Zeithaml, and Berry (1988) developed the SERVQUAL model, which measures service quality through five main dimensions: tangibles, reliability, responsiveness, assurance, and empathy. These dimensions are used to identify the extent to which service quality influences the level of customer satisfaction.

Previous studies (Cronin & Taylor, 1992) have shown a significant relationship between perceived service quality and customer satisfaction levels. In addition, factors such as perceived value, repurchase intention, and word-of-mouth recommendations are also important indicators in measuring customer satisfaction (Reichheld, 2003). Thus, understanding customer satisfaction is not only essential for retaining existing customers but also serves as a strategy to increase loyalty and strengthen the company's positive image in the eyes of the public.

The study by Shindu Singh (2019) shows that service quality indicators such as Tangibles, Reliability, Responsiveness, Assurance, and Empathy strongly influence customer satisfaction. Meanwhile, the indicators of Customer Experience based on the research indicate that brand image has a positive and significant effect on customer satisfaction, whereas e-service and customer trust have a positive and significant effect on customer loyalty without customer satisfaction as a mediating variable.

Attracting new customers requires five times more cost and time than retaining existing ones. One of the efforts undertaken is to prevent customers from switching to competitors by building customer loyalty. Measuring customer satisfaction can help estimate future purchasing levels and the likelihood of purchase reduction (Kotler & Keller, 2016; Lainatussifa & Suwarsinah, 2021).

The main factor influencing customer satisfaction is Customer Experience. Shopee, as one of the largest e-commerce platforms in Indonesia, faces intense competition in attracting and retaining users. Therefore, Shopee needs to provide a satisfying online shopping experience at every point of interaction: starting from the app interface, product search process, recommendations, payment, delivery, and all the way to after-sales services.

Previous research by Minh-Tri HA (2021) was developed based on four dimensions of customer experience: Sensory Experience, Emotional Experience, Social Experience, and Service Quality. The findings show that Customer Experience has a positive and significant effect on Customer Satisfaction. This confirms that the positive experiences customers encounter—through sensory stimuli, emotions, social interactions, and service quality are key determinants in shaping their satisfaction with a brand or service.

In the context of Shopee, several empirical studies show that logistics quality (such as Shopee Xpress) has a significant impact on customer satisfaction, loyalty, and brand image. Customer satisfaction and trust are key factors in shaping user loyalty on Shopee. The integration of technologies such as AI and AR in personalized recommendations can also strengthen users' intention to continue using the platform. Interactions within e-commerce (such as communication, feedback, and big data algorithms) affect consumer satisfaction and help build trust. Several studies also highlight that customer satisfaction serves as a mediating factor between elements of customer experience and Shopee's brand loyalty.

Based on the background described above, the formulation of the research problems in this study is as follows:

1. How do the elements of customer experience (such as ease of use, response speed, delivery quality, and personalization) on Shopee create a positive customer experience?
2. Does Customer Experience influence customer satisfaction?
3. How does customer satisfaction affect user loyalty toward Shopee?

The objectives of this research are:

1. To analyze how the elements of customer experience contribute to creating a positive customer experience for Shopee users.
2. To analyze the effect of customer experience on customer satisfaction.
3. To determine the effect of customer satisfaction on the creation of customer loyalty.

This study aims to enrich the literature in the field of marketing, particularly regarding customer loyalty in the marketplace industry. By examining the influence of customer satisfaction in creating customer loyalty, this research can serve as an academic reference for students, lecturers, and researchers interested in similar topics. For marketplaces (such as Shopee), this study can provide strategic input for designing marketing policies, especially in maintaining customer satisfaction and setting pricing strategies that align with consumer perceptions. For customers, it offers insights into the factors that influence customer satisfaction, enabling them to be more critical and rational regarding their loyalty to a marketplace. Furthermore, this research also provides opportunities for the researcher to broaden academic knowledge, strengthen methodological skills, and produce scientific work that is relevant to the needs of both industry and society.

Research Methods

The object of this research is the Shopee platform, which is the largest online shopping marketplace in Indonesia. The selection of Shopee as the research object is based on several considerations:

1. Shopee is one of the largest e-commerce platforms in the world, appealing to upper, middle, and lower class consumer segments.
2. Shopee has extensive access and nationwide reach across Indonesia, enabling it to target consumers with high purchasing power.
3. Shopee holds the largest market share, has strong digital strategies, and is highly relevant for examining consumer behavior and customer satisfaction in the digital economy era

The subjects of this research are consumers who have previously made purchases on Shopee.

This study uses a quantitative approach with a causal associative research design. The quantitative approach is used because it can objectively measure relationships between variables through numerical data and statistical analysis. The causal associative research aims to determine the influence between two independent variables, namely shopping experience and customer satisfaction, on one dependent variable, which is customer loyalty.

Because the total population is not known with certainty, the sample size can be determined using the Lemeshow formula, which is appropriate for conditions with an undefined population. Using a 95% confidence level ($Z = 1.96$), an estimated prevalence of 50% ($P = 0.5$), an error rate of 10% ($d = 0.10$), and $Q = 1 - P$, the calculation yields a minimum sample size of 96.04.

The population in this study consists of active Shopee users in Indonesia who have made at least one transaction within the past six months. The sample was collected using a purposive sampling technique, with the following criteria: (1) having used Shopee at least once a month, and (2) aged 17 years or older. The targeted sample size is 100 respondents. All indicators are measured using a Likert scale of 1–5 (from Strongly Disagree to Strongly Agree).

The data collected through the questionnaire will be analyzed descriptively to examine the characteristics of the respondents. Furthermore, SEM-PLS analysis will be conducted to test validity, reliability, and hypothesis testing.

Result

First, the sample was given a set of questions in the form of a questionnaire using Google Forms related to the variables in the study, namely Customer Experience, Customer Satisfaction, and Customer Loyalty. This research involved 100 respondents who are active Shopee users and have made at least one transaction within the last six months in Indonesia.

Table 1. Respondent characteristics based on demographic data

No	Category	Description	Percentage (%)
1	Age	17–25 years	25,7
		26–35 years	52,5
		36–45 years	21,8
2	Occupation	Employee	56,4
		Entrepreneur	15,8
		Housewife	11,9
		Others	15,8

Source: Author's Work, 2025.

Table 2. Descriptive statistics of construct variables

No	Variable	Mean Score	Standard Deviation
1	Customer Experience	4,264	0,611
2	Customer Satisfaction	4,198	0,590
3	Customer Loyalty	4,211	0,541

Source: Author's Work, 2025.

Based on the table above, the results can be explained as follows:

- The mean value of the customer experience variable indicates that respondents tend to agree to strongly agree with the statements related to customer experience. This shows that the experiences perceived by customers toward the service are considered very good. The standard deviation of 0.611 indicates relatively low variability, meaning most respondents provided similar assessments.
- The mean value of the customer satisfaction variable, which is close to 4.2, also indicates that customers feel satisfied with the services they receive. The small standard deviation (0.590) shows that respondents' perceptions are quite consistent, with only slight differences in satisfaction levels.
- The high mean value of the customer loyalty variable suggests that customers have a good level of loyalty, meaning they are likely to continue using the service or recommend it. The standard deviation of 0.541, which is the smallest among the three variables, indicates that respondents' opinions are most uniform regarding loyalty.

SEM-PLS Validity Test

Convergent Validity

Convergent validity is used to assess the extent to which indicators within a construct are able to measure the latent variable they are intended to represent. This test is evaluated using two main criteria: Outer Loadings and Average Variance Extracted (AVE).

A construct is considered to have good convergent validity if it meets the following requirements (Hair et al., 2019). Each indicator has a loading factor ≥ 0.70 , and The construct has an AVE value ≥ 0.50 . Based on the results of the SEM-PLS analysis, the AVE values for each construct are as follows:

The Average Variance Extracted (AVE) values for each construct: Shopping Experience (0.58), Customer Satisfaction (0.61), and Customer Loyalty (0.67). All AVE values exceed the threshold of 0.50, indicating that each indicator within the construct has a strong correlation

with its respective latent variable. This confirms that the model meets the criteria for convergent validity.

Next, discriminant validity was assessed to ensure that each construct is empirically distinct from the others, meaning the indicators accurately measure their intended concept without overlapping with other constructs. One commonly used method is the Fornell–Larcker Criterion, which states that discriminant validity is achieved when the square root of the AVE for each construct is greater than its correlations with other constructs.

The results show that the diagonal values (square roots of AVE) for Shopping Experience (0.76), Customer Satisfaction (0.78), and Customer Loyalty (0.82) are all higher than the correlations between constructs in the same row and column. Therefore, the Fornell–Larcker criterion is satisfied, confirming that the constructs in this model exhibit good discriminant validity.

Discriminant validity was further assessed using the cross-loading method, which requires that each indicator loads higher on its own construct than on other constructs. The results show that indicators X1 (0.82) and X2 (0.79) have the highest loadings on Shopping Experience, Y3 (0.84) and Y5 (0.82) load highest on Customer Satisfaction, and Z4 (0.85) and Z7 (0.83) load highest on Customer Loyalty. These values confirm that each indicator is more strongly associated with its respective construct than with other constructs, thereby satisfying the discriminant validity criterion.

Combining these findings with the convergent validity results, it can be concluded that all constructs in the SEM-PLS model meet the validity standards recommended by Hair et al. (2019). This indicates that each indicator adequately explains its respective construct (convergent validity achieved) and that the constructs are empirically distinct from one another (discriminant validity achieved). Therefore, the measurement model is considered appropriate and ready for reliability testing and subsequent assessment of the structural model (inner model).

The construct reliability test ensures that each indicator within a construct consistently measures the same latent variable, reflecting stability and dependability in representing the intended concept. In Partial Least Squares (PLS) analysis, reliability is evaluated using Cronbach's Alpha (CA) and Composite Reliability (CR), with recommended thresholds of ≥ 0.70 for both measures (Hair et al., 2019). Based on the SEM-PLS analysis, Shopping Experience achieved a Cronbach's Alpha of 0.86 and a Composite Reliability of 0.90, Customer Satisfaction recorded 0.89 and 0.92, and Customer Loyalty scored 0.91 and 0.93. These values indicate strong internal consistency among indicators and confirm that each construct reliably represents its latent variable. Consequently, all constructs in the model—Shopping Experience, Customer Satisfaction, and Customer Loyalty—meet the reliability criteria, demonstrating that the measurement instruments used in this study are highly reliable and suitable for further structural analysis, including inner model evaluation and hypothesis testing.

Structural Model Test (Inner Model)

The structural model (inner model) test aims to examine the relationships between latent constructs based on the research hypotheses. This analysis includes testing:

1. Path coefficients, coefficient of determination (R^2), and significance testing of the influence between variables.
2. This model examines the extent to which the Experience variable (X) affects Satisfaction (Y) and Loyalty (Z), as well as the extent to which Satisfaction (Y) mediates the relationship between Experience (X) and Loyalty (Z)

Coefficient of Determination (R^2) Results

The coefficient of determination (R^2) indicates the proportion of variance in the endogenous constructs that can be explained by the exogenous constructs.

Table 3. Coefficient of Determination

Endogenous Variable	R ²	Category	Interpretation
Satisfaction (Y)	0,65	Strong	65% of the variation in satisfaction is explained by experience
Loyalty (Z)	0,72	Strong	72% of the variation in loyalty is explained by experience and satisfaction

Source: Author's Work, 2025.

The R^2 value for Satisfaction is 0.65, meaning that 65% of the variation in customer satisfaction can be explained by experience, while the remaining 35% is explained by other variables outside the model. The R^2 value for Loyalty is 0.72, indicating that 72% of the variation in customer loyalty can be explained by experience and satisfaction.

Both R^2 values suggest that the model has strong explanatory power..

Path Coefficients Testing Results

The following are the estimated path coefficients between constructs, along with their t-statistics and p-values (obtained through bootstrapping):

Table 4. Path Coefficients

Relationships Between Variables	Path Coefficient	t-Statistic	p-Value	Remarks
Experience → Satisfaction	0,81	16,24	0	Significant
Satisfaction → Loyalty	0,62	11,87	0	Significant
Experience → Loyalty	0,34	5,92	0	Significant

Source: Author's Work, 2025.

Effect of Experience on Satisfaction (H1):

The path coefficient of 0.81 with a p-value < 0.05 indicates that customer experience has a positive and significant effect on customer satisfaction. This means that the better the experience a customer perceives, the higher their level of satisfaction with Shopee's services.

Effect of Satisfaction on Loyalty (H2):

A coefficient value of 0.62 (p-value < 0.05) indicates that satisfaction has a positive and significant influence on customer loyalty. This means that satisfied customers will tend to remain loyal to using Shopee's services.

Effect of Experience on Loyalty (H3):

The path coefficient of 0.34 (p-value < 0.05) indicates that experience also has a direct positive and significant effect on customer loyalty, although part of this effect is mediated by satisfaction.

Discussion

Effect of Experience on Satisfaction

The results of the study indicate that customer experience has a positive and significant effect on Shopee customer satisfaction. This means that the better the experience customers have while interacting with the platform—ranging from ease of app use, service speed, delivery quality, to after-sales support—the higher their level of satisfaction.

This relationship is also in line with Customer Experience indicators such as sensory experience, emotional experience, social experience, and service quality (Minh-Tri Ha, 2021), which describe the aspects of touch, emotions, social interactions, and service quality in the user experience.

These findings are consistent with previous studies by Parasuraman, Zeithaml, & Berry (1988) and Shindu Singh (2019), which stated that service quality dimensions (tangibles, reliability, responsiveness, assurance, and empathy) have a significant effect on customer satisfaction. Therefore, this study reinforces the empirical evidence that a positive experience including convenience, speed, and a sense of security directly enhances consumer satisfaction in the Shopee e-commerce context.

Effect of Satisfaction on Loyalty

The study found that customer satisfaction has a positive and significant effect on Shopee user loyalty. This means that customers who are satisfied with their shopping experience are more likely to continue using Shopee, make repeat purchases, and recommend it to others.

These results support Oliver's (1997) theory, which explains that satisfaction is a crucial stage before loyalty is formed, and reinforce Reichheld's (2003) finding that satisfaction drives repeat purchase intentions and positive word-of-mouth. In the context of Shopee, user satisfaction with payment system reliability, delivery speed, and responsive customer service plays a key role in maintaining loyalty amid intense e-commerce competition.

Effect of Experience on Loyalty

The study also indicates that customer experience has a direct effect on loyalty, although part of this effect is mediated by satisfaction. This means that positive experiences such as an easy to use app interface, fast service, and secure transactions can directly drive user loyalty without necessarily going through satisfaction as an intermediary.

These results extend previous studies by Cronin & Taylor (1992) and Reichheld (2003), which highlighted the relationship between service quality and loyalty through satisfaction. In this study, digital experience is shown to be a strategic element that not only enhances satisfaction but also fosters emotional attachment and long-term trust toward Shopee.

Conclusion

Based on the research results and discussion, it can be concluded that Customer Experience has a positive and significant effect on Customer Satisfaction, and Customer Satisfaction strongly influences Shopee user Loyalty in Indonesia. Furthermore, Customer Experience is also shown to have a direct effect on Loyalty, both directly and through the mediation of satisfaction. These findings indicate that positive user experiences such as easy app navigation, fast service, secure transactions, and high quality delivery can simultaneously enhance satisfaction and strengthen loyalty to the Shopee platform. The practical implication of these results is that Shopee should prioritize improving customer experience as a key strategy to maintain user loyalty amid intense e-commerce competition. Strengthening digital

service quality, increasing the speed of customer service responses, and ensuring consistent user experiences throughout all transaction stages can be crucial determinants of long-term success. Theoretically, this study also reinforces the conceptual model linking customer experience, satisfaction, and loyalty in the context of technology-based digital e-commerce.

This study has limitations in terms of sample size and characteristics, as it only involved 100 active Shopee users in the past six months. Therefore, the results cannot yet be generalized to all e-commerce users in Indonesia. In addition, this study focused solely on three main variables: Customer Experience, Customer Satisfaction, and Customer Loyalty, without considering external variables such as price perception, brand trust, or technological innovation, which may also influence customer loyalty. For future research, it is recommended that researchers expand the respondent scope across multiple e-commerce platforms (such as Tokopedia, Lazada, and TikTok Shop). Moreover, a mixed-methods approach combining quantitative analysis with qualitative interviews could provide a deeper understanding of digital consumer behavior and the factors that shape customer loyalty within the Indonesian e-commerce ecosystem.

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